



University of Plymouth

# Sustainable Procurement Strategy 2009 – 2012



University of Plymouth  
Sustainable Procurement  
Strategy 2009 – 2012



## Enabling Enterprise

### **Building a confident enterprise culture secured through collaboration and partnership....**

where diversity, creativity and innovation are enabled, realised, valued and rewarded. Our enterprise culture is one of entrepreneurship and creativity, where new ideas are tested and bravery and risk-taking encouraged.

### **Ensuring our systems and structures enable our vision....**

and accelerate our enterprise-led approach. We think that all university strategies, policies, systems and facilities should empower our people to deliver excellence in both the professional and academic environments, so we will continue to develop enterprising structures that promote positive change.

We will further develop our use of technology and e-business, enhancing both our teaching and learning offer and our business capability, leading the sector in the use of new technologies and approaches to business critical issues.

## Sustainable Procurement at Plymouth – our mission

is to be a respected centre of expertise for intelligent and sustainable sourcing in order to support the University's mission and build its reputation.

We strive to deliver this through partnership with our University customers, collaboration with other Higher Education and Public Sector buyers, and innovation and enterprise with our suppliers, underpinned by our professional ethics.

## University Ambitions

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This Sustainable Procurement Strategy supports the 5 University Ambitions:

### Ambition 1 - Through-Life Learning

To further enhance our first-class student learning experience, developing people who are ambitious, entrepreneurial and autonomous learners, well-equipped through work experience and volunteering for through-life learning and the professional world.

- We enhance the learning experience through our support for Estates and Facilities and for Corporate Processes, where we have adopted a category management approach to procurement. This in turn requires procurement staff with ambition and enterprise to work at the forefront of the profession and suppliers who can innovate and deliver value to our learning community
- We work closely with our colleagues in Information Services to support the development of the IT infrastructure and to procure the consultancy and training services to support staff in delivering new technologies
- Continuing Professional Development is vital for us, for our supply chain and for our customers and students. We will actively seek and provide opportunities to enrich and enhance our respective and collective experience



"A key aspect of our remit is to promote and maintain high standards of professional skill, ability and integrity amongst all practitioners engaged in purchasing and supply management. Our members are bound by a code of conduct and are encouraged to make a lifelong commitment to their own professional development."

Chartered Institute of  
Purchasing and Supply



"I found the whole process constructed around the tendering, design and purchase of our new boat exceptionally professional, comprehensive and efficient and I was delighted by the advice and information provided."

Professor Martin Atrill,  
Director of the Marine  
Institute

"Jenny has been one of the stalwarts of the SPG since its inception and her contribution to informing and shaping the debates on the key strategic issues facing Procurement in Higher Education has been invaluable. She will continue to have a major role to play during 2010 as we roll out the tools that we've developed, across the sector."

Geoff Hope-Terry  
Chair, UUK Strategic  
Procurement Group for HE

## Ambition 2 - World-class Research

To showcase and further develop our world-class research, encourage multi-and interdisciplinary working and support entrepreneurship and innovation maximising exchange of knowledge with business, the community and policy groups.

- In support of our research and technical community we have adopted a category management approach to the procurement of research and capital equipment, providing dedicated support to the Peninsula College of Medicine and Dentistry and to specific University research initiatives such as PRIMaRE
- We are constantly in pursuit of innovation and value for money in the procurement and ownership costs for research equipment, including the procurement of shared use of other significant research facilities, delivering more for less
- Our partnering within the sector provides valuable information and advice to our researchers in specialist research supply markets and plenty of opportunity to undertake collaborative procurement

## Ambition 3 - Plymouth and beyond

To be a dynamic leader within the region and beyond, championing opportunities through partnership both nationally and internationally and contributing to the development of a future facing, knowledge-based economy and a vibrant, skilled community.

- Collaboration is deeply rooted within the Higher Education procurement community. We are active members of the Plymouth Procurement Forum, Southern Universities Purchasing Consortium (SUPC), Association of Procurement Officers (AUPO), and as Chair of AUPO, the Head of Procurement sits on the UUK Strategic Procurement Group helping to shape the future of HE procurement
- As members of the Plymouth Procurement Forum we have led on the sell2plymouth development to support local SMEs to access public sector business in Plymouth and with our colleagues in Research and Enterprise are committed to the long term development of our local economy
- The Head of Procurement provides leadership for the profession as Chair of AUPO and Chair of the SUPC Strategic Plan Working Group. We are proud of our position at the forefront of innovative procurement in the sector

## Ambition 4 - Sustainability

To move toward sustainability in all our activities, ensure our graduates are aware of economic, environmental, social and ethical issues and promote the importance of social enterprise, community engagement and volunteering.

- We are passionate about achieving sustainable procurement and are working towards Leadership in all aspects of the Government's Flexible Framework for Sustainable Procurement
- We will continue to refresh and adopt appropriate procurement strategies to improve our sustainable procurement credentials, which currently feed into the Universities that Count index. An example of this is our adoption of the Glover Report recommendations to open up public sector business to SMEs

## Ambition 5 - Raising Aspirations

To work with key partners to raise people's aspirations, encouraging participation providing progression opportunities and embracing social inclusion.

- We want to extend this ambition to our supply market and encourage participation from underrepresented supply sectors, particularly the third sector through initiatives such as sell2plymouth. We are developing strategies to ensure that they are not disadvantaged through our procurement processes
- We have provided significant procurement support to Widening Participation over the past few years, in appointing actors and in regularising their Aim Higher contracts in support of this ambition, working in partnership with them and delivering value for money for their funding

"The University is making strident steps in supporting micro businesses and SMEs through the sell2plymouth initiative. It is working hard with the FSB to remove barriers and enable businesses to upskill their procedures to help them avail themselves of possible procurement opportunities."

Richard Thomas  
Chair of the Federation of Small Businesses

"Linda's involvement has meant that complex negotiations with companies have been supported and often led by procurement resulting in a better product at the best price available."

Dr Jane Cavanagh  
Widening Participation  
Co-ordinator

“Procurement needs to be viewed as an essential business process that, if deployed effectively, will contribute to achieving the institutions’ academic and financial objectives as well as securing value for money.”

Procurement in higher education - a time of change  
HEFCE (2006/33a)

# Our Sustainable Procurement Strategy is developed along four strategic themes:

- 1 Delivering Value for Money (VFM)
- 2 Achieving Advanced Procurement
- 3 Embedding Sustainable Procurement
- 4 Working in Partnership

## 1 Delivering Value for Money (VFM)

In the public procurement context, VFM can be defined by the four Es:

- Economy:** reducing the cost of an activity or purchase
- Efficiency:** the most efficient process to achieve this (within the legislative constraints for public procurement)
- Effectiveness:** how well the activity or purchase meets the objectives
- Ethical:** achieving the above through fair and transparent processes



## In pursuit of value for money we will:

- ensure that we have measurable objectives for our procurement projects through clear specifications and procurement strategies agreed with our customers
- measure our success in meeting those objectives for each procurement project with our customers
- manage and measure performance of contracts in line with the stated project objectives with our customers and suppliers over the lifetime of the contract
- review the need for and performance of contracts prior to developing replacement procurement strategies
- measure the costs of the University's procurement activities and benchmark against other HE and public sector organisations
- drive out duplication of procurement activity within the University, the region or the sector
- develop lean and agile procurement processes and systems to reduce the cost of procurement
- ensure that we have clear pre-procurement funding (budget) assumptions against which to measure savings, cost avoidance or other efficiencies
- report annually to the Chief Executive Group, Senior Management Team and Audit Committee against sector wide performance indicators on efficiency and effectiveness (Best Practice Indicators); efficiencies (to the Higher Education Funding Council for England); and this Procurement Strategy in general

2008/09

- £2.315m efficiencies
- Over £1m cashable savings
- Cost avoidance in energy of £126k
- Reduction of insurance premiums of £40k
- 5/6 Best Practice Indicators achieved



## What is Advanced Procurement?

"A journey which organisations should undertake to achieve an integrated, strategic approach to the supply side of their operations to gain maximum benefits. It brings together the skills of the staff, the governance of the organisation and appropriate strategies, systems and procedures to add value from the management of the supplier base and to enable improved efficiencies to be identified and captured."

UUK Strategic  
Procurement Group

## 2 Achieving Advanced Procurement

### In pursuit of Advanced Procurement we will:

- involve our leaders across the whole organisation to support commercially led procurement in both devolved and central activities
- ensure that our supply chains are appropriately managed, understanding the need for supplier development, positioning and preferencing in order to deliver added value to the management and development of our supplier base
- involve the procurement team in our planning processes to ensure that our strategic objectives through to end user requirements are fully understood
- refresh our procurement strategies, skills and processes, in line with our corporate planning
- measure supplier performance 'beyond price', to recognise the contribution of the supply chain to our mission
- develop lean and agile procurement processes to support the above
- introduce IT systems and procedures to provide accurate and detailed spend analysis, identify and capture efficiencies, and measure our performance in sustainable procurement



### 3 Embedding Sustainable Procurement

#### In pursuit of Sustainable Procurement we will work with our staff and students to:

- reduce the demand for goods and services by cutting down on waste, and encouraging re-use and re-cycling
- use the least environmentally damaging goods and services
- promote the use of Fairtrade goods
- consider whole life costs, environmental and social impacts in our assessment of value for money
- raise awareness of the sustainability considerations in the procurement cycle
- benchmark our performance against the Flexible Framework

#### We will work with our suppliers to:

- promote awareness of our sustainability objectives
- adopt sustainable approaches in their production of goods and services within their own supply chains
- improve their performance in relation to sustainability objectives
- address barriers to entry for SMEs and local suppliers

#### What is Sustainable Procurement?

"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 to society and the economy whilst minimising damage to the environment."

Procuring the Future  
Sustainable Procurement  
Taskforce, June 2006



“As we look to build on the success of previous years’ events, staff from procurement will be essential to the planning process and an integral part of the graduation team.”

Lisa Phillips  
Academic Registrar

## 4 Working in Partnership

The sustainable procurement team is a small professional team, set up to provide a centre of procurement expertise for the University, managing commercial risks in support of the University’s academic mission whilst fully embracing the challenge of sustainable procurement. We can provide leadership for this Procurement Strategy but must work in partnership with colleagues within and beyond the University in order to deliver it.

We have a number of long established partnership models which reflect our active contribution, commitment and integrity in building these collaborations:

### We will work in partnership with:

- each of our University customers to manage a procurement process that will deliver their specific requirements
- our professional colleagues to support the delivery of corporate projects and initiatives
- the Chief Executive Group and University Budget Holders to support delivery of their strategic objectives
- colleagues in the Southern Universities Purchasing Consortium (SUPC) and the English National Purchasing Consortia (ENPC) to deliver economy and efficiency in HE procurement



- colleagues in the Association of University Procurement Officers (AUPO) and Chartered Institute of Purchasing and Supply (CIPS) to develop and share procurement best practice, respond to legislative and policy initiatives and to lobby central government on behalf of HE procurement
- colleagues in the Plymouth Procurement Forum to address local public procurement issues, particularly improving access for SMEs and local suppliers
- other ad hoc procurement groups who will assist in delivering this Procurement Strategy
- strategic supply chain partners to ensure continued value throughout the life of University contracts

**Approved by the Chief Executive Group**

26 November 2009

The Office of Procurement and Sustainability is an exciting development bringing together a unique team in terms of delivering sustainable University operations.

It includes:

- procurement and insurance
- delivery of capital projects >£1m
- energy & environmental management
- space & property management



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