



**Environmental, social and governance issues in
procurement: guidance for suppliers**



Introduction

When procuring contracts, emh is seeking more than the best price. It is important to us that our suppliers understand environmental and social issues, and want to play their part in making our communities a better place.

Some of the issues we want to address are:

Environmental

- ▶ Reduction in carbon emissions
- ▶ Sustainable sourcing

Social

- ▶ Equality and diversity
- ▶ Safeguarding
- ▶ Modern slavery
- ▶ Supporting our communities

Corporate Governance

- ▶ Workforce safety and management
- ▶ Employee pay and benefits, and employee relations
- ▶ Ethics



Competitive procurement

The companies within emh are subject to the Public Contracts Regulations 2015, and as such we use competitive tendering to award our supplies, services and works contracts.

When responding to a tender opportunity, suppliers are often asked to answer various questions which may include these environmental or social factors. They may either specify minimum standards, or form part of the decision on who will be chosen to deliver the contract.

What we ask is intended to be proportionate to the requirements of the specific contract; we do not have a single minimum standard.



Examples of environmental factors

- ▶ **Carbon emissions:** what steps has the supplier taken to reduce their emissions, and how are these working so far?

It's attractive for emh to work with suppliers who have innovative ways of reducing their carbon emissions, particularly if we can learn from it and put things in to practise ourselves.

- ▶ **Sustainable sourcing:** does the supplier buy their materials from sustainable sources and how does it manage this effectively?

If the supplier manages their supply chain effectively it ultimately means less disruption for them, and for us as the customer.



Examples of social factors

- ▶ **Equality and diversity:** how does the supplier see equality and diversity within their own organisation? What steps do they take to ensure that their workforce is as reflective as possible of the communities they work in? Do they have policy and procedures in place to ensure that all of their employees are protected against unequal or unfair treatment, or harm?
It's important to emh that everyone has the same opportunities and rights, and that our suppliers understand this and want the same.

- ▶ **Safeguarding:** what steps does the supplier take to ensure that any children and vulnerable adults that its employees may encounter are not exposed to harm? Does the supplier vet their staff? Do they ensure their staff are trained in safeguarding, and know how to spot signs of abuse if they see it, and know what to do?
We work with some vulnerable people who we need to make sure are protected from those who might want to harm them, and we need our suppliers to understand this, and help us spot signs of abuse and help us put a stop to it.

- ▶ **Modern slavery:** does the supplier pay all of its workers at least the legal minimum wage, and take reasonable steps to ensure its subcontractors do the same? Does the supplier take steps to help eliminate modern slavery from their supply chain?
Suppliers have a lawful duty to ensure their own staff are paid properly, which helps contribute toward eliminating slavery and trafficking.

- ▶ **Supporting our communities:** how will the contract and the supplier interact with our wider communities, and what impact might this have? Are there local community groups who might want to understand what the supplier does, and how they do it? Can the supplier have a positive impact on the local community whilst delivering the contract?



Examples of corporate governance factors

- ▶ **Workforce safety and management:** what is the supplier's approach towards managing the safety of its employees, customers and the wider public? Does it have effective processes to ensure their staff are competent and work safely? Do they provide the right protective equipment? How do they monitor whether their approach works, and develop it?
- ▶ **Employee pay and benefits, and employee relations:** how does the supplier ensure that all its staff are adequately compensated for the work they do? How does the supplier manage their employee relations and can they show they have a satisfied, productive workforce?
- ▶ **Ethics:** does the supplier have suitable policies and procedures in place to ensure that its management and staff act ethically in the course of their business, including ethical purchasing, management of business interests and probity?



Next steps

This is intended to be a guide to the types of points that emh might look for in a competitive procurement process, and thinking about these and what your approach as a supplier might be may help you tender for contracts with emh, and other like-minded public bodies.

Any invitation to tender that we issue will set out more precisely what need suppliers to be able to demonstrate and how they will be used to decide who is chosen to deliver the contract.

Where to find tender opportunities

Contracts Finder lets you search for information about contracts with the government and its agencies. This includes emh, and any contracts we decide to advertise are advertised here if they are worth over £25,000.

You can use Contracts Finder to:

- search for contract opportunities in different sectors
- find out what's coming up in the future
- look up details of previous tenders and contracts
- you can create an account to get email updates and save your searches. You can still search and apply for contracts without an account

You can also find contracts by browsing the UK **Find a Tender Service** (FTS) where larger UK public and utilities sector contracts are listed. We also advertise contracts here if they are worth more than £189,330.

Any advertisement on either of the above, will normally direct you to our eProcurement portal provided by **EU Supply**. This is where you can register your company, receive the tender documents, and respond.

Links:

Contracts Finder:	https://www.gov.uk/contracts-finder
Find a Tender Service:	https://www.gov.uk/find-tender
EU Supply (current UK tender opportunities):	https://uk.eu-supply.com/ctm/supplier/publictenders?B=UK
EU Supply (new supplier registration):	https://uk.eu-supply.com/ctm/Company/CompanyRegistration/RegisterCompany?OID=1&B=UK