Ethical Procurement Policy

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1. Policy Statement

It is the Trust's policy to ensure that value for money must be assessed over the lifetime of a project, including disposal (either sale proceeds or decommissioning costs), estimating the costs and benefits to society as a whole, not simply those directly relevant to the purchaser.

This statement sets out the context for ethical trade practices and the ethical core objectives that the Community Inclusive Trust has agreed to deliver through commissioning and procurement activities. It is based largely on the following principles with advice on how to put them into practice:

- Working conditions are safe.
- Good health is promoted.
- Employment is freely chosen.
- Working hours are not excessive.
- Wages meet at least national legal standards.
- Training is provided.
- No discrimination is practiced.
- Diversity and good workforce practices are encouraged.
- Child labour is eliminated.
- No inhumane treatment is allowed.

The Community Inclusive Trust is committed to ensuring a high standard of ethical trade practices across its commissioning and procurement activities. In accordance with this Policy, the Trust expects is suppliers, service providers and contractors to observe the policy's provisions and to demonstrate a similar commitment to an ongoing programme of ensuring and, where necessary, improving ethical practices locally and globally.

The Community Inclusive Trust will proactively work to ensure that all goods, works and services it procures are sourced ethically in terms of both the way the Trust procures and in terms of the standards that we expect our suppliers, service providers and contractors to meet. Within its obligations as a Best Value Trust, and in compliance with UK and underpinning EU legislation, the Trust will conduct its procurement process in line with this Ethical Procurement Policy which is based upon the principles of the Ethical Trading Initiative Base Code, which were founded on the conventions of the International Labour Organisation and is an internationally recognised code of labour practice.

2. Scope

The aim of the Policy is not to alter the commissioning and procurement processes, but to ensure that, as part of these processes, the Trust considers the wider impact of the service's delivery. It allows the Trust to, for example, choose a supplier under a tendering process who not only provides the most economically advantageous service, but one which goes beyond the basic contract terms and secures wider benefits and improvement to the students in the Trust and the environment.

The Policy applies to all areas of the Trust and to its direct suppliers and contractors. The Trust requires all direct suppliers and contractors to observe the provisions of this Policy and requires that such suppliers and contractors in turn obtain similar compliance with its provisions from their suppliers and contractors. All parties to whom

this Policy applies are also required to comply with applicable national and international laws.

This Policy Statement sets out the Trust's aims in this regard. In particular it seeks to:

- Set out a definition of ethical practice for the Community Inclusive Trust.
- Sets out a clear statement of policy for ethical practice across the Trust.
- Set out the core policy objectives.
- Promote the adoption and improvement of ethical practices globally.
- Sets out a Community Inclusive Trust Ethical Framework.

3. Defining Ethical Practices

Procurement processes which respect fundamental standards and conduct relating to criminal/non-criminal conduct, and human rights/environmental abuse which are designed to discourage conduct and behaviours resulting in progressive improvement to the lives of people and the environment to the extent that the same can be influenced by supply chain decision-making.

Criminal/non-criminal conduct includes, but is not limited to:

- Transparency
- Bribery
- Fraud
- Corruption
- Tax abuse
- Conflict of interest
- Fairness

Human rights/environmental abuse includes, but is not limited to:

- Employment
    - Improving working conditions
    - Paying a living wage
    - Health and Safety
        - Accidents
        - Diseases
    - Right to be part of a trade union
    - Child employment
    - Working hours - zero-hour contracts
    - Training
        - Regular employment
        - Apprenticeships
        - Abuse
    - Equality – hiring, compensation, access to training, promotion, termination or retirement
        - Race
        - Caste
        - National origin
        - Religion
        - Age
        - Disability
        - Gender and gender identity
        - Marital status

        - Sexual orientation
        - Union membership
        - Political affiliation
        - Slavery
        - Abuse – physical, verbal and sexual
- Environment
    - Sustainability
    - Global warming
    - Global climate change
    - Deforestation pollution
    - Threat of extinction

4. Working with the Community Inclusive Trust

All suppliers, service providers and contractors to the Community Inclusive Trust must commit to employing the highest ethical standards in every area listed in all sections of this Policy in their own operatives and those within their supply chain. In addition, social value principles and practices apply to suppliers, service providers and contractors and their supply chain, ensuring maximum benefits are gained for improving economic, social and environmental well-being.

5. Improving Labour Conditions in Supply Chain

Through the following 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 independent trade unions or other workers' association 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.

Equalities:

- Practice no discrimination in hiring, compensation, training, promotion, termination or retirement, either directly or indirectly.
- Suppliers, service providers and contractors shall not unlawfully discriminate within the meaning and scope of any law (whether in age, race, gender, religion, disability, sex orientation or otherwise in employment) including, but not limited to, the Equality Act 2010 or other relevant or equivalent legislation, or any statutory modification or re-enactment thereof.

Blacklists

- Suppliers, service providers and contractors shall not unlawfully compile, use, sell or supply a prohibited list which:
    - Contains details of persons who are or have been members of trade unions, or persons who are taking part or have taken part in the activities of trade unions,
    - Is compiled with a view to being used by employers or employment

agencies for the purpose of discrimination in relation to recruitment, or in relation to treatment of works within the meaning of the Employment Act of 1999 (Blacklists) Regulations 2010.
    - Contains details of persons who are or have been involved in whistleblowing to appropriate bodies as a result of becoming aware of any deficiency in service provision, impropriety, fraud, customer abuse, breach of procedure or maladministration.

Employment is freely chosen:

- There is no forced, bonded or involuntary prison labour.
- Workers are not required to lodge "deposits" or their identity papers with their employer and are free to leave their employer after reasonable notice.
- 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 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.

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:

- 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.
- Excessive use of zero-hour contracts should be avoided and suppliers, service providers and contractors should be working towards eliminating such contracts or, where used, give more protection to the work force such as adopting an element of guaranteed hours where employees express a preference for this or where flexibility is required. In these circumstances it is expected that employers ensure their employees receive their entitlement to holiday and sick pay.

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 have systems in place to ensure high standards of propriety which make sure public money is used for the purpose it is intended.

Whistleblowing:

- The Public Interest Disclosure Act 1998 (PIDA) is known as the whistleblowing law and is designed to encourage and enable employees to "speak out" and to report suspected wrongdoing at work. This is commonly known as "blowing the whistle".
- Whistleblowing is generally the term used when someone who is employed in an organisation reports a concern about suspected wrongdoing, malpractice, illegality or risk in the workplace. This can include:
    - criminal offences
    - failure to comply with a legal duty
    - miscarriages of justice
    - fraud or corruption
    - abuse of authority
    - serious breaches of Trust policy or procedure
    - unethical conduct and actions deemed unprofessional or inappropriate; This could include breaches of regulations requiring school Governors to 'act with integrity, objectivity and honesty and in the best interests of the school' and breaches of the 'Nolan Principles' which are the basis of ethical standards expected of public office holders
    - the health and safety of any individual has been, or is likely to be, endangered
    - the environment has been, is being or is likely to be damaged (as a result of the Trust's actions or inactions)
    - information about any of the above has been, is being, or is likely to be deliberately concealed.
- The Trust's Whistleblowing Policy is a vital element of our governance arrangements and is designed to allow those employed by the Trust and/or members of the public to come forward and raise both disclosures and serious allegations of wrongdoing involving the actions of the Trust's employees, its Trustees, contractors or any aspect of the Trust's activities.
- The Community Inclusive Trust is committed to the highest possible standards of honesty, openness and accountability and will not tolerate malpractice or wrongdoing, and expects that its suppliers, service providers and contractors are committed to and have in place a similar policy for its employees and subcontractors which:
    - seeks to protect those individuals who make certain disclosures with regard to any instance of malpractice or wrongdoing and to investigate them in the public interest.

Modern Slavery Act 2015:

- As part of the public sector, the Trust recognises that it has a responsibility to take a robust approach to slavery and human trafficking. In addition to the Trust's responsibility as an employer, it also acknowledges its duty as an institution for education to notify the Department for Education of suspected victims of slavery or human trafficking as introduced by section 52 of the

Modern Slavery Act 2015.

- The Trust is absolutely committed to preventing slavery and human trafficking in its operational activities and to ensuring that its supply chains are free from slavery and human trafficking. The Trust requires that all direct suppliers, service providers and contractors to the Trust are absolutely committed themselves to preventing slavery within their own activities and through their supply chain, which includes manufacturers and producers.
- To report a suspicion or seek advice, contact the Police Modern Slavery Helpline confidentially on 08000 121 700. This is open 24 hours a day, 365 days a year. This can also be reported online or by calling the Police on 101 at any time to report an incident. To report anonymously, contact Crimestoppers on 0800 555 111. Always call 999 if there is a crime in action or immediate threat to life.

6. Responsible Supply Chain

The Community Inclusive Trust expects a commitment from the supplier, service provider and contractor to continuous improvement of the ethical performance of their supply chain.

Small to Medium Enterprises (SMEs):

- The Trust is committed to improving engagement with SMEs, voluntary sector and charitable organisations and, where appropriate, tenders will be adapted to their needs, particularly with regard to dividing large contracts into lots, in accordance with the Public Contract Regulations 2015.
- 'Small to Medium Enterprises (SMEs)' means the definition of an SME is that it must meet two of the following criteria as defined by Companies House:
  - It has a turnover of between £6.5 million and £25.9 million
  - It has gross assets of less than £12.5 million
  - It has between 11 and 250 employees

Environment:

- The supplier, service provider and contractor endeavour to purchase through suppliers and contractors who are continuously working at improving labour and environmental standards in the supply chain. Organisations such as, but not limited to, environment standards (ISO14001 and EMAS management systems), good agricultural standards (Global GAP), consumer facing standards (Fairtrade, Rainforest Alliance, Tea Sourcing Partnership (TSP)), Organic (Soil Association), management of world forests (FSC and PEFC) and commitment to continuous improvement of the ethical performance of supply chain (SEDEX).
- Various public authorities within the UK have declared a climate emergency and have developed action plans for tackling climate change. The Community Inclusive Trust is working towards developing its own action plan. The Trust would look to develop this as part of the wider local authority Climate Change Framework. The plan will commit the Trust to becoming carbon neutral, operating within a science-based budget that limits total carbon dioxide emissions for the Trust. It is important that the Trust works with and influences other organisations to also play their full part in responding to the climate emergency to support the Trust achieving its zero carbon ambitions. Through its procurement activity, the Trust is therefore asking all suppliers to set out the measures they will take to reduce their own

carbon emissions and how these will be monitored effectively.

Fair payments throughout the supply chain:

- The Trust is committed to ensuring fair payment for goods and services are paid for promptly through the supply chain in line with its terms and conditions of purchase.
- The Trust's standard terms of payment to its suppliers, service providers and contracts are month end plus 30 days from receipt of invoice. The Trust requires that all direct suppliers, service providers and contractors demonstrate a similar commitment through the supply chain in paying their suppliers and contractors, which in turn is passed through to manufacturers, and producers.

Construction Charter:

- As a multi-academy Trust, we are responsible for the procurement of a multitude of construction projects. It is therefore appropriate that we as a responsible Trust have signed up to Unite's Construction Charter in order to achieve the highest standards in respect of direct employment status, Health & Safety, standard of work, apprenticeship training, and appropriate nationally agreed terms and conditions of employment.

7. Legal Context

The Trust operates within the legal framework governing public procurement as framed by UK legislation, the relevant UK Directives relating to public procurement and the Public Contract Regulations 2015 as subsequently updated and amended. This legal framework requires contracting authorities to award certain contracts in line with the overarching fundamental principles of the UK legislation, including the principles of non-discrimination, equal treatment, transparency, procedural fairness, mutual recognition and proportionality.

Mandatory grounds for exclusion are participation in criminal organisations, corruption, bribery, fraud, and money laundering; those who are guilty of child labour, people trafficking, or drug trafficking offences or offences linked to terrorism; and those who have breached their tax or social security obligations (until the supplier has rectified the breach) within a period of five years prior to the procurement.

Discretionary grounds for exclusion are more widely defined but include professional or commercial misfeasance and grave professional misconduct in the course of business, payment of taxes under UK law, payment of social security contributions under UK law.

"Grave professional misconduct" means: It has been established by a final judgement or a final administrative decision made by the Trust that a supplier, service provider or contractor, or persons employed by or subcontracted by a supplier, service provider or contractor that there is guilt of grave misconduct by having violated applicable laws or regulations or ethical standards of the profession to which the supplier, service provider or contractor belongs, or by having engaged in any wrongful conduct which has an impact on its professional credibility where such conduct denotes wrongful intent or gross negligence.

In accordance with the UK Government's recommendations, the Trust places an

obligation on suppliers, service providers and contractors to keep the Trust notified of any "occasion of tax non-compliance (OONC)" during terms of contracts. The Trust will make all reasonable enquiries to see that the statements made by suppliers, service providers and contractors at selection stage remain valid at the commencement of the contract.

"Occasion of tax non-compliance" means:

- Any tax return of the supplier submitted to a relevant tax authority on or after 1 October 2014 is found to be incorrect as a result of:
    - A relevant tax authority successfully challenging the supplier under the General Anti-Abuse Rule or the Halifax Abuse Principle or under any tax rules or legislation that have an effect equivalent or similar to the General Anti-Abuse Rule or the Halifax Abuse Principle,
    - the failure of an avoidance scheme which the supplier was involved in, and which was, or should have been, notified to a Relevant Tax Authority under the DOTAS or any equivalent or similar regime; and/or
- The supplier's tax affairs give rise on or after 1 April 2015 to a criminal conviction in any jurisdiction for tax related offences which is not spent at the Effective Date or to a penalty for civil fraud or evasion.

Tax Rule IR35 'In compliance with the government's reforms of Tax Rule IR35 for off-payroll working rules in the Public Sector the Trust takes responsibility for ensuring that those who work for them pay the right amount of tax. The Trust requires that all its direct suppliers, service providers and contractors take responsibility for ensuring that those who work for them, including off payroll, pay the right amount of tax.'

The Trust shall act fairly, reasonably and in accordance with the rules of Natural Justice in exercising its discretion (pursuant to Rule 57 of the PCR 2015) in considering whether to exclude a potential tenderer from participation in any procurement procedure and shall also take into account any other relevant legislation including but not limited to the Local Governments Act.

The Local Governments Act includes the prohibition on public authorities from taking into account "non-commercial" considerations and also includes the obligation to act fairly and with the right to a fair hearing, etc.

In accordance with the public procurement rules, it is therefore necessary to ensure that ethical issues are relevant to the subject matter of the contract and are consistent with the requirement within the Local Government Act 2003 to achieve "best value". In the context of procurement, best value for money means choosing the option or bid that offers "the optimum combination of whole life costs and benefits to meet the customer's requirements." Ethical considerations that are "relevant" to the subject matter of the contract may arise where there is a risk to the Trust from a supplier being unable to deliver the product or service to time and of sufficient quality due to say insufficient health and safety provisions for its employees. If a clear link can be established between poor conditions of employment and the ability or motivation of an employee to maintain required equality standards, this will be relevant to the supply of goods, works or services.

The Trust may also work in partnership with suppliers to pursue wider ethical issues, in a constructive and collaborative way, outside the public procurement process. This must however be done post-award and on a voluntary basis as contracts must not set standards that exceed the parameters of what may be required under UK law. Further,

doing so may deter bidders from member states and could be challenged as a restriction on free trade.

8. Appendices of Bodies

Ethical Trading Initiative
https://www.ethicaltrade.org/eti-base-code
International Labour Standards
International Labour Standards | International Labour Organization (ilo.org)
Equality Act 2010
https://www.legislation.gov.uk/ukpga/2010/15/section/15
The Employment Act 1999
https://www.legislation.gov.uk/ukdsi/2010/9780111490457/contents
International Labour Convention C138
https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_INSTRUMENT_ID:312283
The Public Contracts Regulations
https://www.legislation.gov.uk/uksi/2015/102/contents/made
The Procurement Act 2023
Procurement Act 2023 (legislation.gov.uk)
Code of Best Practices Code of best Practices Facilitating Access by SMEs
EU: Compendium of Best Practices Facilitating Access by SMEs to Public Procurement Contracts | Joinup (europa.eu)
Environmental Standards
https://www.bsigroup.com/en-GB/standards/
https://ec.europa.eu/environment/emas/index_en.htm
https://www.fairtrade.org.uk/
Home - ETP
Soil Association
Home Page | Forest Stewardship Council UK (fsc.org)
https://www.pefc.co.uk/
https://www.sedex.com/
Local Government Act
Local Government Act 2003 (legislation.gov.uk)
Unite Construction Charter
Unite Construction, Allied Trades and Technicians
Legal Definitions
https://www.legislation.gov.uk/uksi/2015/102/regulation/57/made
https://www.lawinsider.com/dictionary/halifax-abuse-principle