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Warwick District Council

Ethical Procurement Statement

Introduction

This statement sets out Warwick District council's approach to ethical procurement. Ethical procurement is often referred to as responsible procurement and typically refers to the following procurement principals:

Respect fundamental international standards against criminal conduct (i.e. bribery, corruption and fraud) and human rights abuse (i.e. slavery in modern times), and respond immediately to such matters where they are identified; and result in progressive improvements to the lives of people who contribute to supply chains and are impacted by decisions made by supply chains.

This statement is based on the following principles and includes information as to how they will be implemented:

- safe working conditions;
- promotion of good health;
- employment is freely chosen;
- non-excessive working hours;
- employees are paid at least a minimum living wage;
- training is provided;
- diversity, equality and good workforce practices are encouraged;
- elimination of child labour; and
- elimination of inhuman treatment.

In implementing this statement the Council will work with other organisations engaged in collaborative procurement to:

- highlight the priorities that the UK Government and other contracting authorities are pursuing at home and abroad;
- continue to provide tendering opportunities that are suitable for Small and Medium Enterprises (SMEs), Ethnic Minority Businesses (EMBs), civil society organisations and supported factories both directly and indirectly through first tier supplier;
- promote skills training, apprenticeship opportunities and graduate programmes amongst our suppliers to help tackle youth and graduate unemployment
- support the use of fairly traded goods where this is within the legal framework governing public procurement.

Ethical issues and principles

Ethical issues can be considered where they are relevant to the subject matter of the contract and consistent with both the Council's corporate priorities and UK procurement policy.

The following principles sets out the minimum requirement expected from suppliers and their supply chains.

Safe working conditions

Suppliers will operate appropriate health and safety policies and procedures.

Responsibility for monitoring and ensuring compliance with these policies and procedures will rest with a senior manager.

Responsibility also extends to ensuring that employees have received the necessary training and that they have the necessary health and safety equipment.

Suppliers will provide comfortable and hygienic working conditions with necessary provisions (such as clean drinking water, washroom facilities etc.).

Employment is freely chosen

Employees have the freedom to choose to work and not be forced, bonded or subjected to non-voluntary prison labour.

Employees have the right to join an independent trade union or other workers association and to carry out reasonable representative functions in the workplace.

Facilitate alternative means of democratic representation where laws restrict freedom of association and collective bargaining.

Non-excessive working hours

Suppliers comply with national and international laws or industry standards on employee working hours, whichever affords the greater protection.

Employees should not be expected to work more than 48 hours a week on a regular basis and on average receive one day off at least every seven days.

Overtime should be voluntary and not demanded on a regular basis and where required it should be reimbursed at an appropriate rate and not exceed 12 hours in any week.

Suppliers should provide clear, easily understood disciplinary, grievance and appeal procedures; these must be lawful and appropriate. Suppliers must ensure that they do not deprive the employees of their legal or contractual rights.

Employees are paid at least the minimum living wage

Suppliers delivering contracts to Warwick District Council are expected to adhere to any minimum or living wage requirements set out by the UK Government.

Suppliers should provide their employees with easy to read contracts of employment.

The payment of wages or salary should be in monetary form and not in kind (e.g. goods, vouchers). Any deductions must not be made unless in accordance with relevant law or agreed with the employee, and without duress.

Training is provided

Suppliers are expected to invest in their employees by providing training opportunities which seeks to raise skills required for their role.

Non discrimination

Suppliers are not to practice any discrimination in the hiring, compensation, training, promotion, termination or retirement either directly or indirectly.

Disputes procedure

Suppliers should have clear and accessible processes for managing and resolving disputes with employees.

Elimination of child labour

Suppliers are expected to support the elimination of child labour both directly and indirectly through their supply chains.

Suppliers shall provide for any children found to be performing child labour to attend and remain in quality education until no longer a child.

Suppliers shall ensure that no children or young persons are employed at night or in hazardous conditions as defined by the International Labour Organisation.

Elimination of inhumane treatment

Suppliers must prohibit physical abuse or coercion, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation.

Grounds for exclusion

The UK Public Contracts Regulations 2015 provides clear guidance to public sector bodies to exclude suppliers from being able to secure public sector contracts for up to 3 years where there has been significant or poor performance against a public contract.

Service providers

The Council reserves the right exclude a service provider where deemed ineligible to tender for, or be awarded a public contract under Regulation 57 of the UK Public Contracts Regulations 2015.

Rejection of a service provider is permissible when the organisation:

- is in a state of bankruptcy insolvency compulsory winding up, administration, receivership, composition with creditors or any analogous state, or subject to relevant proceedings;
- has been convicted of a criminal offence related to business or professional conduct;
- has committed an act of grave misconduct in the course of business;
- has not fulfilled obligations relating to payment of social security contributions;
- has not fulfilled obligations relating to payment of taxes;
- is guilty of serious misrepresentation in supplying information required by the Authority under the Regulations;
- is not in possession of a licence or not a member of the appropriate organisation where the law of that State requires it; or
- is not registered on the professional or trade register of the relevant State in which established.

In deciding whether to exclude a service provider the Council will consider the seriousness of the misconduct, whether it was related to the subject matter of the contract, when it was committed and the action taken or being taken to prevent its recurrence. This discretion will not apply to convictions for offences where there is a mandatory requirement on public sector contracting authorities to exclude candidates in accordance with Regulation 57 of the Public Contracts Regulations 2015.

Economic operators

Part 1 of Regulation 57 covers the criteria for the rejection of economic operators where the contracting authority has actual knowledge that it or its directors or representatives have been convicted of certain offences. For example: conspiracy from participating in a criminal organisation, corrupt practices, bribery, theft, fraudulent trading and defrauding the European Communities, the Revenue and the Customs.

Regulation 57 makes provision for an exception to the mandatory exclusion of an economic operator.

Technical specifications and standards

Where relevant to the contract, the Council will use technical specifications and standards to integrate ethical considerations into procurement, such as standards for IT systems to ensure that they are accessible to people with disabilities and interoperable with software and hardware intended for disabled users.

The specification must be relevant to the requirement and must not discriminate against other products or providers from other member states, nor must it restrict competition.

Unnecessary use of these principles may place an undue burden on small businesses and other organisations, which might have a disproportionate impact on their ability to compete and therefore be unlawful.

In all cases, contracting authorities must be prepared to consider equivalent standards from suppliers from other countries (with different national standards) that meet the underlying requirement.

The onus is on the supplier to prove that the solution being offered meets the requirements.