Carbon Action Group

Sustainable Procurement Action Plan

June 2023

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Sustainable Procurement Action Plan

1. Overview and Summary Actions

In accordance with the **University of Manchester Environmental Sustainability Strategy**, this document has been produced to explore and recommend changes and enhancements within the purchasing processes to enable us to deliver increased environmental sustainability and reduce our carbon footprint.

The table below summarises the recommended actions and timescale for expected delivery:

	Year 1	Year 2	Year 3	Year 4	Year 5
Standards	Review the standards (Flexible Framework, ISO 20400, BS 8001)				
	Identify the gaps				
		Review procurement processes and policies			
		Adopt the principles of BS 8001 Circular Economy			
Scope 3 emisisons and suppliers	Gather supplier scope 3 emissions data				
	Establish a baseline and set targets				
	Investigate most appropriate means of reporting				
		Monitor Scope 3 emissions against baseline and targets			
	Continued engagement with suppliers to meet Scope 3 targets and use of NETpositive tool				
Reducing the carbon impact	New capital equipment business case				
	Gathering data on environmental factors associated with computing equipment				
	Review IT equipment recycle/disposal contracts				
		Implementation of Oracle Financials enhanced iProc module			
	Work with buyers to encourage more sustainable device selection				
	Continually seek opportunities to reduce scope 3 emissions within procurement cycle				
	Increase use of N8, WARPit, UniGreenScheme				
Staff awareness	Develop cultural and behavioural change programme for buyers				
	Develop carbon literacy training for buyers				
		Roll out change programme and carbon literacy training			

2. Background

The (draft) **University of Manchester Environmental Sustainability Strategy 2023-2025** commits to defining and measuring our Scope 3 indirect footprint and to develop a target and plan to reduce it. It is critical that environmental sustainability is embedded within the systems and processes across the University, including within those associated with the buying of goods and services as these come with both a financial and environmental cost. An objective within the draft Environmental Sustainability strategy is:

"Ensure that our purchasing activity and practices support our environmental, social and economic priorities."

This paper and action plan makes recommendations relating to the buying of goods and services (and the associated supply chains) and will help to deliver the overall University Environmental Sustainability Strategy in respect to sustainable procurement.

A working group of the Carbon Action Group was established to:

- consider how procurement policies and practices might be bolstered to support the University's environmental sustainability aspirations.
- agree and recommend the standards the University should be working towards in relation to procurement.
- consider the environment impacts of the University procurement activities and suggest ways to move to a lower consumption model.
- explore how the University manages potential unintended consequences that the proposed low-carbon procurement practices for waste, material, non-CO2 emissions and other environmental indicators beyond carbon emissions.
- define the relevant Scope 3 emissions in relation to the procurement supply chain.
- suggest appropriate Scope 3 carbon emissions targets in relation to the procurement supply chain.

The University of Manchester has committed to improving biodiversity on its campus by joining the **Nature Positive University Alliance**. For a university, being "Nature Positive" means restoring species and ecosystems that have been harmed by the impacts of the university and its activities and enhancing the university's positive impacts on nature. Actions contained within this sustainable procurement plan will enable understanding of both the carbon and biodiversity impacts of what we buy and are compatible with this commitment.

Although the sustainable procurement plan is specifically focused on the environment and biodiversity, it is recognised that the University is committed to embedding social value into its procurement processes as well as environmentally sustainable procurement. Activities contained within this plan will bolster the University's Responsible Procurement approach and help to support ongoing work to embed social value into contracts.

3. Relevant Standards for Sustainable Procurement

3.1 The Circular Economy

The University currently follows the linear economy model in its procurement practices, as illustrated in the diagram below:

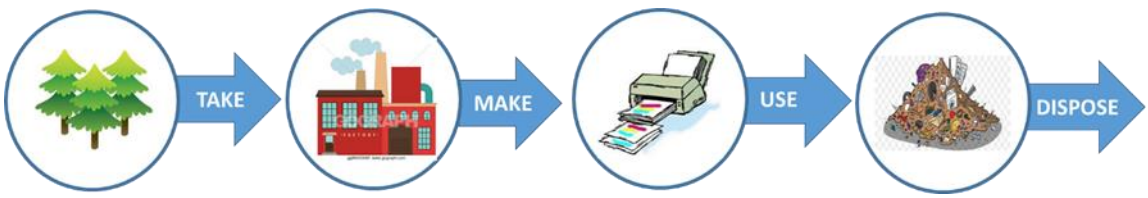

Fig 1 Linear economy model

The linear economy is the traditional model where raw materials are taken and made into products that consumers use until disposing of them as waste, with little regard for the environmental consequences.

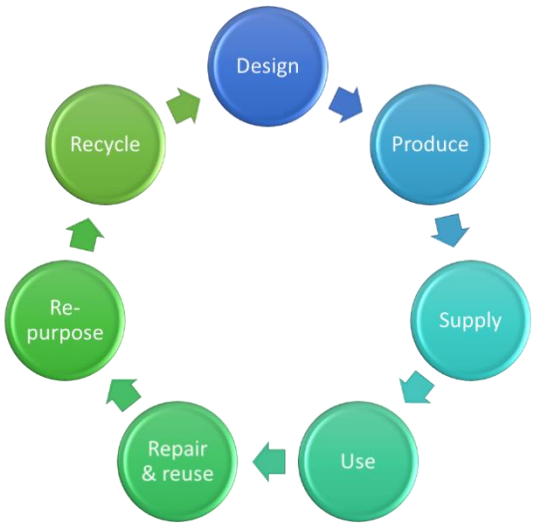

Fig 2 The Circular Economy

In contrast to the linear economy model, the circular economy tackles climate change, biodiversity loss, waste and pollution. It is a model of production which involves sharing, leasing, reusing, repairing, refurbishing and recycling products for as long as possible, enabling a reduction in raw material inputs and waste outputs, and helping to develop a sustainable business model and regenerate natural capital.

It is suggested that as the University moves towards a lower consumption model it should also embrace more circular approaches based on the principles contained within the BS 8001 "Circular Economy" standard. This needs to be undertaken in a manner that places sustainable approaches at its centre – reducing, re-using and recycling – and also links with on-going research initiatives such as Sustainable Futures to ensure that the University has a joined-up approach in this space.

3.2 The Flexible Framework

The Flexible Framework is a self-assessment mechanism which allows organisations to measure and monitor their progress on sustainable procurement over time.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/69471/pb13423-flexible-framework-guidance-110928.pdf.

It is currently the sustainable procurement tool of choice within Higher Education Institutions and has been adopted by the University of Manchester, who has been independently verified as having reached Level 5, which is the highest level.

3.3 ISO 20400 Sustainable Procurement

ISO 20400 is the international standard for sustainable procurement. It provides guidance for organisations that need to deliver sustainable outcomes through their supply chains and provides a strategic framework for an organisation to procure sustainably.

ISO 20400 has now overtaken the Flexible Framework but building on its solid foundation we will embed the principles of ISO 20400 into our procurement processes and policies. We will undertake a review of our processes and policies and identify any gaps between the Flexible Framework and the ISO 20400 guidance. An action plan will be developed to enable us to close these gaps.

3.4 United Nations Sustainable Development Goals

The **University of Manchester Procurement Policy** sets out the guiding principles and general rules relating to all purchasing activity at the University, with procurement practices supporting the **UN Sustainable Development Goals**:

https://documents.manchester.ac.uk/protected/display.aspx?DocID=11843

The University has also adopted the Supply Chain Code of Conduct, which was developed by the Advanced Procurement for Universities and Colleges (APUC) Sustain Project:

https://documents.manchester.ac.uk/display.aspx?DocID=48681

The UN Sustainable Development Goals have been mapped to each section of the code. By trading with the University, suppliers agree to adhere to this Supply Chain Code of Conduct in order to enforce and promote sound social, ethical, environmental, and economic practices.

Environmental sustainability is one of the five priorities contained within the University of Manchester's **Social Responsibility and Civic Engagement plan.** Priority 4 of this plan addresses environmental sustainability and commits the University to develop targets for our Scope 3 emissions (by 2022).

4. Scope 3 Emissions in Relation to the Procurement Supply Chain

4.1 Definition

Scope 3 emissions are all indirect emissions that occur in an organisation's value chain and include purchased goods and services. By measuring these emissions, organisations can identify where the emission hotspots are in their supply chain. The University report on carbon emissions annually via the Higher Education Statistics Agency (HESA) reporting, in the following categories:

- Waste
- Water
- Supply chain
- Staff and student business trips
- Staff and students commuting to university on a daily basis

4.2 Scope 3 Emissions Targets

The Environmental Sustainability team have now gathered data on all the University's Scope 3 emissions and have calculated the baseline against which to set future targets. This will enable the University to monitor progress towards reducing carbon emissions in line with the Environmental Sustainability Strategy. Going forward we will be reporting all fifteen categories of Scope 3 emissions (see appendix B for list of categories).

Supplier Scope 3 emissions is a developing area with a disparity of practice and approaches to capturing and publishing impacts. We will investigate this further in conjunction with the Environmental Sustainability team, and academic colleagues, to understand emissions in more detail in order to agree the most appropriate means of reporting them. Initially the University will continue to use the sector reporting model owned by the British Universities Finance Directors Group (BUFDG) supported by the Environmental Association for Universities and Colleges (EAUC) which is based on the UK wide model developed by DEFRA. However, we will benchmark with peer institutions and other public, and private sector, organisations to look at their practices and approaches to ensure we capture and report in a sensible and useful manner. Enhancements planned with the Supplier Engagement Tool (see Section 6) may offer opportunities to gather our own Scope 3 impacts directly from contracted suppliers.

5. Opportunities for Reducing the Carbon Impact of the Procurement of Goods and Services

5.1 Moving to a low consumption model

This action plan applies to all areas of the University. If the University is to meet its Environmental Strategy objectives and its Scope 3 targets, all staff will need to take action to move towards a low consumption model.

Actions required will include challenging buying behaviours, changing current practice, spending less, and creating policies to standardise specifications of certain items (for example furniture and electric vehicles). Choice-editing will be implemented which will involve collaborating with end-users to create a limited selection of frequently used items. Sustainability will be built as standard into the supply chain for all goods procured.

It should be noted that sustainably produced items can often be more expensive than unsustainable ones (eg organic food). We will spend less (in total) in a low consumption model because we will be buying less.

5.2 Capital Equipment

The business case pro-forma for capital equipment purchases will be enhanced to ensure purchasers consider the environmental impact of proposed capital equipment purchases. Guidance will be provided to assist users with determining the environmental considerations arising from the proposed purchase (for example if the item of equipment has an Environmental Product Declaration).

Equipment sharing should be considered as an alternative to purchasing new items of kit and use of the N8 Shared Equipment Inventory System should be encouraged.

https://www.n8equipment.org.uk/

5.3 Information Technology

5.3.1 IT Equipment

IT Services (ITS), as a contributor to the Professional Services Environmental Sustainability Action Plan, have committed to:

Include consideration of environmental factors at the time that computational and telecoms hardware is being assessed for purchase or hire.

To achieve this additional information will be sought at the time of purchase about important model data including embodied carbon, power consumption information etc. Further support in the form of more weighting applied to environmental factors, and whole life costs of ownership, will be used to help select University wide equipment such as:

- standard offers of personal devices (laptops, desktops, and peripherals);
- mobile phones;
- devices for on-site student clusters.

Where appropriate ITS will review and update guidance and policy, within its sphere of responsibility, to ensure that it supports the University's ongoing environmental aspirations.

ITS will provide support and advice for devolved purchasers to help them to adequately consider sustainability when selecting devices for academic purposes including research. In particular, ITS will focus on supporting proposed purchases of:

- personal devices to be provided to students;
- High Performance Computing (HPC) solutions.

5.3.2 IT Contracted Services

ITS has contracts with external parties for the provision of operational services such as desktop user support, and for technology provision such as internet connectivity. This model of delivery moves emissions from scope 2 to scope 3. The relative cost/benefit of providing these services will be factored into decision making and will be more closely monitored and managed going forward.

ITS will review the environmental footprint, of those services with the largest impact, as and when they are due for replacement/re-tender, including:

- Provision of third-party data centres;
- Construction of University-owned data centres;
- Provision of cloud storage and computing;
- Recycling and disposal of end-of-life hardware, especially personal devices;

As part of ongoing contract management processes, ITS will look for opportunities within existing service contracts for reducing our Scope 3 emissions, by looking for and taking up appropriate suppliers offers of lower-impact provision where they exist. Where they do not, ITS will seek to influence the market and encourage suppliers to offer more sustainable alternatives.

5.4 Sharing, Re-using and Disposal of Equipment and Other Items

Opportunities should be sought to share, lease, reuse, repair or refurbish products before opting to purchase new.

Unwanted items should be made available to other University users and this provision should be extended across the University, as follows:

- The University operates a furniture re-use store, which should be the first port of call before buying new office furniture.
- Working with Estates and Facilities, setting up a central free stationery store for university staff and students which utilises surplus stationery currently held by departments across the University.
- IT Services to investigate maximising the reuse of computing equipment, including the refurbishment of old laptops.
- Maximising the reuse of other equipment should also be investigated.
- Responsible disposal or repurposing of other items, for example corporate clothing

An online portal **(WARPit)** is available which will help the University to distribute, reuse and recycle surplus items such as furniture and equipment. This facility is currently underutilised, and it should be promoted and expanded across the University.

https://warp-it.co.uk/company/uomanchester

The UniGreenScheme helps Universities to reduce waste and consume resources sustainably and offers a service to dispose of unused or surplus laboratory equipment. The scheme will collect, store and sell unwanted equipment and return a share of the profits to the University.

Working with Faculty Environmental Sustainability leads, the ES Team should explore the potential for increasing the use of this scheme.

The recent relocation of staff and equipment from North Campus to MECD is a good example of how the University has started on the path of sustainable disposal of equipment:

https://livemanchesterac.sharepoint.com/sites/UOM-FSE-NorthCampusEquipment

5.5 Deliveries and Packaging

Multiple deliveries and excess packaging are problematic in terms of environmental sustainability. It is suggested that guidance is produced for purchasers and suppliers on the sustainability and LCA of different packaging options. Guidance should also be available to consumers on how to dispose of the packaging adequately. At present, there are no options at the University for dealing with the types of compostable packaging which require an industrial composter; this needs investigating further. Proposed staff carbon awareness training should include a section on reducing and disposing of packaging. Further engagement with suppliers is required regarding the potential for reducing packaging.

The **University of Manchester Sustainable Travel Plan** (currently under development) will contain an element relating to supplier deliveries to the University, and will make suggestions on how these can be more environmentally sustainable than they are at present.

5.6 Buying from Contracted Suppliers

Contracted suppliers are appointed via a competitive process and are evaluated for suitability in terms of their economic/financial, their technical/professional capabilities and their ethical practices. They have an interest in working with the University including meeting our Scope 3 objectives. Ongoing contract management, alongside completing the NetPositive tool (see Section 6) ensure that they remain fit for purpose. Where practicable any staff involved in raising requisitions/orders should do so from formally contracted suppliers.

5.7 Tendering Process

The University's competitive tender process delivers value for money and considers relevant social and environmental factors as well as economic benefits. Contracted suppliers must demonstrate appropriate practices and evaluation includes sustainability considerations, for example energy usage figures and whole life costs for equipment providers. The extension of relevant environmental issues and insistence on applicable standards will continue to be rolled out and included on all future tenders.

5.8 Oracle Financials

The implementation of Oracle Financials will help us achieve our objective to lower carbon emissions. The Finance Transformation Programme will deliver an updated version of Oracle Financials including enhancements to the iProc Module. These improvements include:

- supporting a move to a lower consumption model by providing easier access to contracted suppliers and products;
- providing requisitioners with information on the carbon impact associated with the purchase at the time the requisition is placed on the system (this is driven by the United Nations Standard Products and Services Code (UNSPSC) and multiplies the carbon conversion factor by the £ value of the purchase. Due to resources, this is unlikely to be live for August 2023, but it is an enhancement that we want to introduce;
- extending automation of routine processes and further reducing paper use.

6. Further Engagement with Contracted Suppliers

The NETpositive Supplier Engagement Tool (HE) was designed to support and develop the supply chain, to embed sustainability in the procurement process. The benefits of using the NETpositive tool for the University and for suppliers are outlined at Appendix C.

We will continue to use the tool and explore ways to encourage suppliers to complete, and maintain, their information and also ways of making this more visible to university users.

We will continue to work with our contracted suppliers to ensure that they are aligned with our direction of travel. We will understand, support and encourage the implementation of more sustainable business practices and environmentally friendly products.

For staff involved in purchasing, a means of identifying and making visible “green” products will be investigated. Options within the finance system may be available for this purpose.

We are engaging with our suppliers and challenging them on their business practices to ensure they align with our requirements.

7. Increasing Staff Awareness of Carbon Impacts and Sustainability in the Procurement Process and Supply Chain

7.1 Carbon Awareness Training

The University of Manchester **Environmental Sustainability Strategy (2023-2025)** commits to:

“Provide staff with training so they understand the causes and impacts of climate change and their own role in mitigating against it, including at all stages of decision-making. Colleagues in the most senior roles will be prioritised for training”.

It is therefore the aspiration that all staff who have responsibility for buying goods and services will be required to complete carbon awareness training using the University’s recommended training tools*. The aims of this training will be:

- to gain knowledge and skills to make informed decision making
- to become aware of the carbon impacts of our choices
- to support / drive strategic decision making aligned to the university’s zero carbon masterplan

** The University does not currently have a designated training tool – discussions between the Head of Environmental Sustainability and the Head of Learning and Organisational Development are ongoing.*

7.2 Carbon Goods and Services Hotspots

The University is at the beginning of its carbon reporting journey and now has some indicative data which identifies the areas of the University whose purchasing habits contribute to the highest carbon emissions. This data will be shared with Faculties and PS Directorates, via the Environmental Sustainability Leads, and discussions will be held to agree how the data can best be utilised.

The Sustainable Procurement working group will liaise with the Faculty Environmental Sustainability Leads to ascertain what information they require to help them understand the local carbon impacts of buying behaviour. For example2, Food on Campus venues now show the carbon impact of items on their menus.

Consideration should be given to establishing reduction targets for all areas of the University (on a year-by-year basis) and providing data on an annual basis which showing actuals against the targets.

7.3 Information Requirements for Staff Buying Goods and Services

In addition to making more information available to assist buyers to make the right purchasing choices, consideration will be given to encourage buyers to move to a lower consumption way of doing business. This will include encouraging more circular use of items and may involve changes to financial processes such as discouraging a culture of 'spend or lose' budgeting.

8. Cultural and Behavioural Change

To enable the University to reduce its Scope 3 emissions, it will be necessary to change habits and behaviours. A cultural and behavioural change programme will be developed for all staff involved in buying goods and services, and should addresses the following points:

- who are we trying to influence?
- what do we want them to do?
- how do we persuade them?
- what tools do we provide to help?
- how do we monitor progress?
- what does success look like?
- what influence do we have?
- who needs to be involved?

9. Staff Communications

A staff communication plan for all those involved in the buying process will be produced and launched. This will be a 2-way communication strategy, to capture insight and feedback that will help to identify where staff feel they need further support in order to implement the actions. Preparation of the plan will take into account the following:

- objectives of the plan
- the audience
- relevant channels
- copy and media for relevant channels (Staffnet, social media etc)
- timelines

10. Sustainable Procurement Action Plan

Section		Action	Lead	Timescale
Relevant standards for sustainable procurement	1a	Embracing the circular economy – investigate how the University will adopt the principles contained within the BS 8001 Circular Economy standard	Kevin Casey	Jan 2025
	1b	Review Procurement policies and procedures and identify the gaps between the Flexible Framework and ISO 2400	Kevin Casey	Jan 2025
	1c	Prepare an action plan to close the gaps	Kevin Casey	Aug 2023
Scope 3 emissions in relation to the procurement supply chain	2a	Establish the University's Scope 3 emissions and calculate a baseline	Richard Smith	Completed
	2b	Set future targets for Scope 3 emissions	Richard Smith	
Opportunities for reducing the carbon impact of the procurement of goods and services	3a	Modify the business case pro-forma for capital equipment purchases to include environmental impact questions	Charlie Allen	Feb 2023
	3b	Produce guidance to assist users to complete this section of the pro-forma	Charlie Allen / Richard Smith	Feb 2023
	3c	Increase awareness of the N8 equipment sharing database amongst staff	Faculty ES Leads	Mar 2023
	3d	Prepare a plan and timeline for minimising the energy consumption of staff and student computers	John Vass-De-Zomba	
	3e	Investigate the carbon impact of computer equipment purchases and instigate ways of reducing this	John Vass-De-Zomba	
	3f	Revise the selection criteria for generic devices to include environmental considerations	John Vass-De-Zomba	
	3g	Review the University computer equipment recycle and disposal contract to ensure there is reduced waste and maximised re-use	John Vass-De-Zomba	
	3h	Seek opportunities for the re-use of items across the University	Faculty ES Leads	
	3i	Examine how to expand the WARPit facility	Faculty ES Leads	
	3j	For each tendering exercise, ensure that environmental considerations and relevant standards are embedded	Kevin Casey	In progress
	3k	Document how new Oracle Financials will help with buying more sustainably	Kevin Casey	Aug 2023
Further engagement with suppliers	4a	Explore ways to encourage suppliers to complete and maintain the NETpositive tool	Kevin Casey	In progress
	4b	Identify a means of making visible "green" products to assist staff involved in purchasing	Kevin Casey	Ongoing
Increasing staff awareness of carbon impacts and sustainability in the procurement process and supply chain	5a	Investigate, develop, recommend staff carbon awareness training tools	Richard Smith / Jonathan Winter	
	5b	Establish carbon reduction targets for each area of the University and agree a methodology for providing actual data against these targets on an annual basis	ES and Procurement Teams	TBC
	5c	In consultation with Faculty ES Leads, consider and agree how carbon data relating to purchases will be communicated and used	Sustainable Procurement Group	TBC
Cultural and Behavioural Change	6a	Develop a cultural and behavioural change programme relating to new procurement policies and procedures		
	6b	Roll out a change programme across the University to all those involved in procurement		
Staff Communications	7a	Develop a staff communications plan and 2-way communications strategy	Comms	
	7b	Prepare communications and disseminate to stakeholders	Comms	

Appendix A

The University Environmental Sustainability Committee (ESC) Principles and procurement related actions

Principle 2

"All members of the University of Manchester community will understand the problem of climate change in order to make better decisions in their working lives".

Action 2g: We will engage with our suppliers via the NetPositive tool and will require evidence of activities to reduce their carbon footprint and/or carbon literacy training.

Principle 3

"The carbon impact of University activities is part of all strategic decision making"

Action 3a: The carbon emissions and lifetime energy costs of all equipment purchases (regardless of funding source) costing over £50k (the capital equipment threshold) will be stated in outline business cases and University Capital Equipment Forms for review prior to approval.

Action 3c: A process to identify the top ten carbon goods and services hotspots will be agreed, alongside a method to engage with suppliers and cohort of people buying goods and services.

Appendix B

The 15 Categories of Scope 3 Emissions

1. Purchased goods and services
2. Capital goods
3. Fuel and energy-related activities
4. Upstream transportation and distribution
5. Waste generated in operations
6. Business travel
7. Employee commuting
8. Upstream leased assets
9. Downstream transportation and distribution
10. Processing of sold products
11. Use of sold products
12. End-of-life treatment of sold products
13. Downstream leased assets
14. Franchises
15. Investments

Appendix C

Benefits of The NETpositive Supplier Engagement Tool (HE), as identified by NETpositive Futures

The NETpositive Supplier Engagement Tool (HE) was designed to support and develop the supply chain, to embed sustainability in the procurement process. Out of approx. 8,500 suppliers to the University, 2,084 are currently signed up to the tool.

The benefits of the tool, identified by NETpositive Futures are:

University

- Provides a clear demonstration of leadership in relation to supplier engagement and sustainability
- Co-ordinates the range of support you offer your suppliers through a single portal
- Provides clear signposting to additional support your suppliers can access
- Captures powerful data relating to the sustainability impacts, decisions and commitments of your suppliers
- Creates a strong evidence base for ongoing supplier engagement
- Gathers the collective impact of your suppliers' businesses for you to communicate

Suppliers

Suppliers using the tool can:

- Undertake a simple sustainability analysis of their business impacts
- Create a bespoke action plan to help them become a more sustainable business
- Be signposted to business-relevant information, events and activities that will support their sustainability journey
- Demonstrate progress against their individual action plans
- Utilise the action plan to communicate what they are actually doing rather than what they are committed to at a policy level.

Appendix D

UN Sustainable Development Goals – SDG12 Responsible Consumption and Production

12.1 Implement the 10-year framework of programmes on sustainable consumption and production, all countries taking action, with developed countries taking the lead, taking into account the development and capabilities of developing countries

12.2 By 2030, achieve the sustainable management and efficient use of natural resources

12.3 By 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses

12.4 By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment

12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse

12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle

12.7 Promote public procurement practices that are sustainable, in accordance with national policies and priorities

12.8 By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature

12.A Support developing countries to strengthen their scientific and technological capacity to move towards more sustainable patterns of consumption and production

12.B Develop and implement tools to monitor sustainable development impacts for sustainable tourism that creates jobs and promotes local culture and products

12.C Rationalize inefficient fossil-fuel subsidies that encourage wasteful consumption by removing market distortions, in accordance with national circumstances, including by restructuring taxation and phasing out those harmful subsidies, where they exist, to reflect their environmental impacts, taking fully into account the specific needs and conditions of developing countries and minimizing the possible adverse impacts on their development in a manner that protects the poor and the affected communities