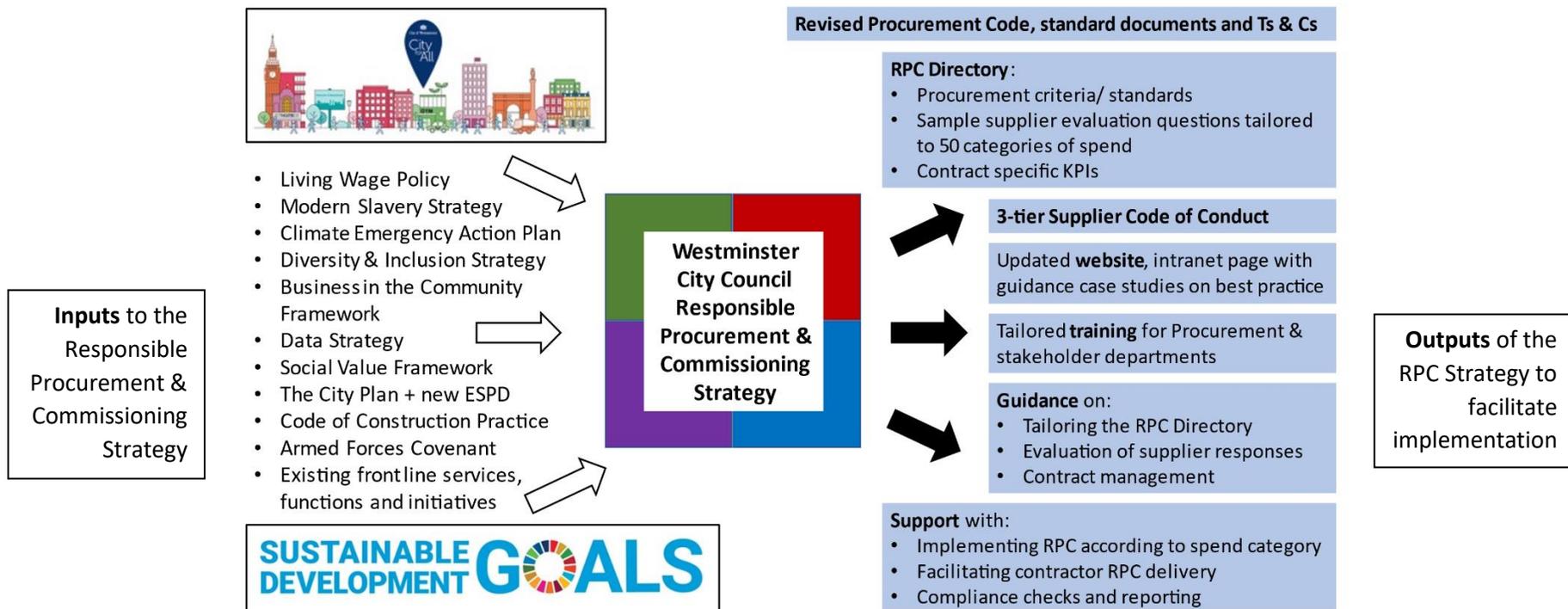


## APPENDIX 1 - Responsible Procurement and Commissioning Strategy: Working with our supply chains to deliver a City for All

This overview highlights some of the key themes for our Responsible Procurement Strategy. Following Policy and Scrutiny Committee the strategy will be going Cabinet in December. Responsible procurement and commissioning address a broad range of issues that we can work with our supply chain to tackle and an equally broad range of opportunities we can create. It aims to minimise risks of harm to workers, public health and the environment and maximise opportunities for our residents, business community and wider society by working in partnership with our contractors to deliver more innovative, better value goods, services and works, which align with responsible business principles.

### Overview



## RPC Strategy Themes

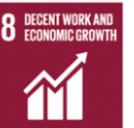
**Local impact and social value: Benefits that the RPC Strategy will derive for Westminster’s residents, workers, visitors and business community (Table 1)**

1. Environmental Sustainability	2. Community & Business Partnerships	3. Build Back Better	4. Inclusive, High Quality Work
<p>Our local environment is where we live, work, learn and recreate, so the quality of our natural surroundings, the air we breathe, our acoustic environment and the safety of our roads matters. By requiring supply chain partners to minimise air and noise pollution, mitigate road danger and enhance urban greening and biodiversity, we can help improve public health and wellbeing for our Westminster community. Procurement activities and projects that impact on our built environment and public realm must also be designed in a way that offers resilience to the impacts of climate change; an increase in severe weather events, flash flooding and heatwaves.</p>	<p>Activities that derive community benefit, such as digital inclusion and other targeted outreach work can be delivered by contractors as part of their social value offer. Those suppliers we have strategic relationships with can be part of delivering projects that will create a legacy within areas of community regeneration, such as communal gardens or play areas. Partnerships with our supply chain can be leveraged to create skills support and commercial opportunities for Westminster-based SMEs, minority-led organisations, social enterprises and community groups.</p>	<p>Recovery from the impact of COVID-19 on our local economy can be contributed to by increasing the number of employment, skills and training offered by contractors, by effectively channelling these opportunities towards Westminster residents and by requiring suppliers to focus these opportunities to roles where skills gaps currently exist and/or will form part of the green economy in the longer term.</p>	<p>Aspects of real importance to the working community include the pay, culture and conditions associated with their employment, alongside professional development opportunities, and a diverse and inclusive workplace that is representative of its community. A living wage and the opportunity to learn and progress within the workplace is important for staff motivation, retention and wellbeing and is also key to facilitating social mobility.</p>

**Responsible Business and Sustainable Development: Addressing regional, national, global and societal supply chain issues (Table 2)**

1. Environmental Sustainability	2. Community & Business Partnerships	3. Build Back Better	4. Inclusive, High Quality Work
<p>Many of our activities involve the transport of goods across global supply chains and the use of fuel and energy by vehicles and within buildings, all of which cause carbon emissions that drive climate change. It is our responsibility to minimise these emissions to help meet Westminster's climate emergency targets by improving the way that we require our contracts to be delivered. Other impacts such as waste generation, pollution and loss of biodiversity can also be minimised by enhancing supplier environmental performance.</p>	<p>Understanding the industries and markets we source from and increasing the number of targeted trials and pilots we undertake through our contracts improves our ability to be an intelligent and agile client, which is able to exploit new, clean and smart technology and solutions. Partnership working with strategic contractors to understand and respond to industry landscapes can also be used as a way of cascading requirements and raising awareness of our responsible business objectives across supply chain tiers.</p>	<p>As a society through the pandemic, we have learned about the potential to think and work in radically new ways when it is required of us. We can harness this momentum to do things differently as we emerge from the crisis and use circular economy principles to drive resource and financial efficiencies through demand management, standardisation, flexible design and future proofing.</p>	<p>Responsible procurement and supply chain due diligence can be used to ensure legal and fair employment and to combat modern slavery and other labour rights abuses that occur not only within global supply chains but also in the UK. We can use our purchasing power to ensure that everyone has the right to proper pay and conditions and a safe working environment, free from bullying and harassment, with appropriate complaints procedures in place.</p>

RPC alignment with City for All Strategic outcomes and United Nations Sustainable Development Goals (Table 3)

	1. Environmental Sustainability	2. Community & Business Partnerships	3. Build Back Better	4. Inclusive, High Quality Work
City for All Strategic Outcomes that the RPC Strategy will help deliver	<ul style="list-style-type: none"> <li>• People are safe wherever they live in Westminster</li> <li>• The city is prepared for the extreme weather effects of climate change</li> <li>• Our streets, parks and open spaces are cleaner, more sociable places that improve mental and physical health</li> <li>• Cleaner air supports our communities health &amp; wellbeing</li> <li>• Westminster is Net Zero by 2030 and a net zero carbon city by 2040</li> </ul>	<ul style="list-style-type: none"> <li>• Westminster remains a popular destination, welcoming high numbers of visitors and supporting jobs &amp; businesses</li> <li>• Digital inclusion for residents who have limited tech skills and access is improved</li> <li>• Residents share in the benefit of regeneration and can access opportunities that arise from it</li> <li>• Our communities get on well together and are actively involved in service design and decision making</li> <li>• Technology enables people to live healthier and more independent lives</li> </ul>	<ul style="list-style-type: none"> <li>• Children and young people have the best start in life, are well cared for and attend excellent schools that promote achievement</li> <li>• Residents are accessing the range of education, training and employment opportunities offered by the council</li> </ul>	<ul style="list-style-type: none"> <li>• Levels of deprivation and inequality have fallen</li> <li>• Vulnerable children and adults receive care designed for their specific needs</li> <li>• (Implementation of the Bi-Borough Modern Slavery Strategy)</li> </ul>
UN SDGs	     	  	   	   

Setting the direction of travel: The 32 objectives that form our Responsible Procurement & Commissioning Strategy (Table 4)

	1. Environmental Sustainability		2. Community & Business Partnerships		3. Build Back Better		4. Inclusive, high quality work		
Local Impact/ Social Value	a) Reduce the number of people injured on our roads	Cleaner and Greener	a) Increase skills support for smaller organisations	Vibrant Communities	a) Increase careers inspiration and preparation	Thriving Economy	a) Increase workforce diversity, inclusion and representation		
	b) Increase interventions to aid climate resilience		b) Increase spend with diverse, local enterprises		b) Increase no. of skills and work-related opportunities		b) Reduce pay gaps between genders and ethnicities		
	c) Increase urban greening & biodiversity		c) Increase projects providing community benefit		c) Increase no. roles for Westminster residents		c) Ensure payment of the London Living Wage		
	d) Reduce air & noise pollution		d) Increase impact of legacy projects		d) Increase green jobs, skills and contracts		d) Increase professional development		
Responsible Business/ Sustainable Development	e) Reduce direct carbon emissions: Buildings & vehicles		e) Increase efficiency and outcomes by data-led innovation				e) Increase future proofing		e) Increase due diligence to combat modern slavery
					<b>Smart City</b>				
	f) Reduce carbon associated with our electricity		f) Increase trials and pilots of new tech and solutions				f) Increase % of sustainable, low carbon goods		f) Increase interventions on ethical global sourcing
	g) Reduce indirect carbon: supply chains		g) Increase contractor and industry collaboration				g) Increase implementation of the waste hierarchy		g) Increase monitoring of legal & fair employment and treatment
	h) Increase environmental performance	h) Improve supply chain sustainable development		h) Reduce quantity, volume and range of goods		h) Increase adherence to the Equality Act and whistleblowing			

## Procurement – Evaluating tenders

Manchester City Council are recognised by peers as a UK leader in the field of responsible procurement and they use a 30% total weighting within supplier evaluation comprised of 20% social value and 10% climate action (if relevant). Good practice is recognised as attributing a 20% RPC weighting within tenders and 10% is considered standard practice. It is therefore proposed that Westminster increase its current 5% weighting to between 10-20% depending on the nature of the contract and based on the four themes set out in Table 6 below.

### Proposed content of the four themes for supplier evaluation (Table 5)

<p style="text-align: center;"><b>Environmental Sustainability (5%)</b></p>	<p style="text-align: center;"><b>Diversity, Inclusion, Representation and Social Mobility (5%)</b></p>
<ul style="list-style-type: none"> <li>• Continuous reduction of carbon emissions associated with operations</li> <li>• Data transparency and continuous reduction of indirect carbon emissions associated with supply chains, materials production, logistics, waste etc.</li> <li>• Use of environmental management systems to monitor and improve performance, staff training, mitigate incidents etc.</li> <li>• Continuous reduction in emissions of local pollutants of Particulate Matter (PM) and NOx from generators, plant, NRMM, vehicles etc.</li> <li>• Measures to increase and improve urban greening and biodiversity</li> <li>• Measures to contribute towards climate resilience</li> <li>• Use of sustainable procurement policies and criteria</li> </ul>	<ul style="list-style-type: none"> <li>• Action to narrow pay gaps between workers of different genders or ethnicities, or to share learning on progress in this area</li> <li>• Action to ensure that workers delivering front line services are representative of our community</li> <li>• Action to ensure project teams designing and delivering community infrastructure and services are representative</li> <li>• Programmes to ensure people with protected characteristics are proportionally represented at each tier of contractor workforce</li> <li>• Targeted professional development, management fast track schemes, mentoring and job shadowing to address imbalances</li> <li>• Contractor sub-contracting and spend with minority led firms, local entrepreneurs, small businesses and mission led organisations</li> </ul>
<p style="text-align: center;"><b>Employment, Skills and Professional Development (5%)</b></p>	<p style="text-align: center;"><b>Social Value (5%)</b></p>
<ul style="list-style-type: none"> <li>• Career inspiration - events and workshops</li> <li>• Career preparation – CV writing, interview skills</li> <li>• Work experience placements</li> <li>• Job ready schemes and traineeships</li> <li>• Apprenticeships and internships</li> <li>• New job roles</li> <li>• In-post training and progression</li> <li>• Channelling roles to Westminster residents</li> <li>• Prioritising skills and roles to plug industry skills gaps</li> <li>• Prioritising skills and roles to support the green economy</li> </ul>	<ul style="list-style-type: none"> <li>• Projects that provide targeted community benefit such as digital skills to promote digital inclusion, volunteering to impart skills to community groups, donation of physical resources and materials and sponsorship of community projects</li> <li>• Legacy social value for regeneration areas including a longer-term commitment to regular volunteering, skilled volunteering to renovate or create community spaces, gardens etc. and financial contributions for legacy funding</li> <li>• Skills support such as mentoring, training places, advice or job shadowing opportunities for small local businesses, entrepreneurs, minority-led businesses, social enterprises and VCSEs</li> </ul>

**Strategic Implementation overview – the first 12 months (Table 6)**

<p><b>October – December 2021</b></p>	<ul style="list-style-type: none"> <li>• Development of Supplier Code of Conduct; a set of commitments suppliers wishing to bid for opportunities will be asked to sign up to in order to tender, tiered according to contract value to ensure proportionality.</li> <li>• Development and consultation of Responsible Procurement and Commissioning Directory; a set of sample supplier evaluation questions, model answers, evaluation guidance and associated KPIs based on ~50 categories</li> <li>• Development of RPC website content – internal and external</li> <li>• Prepare updated versions of all procurement documentation including tendering documents, procurement code, Ts and Cs etc.</li> <li>• Integration of RPC Strategy with Contract Management Framework and design of procurement, contract and wider measures</li> <li>• Gather data requirements to enable baseline to be set and assess RPC performance going forward</li> </ul>
<p><b>January – March 2022</b></p>	<ul style="list-style-type: none"> <li>• Internal and external launch of RPC Strategy, including roll out of extensive internal training programme</li> <li>• Operational support of service leads procuring/ commissioning high spend/ high risk/ high opportunity contracts</li> <li>• Supplier engagement and awareness raising</li> <li>• Integration of RPC Strategy with Contract Management dashboard and tools</li> <li>• Baseline performance <ul style="list-style-type: none"> <li>○ Internal performance e.g. % spend with SMEs, % Living Wage compliance, % contracts with due diligence integrated etc.</li> <li>○ Supplier Performance e.g. social value delivery, carbon reduction targets and performance, modern slavery due diligence</li> </ul> </li> <li>• Start delivery of priority action plans</li> </ul>
<p><b>April – June 2022</b></p>	<ul style="list-style-type: none"> <li>• Consultation with procurement and commercial staff, service leads and contract managers 3 months in – gather feedback on RPC implementation including Supplier Code of conduct, RPC Directory and increased RPC weighting.</li> <li>• Troubleshooting, reviews and amendments to operational implementation according to feedback</li> <li>• Focus on delivery of priority action plans</li> <li>• Establish mutually agreed action plans to improve performance of existing Platinum and Silver suppliers</li> </ul>
<p><b>July – September 2022</b></p>	<ul style="list-style-type: none"> <li>• Continued focus on delivery of priority action plans</li> <li>• Initiate responsible procurement and commissioning stand-alone projects</li> <li>• Start collating case studies of exemplar responsible procurement and commissioning</li> <li>• Detailed engagement and planning of Phase 2 implementation including involvement from internal leads across relevant departments and external subject matter experts and available guidance</li> </ul>