# Sustainable Procurement

*This version of the document has been approved by Sustainability Strategic Group for forwarding to Health Safety & Environment Committee, the Finance Committee and from there to Council in April 2011. The actions are picked up within the EcoCampus actions.*

## Sustainable Procurement Strategy

Loughborough University recognises its responsibility to carry out its procurement in an environmentally and socially responsible manner. Sustainable procurement is about incorporating sustainability principles into procurement decisions by taking into account the environmental and social factors whilst still obtaining value for money.

This approach is consistent with the University’s Strategic Plan “Towards 2016” which states:

Mission:

“To influence the economic and social development of individuals, business, professions and communities.”

Values:

“to contribute to society”

Our Vision:

“Nationally we will be known for our commitment to environmental sustainability.”

The risks associated with failing to take a sustainable approach to procurement include:

* Damage to the reputation of the University through being identified with suppliers in the supply chain who fail to comply with internationally recognised standards for social, economic or environmental sustainability.
* Increase in carbon associated with the supply chain – although “scope 3” emissions produced through the supply chain are currently not included in the government’s measurement of carbon in the HE sector this may happen in the future.
* A fragmented supply chain or purchase of more than we need leading to increased volumes of delivery vehicles on campus bringing with it risk of accidents, congestion and inconvenience to pedestrians.

The opportunities associated with a more pro-active approach to sustainable procurement include:

* Implementing procurement consistent with the University’s Strategic Plan in regard to sustainability objectives.
* Mitigation of the reputational risks associated with unsustainable practices within the supply chain.
* An opportunity to market this aspect of our implementation of the University’s approach to sustainability and to have this recognised through a range of surveys, benchmarking exercises and awards.

## Sustainable Procurement Policy

This policy recognises the need to incorporate environmental and social considerations into the University’s selection of all goods and services. Implementation is the responsibility of the Purchasing Office whose staff ensure that policies are in place, legislation complied with, advise on purchases and lead on major tenders. As many areas of purchasing are devolved within the University, it is also the responsibility of all those procuring goods and services in the University. This policy requires all those involved in purchasing good and services on behalf of the University to firstly reduce purchases where possible and to secondly ensure that suppliers and contractors we do purchase from minimise the negative environmental and social effects associated with the goods and services they provide.

This policy adopts the definitions included in the British Standard on Sustainable Procurement, BS8903 published in 2010 which defines sustainable development as:

“An enduring, balanced approach to economic activity, environmental responsibility and social progress.”

and states that:

“Sustainable procurement means only purchasing goods that are really needed, and buying items or services whose production, use and disposal both minimise negative impacts and encourage positive outcomes for the environment, economy and society.”

The key objectives of this policy are aligned with those in BS 8903 and are:

1. Loughborough University’s purchasers will reduce the demand for resources (e.g. by reducing purchases, using resource-efficient products, considering end of life).
2. Loughborough University’s purchasers will seek to minimise any negative impacts of goods, works or services across their life-cycle and through the supply chain (e.g. impacts on health, air quality).
3. Loughborough University’s purchasers will seek to ensure that minimum ethical, equality, human rights and employment standards are met by suppliers.
4. Loughborough University’s Purchasing Office will ensure that fair contract prices and terms are applied and respected.
5. Loughborough University’s Purchasing Office will seek to provide opportunities for and encouragement to small and medium businesses and other relevant organisations to tender for business.

The implementation will be characterised by continuous improvement working in partnership with the University’s suppliers. An overall annual review and target setting will be undertaken and regular reviews held with key suppliers.

Where appropriate we will seek to use over-arching accreditation (for example ISO 14001) and/or adoption of international standards of practice (for example Fair Trade, Ethical Trading Initiative “Base Code”).

The following targets have been set in order to move towards achieving these objectives:

* This policy will go forward for approval to the Sustainability Strategic Group in November 2010, the Health, Safety and Environment Committee in February 2011, the Finance Committee in March 2011 and Council in April 2011.   
  Action: Director of Change Projects – completion by April 2011.
* The working group looking at the sustainable procurement policy will consider the sustainability risks associated with areas of high spend and will prioritise areas for action through supplier appraisals, re-tendering where appropriate and through encouraging selection of more sustainable supplies through existing suppliers. Action: Working group to review and list and prioritise actions by January 2011
* All tenders undertaken through the Purchasing Office from December 2010 (following discussion and approval of this document by Sustainability Strategic Group) to include sustainability criteria at pre-qualifying and main tender stages.  
  Action: Purchasing Office to report in December 2011.
* The Purchasing Office to include information for local and small suppliers on their web page and promote areas where local suppliers are being successful (also has a community PR aspect).   
  Action: To be updated as part of the move of the Finance pages to the web content management system being rolled out to the University by December 2012.
* The Purchasing Office to ensure that when the University places tenders for a value over £25K that this is made visible on GovNet which will increase visibility to local suppliers. Action Purchasing Office by January 2011.
* Facilities Management as a major purchaser to incorporate whole-life costing considerations in construction, refurbishment and maintenance contracts.  
  Action Peter Upton, Andy Sweeney.
* Facilities Management to lead a review on fleet management for the University to lead to a more environmentally sustainable approach.   
  Action: Director of FM – to report end 2011
* Short training course to be run by Purchasing Office with support from the FM Sustainability team for finance officers in academic departments and support services.   
  Action: Director of Change Projects to discuss options with Staff Development. Programme in place for October 2011.
* We will investigate ways to prompt purchasers using Agresso and DCLA to choose more sustainable options.
* Action: Purchasing Office by July 2011.
* We will create a supplier appraisal – to be considered at the January 2011 meeting of the working group.  
  Action: Working Group to develop proposal at January/February meetings for piloting by Purchasing Office. Action draft in use by March 2011.
* The working group will look at the potential offered by use of online catalogues.  
  Action: by March 2012

## Monitoring and Review

We will measure the effectiveness of the strategy utilising:

* Green Supplier Appraisals.
* Monitor and review the responses to sustainable issues within tender documents.
* Network and benchmarking with other Institutions and through other environmental organisations e.g. The Environmental Association for Universities and Colleges.
* Partner with Suppliers and Stakeholders for continuous improvement and recording of achievements via a quarterly report.

An annual report will be provided to the Sustainability Strategic Group in November 2011 and each year thereafter.

*Anne Mumford*

*6th December 2010.*