Sustainable Procurement at the University of Edinburgh

A guide for our suppliers











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Introduction

This document aims to introduce you to sustainable procurement at the University of Edinburgh. Sustainable procurement is central to the University's vision to "make a significant, sustainable and socially responsible contribution to the world". Here we outline:

- The fundamental concepts behind sustainable procurement
- Our commitments, policies and procedures for sustainable procurement
- What we ask of our suppliers in our sustainable procurement process
- How to collaborate with the University of Edinburgh on sustainability issues

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Fundamentals of sustainable procurement

Improving business and delivering social and environmental benefits from local to global

There are environmental and social impacts associated with the **whole lifecycle** of a product or service from its generation through to its final disposal. **Sustainable procurement** aims to meet the need for products and services in a way that achieves value for money, with the most positive social, environmental and economic impacts possible over the entire life cycle. It is a **due diligence** process, where organisations proactively identify, assess, prevent, mitigate and account for possible sustainability impacts. Sustainable procurement connects to the vision of a **circular economy**, where products and materials maintain their value for as long as possible, resource use and waste are minimised, and products are reused and recycled.

Sustainable procurement considers:

- Fairness, safety and human rights in labour, operations and governance
- Environment and climate impacts
- Wider community impact and benefits

Long and global supply chains can make it difficult for organisations to practice sustainable procurement because:

- Organisations are unlikely to have their full supply chains mapped
- Information about sustainability issues may not be available for the entire supply chain
- Different parts of the world have different standards and legislation towards social responsibility and sustainability. For example, some countries do not have legislation to protect workers' rights or the environment. When legislation exists, it may be poorly enforced

For these reasons, the key to sustainable procurement is good communication and sharing of information between organisations and their suppliers. We hope that this guide will bring you into new conversations with us and with your own suppliers.

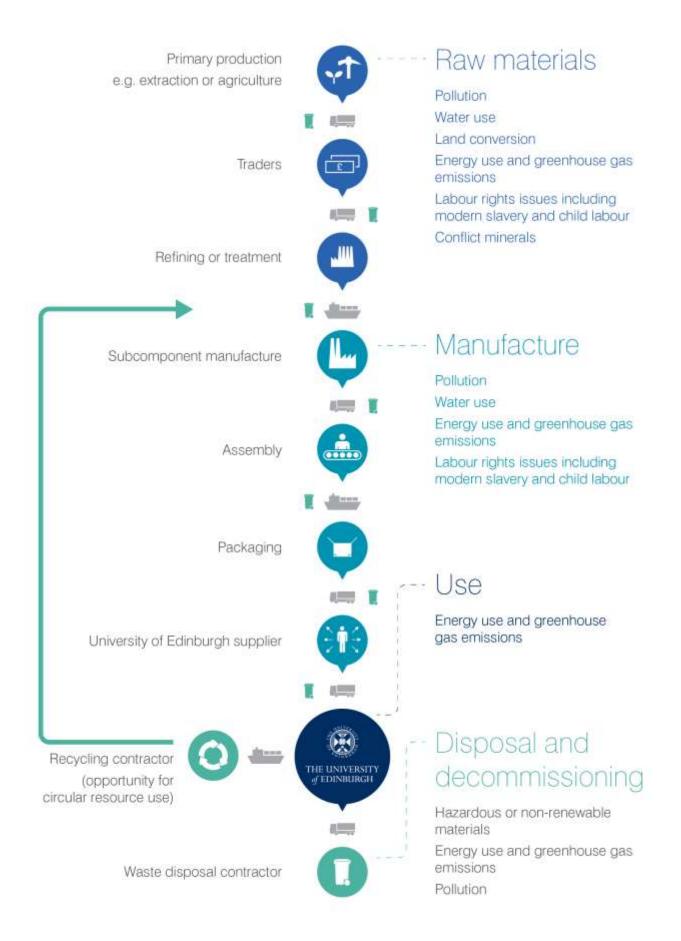
Sustainable procurement can benefit business by:

- Increasing resource efficiency to reduce purchasing and production costs
- Reducing the need for waste management
- Promoting innovation
- Encouraging partnership and communication with your suppliers
- Improving business reputation and relations with your customers and wider community





Sustainability Risks in our Supply Chains







External context

Our duties towards sustainable procurement

Making procurement sustainable is part of several institutional commitments and legal requirements that guide purchasing at the University of Edinburgh.

All UK public institutions, including the University, are subject to public procurement legislation that aims to promote transparent and efficient use of public money. This is a devolved area for Scotland and the Scottish Government particularly emphasises sustainable public procurement and its role in supporting the <u>Government's purpose, outcomes and indicators</u>. Following the <u>Procurement Reform (Scotland) Act of 2014</u> public institutions have a Sustainable Procurement Duty, which requires that we:

- Act with the view to improve economic social and environmental wellbeing and promote innovation in all regulated procurements (of goods and services above £50,000 and works above £2 million).
- In all regulated procurements, promote access for small and medium enterprises (organisations with 250 employees or fewer), supported businesses (enterprises whose main aim is the inclusion of disadvantaged or disabled persons) or third sector organisations.
- Include community benefit clauses in our procurements above £4 million, to improve the economic, social or environmental wellbeing of our area.
- Have regard for the use of particular tools to consider sustainability in all of our purchases (see section 4).
- Publish an annual procurement strategy, including progress towards sustainability and social responsibility.

We make some of our purchases via a consortium of Scottish universities called APUC (Advanced Procurement for Universities and Colleges). APUC has its own sustainable procurement requirements. All of APUC's current and potential suppliers are required to sign and comply with <u>APUC's Supply Chain Code of Conduct</u>. APUC also owns a supply chain sustainability tool called Sustain, which assesses suppliers' practices (see sections 4 and 5).

Beyond our legislative duties, the University appreciates the critical role we can play in promoting sustainable development. We have signed the <u>Sustainable Development Goals Accord</u> to demonstrate our commitment to delivering the <u>17 UN Sustainable Development Goals</u> adopted in 2015 as part of the 2030 Agenda for Sustainable Development. Sustainable procurement can contribute towards many of the goals because supply chains have social, environmental and economic impacts. In particular procurement can support goal 8; 'decent work and economic growth', goal 9; 'industry, innovation and infrastructure', goal 12; 'responsible consumption and production' and goal 16; 'peace, justice and strong institutions'.





Internal context

Our policies, strategies and priorities

Following the vision in the University's <u>Strategic Plan</u> to "make a significant, sustainable and socially responsible contribution to the world", our <u>Procurement Strategy</u> aims to go above and beyond the practices regulated by the public procurement legislation outlined in the previous section. It aims to consider sustainability and social responsibility in all procurements and implement the University's ambitious sustainability policies and strategies. Here we briefly highlight some of these.

Towards fairness, safety and human rights in labour, operations and governance:

- We have signed the <u>Scottish Business Pledge</u>, and are an <u>accredited living wage employer</u>, paying our employees and on-site contractors the Scottish living wage. We strongly encourage our suppliers to follow.
- We report annually on action taken to reduce the risk of slavery, servitude, forced and compulsory labour or human trafficking in our supply chains via our <u>Modern Slavery Statement</u>.
- Our <u>Conflict Minerals Policy</u> commits us to working towards eliminating minerals mined in conflict zones under the control of armed groups from the goods we buy.
- Through our founding membership of <u>Electronics Watch</u>, and the <u>Make ICT Fair</u> project we, along with other public buyers, are calling for fair working conditions in electronics manufacturing.
- Through our <u>Good Food Policy</u>, <u>Fair Trade Policy</u> and Fairtrade University status we aim to source food that delivers sustainable livelihoods for the people employed within our supply chains through living wages, workers' rights, fair trade and decent working conditions.
- Our <u>Equality and Diversity Strategy</u> commits us to embedding equality and diversity in all of our work. The University is also a member of <u>Stonewall's Diversity Champions Network</u>.

Towards environment and climate impacts:

- As part of our <u>Zero by 2040 Climate Strategy</u> we aim to measure carbon emissions within our supply chains, and reduce our emissions from procurement.
- Through our <u>Good Food Policy</u> we aim to source food for the University that uses traceable ingredients that minimize harm to the environment, greenhouse gas emissions, and that uphold high standards of animal welfare.
- Through our <u>Waste and Recycling Policy</u> we are moving towards a circular economy at the University.

Towards wider community impact and benefits:

- Our <u>Community Engagement Strategy</u> recognises procurement as a key route to working with the local community and our <u>Community Benefits in Procurement Policy</u> commits us to embedding community benefit requirements into our procurements.
- We have signed the <u>Scottish Business Pledge</u> and <u>Social Impact Pledge</u>, which commit us to take new steps to work with our local community, and with suppliers who do the same. We promote <u>Fair</u> <u>Work</u> through procurement and are an accredited <u>Living Wage</u> organisation, and expect our suppliers to pay UK-based workers at least the Living Wage (currently £9/hr) in our contracts.





Towards Data Driven Innovation, Digital Skills for All and Inclusive Economic Growth:

• We are playing a lead role in the <u>Edinburgh and South East Scotland City Region Deal</u>, leading a programme of <u>Data Driven Innovation</u> (DDI). This will present many opportunities to build ties with industry on the topics of Talent, Research, Adoption, Data sets, Entrepreneurship, and Social Inclusion in order to position the Edinburgh region as the Data Capital of Europe within a decade (please write to <u>ddi@ed.ac.uk</u> for more info about the DDI programme).





Our sustainable procurement process

The tools we use and what we ask of you

This section outlines where sustainability considerations enter our procurement process, highlighting how this affects you as a supplier.

The pre-contract stage:

We use a tool called the Sustainable Public Procurement Prioritisation Tool (SPPPT) to make an initial assessment of potential social responsibility and sustainability risks for different commodities and highlight possible measures to target them. We have published <u>summary briefs</u> from our SPPPT assessments of high risk categories. The "next steps" indicated in these briefs highlight the issues around which we hope to work with our suppliers for further research and engagement. Wherever appropriate, we will conduct pre-market engagement with our potential suppliers and stakeholders.

Advertising and writing contracts:

For procurements that are regulated under the Procurement Reform (Scotland) Act (goods and services above £50,000 and of works above £2 million) we use the Scottish Government's Sustainability Test Tool. This tool draws on the outputs of the SPPPT to embed SRS measures directly into contracts. For example, such a measure may be a requirement to supply products made of Fair Trade or recycled materials. For all procurements regulated under Scottish procurement legislation our suppliers are also required to sign the Scottish version of the European Single Procurement Document (ESPD (Scotland)), which facilitates discretionary and mandatory exclusion of suppliers on the basis of international and national social, labour and environmental laws, and selection of suppliers on the basis of sustainability experience. For most procurements our suppliers are also required to sign <u>APUC's Supply Chain Code of Conduct</u>.

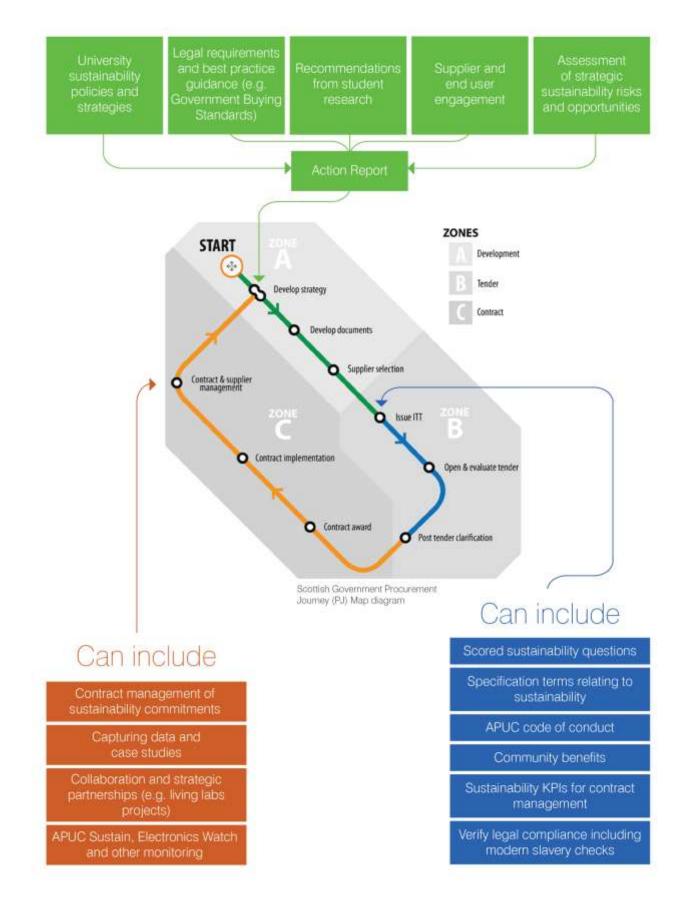
During the lifetime of the contract:

We make efforts to work with our suppliers to assess and help them to improve their performance. A key tool here is APUC's Sustain database, which asks suppliers to periodically enter information to review their performance towards key social responsibility and sustainability criteria (see more information in the next section).





Interventions for Sustainability in our Procurement Process







Working together

Opportunities to collaborate with us for sustainability and social responsibility

Beyond the procurement process there are a verity of opportunities for further engagement with the University:

- Contact us to participate in a <u>Sustain</u> supply chain sustainability assessment, which will provide tailored and confidential recommendations for your business.
- We hold an annual Supplier Engagement Day (for which suppliers should receive an email invitation), as well as <u>public talks and workshops</u> on specific issues.
- Through our <u>living labs research initiative</u> we are open to partnering with you to offer student placements focusing on social responsibility and sustainability issues.
- Explore collaboration opportunities as part of the <u>Edinburgh and South East Scotland City Region</u> <u>Deal</u>, and University of Edinburgh lead programme of <u>Data Driven Innovation</u> (DDI). Please write to <u>ddi@ed.ac.uk</u> for more info about the DDI programme).
- Explore beneficial collaboration opportunities on a wide range of strategic priorities with internal partners like <u>Careers Service</u>, <u>Social Responsibility and Sustainability</u>, <u>Edinburgh Innovations</u>, <u>Research Support Office</u>, <u>Widening Participation</u>, <u>Edinburgh Global</u> and <u>Edinburgh Local</u>.

Our asks of you:

- Contact us to participate in a Sustain assessment.
- Come to one of our events.
- Consider hosting a living labs research project.
- Take some of the steps outlined in the next section.





Calls to action

Taking social responsibility and sustainability further in your business

There are many ways to embed social responsibility and sustainability in your business, from doing your own research and making pledges, to accessing resources and training. Here are five steps you could take now.

Do some research:

- Direct your research towards key issues highlighted by our SPPPT outputs, using the "next steps" emphasised in the <u>briefing</u> for your sector
- Map your supply chains and identify areas where there may be a risk of environmental or human rights abuses. Tools like the <u>Global Slavery Index</u> can help
- Audit your supplier's practices, and follow the <u>Ethical Trading Initiative's (ETI) Human Rights Due</u> <u>Diligence Guidance</u> to embed audits within a broader and meaningful due diligence approach
- Consider <u>life-cycle assessments</u> to better understand the sustainability impacts of your products

Access training and support (many free of cost):

- Supplier Development Program (SDP) <u>Supplier Development Training</u> to prepare suppliers to bid for tenders with public bodies in Scotland
- APUC's <u>e-learning modules</u>
- <u>Training and business support</u> from the Edinburgh Centre for Carbon Innovation (ECCI)
- Resource efficiency support for businesses from <u>Zero Waste Scotland</u> and <u>Resource Efficient</u> <u>Scotland</u>
- Ethical Trading Initiative <u>training courses</u> on sustainable procurement, ethical trading, human rights due diligence and modern slavery amongst other issues
- This Open Learn course on modern slavery

Make a commitment for your business or product, for example to:

- Sign the <u>Scottish Business Pledge</u>
- Implement the Ethical Trading Initiative Base Code
- Join Stonewall's <u>Diversity Champion's Network</u>
- Become certified under an ecolabel or environmental management scheme, such as ISO 14001

Look at some of these further resources:

- The Scottish government's <u>Supplier Journey</u> and <u>Supplier Development Program</u> to guide you through the process of bidding for public contracts
- <u>Resources and links from APUC</u> to guide you through the process of bidding for their contracts
- <u>Resources from Ethical Trading Initiative</u> on a variety of social responsibility issues
- Zero Waste Scotland's case studies, research and guidance
- The All-Party Parliamentary Sustainable Resource Group's report <u>Link to Link: Driving Resource</u> <u>Efficiency across Supply Chains</u>
- Stonewall's guidance for embedding equality and diversity in supply chains
- The OECD's Due Diligence Guidance for Responsible Business Conduct







This publication can be made available in alternative formats on request. Email: SRS.Department@ed.ac.uk Phone: 0131 650 4065

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