

The background of the slide features a large, light blue outline of the Seal of the City of Anchorage. The seal is a shield divided into four quadrants. The top-left quadrant shows a sailing ship on wavy lines representing water. The top-right quadrant shows a moose head facing left. The bottom-left quadrant shows a cross. The bottom-right quadrant shows an eagle with spread wings. Above the shield is a crown with four points, each topped with a flower. Below the shield is a banner with the text "ANE FOR A'".

## **Agenda Item 7**

## **Construction Charter**

**Falkirk Council**

**Title:** Construction Charter

**Meeting:** Executive

**Date:** 10 December 2019

**Submitted by:** Director of Corporate and Housing Services

**1. Purpose of Report**

- 1.1 The purpose of this report is to provide information and seek approval to adopt a Falkirk Council Construction Charter.

**2. Recommendations**

- 2.1 **It is recommended that the Executive approve the Construction Charter as detailed in Appendix 1.**

**3. Background**

- 3.1 The development of Construction Charters is a trade union campaign across UK Local Authorities to set out a minimum set of standards, conditions and expectations from construction companies who tender for contracts in the public sector.
- 3.2 The Unite Trade Union has contacted the Council with a view to adopting the Unite Construction Charter. Discussions have taken place with Unite and, in conjunction with Unite officials, a Falkirk Council Construction Charter has been drafted. The Falkirk Council Construction Charter is based on the Unite document and takes into consideration local and operational matters, particular to Falkirk Council. The draft Construction Charter for Falkirk Council is attached in Appendix 1.
- 3.3 Individual Construction Charters have been adopted by a number of Local Authorities across the UK, including Aberdeen City, Dundee, Fife, North Lanarkshire, Renfrewshire and Inverclyde Councils.

## **4. Considerations**

### **4.1 The Construction Charter has the following objectives:**

- Set the highest possible standards on construction projects funded by public money;
- Promotes direct and secure employment;
- Promotes quality apprenticeships and opportunities for local workers;
- Guarantees the highest possible health and safety standards, including quality welfare facilities;
- Encourages and supports the role of trade unions.

### **4.2 The Council's Procurement Strategy provides a framework to ensure that our procurement activities support all services to meet national priorities and Falkirk Council priorities, as set out in the Council's Corporate Plan. This includes our approach to matters such as environmental sustainability; social sustainability, including workforce matters and local economic/employment development. The adoption of a Construction Charter aligns with the Council's Procurement Strategy objectives.**

### **4.3 Falkirk Council adopts the use of Fair Working Practices and uses this as evaluation criteria within tenders. The aim of this approach is to assess a tenderer's ability to comply with policies that cannot be legally mandated such as payment of the Scottish Living Wage. This approach also aims to ensure contractor compliance with environmental, social and labour laws when performing public contracts.**

### **4.4 The intention would be to utilise tender selection criteria to assess tenderer compliance with the Falkirk Council Construction Charter, in order to ensure interested parties are aware of the Charter requirements and confirm compliance prior to progression.**

## **5. Consultation**

### **5.1 The Council's Procurement Board has reviewed and endorsed the Charter. Additionally, the draft Charter has been reviewed and drafted in conjunction with Unite. The draft Charter has also been circulated to other Trade Union representatives of the Council's Partnership Forum.**

## **6. Implications**

### **Financial**

6.1 There are no financial implications anticipated.

### **Resources**

6.2 No additional resources are required.

### **Legal**

6.3 The adoption of the Charter will operate in accordance with Procurement Legislation, which will take precedence.

### **Risk**

6.4 Procurement Legislation will take precedence over the Charter, in order to mitigate the risk of legal challenges to the Council.

### **Equalities**

6.5 There are no equalities issues anticipated.

### **Sustainability/Environmental Impact**

6.6 There are no known sustainability/environmental issues identified.

## **7. Conclusions**

7.1 The adoption of a Falkirk Council Construction Charter aligns with the principles and objectives of the Council's Procurement Strategy.

7.2 Through the adoption of a Construction Charter the Council aims to set the highest possible standards on construction projects funded by Council budgets.

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Director of Corporate and Housing Services

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**Date: 27 November 2019**

## **APPENDICES**

### **1. Construction Charter**

#### **List of Background Papers:**

# **FALKIRK COUNCIL**

## **Construction Charter**

### **Appendix 1**

As a Local Authority responsible for the procurement of multiple construction and maintenance projects, it is therefore appropriate that we promote and support positive workforce practices on all works which we procure. We encourage all contractors who are awarded contracts by Falkirk Council to work with the appropriate trade unions, to comply fully with this Charter.

As a corporate and socially responsible Council, we are committed to achieving the highest standards in respect of: direct employment status, Health & Safety, standard of work, apprenticeship training and the implementation of appropriate nationally agreed terms and conditions of employment.

### **Health and Safety**

The health and safety of all workers is paramount. We expect all contractors to ensure that:

- Health and safety regulations and standards, as set out in our procurement documents, are rigorously implemented and adhered to;
- Welfare facilities for construction workers are appropriate for the 21st century, including reasonable standards for toilets, amenities and drying facilities in accordance with the Construction, Design and Management Regulations 2015.

### **Employment Standards**

We require the highest standards of project delivery in order to ensure that the aspirations of Falkirk Council's local residents are met and the projects serve our communities well in the years to come.

We are also mindful of the projected skills shortage across the sector and wish the industry to train the next generation of skilled workers for the future.

Falkirk Council's Employment and Training Unit (ETU) supports a range of local job seekers to help them to enter and progress in the labour market. We would expect any opportunities for new recruits to be communicated to the ETU and any requests for work experience opportunities to be reasonably considered and where possible agreed. The ETU is the supply side arrangement for training and work experience opportunities detailed within Community Benefit Clauses in Council contracts.

We therefore expect all contractors to:

- be able to demonstrate the skill level of their employees on the project by ensuring that appropriate and applicable checks are carried out by contractors;
- comply with the employment and skills requirements set out in our tender documents which promote and encourage full apprenticeships;
- where possible, prioritise hard to reach and under-represented groups in employment, training and skills initiatives;

- work with us to support initiatives aimed at promoting and improving opportunities in education and training of employers and employees engaged on all construction projects within our authority including working within schools, homes and other Council properties and the behaviours expected of individuals when working around particularly children and vulnerable individuals.

## **Pay and Benefits**

The Council recognises the value of a well-motivated and dedicated workforce both within its' own organisation and those organisations who provide goods, works and services to the Council.

Contractors should be aware that the Council adheres to the Statutory Guidance on:

- Selection of Tenderers and Award of Contracts: Addressing Fair Work Practices, including payment of the Living Wage and associated best practice guidance.
- ensuring contractors comply with environmental, social and labour laws when performing public contracts.

Falkirk Council is a Living Wage employer and expects all companies working on its contracts to be committed to the payment of the Scottish Living Wage, in line with applicable Statutory Guidance.

Where workers are not directly connected to industry collective agreements then the living wage is a minimum standard and we will promote and encourage that those companies are registered with the Scottish Living Wage Accreditation Initiative.

We also expect all companies delivering our contracts to adopt and demonstrate appropriate fair work practices and ensure that all their employees have access to:

- paid holiday,
- a sickness benefit scheme,
- a pension scheme,
- accident compensation,
- death in service benefits.

## **Employment Rights**

This Council also supports, where appropriate, direct employment by contractors and sub-contractors on a PAYE Class/National Insurance basis. We believe that Trade Unions play an important role in creating a safe and productive worksite and developing good industrial relations. We therefore expect our contractors, within the context of the contract awarded, to:

- employ workers under recognised industry collective agreements as set out in SJIB, SNIJB, SJNC BESA, CIJC, NAECI and TICA or other EU equivalent;
- promote the benefits of belonging to a recognised Trade Union;
- recognise on-site Shop Stewards as having an important role to play in achieving and promoting good industrial relations;

- ensure that the Trade Union has input into the development of Health and Safety policy (to ensure members' priorities are reflected);
- actively promote the election of Health and Safety Representatives and support their role in helping to ensure a safe site;
- provide equality and opportunity for all;
- be able to certify that they have not engaged in the practice of blacklisting workers for any reason.

The Sustainable Procurement Duty within the Procurement Reform Scotland Act 2014 requires that before a contracting authority buys anything, it must think about how it can improve the social, environmental and economic wellbeing of the area in which it operates.

There are a range of tools to support public sector organisations comply with the Sustainable Procurement Duty. One of these tools, adopted by the Council, is the Sustainability Test which we use in individual procurements and we will look to contractors to support the delivery of our sustainability objectives.

This Council also supports the Get Britain Building campaign which is aimed at supporting and sustaining the construction industry in Great Britain. Consequently, we seek to maximise the Building Materials used on Council construction projects that are covered by BES6001 Responsible Sourcing of Construction Products Certificate or equivalent.

Falkirk Council looks forward to working with contractors to help support the aims set out in this Construction Charter.