
Sustainable Procurement Policy

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1. Overview

Background

We exist to make communications work for everyone. Our corporate values guide us in how we work together to deliver our objectives, including with our third-party partners and suppliers.

Figure 1: Ofcom Values



We focus on our environmental impact and our ability to build a strong sense of community and purpose at Ofcom. Our [Corporate Responsibility programme](#) brings together three key areas of activity that are embedded throughout the organisation:

- Diversity and equality - treat all colleagues with dignity and respect in an inclusive and fair working environment. Promote equality of opportunity for all, not only within Ofcom but also in the sectors we regulate.
- Footprint and sustainability - reduce our carbon footprint, provide value for money, and ensure Ofcom's practices are environmentally sustainable.
- Volunteering and community - engage, inspire, and develop colleagues while proactively seeking to support our local community.

We believe that going beyond our duties under the terms of the Equality Act 2010 and embedding corporate responsibility across our organisational approach, fundamentally contributes to our success as a regulator. Some of the benefits include:

- Recognising and embracing the diversity of society helps us to make better decisions for citizens and consumers; to make communications work for everyone.
- Valuing, promoting, and encouraging diversity creates a more engaged and efficient workforce and builds closer links with our local community.
- Being socially and environmentally responsible reduces the waste we generate and our operational costs, as well as engages positively with our internal and external stakeholders.

Purpose

This policy sets out Ofcom's commitment to sustainable procurement practices that align with our organisational objectives and values and maximise additional benefits achieved through procurement activity, while minimising our impact on the environment.

2. Ethical procurement

Ethics and conduct

All Ofcom employees, including those in the Commercial Team and others who are involved in procurement and contract management activity, are required to abide by general terms and conditions of employment and key policies (such as anti-bribery, anti-fraud, conflict of interest and whistleblowing) set by the People and Transformation team. These require employees to act with integrity, objectivity, diligence, and honesty at all times.

All [current policies](#) are available on The Hive.

Our conflict of interest policy requires employees to declare any conflicts of interest and provides guidance on the acceptance of gifts and hospitality. Employees in a procurement role must not accept any gifts or hospitality. In addition to this policy, employees involved in procurement activity are required to complete a separate declaration of confidentiality and no conflict of interest at either the beginning of a project or an evaluation process, depending on their role.

We expect our Suppliers to maintain similar high standards and set out our expectations of them in Code of Conduct which is published on our Supplying Ofcom webpage. We embed this in our procurement processes through the standard selection questionnaire for contracts in scope of the Public Contracts Regulations and proportionate questions that we ask potential suppliers competing for low value requirements to complete on a voluntary basis. These are also supplemented where appropriate by additional social value criteria which are applied on a case by case basis depending on the subject matter of the contract.

Living wage

We set the real living wage as a minimum for all our employees, a voluntary rate of pay set by the Living Wage Foundation that is higher than the government minimum and based on the costs of living. We encourage our Contractors to do the same for anyone engaged in the delivery of our contracts where possible and they are requested to complete voluntary self-declaration questions relating to this as part of our Invitation to Tender documentation.

Prompt payment

Ofcom commits to paying all valid invoices within 30 days and in practice, pays the majority of these much sooner. We also require our Contractors to make the same commitment to their supply chain and for this to be included in subcontracts. This is reflected in our Supplier Code of Conduct and standard terms and conditions.

3. Commercial policies

Our commercial policy and processes comply with the Public Contracts Regulations and mandatory Public Procurement Notices (PPNs) issued by the Cabinet Office. To ensure the highest standards, we review all PPNs and consider whether it would be appropriate to adopt them voluntarily as good practice. A separate register of PPNs is maintained by and accessible to the Commercial team.

Social Value

The term 'social value' refers to approaches that maximise the additional benefits created through the delivery, procurement or commissioning of goods and services, beyond those directly related to those goods and services. For Ofcom, this means our commitment to meet our needs to procure goods, services and works in a way that produces social, economic, and environmental benefits for the local communities within which the contract is being delivered.

While our overarching objective is to achieve the best commercial outcome, we are also keen to maximise social value effectively and comprehensively through our procurement activity by broadening the benefits that are delivered.

Ofcom voluntarily adopts the Cabinet Office policy ([PPN 06/20 - taking account of social value in the award of central government contracts](#)) to apply award criteria relating to social value to all above threshold (regulated) procurements. This criterion will have a weighting of at least 10% of the overall marks available unless otherwise agreed with the Head of Commercial by exception. Business Leads work with their Commercial Lead to agree suitable criteria.

Modern slavery

From 2021, Ofcom has committed to voluntarily publishing an annual [Modern Slavery Statement](#) to set out steps the organisation has taken to identify, eradicate and prevent any modern slavery within its supply chains. The Commercial Team leads production of this statement which sets out the processes that we have implemented to deliver on this priority area and how we have built on it each year.

During 2022 we will be assessing all existing contracts to identify those at high/medium risk. Those suppliers will be asked to complete a Modern Slavery Assessment Tool (MSAT) and work with us to agree an action plan to address any issues that are identified through the assessment process. This will be kept under review via contract management activity. We will also define how we will assess new contracts to ensure that this is built in from the outset.

Supply chain compliance is assessed through our procurement processes. We require all potential tenderers to self-declare compliance with the exclusion criteria included within the Public Contracts Regulations where applicable. This includes the absence of any related convictions and compliance

with the Modern Slavery Act 2015. This is supported by our terms and conditions which also require ongoing compliance with the Modern Slavery Act and allow us to terminate contracts with any supplier who is found to be in breach of the exclusion criteria following contract award.

The Environment

Reducing the impact of our operations on the environment is important to Ofcom and we are committed to the [Greening Government Commitments](#). We are developing, implementing, and maintaining a compliant ISO14001:2015 Environmental Management System (EMS). and in December 2021, we adopted our new [Environmental Policy](#).

In addition to minimum requirements set out in legislation and relevant public procurement policy notices, Business Leads for procurement projects are always encouraged to consider opportunities to minimise the potential environmental impact of contracted supplies and services as well as maximise added value when developing a requirement and specification.

While maximising recycling of products when we have finished using them is important, it is not the only factor. It is important to be resource efficient. Business leads are encouraged to follow the 5R hierarchy model to ensure they have considered all angles when developing requirements:

- Refuse - do we really need the product or service in the first place?
- Reduce – can we be more efficient e.g., minimise packaging, double sided printing to reduce the amount of paper used etc.?
- Reuse – consider long term solutions, rather than single use items (e.g., coffee cups). Can items be repaired to extend their life? Are products available that are made from recycled materials?
- Repurpose – can the product or services be used for something else? Could someone else use it e.g., donating laptops to schools?
- Recycle – if disposal is unavoidable, can we ensure items are recyclable and are recycled rather than sent to landfill?

Government Buying Standards

Business Leads must consider whether the Government Buying Standards can be adopted either fully or in part, when developing specifications, with adoption being encouraged as far as is practically possible. Suppliers to public sector organisations are familiar with these standards and they are readily available on the [UK government website](#). They were originally defined by Defra to consolidate requirements and standards in one place to make it easy for buyers and suppliers alike to understand what good practice looks like. The full list of standards is provided below, although not all may be relevant to Ofcom:

- Cleaning products
- Electrical goods
- Furniture

- Horticulture and park services
- Office ICT equipment
- Paper and paper products
- Textiles
- Transport (vehicles)
- Construction projects and buildings
- Water using products
- Food and catering services

Where relevant, (for example; furniture, stationery and catering services etc.) these include compliance with the [timber procurement policy](#).

Single Use Plastics

Ofcom is working towards eliminating single use plastics as far as possible. Business leads should consider whether they can support this objective through the development of specifications that require Contractors to eliminate their use or at least provide alternatives in the shorter term. Examples of single use plastics may include take away cutlery, take away coffee cups, wipes, plastic packaging etc.

During 2022, we will undertake an assessment against the Flexible Framework¹ to identify how we can further support the Greening Commitments.

¹ The [Flexible Framework](#) is a widely used self-assessment mechanism developed by the business-led Sustainable Procurement Task Force, which allows organisations to measure and monitor their progress on sustainable procurement over time.

4. Commercial processes

Procurement activity

Our processes are tailored to ensure a proportionate, risk-based approach but are built on the principle that competition will enable us to maximise value through our contracts. We undertake pre-market engagement where appropriate to understand market conditions and commercial drivers including wider social and environmental considerations.

We advertise above threshold requirements through the Find a Tender Service and Contracts Finder and publish award details of contracts above £25,000 on Contracts Finder to support transparency and maximise competition and value for money.

We utilise Cabinet Office's standard Selection Questionnaire (SQ) for above threshold procurements to minimise the administrative burden on potential Suppliers and ensure consistency across our procurement activities. We have developed a streamlined version for below threshold opportunities to further reduce the burden. Through these, we ensure that we do not contract with any organisation who meets the mandatory or discretionary exclusion criteria and cannot demonstrate that they have taken adequate self-cleaning measures.

We encourage potential suppliers to go beyond their duties under the Equality Act 2010 by including voluntary self-declaration questions relating to equality and diversity in our Invitation to Tender (ITT) templates, which were developed in collaboration with the People and Transformation team.

Compliance

We generally contract using our own, bespoke terms and conditions which ensure that we comply with all legal and regulatory requirements including but not limited to health and safety regulations, the Modern Slavery Act 2015, and the Bribery Act 2010. Where we do not use our own terms and conditions, we may use those developed by purchasing organisations such as the Crown Commercial Service which are based on Cabinet Office's standard terms or develop bespoke terms with expert legal advice. Assurance of compliance with these terms is obtained, depending on the level of risk, via application of our contract management policy.

Supplier diversity

Ofcom endeavours to maintain a diverse supplier base. Our processes are designed to encourage and enable small and medium sized organisations to participate in procurement exercises and contract with us. For example,

- We utilise Cabinet Office’s standard Selection Questionnaire for all above threshold procurement exercises to standardise the information we require potential tenderers to provide up front
- We allow tenderers to self-declare grounds for exclusion and only require evidence from the preferred tenderer as standard
- We adopt a competitive process for all purchasing requirements either seeking quotes or a competitive tender process below the threshold, depending on the total contract value which supports SME access to suitable opportunities
- We utilise an e-procurement platform for all invitation to tenders above £50,000, with free registration for all tenderers, to minimise participation costs
- We use standardised terms and conditions for most of our contracts and these are readily available on our website
- We conduct proportionate pre-procurement market engagement where appropriate to gain a better understanding of market offerings

5. Training and Monitoring

All commercial specialists are required to complete the CIPS Ethical Procurement and Supply e-learning on an annual basis. We will consider whether it is feasible to roll-out relevant training to a wider group of employees over the course of this year, focusing on those who are responsible for contracts and work closely with Suppliers on a regular basis.

This supplements existing mandatory e-learning for all staff which covers a wide range of topics as outlined below:

- Diversity and Inclusion
- Data protection and Freedom of Information
- Information security fundamentals
- Physical security
- Anti-fraud, bribery and corruption
- Risk
- Health and safety Fundamentals