

**Date:** Monday 28<sup>th</sup> March 2019

**Attendees:** Helen Carter (Action Sustainability), Shaun McCarthy (Action Sustainability); Graham Edgell (Morgan Sindall); Paul Skitt (Flannery Plant); Andy Berry (Fortel); James Callaghan (VGC); Manish Tailor (Vinci Construction); Georgette Foster-Bell (Highways England); John Jebson (McGinley); Eugene Meehan (O’Neil & Brennan); Andrew Jones (Hercules Construction); Maurice O’Mahony (Danny O’Sullivan)

**Summary of actions:**

People Matter - Charter Review		
No	Action	Responsible
1	The meeting was dedicated to reviewing the charter and the main commitments – Appendix 1 to the minutes summarises the specific comments to date. <b><i>Helen to undertake an additional stakeholder session with Homes &amp; Construction Group to gain additional feedback and consolidate into a revised draft</i></b>	Helen Carter
2	In general, the group agreed that “People Matter” was a good name for the document and it should remain as a high-level commitment document. Commitments should remain high level and generic and should be divided into Commitment and Intent. Commitment is must do and Intent is a direction of travel	Note
3	<b>Exploitation</b> - There were no issues with the exploitation commitment – some technical wording issues (see appendix 1)	Note
4	<b>Right to Work</b> - The group discussed whether legal compliance should be included in the document and whilst legal compliance is presumed there is an acceptance that there are issues with evidencing legal compliance as you get down the supply chain. Therefore, right to work should still be included and categorised as a commitment. – some technical wording issues (see appendix 1)	Note
5	<b>EDI/FIR</b> – The group stated that the commitment should go beyond legal compliance and discussions were held in relation to resources and measures. It was requested that the FIR programme measures and resources were strongly tied in here – some technical wording issues (see appendix 1)	Note
6	<b>Living wage</b> - commitment was identified as an intent and the group requested that the information provided to the supply chain takes into consideration the intricacies of the various elements of the industry – e.g. FM	Note
7	<b>ETI</b> - Liz comments were agreed with in terms of ETI needing to be developed further however it was accepted that if this was to be embedded into the supply chain, then there needs to be something that drives better practice in international supply chains especially around materials. A standard needs to be developed that takes the ETI/ILO requirements and develop for construction	Note
8	<b>Skills &amp; Employment</b> – some technical wording issues (see appendix 1)	Note
9	<b>Environment</b> – some technical wording issues (see appendix 1)	Note
10	<b>Payment</b> – the group discussed whether this was a commitment that should be legal compliance or moral requirement. It was accepted that this may be the hardest commitment to address within this industry. It requires rewording and the	Note

	group agreed that it should take the moral obligation to ensure that people are protected in terms of employment and payment conditions -	
11	As the document is aimed at the supply chain i.e. down into subcontract and supplier organisations it was agreed that certain commitments may not apply to some e.g. ETI so there needs to be guidance to speak to organisations and where they sit in the supply chain e.g. Supplier, Hirer, Subcontractor etc. This information should also speak to disciplines	Note
12	Discussion was had over the implementation of the document and it was agreed that a toolbox of resources and guidance needs to be created, that can be provided by the school to help partners upskill their supply chain. <b><i>Helen to identify the resources available in the school to support understanding and circulate for review</i></b>	Helen Carter
13	There needs to be a greater stakeholder engagement process for external validation – especially as some of the commitments are sensitive e.g. payment and employment conditions. Helen to organise a stakeholder engagement workshop – Partners to let Helen know if they can support the workshop. Namely in getting contact details for key stakeholders, presenting and facilitating discussions at the workshop	Working Group Partners (by Monday 8 <sup>th</sup> April)
14	Paul Skitt provided a case study illustrating what Flannery’s are doing about Skills and Employment as well as an overview of the current landscape in terms of qualifications and apprenticeship standards. <b><i>Helen to circulate the slides with minutes from the meeting</i></b>	Helen Carter (Complete)
15	Date of next meeting – 5 <sup>th</sup> June – 10.00 – 13.00 Can partners confirm if they have a venue for this meeting	Working Group Partners

Appendix 1 – Current comments about the commitments

Draft Labour Charter commitment	LH comment	LH Suggestion	Working Group Comments
Demonstrate due diligence processes are in place to ensure that their own and temporary labour is not subjected to exploitation	No comment	No suggestion	<p><b>Commitment</b> Change the word place to operation and demonstrate to evidence</p>
Demonstrate that all the recruited labour and any temporary labour provided has the right to work in this country	This is legal compliance – as such, it does not warrant being in a Charter. There is a reputational risk to companies signing (and the Supply Chain School advocating) a Charter that simply commits to obey the law.	Suggest dropping if only stating a commitment to legal compliance.	<p><b>Commitment</b> Change word demonstrate to Evidence – Keep statement as this applies to SME’s who are not main contractors or labour agencies</p>
Evidence that there is implementation of an Equality & Diversity / Fairness, Inclusion & Respect (EDI / FIR) policy that includes objectives at least equivalent to legal minimum requirements	This is legal compliance – as such, it does not warrant being in a Charter. There is a reputational risk to companies signing (and the Supply Chain School advocating) a Charter that simply commits to obey the law.	Suggest committing to go above legal compliance: for example, “Evidence implementation of an Equality & Diversity / Fairness, Inclusion & Respect (EDI / FIR) policy that includes objectives that go beyond compliance with the Equality Act 2010 – for example, to create inclusive workplace cultures that better attract and retain talent.”	<p><b>Intent</b> We need to go beyond legal requirements How are we going to measure? Placements in the last 6 months? If we can measure can we reward? This needs to be a statement of commitment and intent Suggested wording - <i>Demonstrate progress in implementing inclusive employment practices to promote Fairness, Inclusion and Respect.</i></p>
Evidence a plan in order to move towards becoming accredited Living Wage employers	No comment	No suggestion	<p><b>Intent</b> How much will this be Issues may arise in the FM sector</p>

			Keep in as plan is main requirement of the commitment
Evidence at least ETI Base code standards within our recruitment and personnel management procedures	The <a href="#">ETI Base Code</a> is an effective mechanism to manage labour risk in countries where national labour standards are still evolving. It is not typically applied to UK workplaces as our labour standards are higher here. There is a reputational risk to companies signing (and the Supply Chain School advocating) a Charter that includes this commitment, because it might be interpreted to indicate (i) a poor understanding of the ETI base code (ii) a baseline of extremely poor labour standards	Suggest dropping and replacing with commitment to the more stretching labour standards that clients such as HS2 require. For example: <ul style="list-style-type: none"> <li>• Understand and manage risk of fatigue</li> <li>• adopt practices and processes to maximise the productive and effective use of all available working hours</li> <li>• do not prevent or discourage employees from joining trade unions</li> <li>• have and implement clear dispute resolution procedures</li> </ul>	<b>Commitment</b> Needs to be more than ETI/ILO LH suggestion good but we need to go beyond Deeper discussion needs to be had
Demonstrate employment, skills and training strategies with accompanying implementation plans	No comment	No suggestion	<b>Commitment</b> Development programmes Could leave as strategy as strategies can be short or long The key is to ensure that this is part of the business development process.
Evidence how we ensure that employees and temporary labour employees are subjected to environmental tool box talks and inductions. Highlighting individuals' roles in delivering of environmental	"Subjected to" is a negative phrase	Suggest changing "Subjected to" to "provided with"	<b>Commitment</b> Context – this is about individuals' impact on the environment. Tie into the SCSS online toolbox talks? Reword to focus on Demonstrate how employees are upskilled in relation to their environmental impact.

safety and/or excellence when working on construction sites			
<p>Ensure that whatever payment mechanisms are in place for employment, all staff have access to benefits such as sick, holiday and maternity pay. Where payment mechanisms are providing cheaper options, we expect companies will be subjected to additional checks to ensure that the payment mechanism is not a front for exploitative practices. Umbrella organisations must be able to evidence compliance with legislation and best practice standards set out by industry</p>	<p>“Cheaper” is not an appropriate or accurate word There might be an initial reduction in payroll cost but there will almost certainly be a net cost as a result of cost of staff turnover (extra induction, training costs, lost productivity etc)</p> <p>Legislation covers leave for new fathers, as well as mothers.</p>	<p>Suggest amending to “Where payment mechanisms are not providing employee benefits, we expect...”</p> <p>Change “maternity leave” to “parental leave”.</p>	<p><b>Intent</b></p> <p>This commitment is long and covers both payment and employment terms. This needs to be reworded to illustrate the moral commitment to ensuring that all employees in our industry are provided with their legal entitlement what the payment mechanism is. E.g.</p> <p>Whatever payment mechanism is chosen all workers are entitled to their legal entitlement under current employment law (not applicable to self-employed)</p> <p>Need to consider legal loopholes</p> <p>Need to have a responsible sourcing policy</p> <p>Move our supply chain to the moral compliance</p> <p>Need to make this best practice</p>

Draft statement of implementation	LH comment	LH suggestion
Identify our key stakeholders including clients, subcontractors and suppliers and encourage them to sign up to the charter regardless of where they sit within the supply chain	If progressive clients were to be asked to sign up to commitments as currently drafted, they might be shocked that their supply chain are merely looking to work to legal minimum ad ETI Base Code standards, when their own requirements are more stringent. This would pose a reputational risk to those who sign and the Supply Chain School	In agreement with this, if commitments are amended to go above legal minimum and ETI Base Code, as proposed above.
Develop & deliver a learning journey through the Supply Chain Sustainability	No comment	No suggestion

School aimed at supporting our key stakeholders through this process. The purpose of this is to gain a better understanding of what is required and support the development of processes and evidence of compliance		
Embed the requirements of this charter in our procurement process from tender to contract management	No comment	No suggestion
Create a collaborative space within the Supply Chain Sustainability School that evidences best practice and provides opportunities for organisations embedding these requirements to be showcased	The FIR Programme already, to a significant extent, provides a collaborative space that promotes standards above legal minimum.	Amend to “Evidence and promote best practice by sharing case studies through the FIR Programme”.
To monitor, measure and report on compliance with this charter and to make the results of this publicly available via the Supply Chain Sustainability School	Does the School want to get into the space of checking legal compliance? Should it publish information about supposed compliance without verification? If not, who verifies? There is a whole market of providers in this space	Change to “Encourage monitoring, measurement and reporting of compliance with this Charter, for example in annual reports and on company websites”
To continue to work collaboratively and work with other stakeholders outside the immediate vicinity of the Supply Chain Sustainability School partnership in order to ensure the requirements remain relevant, effective and deliverable		