# NWUPC Ltd Sustainable Procurement Strategy

# November 2014

# Introduction

## NWUPC’s Aim

The aim of North Western Universities Purchasing Consortium Ltd (NWUPC Ltd) is to provide a structure for higher education institutions mutually to secure value for money in matters relating to the purchasing of goods and services.

The purpose of NWUPC’s sustainable procurement strategy is to give us the direction to achieve our organisational strategic goals by embedding sustainability into all our processes and throughout our supplier base. The keys themes of which are people, policy, process, and measurement and which we hope to achieve through engagement with our key stakeholders both in the supply chain and our membership.

**Our goal is to support our members to achieve value for money through sustainable collaborative procurement.**

## Why

NWUPC’s members are at the core of our organisation and we are driven to ensure that our Framework Agreements meet their requirements. The responsibilities, targets and commitments of our members must be reflected in the work that we do and so the Sustainable Procurement Strategy has been written to govern our assurance to our members.

## How

The strategy of NWUPC is devised in consideration of the Sustainable Procurement National Action Plan for the UK set out by UK Government in “Procuring the Future” (2006). Our strategic aims support this plan and embed the ethos of Government’s goals and targets for Higher Education (HE). NWUPC also actively supports the Sustainable Procurement Policy devised by Procurement for England (PEL) and our organisational policy is aligned to this.

## Endorsement

Sustainability has been and is supported at the highest level in NWUPC with its Board of Directors first approving an environmental policy in 1999 and the PEL Strategy Aims Paper that endorses the PEL Sustainability Policy in March 2014. As both Managing Director and Company Secretary Paul Tomany has championed sustainability from the incorporation of the Consortium in 2000 not only for NWUPC’s activities but also to the higher education institutions that are its Members. NWUPC has organised training courses on sustainability for its own and Members’ staff, played a leading role in developing the Scope 3 Carbon Measurement Tool sponsored by the Higher Education Funding Council for England (HEFCE), is a member of the Environmental Association for Universities and Colleges and supported the work of the Sustainable Procurement Centre of Excellence.

Paul Tomany, Managing Director, NWUPC Ltd

“NWUPC has long held a commitment to sustainability and environmental awareness with policies reflecting this being in place for over 15 years. The Consortium seeks to pro-actively engage with both its Members and its suppliers to raise awareness of the importance of reducing the negative impact on the planet of its and their activities. As Chair of the NWUPC Board of Directors I ensure that the policies of the Consortium reflect this long-term commitment and that resources are made available to support and train our staff in this vital area.”

Geoff Hope-Terry, Chair, NWUPC Ltd

# Sustainable Procurement in Action

## How we aim to achieve this

NWUPC is committed to creating contracts and Framework Agreements that promote ethical and sustainable procurement activity. For NWUPC, Sustainable Procurement supports wider social, economic and environmental objectives in ways that offer real long term benefits and helps us to achieve our goal of delivering value for money for our membership.

This strategy outlines how NWUPC will deliver the commitments made in the Sustainable Procurement Policy in practice and set out clear objectives for those people involved in procurement at NWUPC.

## Scope

NWUPC’s strategy applies to all Framework Agreements let by the consortium on behalf of regional members, national HE institutions and members of Crescent Purchasing Consortium (CPC). We will also feed our strategic aims into any Framework Agreements let by other regional consortia which we adopt on behalf of our membership via collaboration with our colleagues and peers at the research phase.

NWUPC has 22 full members as well as additional associate and affiliate members which will be covered by the scope of this strategy through uptake of our Framework Agreements.

The NWUPC Sustainable Procurement Group (NWUPC SPG) and Agreement specific Tender Working Parties will be the vehicle by which Institutional Level sustainability objectives will be fed into our work and used to shape the criteria of our Frameworks.

NWUPC has the potential to influence an aggregate non paye spend of £200m and so is in an excellent position to support the delivery of the key priorities of the Sustainable Procurement Task Force within the HE sector.

# Sustainable Procurement Objectives

NWUPC is utilising the mechanism of the Flexible Framework established in 2006 by the Sustainable Procurement Task Force (appendix 1) to structure our objectives and achieve our strategic goals.

## People

Develop procurement staff that have an advanced level of sustainable procurement knowledge to enable them to put this into practice and embed sustainability throughout all consortium activities

## Policy

Implement policies where sustainability is embedded and which can be used to facilitate sustainable procurement activities through guidance, communication, measurement and review.

## Process

Embed sustainability into all processes and develop tools to use as a robust method for implementation and governance established with consideration for whole life costing at the heart of procurement activity.

## Engagement

Engage with suppliers to ensure that they recognise that sustainability is key to all consortium activities and work with them to improve or promote their performance.

## Measurement and Results

Develop Supplier Engagement Tool to measure performance and produce targets and Key Performance Indicators (KPIs) for performance.

# Sustainable Procurement Targets

## People

Develop procurement staff that have an advanced level of sustainable procurement knowledge to enable them to put this into practice and embed sustainability throughout all consortium activities.

* 1. Ensure all key procurement staff are trained to an advanced level in sustainable procurement and that this knowledge is regularly updated.
  2. Establish a group of sustainable procurement experts who will be responsible for overseeing all NWUPC activities relating to sustainability and will drive the strategy forward.

1.3 Incentivise all procurement staff to meet sustainability objectives and ensure it is a key driver for all procurement activity.

## Policy

Implement policies where sustainability is embedded and which can be used to facilitate sustainable procurement activities through guidance, communication, measurement and review.

* 1. Embed sustainability within all NWUPC policies and ensure the sustainability strategy is enhanced with the consideration of new technologies.
  2. Communicate the sustainability policy and strategy to key stakeholders both internally and externally.

2.3 Ensure all sustainability policies are endorsed at the highest level by the Managing Director and Board.

## Process

Embed sustainability into all processes and develop tools to use as a robust method for implementation and governance established with consideration for whole life costing at the heart of procurement activity.

* 1. Develop tools to measure sustainability with a particular focus on risk and impact analysis. Ensure the use of these tools are built into the procurement process.
  2. Conduct expenditure analysis and use this data in conjunction with the risk and impact analysis to manage throughout the procurement life cycle.
  3. Adopt the Government Buying Standards and utilise within all applicable Framework Agreements to build the specification and evaluation criteria.
  4. Consider whole life costing throughout the procurement process and build this into the evaluation methodology.

## Engagement

Engage with suppliers to ensure that they recognise that sustainability is at the heart of all consortium activities and work with them to improve or promote their performance.

* 1. Sustainability policies, strategies and objectives to be communicated to all suppliers.
  2. An action plan to mitigate negative impacts is to be developed for suppliers and monitored and reviewed throughout the life of the Framework Agreement with a programme for improvement set.
  3. Steering group responsible for engaging with suppliers and working on a practical level to reduce negative impacts.
  4. Utilise the sustainability e-newsletter to promote best practice of contracted suppliers

## Measurement and Results

Develop a Supplier Engagement Tool to measure performance and produce targets and KPIs for performance.

* 1. Adopt a model for sustainable engagement and establish targets for monitoring and measuring performance.
  2. Develop Sustainability Actions Plans from the supplier engagement tool and monitor on an annual basis.
  3. Key Performance Indicators for Sustainability established, measured and reviewed.
  4. Benchmark the performance of NWUPC against comparable organisations.

# Key Performance Indicators

The measures for sustainable procurement performance will include the following targets and Key Performance Indicators:

1. Every supplier to be given a copy of the Sustainable Procurement Strategy and relevant policy documents.
2. Sustainability to be a standard agenda item at Category Group meetings.
3. Sustainability to be a standard agenda item at annual supplier review meetings.
4. Category Managers must engage with suppliers on sustainability during contract management.
5. NWUPC to publish six case studies per annum communicating suppliers’ sustainability initiatives.
6. NWUPC should identify and promote supplier good practice through appropriate media.
7. NWUPC should report annually on performance of sustainability strategy and promote the benefits gained.
8. NWUPC category managers should provide suppliers with an action plan.

# The Next Steps for NWUPC

## Review

The Sustainable Procurement Strategy and all underlying policies and processes will form part of a review for continuous improvement and will be monitored against best practice and the results of benchmarking activity. This document will be reviewed in December 2016.

## Measurement

The measure for the success of the strategy will be the achievement of Level 4 of the Flexible Framework which will be assessed by an independent organisation.

## Communication

The strategy will be communicated via the steering group, the NWUPC website, the sustainability e-newsletter “ECOnnect” and the sustainability annual report. KPIs will be set for each Framework and will be monitored through review meetings. They will then be reported on an annual basis. NWUPC will also promote best practice of suppliers through ECOnnect and at Commodity Group meetings.

## Endorsement

The Sustainability Strategy is endorsed at the highest level by the Managing Director and the Board of Directors. The sustainability champion will be responsible for undertaking the targets contained within and reviewing to keep the document relevant.