

Ethical Procurement Policy

September 2016

Background

De Montfort University is a higher education institution committed to be the definition of a 21st century global university by increasing its commitment to the public good and extending its international reach, through teaching and learning that transforms people, and by challenging conventions we see they inhibit positive change. We are engaged in the delivery of teaching and research activities; the creation and transfer of technology to business and the provision of commercial consultancy services.

We recognise that we have a responsibility to proactively work to ensure that all products, services and works that we procure are sourced ethically in terms of both the way that we procure and the standards that we require our suppliers and contractors to meet. Within our obligations to comply with UK and relevant EU legislation, we will conduct our procurement processes in accordance with this Ethical Procurement Policy which is based upon the principles of the Ethical Trading Initiative (ETI) Base Code¹ - an internationally recognised code of labour practice founded on the conventions of the International Labour Organisation (ILO).

The university will:

- ensure that it maintains the highest standards of integrity and professionalism in its business dealings and practices
- use competitive processes and procedures to ensure that only suppliers and contractors that:
 - maintain the highest standards of integrity and professionalism in their business dealings and practices,
 - adhere to the laws of the countries where they operate,
 - observe the principles set out in the ETI Base Code where they are proportionate and directly relevant to the subject matter of the contract,
 - manage their own procurement processes and procedures such that their suppliers and sub-contractors meet the standards set out above,
 - are selected to participate in, and awarded contracts following the completion of any competitive process.
- require that suppliers and contractors inform the university, at any time during a competitive process or following the award of a contract, of any concerns they, or any member of their supply chain have in applying the above principles and, to the extent that is appropriate and relevant, encourage suppliers and contractors to keep records to demonstrate that their actions (and those of their supply chain) are fair and above reproach
- ensure that, where appropriate and relevant, suppliers and contractors are required to report on the extent of their compliance with the principles of the ETI Base Code for themselves and their supply chain and work with suppliers and contractors, and, where appropriate, their supply chains to improve standards of compliance;
- where appropriate and relevant, include performance measures and indicators in a Service Level Agreement with suppliers and contractors that establish current standards of compliance with the ETI Base Code and any other indicators, and enable improvement opportunities to be progressed and future planned activities to be supported and monitored at both supplier/contractor level and within the supplier/contractor's supply chain;
- include provisions in contracts awarded that ensure that the university is able to require that suppliers/contractor takes action to improve their, or any part of their supply chain's performance with regard to compliance with the ETI Base Code. Ensure that there are appropriate provisions in contracts that are awarded that enable to university to terminate the contract if a supplier or contractor, or any member of its supply chain commits a breach of any labour or other relevant law in the UK; the EU or the country in which the supplier or

¹ The principles of the ETI Base Code are attached as Appendix 1 to this Ethical Procurement Policy

contractors is located or otherwise commits a material breach of the principles of the ETI Base Code;

- ensure that the university complies with the Public Sector Equality Duty created and set out in the Equality Act 2010 in its procurement activities and ensure that any suppliers and contractors that provide services to its students or directly to its staff are aware of their responsibilities and obligations and comply with the Public Sector Equality Duty. The university will also provide support to suppliers and contractors to comply, and maintain compliance with their obligations under the Duty and ensure that SLAs and contracts measure compliance and enable appropriate action to be taken in the event of any non-compliance;
- have the right to exclude any supplier or contractor deemed ineligible to tender for, or be awarded a contract when any of the conditions set out in regulation 27 of the Public Contracts Regulations 2015 prevail. In deciding whether to exclude a supplier or contractor, the university 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, but 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 27;
- where relevant to the contract, use technical specifications and standards to integrate ethical considerations into the procurement process, 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;
- use technical and other specifications that are relevant to the requirement and are non-discriminatory both in terms of the specification “locking out” competition; restricting competition or the specification having a disproportionate impact on suppliers’ or contractors’ ability to compete.
- be prepared to consider equivalent technical standards from suppliers and contractors from other countries (with different national standards) that meet the underlying requirement;
- provide appropriate support, guidance and training to the university’s staff engaged in procurement processes, and in particular tender evaluation and supplier relationship and contract management processes, to ensure that they are able to support the delivery of the principles and application of this policy;
- work with Procurement England Limited (PEL) and Southern Universities Purchasing Consortium (SUPC) and any other Higher Education (HE) or other sector bodies as appropriate to ensure synergy between the Ethical Procurement Policies of such organisations and this policy. Where the university’s requirements are not met, we will ensure that the university is able to vary any agreements that it adopts to include its requirements;
- work with the HE sector and other sector bodies and organisations to share and develop best practices and experience;
- communicate the ethical procurement policy to the university’s staff and, where appropriate its suppliers and contractors, and make the policy available on the university’s web site

In delivering this ethical procurement policy we will work with suppliers and contractors to:

- meet the objectives of, and deliver the commitments set out in our Sustainable Procurement Policy and our value for money objectives;
- ensure that we meet our objective of “equal opportunity for all suppliers and contractors, including small and medium enterprises and under-represented groups set out in our Sustainable Procurement Policy; and
- ensure that we comply with all applicable procurement and environmental legislation (including the relevant provisions of the Public Services (Social Value) Act 2012; the Public Contracts

Regulations and the Equality Act 2010) and any relevant university policies or commitments (for example, the university's Environmental Policy and Fairtrade Policy);

- encourage suppliers and contractors to offer solutions for delivering ethical requirements innovatively and cost effectively.
- encourage suppliers and contractors to develop effective strategies for enhancing staff engagement to enable people to be the best they can at work.

The policy, and the commitments made in the policy will be reviewed annually and the extent to which compliance with, and delivery of the commitments made in the policy is being achieved will be reported annually using suitable and appropriate indices (for example, the Flexible Framework). The Head of Procurement will be responsible for the implementation of, and compliance with the policy.

Barry Higgins
Head of Procurement

9th September 2016

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Appendix 1 – Ethical Trade Initiative Base Code Principles

Freedom of association and the right to collective bargaining are respected;

- Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.
- The employer adopts an open attitude towards the activities of trade unions and their organisational activities
- Workers representatives are not discriminated against and have access to carry out their representative functions in the workplace.
- Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.

No discrimination

- Practice no discrimination in hiring, compensation, training, promotion, termination or retirement either directly or indirectly.

Employment is freely chosen

- Afford employees the freedom to choose to work and not use forced, bonded or non-voluntary prison labour.
- Afford employees freedom of association with the right to join an independent trades 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.

Working conditions are safe

- Appropriate health and safety policies and procedures are operated and are overseen by a senior manager responsible for compliance and monitoring and for ensuring employees have the necessary training and health and safety equipment.
- Adequate steps are taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.
- Provide comfortable and hygienic working conditions with clean toilets and water suitable for drinking and washing. Where worker housing is provided it should meet the same standards for health and safety as the workplace.
- Workers shall receive regular and recorded health and safety training, and such training shall be repeated for new or reassigned workers.

Good health is promoted

- Invest in measures for tackling ill health as healthy employees experience a better quality of life and tend to be more productive.

Working hours are not excessive

- Comply with national laws or industry standards on employee working hours, whichever affords greater protection.
- Provide clear, easily understood disciplinary, grievance and appeal procedures that are lawful and appropriate. Any disciplinary measures should be recorded and suppliers should not seek to deprive employees of their legal or contractual rights.

Minimum wages

¹ The principles of the ETI Base Code are attached as Appendix 1 to this Ethical Procurement Policy

- Provide wages and benefits at rates that meet at least national legal standards with no deductions made unless permitted under national law or agreed by the employee, without duress.
- Provide employees with an easy to read contract of employment clearly explaining wage levels. Where employees are unable to read, the contract should be explained to them by a union representative or another appropriate third party.

Regular employment is provided

- To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice.
- Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, sub- contracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.

Training is provided

- Raise employees' skills through training and access to professional development as befits their role to improve quality and secure greater value for money.

Disputes procedure

- Provide clear and accessible processes for resolving disputes with employees.

Child labour is eliminated

- Support the elimination of child labour. The course of action taken shall be in the best interest of the child, conform to the provisions of International Labour Organisation (ILO) Convention 138 and be consistent with the United Nation's Convention on the Rights of the Child.
- Provide for any children found to be performing child labour to attend and remain in quality education until no longer a child. 'Child' refers to any persons less than 15 years of age, unless local legislation on the minimum age stipulates a higher age for work or mandatory schooling, in which case the higher age shall apply.
- Ensure no children and young persons (over the age of a child, as defined above, but under the age of 18) are employed at night or in hazardous conditions, as defined by the International Labour Organisation.

No inhumane treatment is allowed

- Prohibit physical abuse or coercion, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation.

Acting with integrity and transparency

- Procurement processes are conducted in an open and honest way;
- There is transparency in the spending of public money;
- Suppliers and contractors have systems in place to ensure high standards of propriety which make sure public money is used for the purpose it is intended.