

RESPONSIBLE PROCUREMENT STRATEGY

2022 – 2027

1. INTRODUCTION

- 1.1** Responsible Procurement is the act of sourcing services, supplies, and/or works in compliance with the University’s statutory obligations under the Public Contracts Regulations 2015 (“PCR 2015”) and is inclusive of our ethical, sustainable, economic, social, labour, and environmental prerequisites in every step of the procurement cycle.
- 1.2** The Responsible Procurement Strategy has been developed to ensure that all staff involved in the procurement of goods and services within the University routinely consider how we can enhance and protect the shared environment that we all work in, contribute to the health and well-being of society, and build a sustainable economy for our community through our procurement decisions.
- 1.3** This strategy reflects the commitment of the procurement team to help the University achieve its financial, educational and research targets as well as support the delivery of the University’s Strategic Plan. As a newly founded centralised procurement service in June 2021, we will constantly evolve the purpose and capability of our services as part of a wider provision of efficient, effective and excellent professional services that support academic colleagues and students in pursuing outstanding education and research.

2. PURPOSE

2.1 Responsible Procurement:

- a. is about improving the quality and cost effectiveness of delivering our services and seeks to build on and expand the scope of ‘ethical’ and ‘sustainable’ procurement to include environmental, economic, and social issues and their risks and benefits;
- b. is a mechanism to challenge current service arrangements and find new models for service delivery to include a range of considerations of equal or greater importance than profitability and the generation of value;
- c. includes purchasing that minimises carbon emissions causing climate change, challenging the systems and industries driving it;
- d. identifies, prevents, and mitigates the risks of human rights abuses in the supply chain, including forced labour, child labour and human trafficking;
- e. identifies ways to create positive impact with regards to the economic, social and environmental wellbeing, including equality and diversity in the contracts we provide;
- f. delivers better realised savings that can be channelled back into priority areas to benefit our community;

- g. achieves added Social Value as well as wider added value benefits to our community through effective use of the supply chains;
- h. using our professionalism and planning to prevent financial loss to the University;
- i. ensures that our partners deliver best value and support our services and reputation; and
- j. recognises all these considerations are interconnected, and must be approached in their totality, with a sensitivity to that.

3. SCOPE

3.1 The overarching responsible procurement objective is to provide an equal, fair, and transparent procurement service that promotes value for money, adopts best practice and ensures that the University operates within the legal framework for public procurement. We will ensure this is achieved whilst taking a long-term view on behalf of the university and procuring in a responsible manner.

3.2 The strategy aims to be a living document and is aligned to the following key questions that we will use as a touchstone to review and drive our performance to achieve the stated objectives. We will ask ourselves and others the following:

- Are we delivering Value for Money?
- Are we embedding sustainability into our purchasing activities?
- Are we delivering a legally robust service?
- Are we enabling and driving excellence in Teaching, Learning and Research through the services we provide?
- Are we providing a collaborative platform to manage the University's non-pay spend?

Affirmative answers to these questions will ensure we are delivering Responsible Procurement.

4. STRATEGY

4.1 We have identified ten strategic areas of focus which we will deliver and monitor our performance on an annual basis over the next 3 years.

- Governance & Strategy
- Measurement and Reporting
- Organisational Development
- Resource and Skills
- Sustainability
- Collaboration
- Information Systems
- Supplier Strategy and Policy
- Category Management
- Contract & Supplier Relationship Management

4.1.1 Governance and Strategy

Our procurement governance is based on the overall procedural arrangements and the relevant systems established to ensure that the adopted procurement processes allow

appropriate levels of control and probity. Our governance regimes will include our procurement policies, process management procedures, resource allocations as well as controls and review processes to gauge effectiveness of the procurement process and supports the University's strategic plan.

The Strategic Action we will deliver on:

- a. Monitor the implementation of the Responsible Procurement Strategy
- b. Produce an annual procurement report to effectively communicate the contribution of procurement.
- c. Develop the procurement section of the Value for Money Action plan and ensure outputs are achieved.

4.1.2 Measurement and Reporting

Reporting against our strategic objectives will be critical to demonstrating our continuous improvement and understanding the effectiveness of the procurement function.

The Strategic Action we will deliver on:

- a. Identify and develop a set of Key Performance Indicators to monitor progress against the strategic objectives quarterly.
- b. Review the impact of the procurement strategy in achieving Value for Money on an Annual Basis.
- c. Continuously explore the development of new strategic actions to enhance the cost effectiveness of the Centralised procurement function.

4.1.3 Organisational Development

Relates to the way in which responsibility for the procurement activities are led, organised, and managed across the University.

The Strategic Action we will deliver on:

- a. Utilise a range of communication channels to inform and engage internal and external stakeholders in the delivery of our procurement objectives to include transactional, strategic, and collaborative purchasing activities.
- b. Enhance the procurement intranet and provide a resourceful platform with embedded self-service functionalities for common processes. Refresh the procurement website monthly undertake a full review on an annual basis.
- c. Ensure the quarterly Procurement Working Party meetings are efficient, effective, and valuable.

4.1.4 Resource and Skills

Staffing and other resources directly or indirectly a part of the procurement process in the organisation. Strategically aligning the core competencies of the procurement function to include internal and external stakeholders to achieve the procurement objectives.

The Strategic Action we will deliver on:

- a. All procurement staff to complete the HEPA competency framework.
- b. Develop a skills development and training plan for each member of the procurement team.
- c. Deliver practical training in procurement to cover core competencies for internal and external stakeholders at various stages of the procurement cycle.

4.1.5 Sustainability

The goal of sustainable procurement is to enable the University to adopt social, economic, and environmental factors alongside the typical price and quality considerations into the organisations handling of procurement processes and procedures.

The Strategic Action we will deliver on:

- a. Ensure sustainability is embedded into our procurement practice.
- b. Achieve Level 5 on the Flexible Framework by 2025.
- c. Review our progress on procurement excellence undertaking a further Procurement Maturity Assessment in 2023.

4.1.6 Collaboration

Promote collaborative procurement by engaging with our internal and external stakeholders to enhance the effectiveness of our non-pay spend and add value within the supply chain.

The Strategic Action we will deliver on:

- a. Actively engage with regional and non-regional Higher Education Institutions and work collaborative with the North-Western Universities Purchasing Consortium (NWUPC) to share best practice and support consolidated approach to procurement.
- b. Identify and implement shared e-marketplace to maximise our efficiency on core and non-core low-value non-pay spends.
- c. Build strong links with local SMEs and non-HE procurement consortia.

4.1.7 Information Systems

Information Systems including Procure to Pay systems relates to the use of technology and communications in the procurement field.

The Strategic Action we will deliver on:

- a. Develop functionality of e-procurement systems, to include full end to end Purchase-2-Pay and contract management lifecycle.
- b. Explore ways to utilise new technology to in our procurement activities.
- c. Maintain up to date knowledge of e-tendering management information system.

4.1.8 Supplier Strategy and Policy

Our approach to engaging with our supply chain, including a two-way analytical review of our stakeholder's non-pay spend profile to achieve compliance across our non-pay spend, deliver efficiencies, fully support the integration of equality & diversity into our procurement, and manage the risk profile in line with the procurement objectives.

The Strategic Action we will deliver on:

- a. Plan and implement sourcing strategies to maximise our leverage through procurement consortium collaboration for high value & high-risk suppliers
- b. Support our high-risk suppliers to develop their sustainability action plans.
- c. Continuously manage our high-risk suppliers, ensuring contract compliance through regular performance review meetings.
- d. Create and maintain a supply chain that is instituted on our commitment to include and constantly promote a diverse supply chain to:
 - improve the overall value for money for the University in terms of goods, works and services we purchase
 - Improve the quality, responsiveness and appropriateness of our services.
 - Ensure that the contracts we award do not lead to unfair discrimination and create & supports an integrated diverse workforce within our supply chain.
 - Deliver more responsive and flexible contracts to combat social exclusion and build stronger and cohesive communities.
 - Encourage other organisations within our supply chain to promote and practice the University's strategy on Responsible Procurement.

4.1.9 Category Management

Develop our Category management strategy to achieve whole life contract management cycle, in terms of managing the University's contract portfolio, identifying, sourcing, and consolidating the supply chain, negotiating contracts, and managing service providers after the contract is awarded.

The Category management service will be part of the end-to-end procurement process but focused to a specific range of goods or services. Right from pre-award processes such as category analysis and demand management, sourcing, and contract negotiation, to post-award such as performance Management.

The Strategic Action we will deliver on:

- a. Explore and define the categories of spend we will manage as part of the University's contract management portfolio.
- b. Assign a designated list of contracts for each Category Manager to identify, source and deliver efficiencies across the supply chain.
- c. Collaborate with various procurement consortium to consolidate and deliver value for money against designated spend profile covering various goods & services (for e.g., IT hardware, software, soft services and peripherals, Estates Services & Capital Projects, HR, Consumables etc).

4.1.10 Contract and Supplier Relationship Management (SRM)

Contract Management involves the day-to-day management of the contract, understanding the requirements set out in the contract and ensuring the supplier performs in delivering them.

Supplier Relationship Management (SRM) focuses on building a longer-term relationship with the supplier, forming common goals, and seeking continuous improvement, innovation, and social and added value opportunities for the benefit of both parties throughout the life of the contract.

It is important once a contract has been let that it is effectively managed, especially higher value or more complex contracts to ensure the outcomes detailed in the supplier's tender submission are delivered, risks are identified and mitigated, and cost control is maintained.

This will involve obtaining feedback from the stakeholders or users of the service, regular meetings with the supplier, gathering data and measuring the supplier's performance against agreed key performance indicators and implementing improvement measures where necessary.

Our SRM plan will focus on building longer term strategic relationship with the supplier, seeking mutual opportunities for cost and service improvements and innovation.

The Strategic Action we will deliver on:

- a. Where responsible procurement is a requirement of the contract, we will require suppliers to report quantifiable social benefits against the themes of the societal impact framework.
- b. The contract management framework will include guidance and tips to support contract managers or budget holders in managing responsible procurement outcomes.
- c. We will support our stakeholders to develop partnering relationship with their high-value suppliers as part of the SRM plan.

5. ROLES AND RESPONSIBILITIES

5.1 The aims of this strategy are reflected in a number of procedures published within guidance available to staff of the University (for example, those dealing with the purchase of goods and services or the approval of purchases for and on behalf of the University).

5.2 Responsibility for maintaining and updating these procedures and providing support and guidance to staff rests with the Finance Directorate.

5.3 The Finance Directorate is responsible for ensuring the accuracy and completeness of any disclosures or returns made to the relevant authorities, and for the management of any investigation procedures initiated by those authorities.

5.4 The Finance Directorate is responsible for monitoring and updating this policy and associated procedures to reflect any changes in UK or other relevant legislation. The policy is overseen by the Director of Finance and the University Executive and is also reviewed by the Audit & Risk Committee.

For questions on this policy, please contact the University's Head of Procurement & Customer Services (Ray Lallmahamood, E: a.r.lallmahamood@keele.ac.uk, T: 01782 734327)

6. RELATED POLICIES AND PROCEDURES

6.1 The University has a number of published procedures relating to this strategy, which can be found on the Procurement page of the Finance Directorate website.

7. REVIEW, APPROVAL & PUBLICATION

7.1 The strategy will be reviewed annually by the Head of Procurement & Customer Services or where a significant operational or legislative change occurs, which must be reflected in the strategy.

7.2 The strategy will be reviewed regularly by the ARC, with a maximum duration between formal reviews of three years. The strategy will be published on the Procurement page of the Finance Directorate webpages.

8. DOCUMENT CONTROL INFORMATION

Document Name	Responsible Procurement Strategy
Owner	Ray Lallmahamood, Head of Procurement & Customer Services
Version Number	2.0
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