



Fair Work in Procurement

1. Introduction

Caledonia Housing Association Group is committed to embedding the Scottish Government's Fair Work First principles into all procurement activities. While Fair Work First is a Scottish Government policy rather than a statutory requirement, this approach supports our legal obligations under the Equality Act 2010 and the Procurement Reform (Scotland) Act 2014, and ensures our supply chains are fair, inclusive, and aligned with our core values. The Group adopts the Scottish Government's Fair Work First criteria to encourage our suppliers to contribute to fair and ethical employment practices.

2. Fair Work First Criteria

Our suppliers and contractors are expected to align with and demonstrate their commitment to the following seven criteria:

S/N	Criteria	Supplier/ Contractor Commitment
1	Payment of at least the real Living Wage	Ensure all workers are paid at least the Real Living Wage. Suppliers should be Living Wage Accredited or actively working towards accreditation.
2	Effective Worker Voice	Recognise trade unions and promote meaningful worker voice through trade union access or equivalent mechanisms. Involve staff in decision-making processes.
3	Investment in workforce development	Provide opportunities for staff training, professional development, and upskilling. Offer apprenticeships where appropriate.
4	No inappropriate use of zero hours contracts	Ensure predictable work patterns and avoid using zero-hours contracts for ongoing roles.
5	Action to tackle the gender pay gap and create a more diverse and inclusive workplace	Maintain and implement EDI policies, support gender-balanced governance, and adopt inclusive recruitment practices. Publish gender pay gap data and provide enhanced parental leave and menopause support.
6	Flexible and Family-Friendly Working	Offer flexible working options from day one and ensure these are documented in HR policies.
7	Opposition to Fire-and-Rehire Practices	Do not engage in fire-and-rehire practices. Commit to fair and transparent redundancy and restructuring processes.

3. When is Fair Work First Criteria Relevant?

Fair Work First criteria will be considered and, where relevant and proportionate, applied to contracts where:

- Workers are critical to delivering the quality of the contract;
- Workers will directly interact with our employees or tenants;

- c. Workers will spend significant time on our premises.

Fair Work principles will be considered proportionately and applied where relevant to the nature of the contract.

Examples of contracts where these criteria may be particularly relevant include, but are not limited to: recruitment services, facilities management, security, ICT, catering and hospitality, construction/works, and health and care services.

4. Fair Work Performance Reporting by Suppliers

Supplier contracts will include conditions requiring the submission of Fair Work performance reports as part of overall contract monitoring. Unless otherwise agreed, these reports will be provided on a quarterly basis. Reports must demonstrate progress against agreed targets and key performance indicators (KPIs) and will be reviewed by the contract manager. Where a supplier fails to meet agreed KPIs for two consecutive reporting periods, the supplier will be required to submit a corrective action plan. Persistent failure to implement agreed corrective measures may be treated as a breach of contract and could result in termination, in line with contract terms.

5. Fair Work/EDI Performance Reviews

Fair Work and EDI will form a standard agenda item at contract review meetings, ensuring performance is consistently evaluated against agreed KPIs. These meetings will be chaired by the contract manager, with support from the procurement lead where required.

6. Follow-Up and Corrective Actions

Where performance falls short of agreed commitments, the contract manager will work with the supplier to agree an action plan and, where appropriate, provide additional support. If issues remain unresolved, this may be treated as a breach of contract and could result in termination, in line with contract terms.

7. Supplier Audit

If specific concerns arise regarding Fair Work and EDI, the Group may carry out an audit of the supplier's practices to verify compliance with contractual obligations and identify any necessary corrective actions. Such matters will be escalated to the Governance Team for review and appropriate action.

8. Supplier Feedback and Continuous Improvement

Each year, supplier feedback will be gathered alongside annual reporting, focusing on challenges and successes in meeting Fair Work and EDI requirements. Insights from this feedback will be used to support continuous improvement in the Group's approach to Fair Work. Findings from supplier feedback and self-assessments will also inform future procurement strategy updates and supplier training programmes.