Fair Work Practices

Fair Work Practices is a general term used to describe a variety of ways employers can motivate and treat their employees fairly.

Examples of Fair Work Practices

Giving employees opportunities such as:

- flexible working arrangements
- contractual stability
- training and development
- payment of at least the real living wage
- providing feedback mechanisms to make suggestions/voice concerns

This is not an exhaustive list.

Fair Work Practices and Procurement

Fair Work is central to achieving the Scottish Government's priority for sustainable and inclusive economic growth.

Public services are often dependent on the quality and engagement of employees for those suppliers who provide public sector contracts. This is especially true for service contracts where people are critical.

Adopting Fair Work can contribute to the delivery of high-quality public services, offering workers:

- increased financial security
- better physical health
- greater psychological wellbeing

For businesses that offer Fair Work, they are more likely to attract engaged, committed and adaptable workers who:

- spot challenges and opportunities

- solve problems
- offer insight and ideas for business improvement
- create value

Fair Work can improve productivity, innovation, organisational reputation and recruitment, reduce staff turnover, and lead to diverse workplaces with a richness of talent and a diversity of ideas.

In addition to the above, the Scottish Government believes that employers are likely to deliver a higher quality of service if their staff are:

- treated fairly
- well rewarded
- well motivated
- well led
- a diverse workforce

This is why procurement, and how bids are evaluated and contract managed, is a key way to deliver high quality public services. The Scottish Government expects suppliers who deliver public contracts to adopt policies which show how they operate Fair Work Practices. This will also include showing you have policies in place that comply with relevant employment, equality and health and safety law and human rights standards.

Public sector buyers will ask Fair Work question(s) in their tender documents that you will need to respond to. An example tender question on Fair Work and payment of the real Living Wage can be found in the Fair Work First in Procurement Guidance on the Sustainable Procurement Tools

Fair Work First

Fair Work First is the Scottish Government's policy for driving high quality and fair work across the labour market in Scotland.

Public bodies that include questions on Fair Work First and the real Living Wage in their procurements will be looking to attract businesses who are likely to deliver a higher quality of service and have a positive impact on those workers engaged in the delivery of the contract.

The Fair Work First criteria are:

- payment of at least the real Living Wage
- provide appropriate channels for effective workers' voice, such as trade union recognition
- investment in workforce development
- no inappropriate use of zero hours contracts
- action to tackle the gender pay gap and create a more diverse and inclusive workplace
- offer flexible and family friendly working practices for all workers from day one of employment, and
- oppose the use of fire and rehire practice.

Examples of what each of the Fair Work First criteria mean in practice can be found in the Fair Work First in Procurement Guidance on the Sustainable Procurement Tools.

Businesses should explain how they can deliver on each of the criteria. Where they cannot deliver on one or more of the criteria, they should explain why.

More information

- the Fair Work Employer Support Tool has been designed to help employers create new and improved workplace practices by assessing and benchmarking their workplace practices against the dimensions of Fair Work
- the Supplier Development Programme (SDP) offers free tender training webinars and an e-learning module which covers policy requirements including Fair Work First
- the Scottish Government's Fair Work Action Plan sets out the Scottish Government's strategic approach to achieving the Fair Work vision by 2025.

The Real Living Wage

The real Living Wage is a voluntary wage rate which is calculated annually and announced in October/November. It should not be confused with the national minimum wage.

More information can be found on the Living Wage Foundation's website.

The Scottish Government considers paying at least the real Living Wage a significant way that an employer can show its commitment to fair work practices

and its positive approach to its workforce.

The Scottish Government requires payment of at least the real Living Wage to be paid to workers delivering its contracts where:

- Fair Work First practices, including payment of the real Living Wage, is relevant to how the contract will be delivered
- it does not discriminate amongst potential bidders
- it is proportionate to do so
- the contract will be delivered by workers based in the UK

Once the Contract Has Been Awarded

During the lifetime of the contract, suppliers may be asked to provide evidence on how they are progressing towards adopting Fair Work practices including the Fair Work First criteria. One example might be evidence of being a real Living Wage Accredited Employer.
