

Sustainable Procurement Policy

Document Revision History and Key Facts

Version	Issue date	Policy/Guidance owner	Date of next review	Comments/ brief description of main changes in this revision
001	14/10/2015	Director of PPCS	01/01/2016	
002	18/07/2016	Director of PPCS	01/01/2017	Annual Review
003	03/05/2017	Director of PPCS	01/01/2018	Annual Review
004	02/05/2023	Director of PCD	01/05/2024	Change to content and structure to reflect changing legislation and guidance
005	02/02/2024	Deputy Director of PCD	02/02/2025	Update to London Living Wage section

Purpose

The purpose of this policy is to communicate clearly, to all interested stakeholders, how the Parliamentary Commercial Directorate will incorporate sustainability attributes, compliantly and efficiently, into the commercial lifecycle.

The objectives and requirements set out in this document are mandatory and applicable to both Houses and the Parliamentary Digital Service.

The Finance Directors of the two Houses have discretion to amend this document, referring significant policy changes to the Management Boards (or equivalent).

Background

The Parliamentary Commercial Directorate (PCD)

The Parliamentary Commercial Directorate (PCD) provides professional procurement and contract management advice and support to the departments and offices of the House of Commons, the House of Lords and Parliamentary Digital Service for contracts of any size.

The role of PCD is to work in partnership with budget holders, project leaders, project managers, contract managers and end users, and to ensure that, through the application of professional procurement skills and knowledge, our procurement processes incorporate all relevant social, economic, and environmental considerations.

Commercial activity in PCD is divided into three main spend categories:

- Information and Communications Technology (ICT)
- Services and Supplies
- Works

By having dedicated category teams with relevant levels of expertise, PCD can engage effectively with internal and external stakeholders to ensure we properly define our requirements, benefit from innovations in the market and actively consider general and category specific sustainability requirements for each contract it lets.

Accreditations

- London Living Wage (LLW)

Both Houses of Parliament are accredited by Citizens UK (CUK) as London Living Wage Employers. PCD ensures that all suppliers working on our premises pay their dedicated staff at least the London Living Wage (LLW). Dedicated staff means anyone who provides a service to or on behalf of the Authority involving 2 or more hours of work in any given day in a week, for 8 or more consecutive weeks in a year, including sub-contractors staff but excluding apprentices, interns, and anyone under 18.

Additionally, suppliers and sub-contractors providing services in relation to our contracts, while not having a presence on parliamentary premises, pay their Dedicated Staff at least the LLW or the UK Living Wage if based outside London.

Increases in the LLW and UKLW must be applied within 6 months of announcement of the new rates.

How Sustainable Procurement Practices are monitored

The contract management rules, and thereafter the contract management plan, set out the monitoring requirements and reporting of information required by PCD to demonstrate that suppliers are delivering to agreed requirements.

Policy

Definition of Sustainable Procurement

Sustainable Procurement is a process whereby organisations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis in terms of generating benefits not only to the organisation, but also to society and the economy, whilst minimising damage to the environment.

This definition is based on the three pillars of sustainability: environmental, social, and economic.

Both Houses will seek to achieve the following objectives when purchasing goods or services from third party providers.

The Public Contracts Regulations 2015 allow contracting authorities to make use of public procurement in support of common societal goals, provided that these are relevant and proportionate to the subject matter of the contract. Contracting authorities can therefore request certification/labels or other equivalent evidence of 'additionality' benefits through the procurement process, provided always that these are linked to the subject matter of the contract and that this is done in a transparent, non-discriminatory and proportionate way.

Parliamentary Objectives

- To ensure we, and our suppliers, comply with all relevant legislation and regulatory requirements regarding environmental, social and economic sustainability.
- To embed Social Value into all tenders above £50k.
- To actively consider modern slavery risks in the supply chain.
- To appropriately identify and encourage working with suppliers who are more environmentally responsible.
- To ensure that products and services are as energy efficient as feasible.
- To ensure that stakeholders understand the importance of recognising equal opportunities as well as actively practicing inclusivity and diversity in relation to commercial activity.
- To ensure staff concerned with providing goods and services to Parliament and in its supply chain work in conditions that are beneficial to their welfare.
- To guarantee all staff working on our premises will be paid, as a minimum, the applicable Living Wage.
- To consider markets in which to purchase Fairly Traded products.
- To only purchase sustainable seafood.
- To warrant that food and beverages purchased meet recognised industry standards which ensure high standards of animal welfare and environmental protection (in addition to the safety and hygiene standards we require).
- To ensure that our tender opportunities are accessible to suppliers of all sizes and in all regions.
- To proactively engage with SMEs and Social Enterprises where appropriate.
- To encourage carbon efficiency in the supply chain with a keen focus on Net Zero and Carbon Neutral projects.
- To ensure that the use of single use plastics in product and service delivery is eliminated or, where this not possible, practically minimised.
- To promote a circular economy mindset.

The Parliamentary Commercial Directorate supports these sustainability objectives by:

- Ensuring that our contractual requirements, and terms and conditions, oblige our suppliers to demonstrate they meet all relevant legislation and regulatory requirements.
- Selecting appropriate questions from the official parliamentary bank of Social Value questions for inclusion in all tenders above £50k.
- Following the requirements under PPN 02/23 (Tackling Modern Slavery in Supply Chains) in order to identify and manage modern slavery risks.
- Working with the environmental sustainability team to include appropriate questions within the tender process to ensure that the manufacturing and delivery of products and services take account of the impact on biodiversity.
- Working with the environmental sustainability team to include in the tender process, appropriate and proportionate requirements relative to the products or services being procured which align to recognised environmental standards.
- Embedding questions within the tender process to ensure that the manufacturing and delivery of products and services take account of the impact on biodiversity where relevant
- Including required operating standards which ensure the products we purchase are as energy efficient as possible.
- Asking questions within the tender process and providing training and development opportunities or guidance for staff, suppliers and wider stakeholders highlighting our inclusivity and diversity values.
- Ensuring that all suppliers demonstrate, through the production of evidence during the tender process, that the welfare and working conditions for all staff are acceptable.
- Embedding contractual obligations for suppliers to guarantee all staff working on our premises will all be paid, as a minimum, the applicable Living Wage; also by PCD undertaking an annual audit with suppliers confirming this is being adhered to.
- Researching markets appropriately at the start of each tender process in order to understand fair trade opportunities and how they might be embedded into the procurement effectively.
- To require all providers of Seafood to produce at the time of tender, and annually thereafter, proof of certification or accreditation that their practices are in line with sustainable fishing.
- Require that providers of food and beverages provide evidence, at the time of tender, and annually thereafter, that they meet recognised industry standards which ensure high standards of animal welfare, environmental protection and health and safety.
- Actively and regularly consider the wording, presentation, advertisement, and accessibility of our tender documentation to ensure it is easily obtained, understood and can be responded to.
- Research each category area to ensure there is a clear understanding of the market and the makeup of different types of organisation, for example, SMEs, social enterprises and larger corporations.
- Require the production of certified carbon impact figures for products and services as well as carbon management plans in each appropriate tender and measure progress through contract management activity.
- Proactively assess the procurement for the provision of single use plastics, and excessive packaging, seeking alternatives to eliminate the need or where this not possible, practically minimise with a longer term plan to reduce or remove those elements.

- Encourage the provision of products or services which are or can be repaired, reused and recycled by embedding requirements into the specification which promote innovative thinking and align to circular economy objectives.
- Provide reports to both Houses providing information gathered through the procurement process that demonstrate our commitment and progress to the above; for example the number of SMEs bidding for our opportunities.