



RESPONSIBLE PROCUREMENT STRATEGY

2023 – 2026

Procurement Services

July 2023

Release	Authorised By	Date	Change Made
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Introduction

1. The Open University interprets sustainability as:

“Meeting our needs without compromising the ability of future generations to meet their needs”

2. Sustainability is one of the University’s 5 strategic goals and this reflects the importance of environmental and social sustainability to the University in delivering our mission.

3. The University’s Procurement Strategy has responsible procurement as one of its 6 key principles with the aim that:

“Social and environmental responsibility lies at the heart of procurement activities. Ethical (including equality & diversity) and environmental considerations are embedded into the procurement cycle, targeted to support the University’s wider sustainability objectives.”

4. This Responsible Procurement Strategy has been developed to consolidate and prioritise our commitments moving forward.

Our Responsible Procurement Priorities

5. To deliver responsible procurement effectively, it is critical that we are clear about the priority issues we need to consider. Whilst there are numerous sustainability considerations associated with the goods,

services and works we routinely purchase, the priorities outlined in Figure 1 will be considered on all purchases made by the University. Responsible procurement priorities have been identified based on risk, importance, and the opportunity to positively impact on our value chain.

6. This will include using best practice in terms of the Flexible Framework and the ISO20400 Sustainable Procurement Guidance.

Figure 1: Responsible Procurement Priorities

Environmental	Social	Economic
Support the University's climate action targets	Continue to take actions to help the eradication of modern slavery in our supply chains	Develop opportunities to work with Small & Medium (SME) suppliers
Reduce consumption and Production as part of our commitment to the Circular Economy	Contribute to the University's targets around Equality, Diversity, and Inclusion and social value	Maximise use of local products and services wherever possible.

Enabling Responsible Procurement at the OU

7. To successfully enable responsible procurement at the OU there are a range of strategic objectives we will deliver as part of this strategy. These are linked to achieving the Flexible Framework.
8. **People Development** – Ensure the procurement team and staff across the University have the necessary level of responsible procurement skills to deliver this strategy.
9. **Policy, Strategy and Communications** – Ensure we have clear strategic commitments in place and a method of communicating these commitments and associated actions to key stakeholders.
10. **Procurement Process** – Ensure that we embed responsible procurement effectively into the procurement cycle.
11. **Engaging Suppliers** – Ensure our suppliers are aware of our responsible procurement commitments and we challenge and support them in equal measure.
12. **Measurement and Results** – Ensure we monitor our progress on responsible procurement and can effectively demonstrate our positive impact.
13. Our action plan to deliver against these strategic objectives can be found at Appendix 1: Achieving the Flexible Framework.

Embedding Responsible Procurement within the Procurement Cycle

14. How we embed responsible procurement in the procurement cycle is at the core of successfully delivering this Strategy. Figure 2 shows the range of resources, which will be developed to support us at each stage of the Procurement Cycle. These resources will be for the benefit of the procurement team and colleagues across the University who are involved in procurement activities. These resources will be included as part of our procurement guidance and support and where appropriate delivered through the SPARK tool.

Figure 2: Responsible Procurement in the Procurement Cycle

Stages of the procurement cycle	Responsible procurement embedding activities	Key resources to support our journey
Identify business needs	Undertake a sustainability impact analysis to identify the priority environmental, social and economic considerations related to the subject matter of the project. Can we reuse or not buy at all?	<ul style="list-style-type: none"> • Sustainability Impact Analysis • Commodity Code Analysis Tool

Analyse market	Review the marketplace to understand sustainability impacts and opportunities. This will include the identification of sustainable risks and opportunities.	<ul style="list-style-type: none"> • Supplier Engagement Tool • Category Data
Define sourcing strategy & qualify suppliers	Include the relevant sustainability method statements and criteria within sourcing documents (e.g. Invitations to tender) Including commitments to Whole Life Costing. Developing a Sustainability Action Plan and sign up to the Supplier Code of Conduct	<ul style="list-style-type: none"> • Sample method statements and questions • Guidance on Whole Life Costing • Supplier Engagement Tool • Supplier Code of Conduct • Procurement internet page
Award & deploy contract	Set sustainability Key Performance Indicators relevant to the subject matter of the contract.	Guidance on reviewing sustainability as part of contract management

Supplier relationship management	Ongoing supplier development and risk management KPIs monitored and recorded	Supplier Engagement Tool
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15. Guidance will be provided to support the delivery of this strategy where the procurement team is not involved in lower value purchases.

Skills Development

16. To support the delivery of this strategy we are committed to the continuous professional development of our staff and the development of key capabilities to deliver against our strategic priorities outlined in our Responsible Procurement Strategy and Procurement Policy. The actions to deliver this can be found at Appendix 1.

Working in partnership

17. The University has committed to achieving Net Zero by 2050 and is committed to supporting the UN Sustainable Development Goals.

18. Whilst we are proud of our commitments, we are not the only organisation on this journey, and it benefits all if we use potential collaborations, which will help us to deliver this strategy.

19. We will continue to work with the following organisations to help us understand best practice, continue to share, learn and make use of available tools and resources:

- ✓ **Purchasing Consortia:** We will use the Sustain Supply Chain Code of Conduct, which requires our suppliers to acknowledge the Global Climate and Ecological Emergency.
- ✓ **NETpositive Futures:** We will use the sustainability action planning tool, which ensures our suppliers have sustainability action plans in place to help them to respond to our specific university priorities.
- ✓ **Government Departments:** The Modern Slavery Assessment Tool (MSAT) is a modern slavery risk identification and management tool. This tool has been designed to help public sector organisations work in partnership with suppliers to improve protections and reduce the risk of exploitation of workers in their supply chains.
- ✓ **Environmental Association of Universities and Colleges:** Drawing on best sustainable procurement practice from across the sector.

Appendix 1: Achieving the Flexible Framework

The Flexible Framework is a nationally recognised approach to implementing Responsible Procurement. We have used this approach to support the development of this strategy and this action plan.

People Development – Ensure staff across the University have the necessary level of responsible procurement skills to deliver this strategy.

Key Actions

- Formalise governance and ownership of responsible procurement
- Ensure all procurement staff have an advanced understanding of responsible procurement, Whole Life Costing and Net Zero
- Update competencies for procurement staff; responsible procurement to be included in performance objectives
- Include responsible procurement in staff inductions

Policy, Strategy and Communications – Ensure we have clear strategic commitments in place and a method of communicating these commitments and associated actions to key stakeholders.

Key Actions

- Develop a Responsible Procurement Strategy and monitor on an annual basis to ensure the Strategy continues to align with OU sustainability commitments and priorities

- Develop and implement a communications plan to support the delivery of responsible procurement across the University, this will include case studies of good practice and guidance
- Use SPARK to optimise engagement and identify the procurement support required across the University

Procurement Process – Ensure that we embed responsible procurement effectively into the procurement cycle.

Key Actions

- Undertake a risk analysis based on spend and the sustainability priorities identified in the strategy
- Update procurement documents to help embed responsible procurement in the procurement cycle
- Develop and communicate key approaches to delivering responsible procurement including, Sustainability Impact Analysis, Carbon Reduction and Whole Life Costing
- Ensure responsible procurement is a consideration for all high-risk categories

Engaging Suppliers – Ensure our suppliers are aware of our responsible procurement commitments and we challenge and support them in equal measure

Key Actions

- Roll out refreshed Supplier Engagement Tool and use for reporting and metrics and measures
- Prioritise supplier engagement based on risk and opportunity
- Implement a sustainability training programme for suppliers
- Roll out the Sustain Supplier Code of Conduct

Measurement and Results – Ensure we monitor our progress on responsible procurement and can effectively demonstrate our positive impact.

Key Actions

- Establish a set of KPIs to monitor and progress on responsible procurement
- Review our progress against peers across the sector and the Flexible Framework
- Produce a benefits statement on the OU approach to responsible procurement

