



19 SEPTEMBER 2017

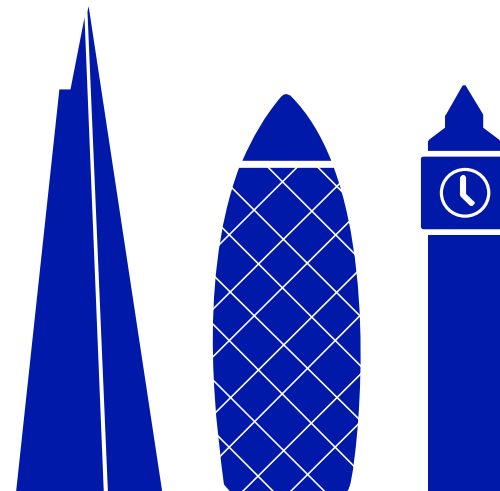
# Transport for London's Responsible Procurement Programme

Tim Rudin, Responsible Procurement and Supplier Skills Manager, TfL



EVERY JOURNEY MATTERS

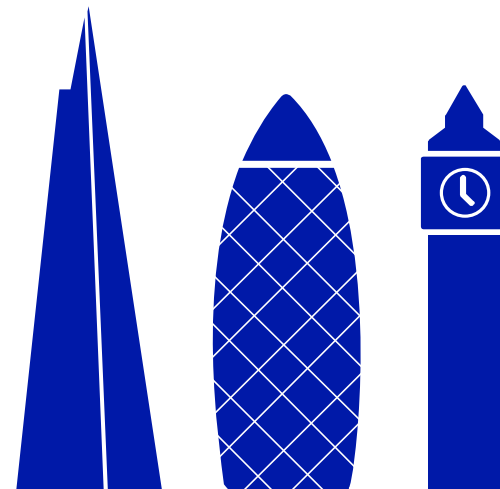
# Transport for London







# Responsible Procurement



# London's Social Sustainability Challenges

## Poverty

- 590,000 children (37%) live in poverty in London

## Diversity

- The employment rate for people from a BAME background is 10% lower than those from a white background

## Employment

- Around 20% of 16 – 24 year olds in London are unemployed
- 15% of the population of London are economically inactive





# The Greater London Authority Responsible Procurement Policy

MAYOR OF LONDON

## THE GLA GROUP RESPONSIBLE PROCUREMENT POLICY

The GLA Group Responsible Procurement Policy

### The Mayor's Vision and Statement of Intent

My vision for London is simple – I want all Londoners to have the same opportunities that our city gave me: a home they can afford, a job with fair pay and employment terms, an affordable and modern transport system and a safe, clean and healthy environment.

I'm passionate about the importance of fairness and social justice and will ensure that opportunity and prosperity are shared, and that vulnerable people are protected from exploitation. My mission is to advance London's competitiveness and status as a world-leading city for business, creativity, fairness and environmental sustainability. I want London to be a global beacon of tolerance, acceptance and respect.



*How can Responsible Procurement help deliver my vision for London?*

I want the GLA Group's extensive public procurement of products and services to deliver lasting positive change. This will be achieved by:

- Working to improve our communities in partnership with local people and organisations to address their specific needs through relevant contract requirements and performance measures.
- Driving fair employment practice with our suppliers to ensure that their employees receive fair employment terms and pay, including the London Living Wage to the extent permitted by law.
- Breaking down barriers that restrict SMEs, community sector organisations and under-represented groups from entering our supply chain to generate employment, skills and training opportunities.
- Encouraging innovative approaches that advance London's competitiveness as a world leading city for business, creativity and fairness.
- Leading by example in the procurement of clean technologies and using resources efficiently.
- Preserving and regenerating our natural environment and protected buildings/sites.
- Building on and sharing good practice within the GLA Group and externally.

Through the GLA's responsible procurement, we can help to make London a more equal, fair and sustainable city and so generate benefits for all London's communities now and in the future.

Sadiq Khan  
Mayor of London

1. Enhancing social value
2. Encouraging equality and diversity
3. Embedding fair employment practices
4. Enabling skills, training and employment opportunities
5. Promoting ethical sourcing practices
6. Improving environmental sustainability



# Implementing the RP Policy in specific tenders

Checklist for Implementing Responsible Procurement Themes

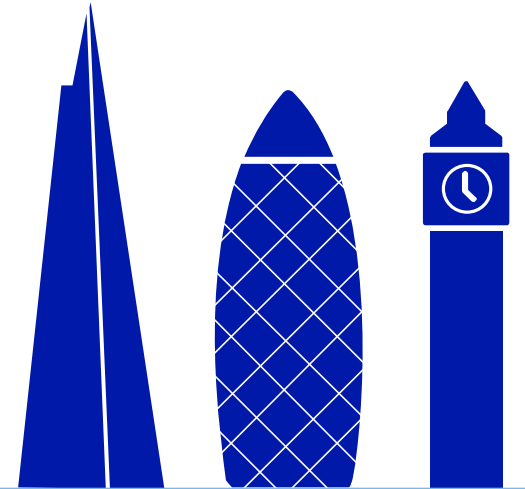
| Responsible Procurement Themes   | Guidance for Inclusion in Contract  | Required Y/N*                    |
|--|---|----------------------------------|
| Equality & Supplier Diversity  | TfL seeks to promote diverse suppliers in the supply chain by using <b>Compete For</b> .<br><b>a.</b> Compete For <b>'Full Publication'</b> of opportunity<br><b>b.</b> Compete For <b>'Signpost'</b><br><b>c.</b> Compete For <b>'Flow Down'</b> clause  | Yes / No<br>Yes / No<br>Yes / No |
|  | In addition to utilising Compete For, up to four 'policies and plans' may be required which may be relevant where we wish suppliers to demonstrate they share our equality and diversity principles; where the contract involves activities undertaken within a diverse community; and/or to promote diverse suppliers in the supply chain. £1m and £25m thresholds are suggested as follows: |                                  |
|  | <b>1) Equality &amp; Inclusion Policy:</b> Required to all relevant contracts with value £1m+ to ensure TfL principles are promoted. The contract will involve 'people'.  | Yes / No                         |
|  | <b>2) Equality &amp; Inclusion Training:</b> Used to make supplier workforce-diversity aware. Especially important if contract requires interaction with TfL staff or public.   | Yes / No                         |
|  | <b>3) Supplier Diversity Plan:</b> Used when the contract requires sub-contractors to ensure small and diverse businesses have equal contracting opportunities.   | Yes / No                         |
| <b>4) Diversity Communications Plan:</b> Used when the contract or project involves activities undertaken within a diverse community and/or presents opportunities for diverse suppliers in the supply chain. It is likely to support the supplier diversity plan and may be part of a wider communication plan. | Yes / No  |                                  |
|  | Notwithstanding relevance to the subject of the contract, it is unlikely all four elements will be required for a contract with a value less than £25m.   |                                  |
| <b>Fair Employment (London Living Wage)</b>  | The contract may involve employing people in London who are, or may be, paid a lower rate than the London Living Wage (LLW - currently £7.85/hour - and who will be spending 100% of their contracted time working on the contract in question. Not applicable if the TfL contract only makes up part of their role.  | Yes / No                         |
| <b>Strategic Labour Needs and Training Opportunities</b>   | The contract will involve the use of skills in perceived shortage areas or require skills training in order to ensure that the contractual requirements can be delivered (in particular engineering and construction skills).   | Yes / No                         |
| <b>Community Benefits</b>  | The contract will affect local communities, either as direct users or as determined by their locality to the delivery of the project.   | Yes / No                         |
| <b>Ethical Sourcing</b>  | The contract will involve products manufactured in, or raw materials sourced from, countries where wide-spread labour and human rights abuses have been reported.   | Yes / No                         |
| <b>Sustainable Freight (FORS)</b>  | The contract will involve considerable road transportation, both to, from and within London, in the performance of the contract.  | Yes / No                         |
| <b>Environmental Sustainability</b>  | <b>Green Procurement:</b> The product or service will present an opportunity to apply principles of 'Reduce, Reuse, Recycle' and 'Buy Recycled' throughout the supply chain. And/or the product or service will generate waste during or at the end of the contract.  | Yes / No                         |
|  | <b>Timber:</b> The contract will involve wood being used in construction or wood makes up part of the product/provision of the service purchased.   | Yes / No                         |
|  | <b>Carbon Emissions:</b> The product uses fossil fuel derived energy to perform its function or the procurement involves significant transportation of goods from source or in performance of the contract/provision of the service.  | Yes / No                         |

For more information on each theme use the link in the theme title

- Responsible Procurement checklist completed for all tenders to determine which aspects of the Responsible Procurement Policy will be included
- Key considerations: **relevance** and **proportionality**



Implementing  
Responsible  
Procurement - Enabling  
skills, training and  
employment  
opportunities





# Challenges: Transport and Infrastructure Sector

## Skills Shortages

- Up to 20% in some areas
- Forecast shortfall of 56,750 by 2020
- Wage inflation – increased costs

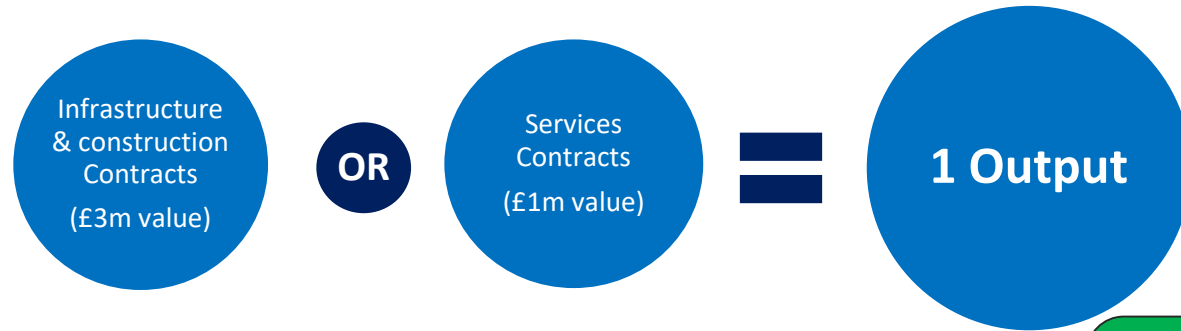
## Underrepresentation

- Women represent 20% of the rail industry as a whole, and only 4.4% of railway engineering
- Only 6% of wider engineering workforce in the UK are women

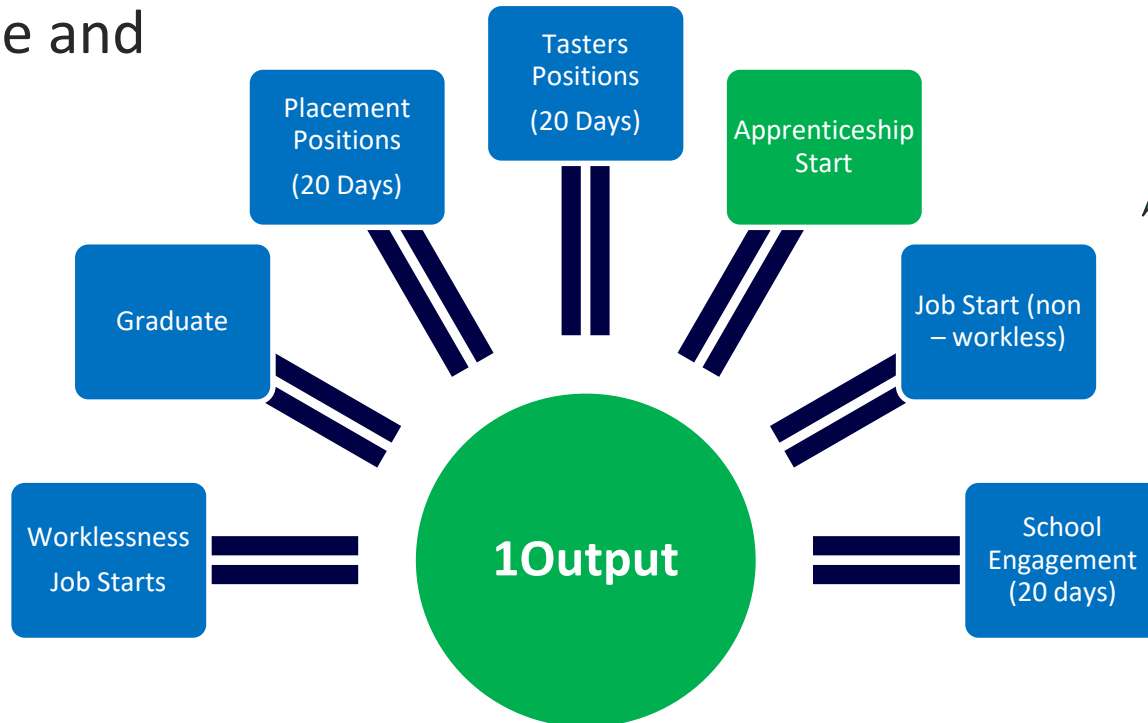


# Skills and employment contractual approach

## Trigger Points:



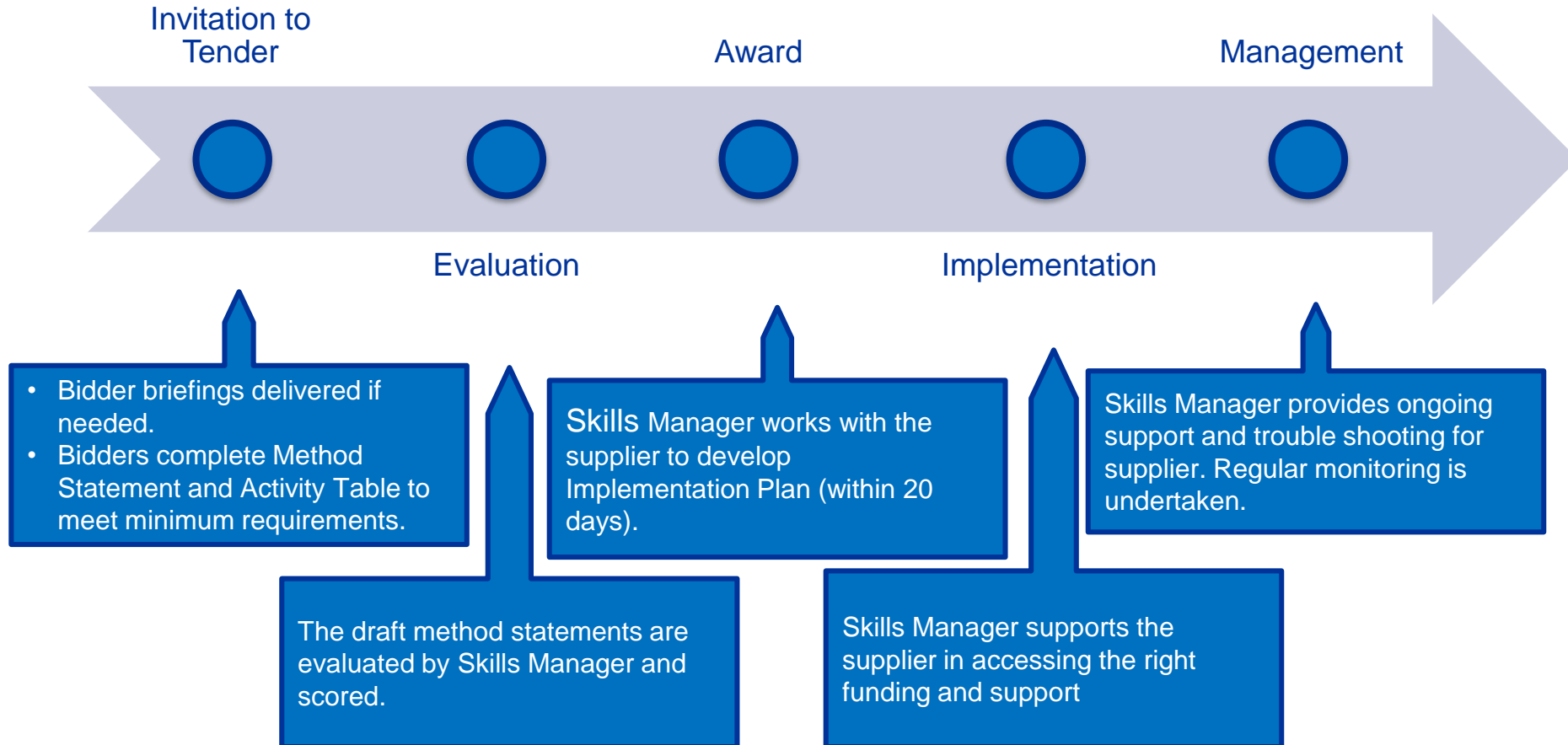
## Equivalence and Priority:



At least 50% of SLNT outputs must be an apprenticeship start



# Implementing skills and employment requirements



# Delivery Summary 2009 – 17

- Supported suppliers to create 5,400 new apprenticeship positions within the supply chain
- Provided work, training and placement opportunities for a range of under-represented groups including NEET's, ex-offenders and people with disabilities.
- ~100 ex-offenders into employment

## Recognition:

- Business in the Community Collaboration and Partnership Award 2013
- Government Opportunities CSR Initiative of the Year Award 2013
- Lord Mayor of London's Dragon Award for Enterprise and Employment 2016



# Pre-employment Programmes: Peabody, Women into Construction, Gingerbread

## Gingerbread Women

**TfL is piloting a new work placement programme aimed at getting more women into transport.**

Fifteen women are taking part. Run in partnership with charity Gingerbread and the not-for-profit organisation Women into Construction, the women come from a range of backgrounds.

New to the industry, their training also includes tips on how to develop their CVs and present themselves in interviews. Once they successfully complete their training, they will also receive a level one health and safety qualification and a Construction Skills Certification Scheme Certification (CSCS) card, which

enables them to work on construction sites.

Says Rosie Ferguson, chief executive of Gingerbread, "We know from our daily meetings with single parents that getting back into the job market is a big concern for many of them, but lack of opportunities, experience and even confidence can often hold them back. Transport for London's brilliant scheme gives them the chance to show that they can excel in any environment. Thanks to all the great partner groups involved, participants will no longer have to 'mind the gap' between where they are and where they want to get to!" Arup, Siemens and Arriva Rail London are all helping pioneer the scheme. ●

RAILSTAFF.UK | @RAILSTAFFUK | FACEBOOK.COM/RAILSTAFF

Source: Hackney Today (Main)

## News in brief

### Apprenticeships at top firms

A NEW apprenticeship programme is offering Hackney young people the chance to hone their CVs, while learning from some of the UK's biggest transport companies.

Created with Peabody housing association, the **TfL** Supplier Skills programme will be open to young people aged 16 to 24. Based at Hackney's BSix college, apprentices will receive in-depth and practical advice about the working world from companies including Stagecoach and Laing O'Rourke.

Over the course of several weeks, they will learn how to write an effective CV, deliver convincing presentations, and identify strengths and weaknesses, before putting their new-found skills to the test in mock interviews.

A short work placement will also be available, while Stagecoach and KeolisAmey Docklands are offering the chance to be fast-tracked through their own company apprenticeship schemes.

Dana Skelley OBE, Head of the Graduate and Apprenticeship Board at TfL, said: "It's vital that we inspire young people from a range of backgrounds to consider a career in transport. This programme will enable them to gain real experience in the industry and realise where their strengths lie."



TfL hopes young people will consider a career in transport.





# Practical Tips

- Internal buy-in
  - Senior level support and sponsorship
- Supplier Skills / Responsible Procurement Team provides support and guidance
  - Avoid 'let and forget'
- Partnership working between TfL and its suppliers
  - Clearly articulate the 'why'
  - Addressing common priorities - mutually beneficial activities
- Working with the right partners
- Celebrate success!





# Questions

