

University of Gloucestershire - Sustainable Procurement Guidance

Purpose and Context

This guidance is intended to be a user-friendly ‘how to’ tool for Contact Managers and Buyers at the University. It will help you to understand what sustainable procurement is, what the key issues are in your area, and how you can put it into practice when making procurement decisions and as part of contract tender processes.

The University is an acknowledged sector leader in sustainability and is proud of its progressive approach to improving sustainability practice and enabling staff and students to contribute to these goals. Responsible procurement is critical, not just to increase the University’s positive impact. It also sends business-to-business signals to our suppliers and partners, about our priorities and how we view responsible trade in our day-to-day work.

The University’s *Strategic Plan 2017-22* positions Sustainability as a key enabler for achieving its core strategic goals. The Strategic Plan states: **(NOTE: TEXT FROM STRATEGY DRAFT – TO FINALISE)**

“The University is proud of its established strategic commitment to sustainability and is internationally recognised for its leadership and innovation in this area. Our sustainability work connects across our academic activities, business operations, public outreach and the entire student experience.”

“Sustainability is a corporate improvement priority - it is our duty as a responsible employer to address impacts, create value and maximise benefits for our staff, students and wider communities.”

The University’s *Sustainability Strategy 2017-22* outlines the institutional commitment to responsible procurement within core business operations. Key goals in this area include:

(TEXT TO ADD FOLLOWING SDC MEETING & ONCE IMPROVEMENT TARGETS AGREED)

Achieving our sustainable procurement objectives is an essential component of our institution-wide commitment to maintain ISO 14001: 2015 accreditation, which underpins our organisational goals in ensuring responsible governance across the University’s supply chain and commercial partnerships.

The University’s *Procurement Strategy 2016-18* considers sustainable procurement as ‘business as usual’ and has clear objectives and actions for implementation. This guidance and the associated training and support for staff will help the University to meet its objectives in this area.

This Guidance supersedes the procurement elements of the ‘Procurement Guide – Social and Environmental Value, 2015’ and takes account of the University’s Equality and Diversity policy.

What is sustainable procurement?

Sustainable procurement is about considering the financial, environmental and social impacts throughout the process of sourcing and buying goods, services and works. It is also important that specific opportunities are used for raising awareness and demonstrating good performance.

A procurement exercise can be considered 'sustainable' when:

- purchasing needs have been assessed and best value for money has been achieved
- environmental and social impacts have been understood and negative impacts reduced as far as possible; and
- opportunities to enhance positive reputation and promote education have been factored in.

The diagram below shows that sustainable procurement considers four elements equally. A procurement decision is not sustainable unless all have been embedded into the process. This Guidance considers all of these four elements: Financial; Environmental; Social; and Reputational and Educational.

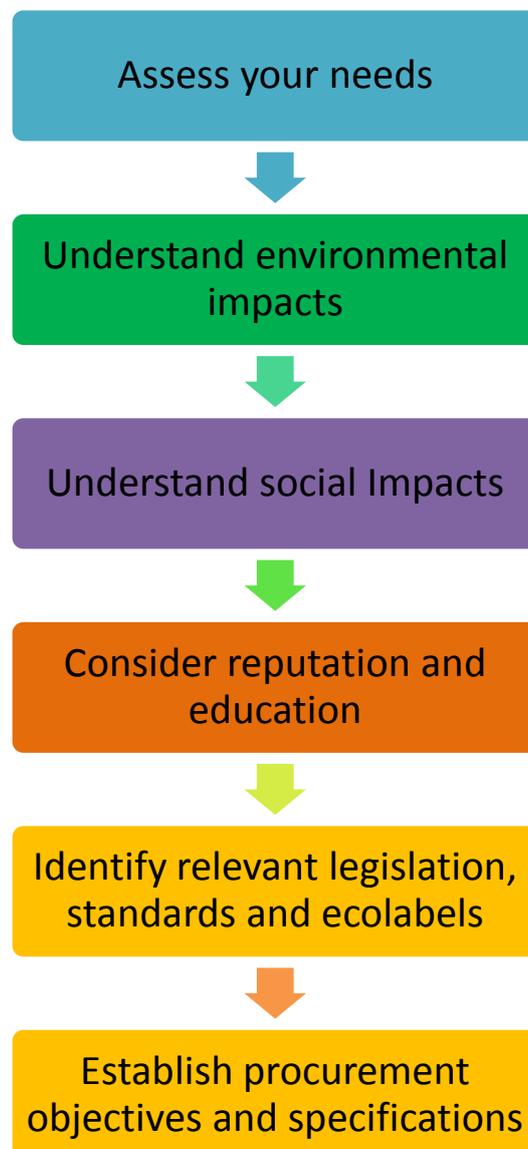


Putting sustainable procurement into practice

In order to make sustainable procurement decisions you first need to think carefully about what you actually need, in what quantity and the most sustainable way you can source it.

You then need to understand the environmental, social and ethical impacts of the product or service you are procuring. This will allow you to ask suppliers relevant questions and set appropriate objectives, standards and specifications that reduce these impacts.

This Guidance will support you to take the following steps:



Staff involved with procurement should consider the following key principles:

Overall consumption should be minimised wherever possible

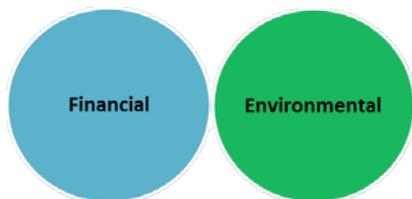
Suppliers need to meet legal requirements

Environmental impacts resulting from use of resources, generation of waste, use of energy and pollution should be reduced as far as possible

Minimum standards for worker's rights in the supply chain must be met and wider ethical issues should be considered

Procurement decisions should consider reputational effects and set a positive example to students, staff visitors and partners.

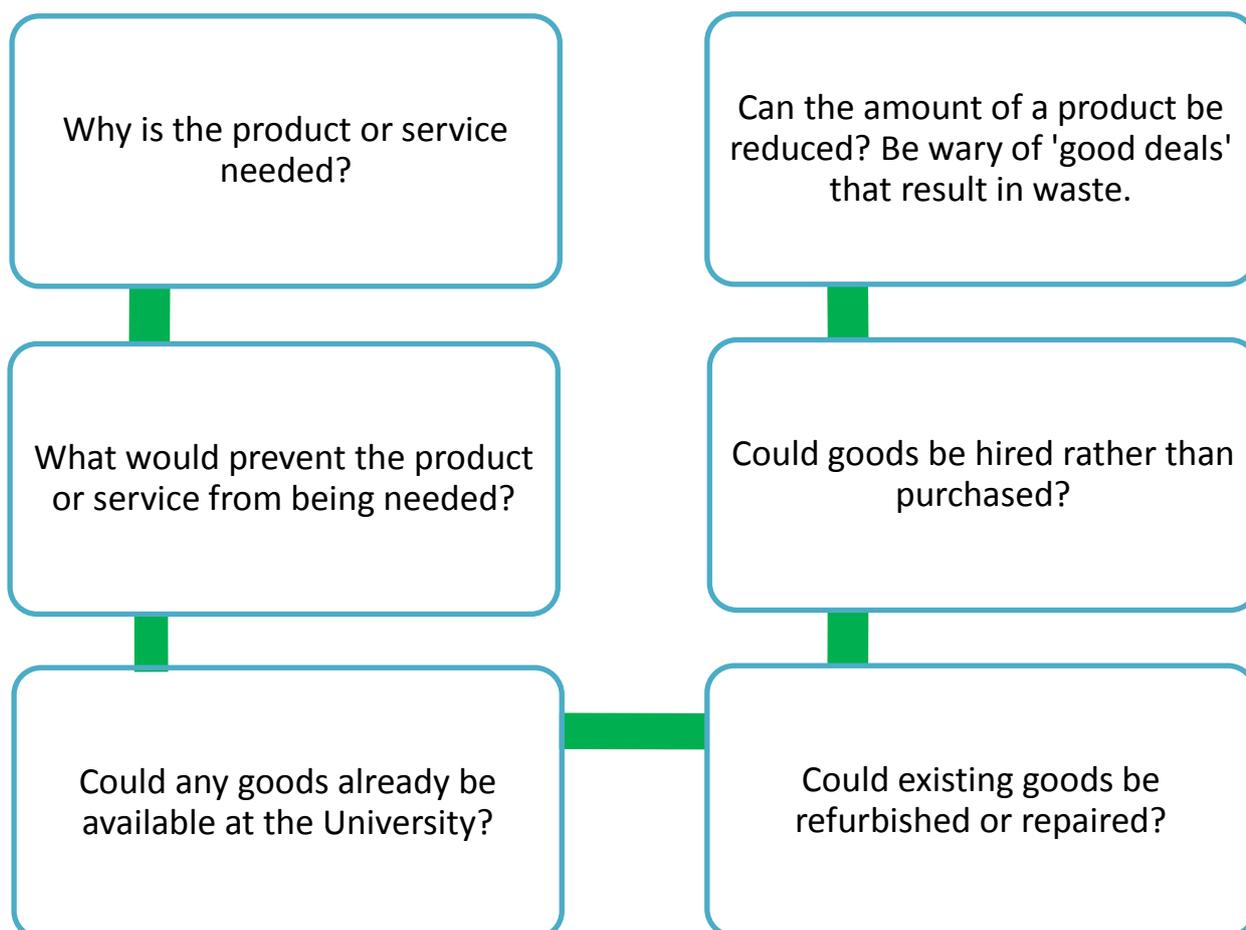
Needs review



Undertaking a needs review will allow you to reduce overall consumption. This is the best option financially and environmentally.

Undertaking a review of your needs is an important step in reducing consumption and sourcing the best value product or service, which has minimal environmental impact. You may be able to avoid a product or service being purchased in the first place, e.g. choosing teleconference or skype over travelling to a meeting, or by hiring or refurbishing goods.

Consider the following questions when you review the need for a product or service:



Understanding environmental impacts



Environmental impacts resulting from use of resources, generation of waste, use of energy and pollution should be reduced as far as possible. There are a wide range of environmental impacts that may occur throughout the supply chain of a product.

Climate Change resulting from human activities is a major threat to the global economy, environment and human health and wellbeing.

All products and services contribute to climate change when fossil fuels are burnt for energy in the production and use of goods and for transportation. When natural resources are used, carbon stores such as forests can also be reduced. At the end of a product's lifetime, energy will also be used to treat the waste. Greenhouse gasses that contribute to climate change are also released from landfill sites.

Pollution occurs when harmful materials are released into the air, land or water. This causes damage to natural resources, human health and the environment.

Pollution may be caused during the extraction of raw materials, their manufacture, transport, use and disposal. The impact of pollution depend on its scale, how hazardous the material is and where it is released to.

Depletion of natural resources occurs whenever resources are used at a faster rate than they can be replenished. If everyone in the world used as resources as we do in the UK, we would need 3.5 planets to supply them.

All products and services use some resources. These may be renewable resources such as wood or non- renewable resources such as oil and heavy metals. If renewable resources are managed carefully during extraction and at the end of a product's lifetime, it is possible for resource use to be sustained.

Damage to species, habitats and ecosystems occurs when resources are extracted, when pollution occurs and when transport and infrastructure reduces the extent and quality of habitats such as woodlands, heaths and grasslands.

Resource extraction is the primary cause of damage to species, habitats and ecosystems but extensive impacts can also occur during transportation, use and disposal of products.

Loss of natural capital occurs whenever an environmental impact occurs. The term 'natural capital' refers to the economic value of all resources and the services that environment provides us, such as agriculture, soils, clean water, air and climate regulation which make human life possible.

At every stage of the supply chain it is possible to lose or to carefully manage our natural capital.

Think about the following questions at each stage of the supply chain shown below:



- What non-renewable resources such as oil or precious metals are used?
- What renewable resources such as wood are used?
- How much energy and water is used in manufacture?
- What type and quantity of waste is produced in manufacture?
- What chemicals used in the manufacturing process?
- Does the product contain hazardous or non-recyclable materials?
- Is the product re-usable or repairable?
- Is recycled and recyclable or biodegradable packaging used?

- How far does the product need to be transported?
- What type of transport is used?
- Are any fuels used that have lower environmental impacts such as LPG, electricity and biogas?

- How much energy is required when the product is in use?
- Are there any emissions produced when the product is in use and what are they?
- What is the expected lifespan of the product?
- Is there an opportunity to educate staff and students?

- Will the product need to be disposed of to landfill at the end of its lifetime?
- Are there any specialist waste disposal needs such as hazardous waste disposal?
- Does packaging need to be disposed of?

Example of application: The supply of printer paper

Manufacture: Use of wood products potentially leading to habitat damage, use of energy and water contributing to climate change, use of chlorine bleach potentially leading to pollution. Recycled and chlorine free options are available. Some companies implement an Environmental Management System to reduce production impacts.

Transportation: Paper is transported in lorries that use standard diesel fuel contributing to climate change. Some companies have policies to reduce number of journeys and deliveries and paper produced in UK is available.

Use: Staff and students could be educated if paper packaging is shown to be sustainably produced.

Disposal: Paper and its packaging can be recycled. If it is segregated from other types of waste it is easier to recycle and the university could get rebates for the value of the material. Appropriate facilities should be provided in the vicinity.

Understanding Social Impacts



Minimum standards for workers' rights in the supply chain must be met and wider ethical issues considered.

There are a wide range of social issues that may arise in the supply chain of products that you are looking to procure. The International Labour Organisation (ILO) sets labour standards and policies that all suppliers to the University should conform to. A summary of some of the key items is provided on the following page.

Asking your supplier about compliance with International Labour Standards (ILO) standards is particularly relevant when you are sourcing goods from outside Europe. You should ask your supplier to provide evidence to show that ILO standards are being met and that there is continuous improvement in working standards. Evidence could include the implementation of the Social Accountability 8000 (SA8000) International Standard, Corporate Membership of the Ethical Trading Initiative and published audit results of labour standards.

For goods and services sourced within the UK and EU you should ask your supplier how they ensure compliance with UK and EU Employment Law. These laws cover the subject areas of the ILO. Links to further information are shown in Appendices 2.

All commercial suppliers supply goods and services and that have turnover of £36m or more should also provide evidence that they comply with the Modern Slavery Act, 2015.

Alongside workers' rights you should consider wider ethical issues. The University's Equality and Diversity Policy should be consulted in procurement decisions and you should think about the following questions:

Are there any specific cultural or religious needs that need to be taken into account?

Is there an opportunity to promote the health and wellbeing of staff and students?

Are there any disability or equal opportunities implications of the procurement exercise?

Are there any animal welfare considerations that need to be taken into account?

Some of the key issues managed by ILO standards and policies:

Working relations - all workers should have the right to form Associations and Trade Unions and to negotiate fair employment arrangements.

Forced labour and child labour – no workers should be forced to work against their will and child labour needs to be strictly controlled including the implementation of ILO minimum working age.

Employment security - termination of employment should be fair and used as a last resort.

Wages and working time - Wages should be paid regularly, minimum wage levels should be in place and wages paid in case of employer insolvency. Standards for maximum working hours should be in place.

Occupational health and safety - Standards should be in place to provide for maximum health and safety at work.

Social security and maternity protection - Social security systems should provide for basic income in cases of unemployment, illness and injury, old age and retirement, invalidity, family responsibilities such as pregnancy and childcare, and loss of the family breadwinner.

Maternity protection - alongside paid maternity leave, protection needs to be in place to ensure employment is not lost due to pregnancy or maternity leave.

Reputation and Education



Procurement decisions should consider reputational effects and set a positive example to students, staff visitors and partners.

Some products and services may offer a particular opportunity to educate staff, students and wider stakeholders of the University, providing high profile ways to demonstrate the University's good performance on sustainability.

An obvious example of this would be a student giveaway or promotional item, but many other items could be equally visible and offer positive educational and reputational opportunities. Services such as waste management and grounds maintenance offer an excellent opportunity to educate students about sustainability in business practices.

Consider the following questions regarding reputation and education:

Who will be using the product or service?

How will the product or service be used?

Who could be influenced or affected by the product or service?

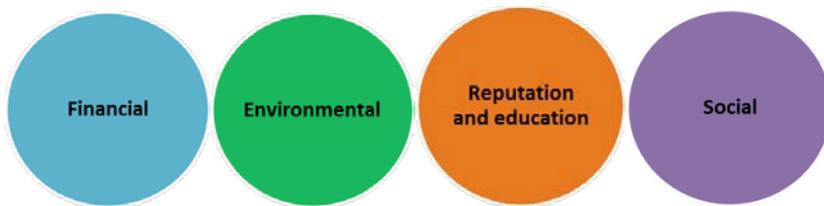
How visible is the product or service?

Is there a particular opportunity for education or reputation?

Does the reputation or education opportunity warrant additional investment or a specific procurement approach?

How can environmental and social specifications of the product or service be communicated?

Identifying Relevant Legislation, Standards and Ecolabels



Suppliers need to meet legal requirements relating to environmental and social standards.

By identifying the legislation, standards and ecolabels that apply to the product, service or works that you are looking to procure you will be able understand how these impacts can be reduced and ask for evidence to confirm this.

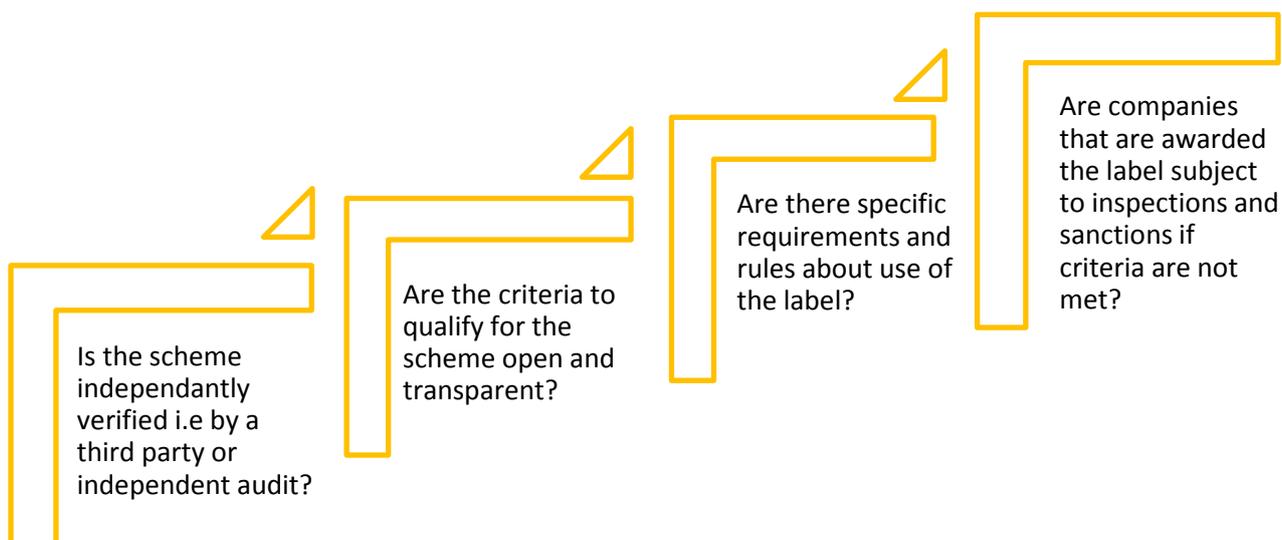
Implementation tool:

Accompanying this guidance is an excel tool to help you identify key items of legislation, standards and independently verified ecolabels. In all cases applicable legislation must be adhered to.

By specifying certification to international sustainability standards, you will be asking an organisation to demonstrate that a system is in place for managing businesses practices. Procurers should ensure that all suppliers have an Environmental Management System in place as a minimum.

Ecolabels can demonstrate that performance of a product has met minimum standards. There are hundreds of ecolabels, of varying credibility and robustness. The tool lists only those that are independently verified.

Consider asking the following questions of a supplier if they provide you with an ecolabel as evidence of sustainability:



Example of application:

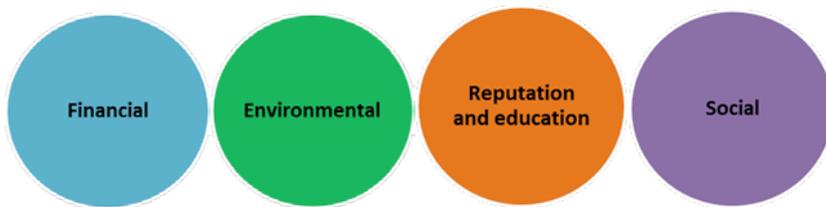
Suppliers of refrigerators, freezers and fridge-freezers should demonstrate compliance with the following legislation:

- The Modern Slavery Act, 2015
- The Producer Responsibility Obligations (Packaging Waste) Regulations, 2007 (as amended) and The Packaging (Essential Requirements) (Amendment) Regulations, 2013.
- Waste Electrical and Electronic Regulations (WEEE), 2013
- Energy Efficiency (Refrigerators and Freezers) Regulations, 1997
- The Energy Information Regulations, 2011
- The Ecodesign for Energy-Related Products and Energy Information, 2010, as amended.

The goods should be produced in a way that systematically manages environmental and social impact. This could be demonstrated by certification to ISO14001:2015 - Environmental management systems, Social Accountability 8000 (SA8000) International Standard and ISO 50001:2011 - Energy management systems. The supplier may also wish to outline how they implement guidance such as ISO 14006:2011 - Environmental management systems - Guidelines for incorporating eco-design and ISO 26000:2010 - Guidance on social responsibility.

The goods should meet at least A++ standards of the EU Energy Efficiency Label.

Developing Procurement Objectives and Specifications



At this stage you would have understood the sustainability of your product or service and will be ready to develop procurement objectives and any related specifications. These objectives and specifications will directly influence the sustainability performance of the University and help to stimulate economic markets for sustainable goods and services.

Implementation tool:

The accompanying excel tool will help you set procurement objectives and related specifications. The tool summarises key environmental and social impacts of the following products, provides example specifications and identifies relevant ecolabels. Even if you are not looking to procure items on this list, the tool will provide an example of how procurement objectives and specifications can be set for the product or service you are looking to procure.

- Cleaning products and services
- Data hosting
- Decoration - paint
- Decoration – wood
- Desktop computers and laptops
- Printing – publications and literature
- Fire extinguishers
- Furniture
- Paper for printers
- Stationary

Putting it into practice – Catering Contract Tender, 2016

Sustainability was identified as a key issue in the catering contract tender in 2016. As there was already a Sustainable Catering Policy, Suppliers were asked to outline how they would address each element of it. This included a range of policy commitments relating to environmental, social and ethical issues, as shown in the table below.

Environmental, social and ethical issues	Policy Commitments
Use of human labour leading to potential labour standard issues in the supply chain.	Promote social justice and equity through widespread availability and use of Fairtrade products.
Use of animal products leading to potential animal welfare issues.	Enhance the welfare of animals and a sustainable agricultural environment through the use of free range and organic products.
Transportation of food leading to pollution and climate change.	Support a vibrant local economy, strengthen community links and reduce food miles by using local and seasonal products.
Use of resources and production of waste leading to potential loss of resources, pollution and climate change.	Minimise environmental impact and resource use by reducing waste, rationalising transport and cutting consumption of energy and water.
Provision of food for staff and students contributing to health and cultural standards.	<p>Promote equality and diversity by expanding the range and cultural variety of all Employer menus</p> <p>Create an ethos of healthy eating and optimum nutrition by promoting healthy foods and avoiding the promotion of unhealthy options.</p>
Provision of goods and information to staff and students providing an opportunity raise awareness on sustainability.	Enhance student and staff engagement with regular and appealing communication on sustainable food issues

In order to evidence their sustainability performance suppliers were asked if they have achieved or working towards The Soil Association – Food For Life Catering Mark, Gold Award and to be a Signatory of the UN Global Compact, to be a Carbon Neutral company and a Chartered Institute of Procurement & Supply Sustainability Index rated company.

Suppliers were also asked to work in line with the University’s Sustainability Policy and to sign a declaration that they would do so. Overall, sustainability accounted for 15% of the total score in the award process.

Putting it into practice - National Netball Super League: Team Sports Kit for the 'Severn Stars'

Key potential environmental and social impacts identified:

- Use of labour overseas leading to potential human labour issues
- Use of cotton potentially requiring high amounts of fertiliser and pesticides when grown leading to pollution and loss of biodiversity
- Use of energy, water and the production of waste in manufacturing process leading to climate change and pollution
- Use of fuel in transportation of goods leading to climate change and pollution.

The following method statement was outlined in consideration of these impacts.

The Severn Stars takes responsibility for sustainability and ethical sourcing seriously. Suppliers are therefore requested to comment on your supply chain, the name and location of the factories where products are manufactured, where materials are sourced from and the sustainability of the materials you are offering as part of this tender. Tenderers should ensure that all deliveries pay due regards to sustainability issues. The Modern Slavery Act 2015 requires a transparency of the supply chain to ensure that slavery and human trafficking is not taking place, and we would expect tenderers to provide details of the steps you have taken to ensure this is adhered to.

Suppliers should let us know if they adopt the SA8000 Standard as an auditable certification standard based on International Labour Organisation (ILO) conventions, the Universal Declaration of Human Rights and the UN Convention on the Rights of the Child when sourcing their suppliers abroad.

The Severn Stars would like suppliers to consider if there is any fairly traded, organic (or equivalents) accredited cotton in the products that you are proposing, the other option is that potential for any recycled content in the kit.

In total 10 marks were awarded for the ability to articulate sustainability performance based on this method statement.

Further Resources

The following links will direct you to further resources on sustainable procurement.

[CIPS - Ethical and Sustainable Procurement](#)

[The EAUC Sustainability Exchange - Procurement and Supplier Engagement](#)

[EU Labour Law - Employment, Social Affairs and Inclusion](#)

[UK Labour Law - Employing people](#)

[UK Government - Sustainable Procurement Tools](#)

[WRAP - Sustainable Procurement Tools and Resources](#)