

DWP Sustainable Procurement Strategy



Department
for Work &
Pensions

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DWP Vision

It is the DWP vision to deliver best practice Sustainable Procurement (SP), help deliver the required government outcomes, ensure DWP contracts provide best value for money and that DWP can demonstrate continuous improvement against government sustainable targets.

DWP supports the most vulnerable in society, working to reduce child and pensioner poverty, helping those who can work to do so, and ensuring people with disabilities can play their full part. To support its aims the department seeks to promote economic growth, tackle poverty and social exclusion, and minimise its own environmental impact. These objectives align with and fully support the UK Strategy for Sustainable Development - [Securing the Future](#).

The DWP Sustainable Procurement Strategy is a key driver to ensuring that we specify sustainable goods and services wherever possible, and encourage best sustainable practice throughout our supply chains. If DWP is to fully meet its responsibilities and match the government's commitment and targets for sustainable development then we need to deliver, and we are looking to our suppliers to help us achieve more.

DWP Commercial Activity

DWP will embed sustainability considerations throughout all DWP commercial activities with particular focus on the following areas:

Supporting Small and Medium Sized Enterprises (SMEs)

SMEs are seen as a major cornerstone of the UK economy and the government wants to ensure that they can compete on an equal footing for public sector contracts. There is an aspiration that each department will spend 25% of their total spend (direct and indirect) with SMEs by 2015. From March 2011, all departments must publish a SME Action Plan which sets out how they plan to achieve this.

Read the current [DWP Action Plan](#)

Greening Government Commitments (GGC)

The [Greening Government Commitments](#) came into force on 1st April 2011 and replaced the Sustainable Operations on the Government Estate (SOG E)

targets. These mandatory targets are for central government departments and their agencies to reduce waste, water usage and carbon emissions by 2015. The GGC contains 4 mandatory operations & procurement related targets which are:

- 1) Reduce greenhouse gas emissions by 25% from a 2009/10 baseline from the whole estate and business related travel;
- 2) Reduce the amount of waste we generate by 25% from a 2009/10 baseline;
- 3) Reduce water consumption from a 2009/10 baseline, and report on office water use against best practice benchmarks;
- 4) Ensure government buys more sustainable and efficient products and engages with suppliers to understand and reduce the impacts of supply chains.

DWP recognise that commercial activities and decisions can have a significant impact on progress made towards all targets which is why potential sustainability impacts will be considered in each procurement exercise and existing contracts that DWP are involved in.

Government Buying Standards (GBS)

The [Government Buying Standards \(GBS\)](#) (formerly known as 'Buy Sustainable – Quick Wins') are designed to make it easier for government buyers to buy sustainability and are mandatory for central government departments and their agencies. GBS are a set of sustainable specifications for a range of commonly purchased products, such as IT equipment, white goods, paper etc.

The GBS are comprised of both a set of mandatory minimum standards (set at the market average level) and best practice specifications. The best practice specifications are more stretching than the mandatory minimum and are voluntary for those departments that wish to purchase the "best in class" products in certain areas. GBS are recognised across government as an important tool in delivering sustainable procurement and progress towards the Greening Government Commitment targets.

DWP will aim to meet the best practice specifications wherever possible given our position as a recognised leader in sustainability in government.

DWP are represented on the sustainable procurement product board by commercial policy. This group develop and agree future GBS in consultation with other procurement professionals, industry experts and suppliers. The policy team will co-ordinate any consultation within DWP involving the relevant DWP category teams and suppliers and co-ordinating a formal response on behalf of the department.

Each year DWP will feed back to DEFRA regarding the compliance levels in the department regarding the both the minimum and best practice standards.

UK Government Timber Procurement Policy

The [UK Government Timber Procurement Policy](#) requires that all timber and wood-derived products procured by central government and their arms length bodies must be from only:

- Independently verifiable legal and sustainable sources OR;
- Forest Law Enforcement, Governance and Trade (FLEGT) licensed timber or equivalent sources.

Along with our suppliers, DWP are committed in ensuring that the procurement of any timber derived products will comply with this legislation.

The Equality Act 2010

The first stage of the [Equality Act 2010](#) came into force on the 1st October 2010. This replaces previous anti discrimination laws with a single act and simplifies the law removing inconsistencies and making it easier for people to understand and comply with.

The remainder of the Act, the [Public Sector Equality Duty](#), commenced on the 5th April 2011 and is a duty on public bodies and others carrying out public functions and will embed equality considerations into the day to day work of public authorities.

The Public Sector Equality Duty consists of a general duty with 3 main aims:

1. Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act
2. Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it
3. Foster good relations between persons who share a relevant protected characteristic and persons who do not share it

Public procurement is classed as a public function under the general duty – this means that DWP will consider all aspects of equality in their tendering processes in order to comply with legislation.

The Public Services Social Value Act (2012)

The [Act](#) places a requirement on the Authority to consider the economic, environmental and social benefits of their approach at the pre-procurement stage of the procurement process as this is where social value can be impacted to greatest effect.

A DWP Policy has been developed which incorporates the principles of the new Act which reaffirms the department's commitment to meeting government

policy to mainstream social, economic and environmental sustainability across everything from core policy to operations and procurement. This includes embedding sustainability through supporting the SME and Diversity and Equality agendas which are at the heart of the Social Value Act.

DWP Tools & Guidance

DWP have developed a number of aids over the years to help commercial staff and current and prospective suppliers to understand why sustainability is so important to us. We have also built a number of sustainability requirements into our tender documentation.

Sustainable Procurement Risk Assessment Methodology (SPRAM)

It is departmental policy that sustainable goods and services are specified wherever possible and that sustainability aspects are considered at the earliest possible stage in procurement. DWP have developed a risk assessment process to aid commercial staff in meeting their sustainable obligations and this is a mandatory tool to be used in all tendering exercises. To be used to its full advantage SPRAM must be carried out at the earliest opportunity in the tender process, ideally when identifying the need and prior to drafting the specification. It allows for consideration and mitigation of potential environmental, economic and social risks associated with a contract. SPRAM must also be completed when significantly varying or extending a contract and throughout contract management. To emphasise its importance SPRAM needs to be signed off by the senior officer in charge of the procurement exercise/existing contract.

SPRAM ensures all initiatives covered in this strategy (SME agenda, Greening Government Commitments, Government Buying Standards, etc) are considered during completion of the risk assessment.

DWP Sustainable Procurement Awareness Sheet

The Sustainable Procurement Risk Assessment Sheet has been developed for all existing and potential suppliers, informing them of our vision and targets for sustainable procurement and what we expect from those we work with. It is issued with Invitation to Tender documents during procurement exercises and sent to existing suppliers via contract managers.

SP information Pack

All commercial staff has access to this guidance document on the departmental approach to sustainable procurement.

Diversity and Equality – Guidance for Contractors

To assist contractors in responding to DWP requirements around D&E a guidance document covering all aspects of the requirements is sent out as part of contract documentation.

DWP Contract performance conditions – contract schedules

Commercial Policy has introduced a number of contract schedules to assist DWP in delivering the sustainable procurement agenda. These schedules are now mandatory in all new contracts over 12 months above £10k. Details of the schedules and their requirements are as follows: -

- ***Sustainable Development Requirements Schedule –***

Suppliers are required to produce a contract specific Sustainable Development Policy and an Action Plan within 6 months of contract start date and update annually thereafter. Any issues with compliance are dealt with using standard contract management procedures.

- ***Diversity and Equality Requirements Schedule –***

Suppliers are required to produce a contract specific Diversity & Equality Delivery Plan within 6 months of contract start date and update on an annual basis. They must also provide data relating to the make up of their work force in terms of gender, disability and ethnicity. Any issues with compliance are dealt with using standard contract management procedures.

- ***Apprenticeships and Skills Requirements Schedule –***

Suppliers are required to produce a contract specific Apprenticeship & Skills Report within 6 months of contract start date and then on an annual basis. Any issues with compliance are dealt with using standard contract management procedures.

Key Objectives for 2013/14 and beyond

Continue to engage with public sector SP groups (DEFRA), Government Equalities Office, Equality & Human Rights Commission, Other Government Departments, European Social Fund and CIPS.

Work with our colleagues in the Sustainability and Climate Change team with regards those subjects that impact both areas.

Continue to support commercial activity and category management to improve value for money as a result of demand management and whole life costing.

Increase our contribution to government policies and departmental objectives in areas such as SMEs, apprenticeships and GBS.

Develop a method of data collection (either internally or by external means) for understanding and measuring the impacts of DWP suppliers and their supply chains.

Ensure all commercial activities, particularly in the delivery of contracts with staff or customers, considers Diversity and Equality and other social issues in line with legislation and DWP policy.

Ensure commercial activities contribute to progression of DWP core aims and objectives (i.e. tackling unemployment).

Review and align commercial policies, documents and guidance with current government and DWP SP policy and give support to commercial staff on new legislation/government initiatives.

Continue to meet GGC mandates for procurement which are:

- To embed GBS in departmental and centralised contracts;
- Improve and publish data on supply chain impacts and baselines regarding carbon, water and waste.

Further advice and guidance

If you require further information regarding this strategy document please contact the DWP Commercial Policy and Process Team.

Email: cppt.commercialpolicyandprocessteam@dwp.gsi.gov.uk (DWP CPPT Commercial Policy and Process Team)