



# Supplier Code of Conduct

***Document Details:***

**Owner/Lead Officer:** Head of Commissioning and Procurement Support,  
Corporate Resources Department

**Date:** October 2018

**Review Arrangements:** Next Review Date – October 2019

## Supplier Code of Conduct

Leicestershire County Council (the Council) is committed to operating ethically and complying with all applicable laws and regulatory requirements, including the requirements of the Equality Act 2010. As part of this commitment the Council requires Suppliers and Companies (the Supplier/s) who do business with us to operate in full compliance with the laws, rules and regulations of the countries in which they operate and to seek similar commitments across their own supply chain.

References in this Code of Conduct to “the Council” also apply to ESPO.<sup>1</sup> Through Leicestershire County Council and in accordance with an agreement between the member authorities (the “Consortium Agreement”) ESPO procures services and goods which it supplies to member authorities (which include the Council) and other contracting authorities, as defined in the Public Contracts Regulations 2015.

This Supplier Code of Conduct sets out the main principles which the Council expects Suppliers to adhere to, as follows.

### 1. Law and Ethical Standards

The Supplier shall comply with all laws applicable to its business. The Supplier should support the principles of the following international conventions, in accordance with national law and practice:

- United Nations Global Compact;
- United Nations Universal Declaration of Human Rights;
- The European Convention of Human Rights;
- 1998 International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work

The Supplier shall also comply with the requirements of the Modern Slavery Act 2015 (UK legislation) (see section 3 – Modern Slavery).

***Conflicts of interest must be avoided or managed***

- Suppliers shall avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work with the Council. They should not act or take decisions in order to gain financial or other material benefits for themselves, relatives, friends and close associates, other than payment from the Council for the services they are contracted for. They shall declare any conflicts of interest and manage the conflict to the benefit of the Council.

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<sup>1</sup> ESPO is the trading name of a joint committee of local authorities, the county councils of Leicestershire, Lincolnshire, Cambridgeshire, Norfolk, Warwickshire, and the city council of Peterborough established under the Local Government Act 1972 (section 101 (5) and section 102) and section 9EB of the Local Government Act 2000.

***Offers of gifts and hospitality should be avoided***

- No gifts or hospitality shall be given or promised that could create suspicion of an intention to influence business transactions with the Council, or give the impression that individuals have been or may have been influenced in their Council duties (refer to Leicestershire County Council Policy on the Receipt of Gifts and Hospitality available on Leicestershire County Council website (<https://www.leicestershire.gov.uk/>)).

***Improper payments/Bribery***

- The supplier shall comply with international anti-bribery standards as stated in the United Nations' Global Compact and local anti-corruption and bribery laws including The Bribery Act 2010.
- Further information on relevant Council policy and practice can be found in the following documents, which are available on Leicestershire County Council website:
  - The Constitution (includes Financial Procedure Rules, Contract Procedure Rules<sup>2</sup>, Members' Code of Conduct and Officers' Code of Conduct)
  - Anti-Fraud and Corruption Policy
  - Confidential Reporting Procedure (Whistleblowing Policy)
  - Policy on the Receipt of Gifts and Hospitality
  - Anti-Money Laundering Policy
  - Anti-Bribery Policy

***Anti-Competitive Behaviour***

- Suppliers shall avoid practices that may be viewed as anti-competitive, for example sharing confidential or commercially sensitive information.

***Unlawful discrimination of Customers/Service users should not take place***

- Suppliers should always consider the requirements of equality law (in the UK the Equality Act 2010) in their supply of goods or services to customers and service users, and ensure that goods and services are supplied without discrimination according to the law. Suppliers should ensure their staff are trained in/aware of these requirements and act accordingly.

## **2. Employment and Welfare Standards**

We believe that suppliers should protect the human rights of their employees and treat them with dignity and respect. Suppliers are expected to provide a fair and ethical workplace which integrates appropriate employment and welfare standards practice into their business (including relevant health and safety legislation).

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<sup>2</sup> It should be noted that ESPO have their own Contract Procedure Rules which are available on their website: [https://www.espo.org/Contract\\_Procedure\\_Rules](https://www.espo.org/Contract_Procedure_Rules)

***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.

***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 Supplier adopts an open attitude towards the activities of trade unions and their organisational activities. The Supplier is not involved in the practice of blacklisting, contrary to the Employment Relations Act 1999 (Blacklists) Regulations 2010
- Workers’ representatives are not discriminated against and have access to carry out their respective functions in the workplace.
- Where the right to freedom of association and collective bargaining is restricted under law, the Supplier facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.

***Working conditions are safe and hygienic and occupational health and safety is promoted and maintained***

- A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be 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.
- Workers shall receive regular and recorded health and safety training, and such training shall be repeated for new or reassigned workers.
- Accommodation, where provided, shall be clean, safe and meet the basic needs of the workers.
- The Supplier shall assign responsibility for health and safety to a senior management representative.
- The Supplier complies with applicable occupational health and safety regulations and good practice to provide a work environment that is conducive to the good health of employees, and prevents accidents and injury to both employees and others.

***Child labour shall not be used***

- There shall be no recruitment of child labour – the Supplier will comply with laws and regulations related to minimum working age. No employee of age any, including apprentices or vocational students, may be employed in breach of local regulations governing the minimum age of work or the compulsory age for schooling, consistent with ILO Minimum Age Convention No. 138.

***Living wages are paid***

- Policies and programmes developed by the Supplier regarding child labour shall conform to the provisions of the relevant ILO standards.
- Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is the higher.
- All workers shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment.
- Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the express permission of the worker concerned. All disciplinary measures should be recorded.

***Working hours are not excessive***

- Working hours shall comply with national laws and/or collective agreements.
- Where overtime is worked it must comply with national laws and/or collective agreements.
- Adult workers shall be entitled to either – (i) two uninterrupted rest periods each of not less than 24 hours in each 14 day period; or (ii) one uninterrupted rest period of not less than 48 hours in each such 14 day period.

***No discrimination is practiced***

- There shall be no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender/gender identity, marital status, sexual orientation, union membership or political affiliation.

***Regular employment is provided***

- To every extent possible work performed shall 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 regular employment relationship shall not be avoided through the excessive 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.

***No harsh or inhumane treatment is allowed***

- Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.

### 3. Modern Slavery

Leicestershire County Council is committed to better understand our supply chains and working towards greater transparency and responsibility towards people working in them in accordance with our policy of observing the spirit of the Modern Slavery Act 2015. Where suppliers are required to submit a Modern Slavery Statement (i.e. have an annual turnover of £36m or more) they should do so.

***Suppliers are required to observe the spirit of the Modern Slavery Act 2015***

- Suppliers shall ensure they are not directly engaged in slavery, servitude, forced or compulsory labour or human trafficking.
- Suppliers shall take reasonable and proportionate steps, having regard to the nature of their business, to identify potential high and medium risks of slavery, servitude, forced and compulsory labour or human trafficking in their supply chains. To the extent it is commercially practicable suppliers should use their buying power to influence their suppliers from such prohibited activities.
- Suppliers shall be prepared to provide to the Council names and geographical locations of their own suppliers, to the extent that these are the source of products supplied to the Council.
- Suppliers shall permit any of the Council's staff, consultants acting on its behalf or similar, to inspect the supplier's premises and interact with workers without notice at any reasonable time.

### 4. Sustainability, Environment & Social Responsibility

The Council is committed to reducing our environmental impact and suppliers are expected to consider their environmental performance and procedures to minimise any negative impact on the environment, community and natural resources. Suppliers should also be aware of their social responsibility and seek to optimise opportunities to deliver social value<sup>3</sup> benefits to the citizens of Leicestershire.

***Suppliers are expected to comply with current UK Environmental Legislation and other legislative and best practice requirements***

- Suppliers shall approach sustainability as a process of continuous improvement, and look to realise the positive sustainability benefits and manage the negative sustainability impacts relative to their core business activities over the lifespan of contracts with the Council.

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<sup>3</sup> In Leicestershire Social Value is defined as "The additional benefits for the public and communities of Leicestershire that arise over and above those immediately associated with directly purchased goods, works and services".

***Suppliers should be aware of how their activity can contribute to wider social impact for the community***

- Suppliers should seek to support and contribute to the social and economic wellbeing of the communities they work in.

## **5. Compliance with the Supplier Code of Conduct**

The Council expects Suppliers throughout the supply chain to support the principles contained in the Code of Conduct, and to actively communicate and promote the principles to their own supply chains. The Council reserves the right to request details of how Suppliers and their supply chains comply with the Supplier Code of Conduct and take action where appropriate, including termination of the business relationship and/or legal action. The Council's contract managers may visit (and/or appoint external partners to visit) the Supplier (or their sub-contractors or agents) to assess compliance with the Code.

## **6. Review of Code of Conduct**

Responsible Officer: Head of Commissioning and Procurement Support, Corporate Resources Department

Review date: October 2019 (or as required in the event of changes in legislation etc.)