**Procurement Journey**

**Fair Work Practices (FWP) Considerations**

Organisations must now consider whether to include FWP question(s) in the procurement exercise, before undertaking regulated and EU-regulated procurements i.e. Routes 2 and 3 of the Procurement Journey.

Below is list some general considerations that an organisation should take into account when developing FWP.

* consider FWP separately for every contract (do not attempt a “one size fits all approach”).
* Consider whether FWP are relevant and proportionate to the contract by looking at the nature, scope, size and place of performance of the contract;
* Gather information from previous learnings/experience. Areas to be considered include: lessons learned from previous and/or existing contracts; incumbent supplier feedback; internal stakeholder feedback; market analysis/market conditions; peer feedback e.g. from other organisations;
* FWP incorporates a range of measures which include areas such as: flexible working hours; an employee voice mechanism; stability of employment; the living wage; health and safety; workplace innovation;
* FWP should be a consideration throughout the procurement process i.e. from the creation of a commodity/service strategy, through to developing the Procurement Documents, then evaluation, standstill and debriefing of suppliers, to on-going contract and supplier management

Some specific considerations for the stages of the Procurement Process are as follows:

**Commodity/Service Strategy**

* Undertake internal and external market research to understand important factors e.g. can you determine what is important to suppliers/the market? You could source feedback from the Contract Manager/team on what has worked well/has not worked on previous/existing contracts?
* What is your organisations’ corporate strategy regarding FWP (if there is one) and incorporate approach required in commodity/service strategy, including any corporate targets
* Consider the format of the procurement exercise to be used and the FWP impact e.g. how FWP would be considered for mini competitions as opposed to frameworks?
* Consider the impact on SMEs of including (or not) elements of FWP
* price/quality ratio strategy
* Consider how FWP will be included into required corporate reporting,

**Procurement Documents**

* The Procurement Documents e.g. ITT, will allow for consideration of a range of FWP measures and that all contract bids will be treated equally
* Consider how important FWP is to the contract and reflect this in the weightings e.g. where the quality of FWP will have a significant impact to the contract then FWP is likely to be a higher proportion of the criteria
* Can utilise FWP question (as included at the end of this document) as part of the competition, however this should be changed/tailored to fit the specific contract. You must also ensure that potential tenderers are aware that the included bullet list (if used) are not sub-criteria for the competition;
* Consider asking for the cost implications (if any) of FWP to the contract
* Consider stipulating what the current living wage in Scotland is in the Procurement Documents
* Stipulate in the Procurement Documents that FWP will be considered holistically

**Evaluation**

* Should follow the normal evaluation process e.g. transparent, objective, non-discriminatory
* Be proportionate e.g. take into account the impact on the quality of service delivered
* Consider who should evaluate e.g. who in your organisation has FWP experience?
* Be careful tenderers do not improve one FWP area to the detriment of another e.g. improve the living wage but reduce other employee benefits.
* Consider pay holistically e.g. consider areas such as bonus, hours worked, health care offered, salary, etc. where appropriate to improve the service

**Standstill/Debriefing Tenderers**

* Follow the normal standstill/debrief process for the specific procurement
* Consider how much information is required, suggest areas of improvement for FWP

**Contract and Supplier Management**

* Include FWP as a standard C&SM criteria
* Include FWP as a standard agenda item at supplier review meetings
* Increase your organisation’s understanding of how suppliers currently incorporate FWP e.g. supplier days/visits, case studies
* Consider whether an independent audit of suppliers of FWP practices is required. Can FWP be included in the sustainability audit - if you have one - with evidence submitted from suppliers?
* Consider how FWP will be incorporated with/communicated to internationally-based suppliers

**Fair Work Practices ITT Question**

**Note: This question should be adapted to take account of the particular circumstances surrounding the goods, works or services being procured**

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| The Public Sector in Scotland is committed to the delivery of high quality public services, and recognises that this is critically dependent on a workforce that is well-motivated, well led, has appropriate opportunities for training and skills development and is engaged in decision making. These factors are also important for workforce recruitment and retention, and thus continuity of service. Public Bodies in Scotland have adopted fair work practices, which include:  • a pay policy that includes a commitment to supporting the Living Wage.;  • being a Living Wage Accredited Employer  • clear managerial responsibility to nurture talent and help individuals fulfil their potential  • developing a workforce which reflects the population of Scotland in terms of age, gender, race and disability  • a strong commitment to Modern Apprenticeships  • support for learning and development;  • no inappropriate use of zero hours contracts;  • flexible working (including for example practices such as flexi-time and career breaks) and support for family friendly working and wider work life balance;  • Trade Union recognition and representation where possible; otherwise alternative arrangements to give staff an effective voice  • gender balance and wider representative workforce  • promoting workplace innovation  In order to ensure the highest standards of service quality in this contract we expect contractors to take a similarly positive approach to fair work practices as part of a fair and equitable employment and reward package. |
| * ***Workforce Matters (10%)*** |
| Q - Please describe how your organisation proposes to commit to being a best practice employer in this respect in the delivery of this contract. Answers need not be constrained to or be reflective of any of examples given alongside this question.  Good answers will reassure evaluators that your company takes the engagement and empowerment of staff seriously; takes a positive approach to rewarding staff at a level that helps tackle poverty (e.g. through a commitment to paying at least the living wage), provides skills and training which help staff fulfil their potential, that you do not unfairly exploit staff (e.g. in relation to matters such as the inappropriate use of zero hours contracts); and that your company will demonstrate organisational integrity with regards to the delivery of those policies, including having arrangements in place to ensure effective employee representation. This reassurance should be achieved by providing tangible and measurable examples that can be monitored and reported during contract management procedures. |
| * *Insert response here* |