# Response to the Fair Work Convention Construction Industry Inquiry Report

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# Summary

Scottish Government response to the publication of the Fair Work Convention's Building Fair Work into the Construction Industry report, 2022.

### Introduction

The Fair Work Convention published their report <u>Building Fair Work into the Construction</u> <u>Industry</u> in 2022. The report made 26 recommendations for the Scottish Government and industry to consider.

The Scottish Government sent a response to the Fair Work Convention in December 2022, and since then Ministers and Officials have been in dialogue with the Convention to discuss progress on the recommendations.

This published response includes updated positions and progress on the existing and proposed actions that government has taken to address the report's recommendations.

Recommendations are listed in the order they were received in the original report.

# **Procurement**

# 1 - Quality Weightings and Fair Work Criteria

### **FWC Recommendation 1**

All contracting authorities should seek to maximise quality weightings and fair work criteria should be given a robust weighting within the quality dimension. Fair work weightings should not be lower than 10% of the contract and it must be possible for low scores on fair work to impact whether a tender is won or lost.

# **SG** Response

**Status:** Partially accept: maximising/ robust weightings accepted; minimum value of 10% not accepted.

### Response:

We are developing practical guidance to help public bodies to include fair work requirements in their contracts. We will consult with FWC and other stakeholders in development of this guidance. This should help maximise achievement of fair work through procurement.

Public Bodies are required to consider and act on opportunities to improve economic, social and environmental wellbeing in their contracts. We expect how this is done to be tailored to the individual procurement. In some instances, this will constitute a condition of contract; for example, mandating the real living wage is a pass/fail requirement in relevant Scottish Government contracts; in other instances it will require to be weighted. Weighting should be allocated on a case-by-case basis alongside other relevant factors including workmanship, materials and health and safety.

### Implementation / Progress:

The draft practical guidance was shared with public, private and FWC stakeholders on 30 October 2023 for their feedback. We plan to have this in place by end March 2024. Once updated we will update the Client Guide to Construction Projects.

# 2 - FW Training for Construction Contracts

### **FWC Recommendation 2**

Training in fair work should be mandatory for all project commissioners and managers overseeing construction contracts. Training should be provided by those who have demonstrable expertise on fair work and support an understanding of what constitutes positive and stretching fair work commitments by contractors.

# **SG** Response

Status: Accept for SG

# Response:

Practical guidance for procurement practitioners will be updated and Fair Work First elearning will be created and form an accessible part of a blended approach to Fair Work and procurement alongside the other guidance in the sustainable procurement tools. This should increase the confidence contracting authorities have in addressing the seven Fair Work First criteria through procurement.

The Client Guide to Construction Projects will be updated to reflect the requirement to undertake training in fair work and how to access the training material. It will link to guidance and e-learning being developed across all forms of procurement by the Scottish Procurement and Property Directorate.

The e-learning development will follow publication of practical guidance on Fair Work and Procurement.

### Implementation / Progress:

The draft practical guidance was shared with public, private and FWC stakeholders on 30 October 2023 for their feedback. We plan to have this in place by end March 2024. Once updated we will make the appropriate updates to the Client Guide to Construction Projects.

# 3 - Rates in Procurement Contracts

### **FWC Recommendation 3**

Guidance should be reviewed to ensure it supports the use of collectively bargained rates within procurement contracts and short best practice guidance should be developed for construction procurement that highlights positive examples of fair work practice in the construction industry. Current wording around avoiding the use of umbrella companies should be retained.

# **SG** Response

Status: Accepted

### Response:

In transposing the last set of Public Procurement Regulations, Scotland took a distinct approach from England, Northern Ireland and Wales in transposing the regulation that allowed enforcement of collective agreements. Regulation 19 of the Public Contracts (Scotland) Regulations 2015 identifies the requirement to comply with collective agreements. Updated statutory guidance was laid before Parliament on 30 May 2022. We have backed this approach up with policy, including model clauses, to facilitate its inclusion in public contracts.

We are in the process of updating practical guidance on Fair Work and procurement. The new guidance will be additional to the SPPN and will reinforce the opportunities to exclude bidders from procurement competitions and to terminate contracts where bidders or suppliers respectively have not complied with environmental, social and employment law, including any relevant collective agreements. It will also reinforce the importance of contract management in-line with Best Practice found in the Procurement Journey.

Construction contracts should be clear in that where collectively bargained rates exist, they should be utilised as a minimum (or "at least").

### Implementation / Progress:

The draft practical guidance was shared with public, private and FWC stakeholders on 30 October 2023 for their feedback. We plan to have this in place by end March 2024. Once updated we will make the appropriate updates to the Client Guide to Construction Projects.

### 4 - Trade Union Access to Sites

### **FWC Recommendation 4**

Contracting authorities should set an expectation that trade unions have access to workplaces on all public construction contracts in line with the aspiration of the HS2 approach. Access should be facilitated throughout the supply chain.

# **SG** Response

Status: Accepted

### Response:

Scottish Government agree that trade unions should have access where requested by the workforce and expect suppliers delivering public contracts to adopt and demonstrate appropriate fair work practices, for all workers engaged in delivering a public contract. There will need to be some consultation with Industry and contracting authorities in relation to Union access to construction sites and as such once we better understand the proposed policy, it can be discussed via the Construction Leadership Forum. This topic will be taken forward as a part of the Construction Leadership Forum working groups. Update to Client Guide will follow on from agreement reached.

### Implementation / Progress:

To ensure this recommendation is fully implemented, we propose to consult with employers and trade unions via the Construction Leadership Forum (CLF) and Construction Accord Procurement/ Supply Chain Management Working Group to develop an agreed understanding and expectation.

Once this is in place we will implement it formally through an appropriate update to the Client Guide to Construction Projects.

# 5 - Guidance on FW Connections

### **FWC Recommendation 5**

Guidance should be updated to make clearer the connections between fair work, sustainable procurement duties, community benefits and discretionary and mandatory exclusions. The guidance should support more use of discretionary exclusions when a contractor or sub-contractor has breached its labour law obligations.

# **SG** Response

Status: Accepted

# Response:

In light of the extension of Fair Work First criteria and changes in our approach on payment of the real Living Wage in contracts, we updated our statutory and are updating other, practical guidance. The updated guidance will reinforce the connections between the sustainable procurement duty, fair work, and community benefits and will reinforce the option to exclude bidders and terminate contracts on the basis of breaches of social, environmental and employment law.

# Implementation / Progress:

Updated statutory guidance was laid before Parliament on 30 May 2022. The draft practical guidance was shared with public, private and FWC stakeholders on 30 October 2023 for their feedback. We plan to have this in place by end March 2024. Once updated we will make the appropriate updates to the Client Guide to Construction Projects.

# 6 - Collectively Bargained Rates in Contracts

### **FWC Recommendation 6**

All contracting authorities should include adherence to relevant collectively bargained pay rates as a condition of contract. Introducing this a clause within industry standard form contracts is an efficient, proportionate and transparent way to implement this and to ensure that it is applied throughout the supply chain.

# **SG** Response

Status: Accepted

# Response:

The model clauses created to drive compliance with environmental, social and labour law forms part of Scottish Government's standard Terms and Conditions of contract. We have shared with others to facilitate this practice across the public sector in Scotland.

We have facilitated adherence via a model clause that was developed in 2016 and circulated via an SPPN at the time.

Regulation 19 of the Public Contracts (Scotland) Regulations 2015 identifies the requirement to comply with collective agreements: "A contracting authority must include in each public contract or framework agreement such conditions relating to the performance of the contract or framework as meet the requirements mentioned in paragraph (5) and are reasonably necessary to ensure that the economic operator complies with environmental, social and employment law, including any relevant collective agreements or international law measures."

# Implementation / Progress:

We are in the process of updating the practical guidance on Fair Work and procurement to reflect:

- our new stance on mandating the real Living Wage for those involved in delivering public contracts
- the extension of Fair Work First criteria from 5 to 7

The new guidance will be additional to the SPPN and will reinforce the opportunities to exclude bidders from procurement competitions and to terminate contracts where bidders or suppliers respectively have not complied with environmental, social and employment law, including any relevant collective agreements.

It will also reinforce the importance of contract management in-line with Best Practice found in the Procurement Journey.

Once this is completed we will update the Client Guide to Construction projects accordingly.

# 7 - Monitoring FW delivery in Contracts

### **FWC Recommendation 7**

In every contract in which fair work questions were asked at the framework stage, tender stage or both, effective contract management by the contracting authority must take place to ensure that the response provided by the contractor is delivered in practice

# **SG** Response

Status: Accepted

### Response:

The Procurement Reform (Scotland) Act 2014 requires public bodies to set out in their corporate procurement strategy how they will comply with the sustainable procurement duty and their approach to payment of the living wage in procurement. Public bodies are then required to report on their compliance with their strategies through an annual procurement report. These requirements are expected to provide better information on how the public body is using its procurement activity to achieve its wider aims including Fair Work.

Best practice guidance on contract and supplier management is available in the Procurement Journey (Contract and Supplier Management | Procurement Journey).

For Scottish Government, our current process is broadly as follows:

- contract awarded by Scottish Government Procurement Team
- contract Handover doc completed by Buyer containing key contract information (term, value, KPIs FW, CBs etc). This is given to the customer / contract manager
- Customer / Contract Manager is also provided with the Contract Management Handbook which explains the basic principles of contract management their role
- Customer / Contract Manager is instructed to complete (at least), the mandatory elements of the Scottish Government Contract and Supplier Management training programme

All of the above steps / documents make clear to the CM that they are responsible for delivery of the contract (including FW).

The forthcoming Civil Engineering Framework will be implementing a performance regime to monitor contract and framework performance – this will include Fair Work. This is expected to be up and running in 2024.

# Implementation / Progress:

The Civil Engineering Framework is expected to be up and running in 2024.

Guidance in the Client Guide to Construction Projects will be reviewed to ensure that clients include any fair work requirements of the contract in their active management of the contract delivery.

Monitoring can only be applied to the public contract as the Employer has no locus in Business to Business contracts down the supply chain.

### 8 - Fair Work Charter in Contracts

### **FWC Recommendation 8**

All contracting authorities should be signatories to a Fair Work Charter collectively agreed with employers and trade unions. The Scottish Government should also facilitate the appropriate industry leadership group/forum, in negotiation with trade unions, to develop a single charter that sets out principles for advancing fair work in the industry. The single Fair Work Charter should then be used as a pass/fail condition within all construction procurement exercises in Scotland to ensure appropriate fair work standards are applied throughout the supply chain.

# **SG** Response

Status: Accept in principle

# Response:

The Construction Accord, collectively agreed with employers and trade unions and launched in October 2022 commits to the following relevant outcomes:

- we provide high quality and fair work for everybody working in the sector and look after their physical and mental health, safety and wellbeing
- we have a diverse workforce and pipeline of talent with capacity and competency fit for current and future industry needs
- our sector is attractive to a diverse range of new entrants to the workforce We are now taking this forward via the CLF and relevant Working Groups to develop an agreed understanding and expectation that fair work standards will be a condition of contract with tender submissions required to acknowledge commitment to such.

It would not be acceptable to make being a signatory to a charter a condition of participation in procurement exercises.

Procurement competitions should be open for anyone to apply. A company remote from Scotland would not necessarily be aware of such a charter, therefore to make being a signatory a condition of participation in the procurement exercise would be unfair. A better option for implementation of this recommendation would be to make it a condition of contract for whoever wins the competition – with tender submissions required to acknowledge commitment to such. Alternatively, a signed copy of the charter could be required as part of a tender submission.

### Implementation / Progress:

CLF will be used to facilitate this process and explore industry appetite. Once this is in place, we will implement it formally through an update to the Client Guide to Construction.

# **Strengthening Effective Voice**

# 9 - Industry Group representation

### **FWC Recommendation 9**

All existing industry level groups including Construction Scotland and the Construction Leadership Forum should include balanced membership from a range of stakeholders including trade associations, professional bodies, federations and smaller employers. All such groups should also include balanced representation from trade unions.

# **SG** Response

Status: Accepted

### Response:

Scottish Government agrees that industry level groups including Construction Scotland and the Construction Leadership Forum should include a balanced membership from a range of stakeholders including trade associations, professional bodies, federations and smaller employers. Unite the Union have been a valued contributing member of CLF since 2020.

Construction Scotland, the ILG, are independent of SG and as such, should respond to the Convention directly. We have written to Construction Scotland inviting their response on this recommendation.

# Implementation / Progress:

CLF has recently undergone a membership refresh to ensure the Forum has the talent and expertise to deliver for the industry in Scotland. It offers improved SME and gender representation, as well as a greater geographical reach with a focus on net zero. Full membership can be found on the <a href="CLF website">CLF website</a>.

# 10 - Industry Leadership Groups

# **FWC Recommendation 10**

The relationship between each of the industry leadership groups should be clarified and the Scottish Government's interaction with each group clearly articulated.

# **SG** Response

Status: Accepted

### Response:

Scottish Government published a <u>review</u> into Industry Leadership Groups in July 2020. This review improved understanding of the activities of each ILG, their key outputs and how they can increase their impact.

The Construction Leadership Forum website <u>about us</u> page has a membership list which includes the ILG as a full member, along with other industry representative bodies.

The official ILG for the construction sector is Construction Scotland. SG maintain a good working relationship with this group through CLF and attending ILG meetings.

# Implementation / Progress:

SG will continue to maintain a good working relationship with Construction Scotland and other industry bodies through the CLF, the main forum for SG-industry interaction.

# 11 - Supporting FW Practices

### **FWC Recommendation 11**

All industry leadership groups should seek opportunities to support through voluntary agreement, collaborative working, and mandatory approaches where possible:

- · greater use of collective agreements
- trade union access to workplaces
- the use of fair work charters
- the use of collective dispute resolutions procedures on large scale complex projects giving faster remedy to the workforce

# **SG** Response

Status: Accept for SG and Construction Leadership Forum

# Response:

Accept for SG and Construction Leadership Forum.

This recommendation is being taken forward through the CLF working groups.

The Construction Accord launched in October 2022 commits to the following relevant outcomes for Current & Future Workforce:

- We provide high quality and fair work for everybody working in the sector and look after their physical and mental health, safety and wellbeing
- We have a diverse workforce and pipeline of talent with capacity and competency fit for current and future industry needs
- Our sector is attractive to a diverse range of new entrants to the workforce

### Implementation / Progress:

Progress for this recommendation is being driven through the Fair Work working group, which has representation from both the Fair Work Convention and trade unions.

A Transformation Action Plan (TAP) has been codesigned with industry, academic and trade union representation to deliver defined actions towards Accord priorities. After consultation, the TAP was published in January 2024.

# 12 - Disputes Resolution in Contracts

# **FWC Recommendation 12**

The issue of disputes resolution should be considered in all large scale public contracts before work begins on-site. The contracting authority, lead contractor and relevant trade union should work together to agree an appropriate and mandatory dispute resolution process that all parties on-site must adhere to. This could be through existing collective agreements or through a standalone procedure, for example a procedure backstopped by ACAS.

# **SG** Response

Status: Accepted

# Response:

As part of the Construction Accord implementation, a process for dispute resolution between contractors and their employees will be agreed.

This will be put to the Construction Accord Transformation Board to develop as part of the Transformation Action Plan (TAP), with implementation led by the Procurement/ Supply Chain Management working group.

# Implementation / Progress:

After a short consultation the TAP was published in January 2024. Implementation will be taken up by the working groups following this.

# The Future of Construction

# 13 - Collective Agreements and New Ways of Working

# **FWC Recommendation 13**

Employers should better engage with existing collective agreements, and unions and trade associations should be prepared to work together to ensure collective agreements support new ways of working and equality, covering elements like flexible working, mental health and maternity issues. The Scottish Government should facilitate unions, employers and trade associations to work together to support effective modernisation within the industry through the collective bargaining structures that already exist

# **SG** Response

Status: Accepted

# Response:

SG are supportive of strong trade unions in Scotland and as such encourage trade union recognition as a mechanism for effective voice in line with the Fair Work Convention's Framework. Our commitment to promoting it is made clear through the inclusion of an employee voice indicator, measured by collective bargaining coverage, within the National Performance Framework.

Regulation 19 of the Public Contracts (Scotland) Regulations 2015 includes the requirement to comply with collective agreements and provides the legislative framework to back up compliance with guidance.

### Implementation / Progress:

Guidance will be reviewed in relation to fair work practices in consultation with trade unions and employers.

CLF will be used to facilitate this process for construction: however, this may take longer than the suggested timeframe.

The draft practical guidance was shared with public, private and FWC stakeholders on 30 October 2023 for their feedback. We plan to have this in place by end March 2024. Once updated we will update the Client Guide to Construction Projects as appropriate.

# 14 - Net Zero Workforce Strategy

### **FWC Recommendation 14**

The Construction Leadership Forum should support development of an effective workforce strategy to facilitate the transition to net zero carbon economy. Workforce planning must consider how to support workers through peaks and troughs in demand.

# **SG** Response

Status: Accepted

### Response:

CLF, its members and working groups are fully engaged in the development process for the Just Transition plan for the construction sector.

# Implementation / Progress:

Discussion papers were published in May 2023, with further engagement taking place through the summer with CLF members and the wider sector, co-ordinated by BE-ST in conjunction with the CLF Net Zero Working Group. This has led to the development of a report with recommendations including around the theme of 'building a skilled labour force'.

The key outputs of this work will be built on during a further phase of engagement with industry and other stakeholders in February and March 2024 as part of a five-day 'Big Conversation on Construction in Scotland', led by SEDA and partners including BE-ST.

# 15 - FW through Public Funding

### **FWC Recommendation 15**

All public funding supporting the transition to net zero should include fair work conditionality and drive fair work in the industry.

# **SG** Response

Status: Accept for SG

### Response:

Since 2019 we have been leveraging employers' commitment to fair work through our Fair Work First policy, applying Fair Work principles to public sector grants, other funding and contracts where it's relevant and proportionate to do so.

Fair Work is a core element of our approach to supporting a just transition. In 2022 we consulted on how funding can be linked to supporting a fair transition to net zero. This will consider the role of an organisation's assessment of climate risks, carbon management plans and the role of Just Transition Plans.

Fair Work First conditionality requires recipients of public sector grants to pay at least the real Living Wage and provide appropriate channels for effective workers' voice. This is applied to grants awarded on or after 01 July 2023.

While public bodies are responsible for their own procurement decisions, the Scottish Government expect public bodies to promote fair work in all relevant procurement processes. Statutory Guidance asks contracting authorities to consider whether it is relevant and proportionate to include questions on Fair Work First including payment of the real Living Wage before undertaking a procurement exercise. We continue to engage across the public sector to encourage Fair Work First including the real Living Wage in procurement across the whole of the public sector in Scotland.

The Client Guide to Construction Projects also links to the Fair Work First guidance.

# Implementation / Progress:

On 06 December 2022 we announced the strengthening of our conditionality approach, and now public sector grants awarded on or after 01 July 2023, require recipients to pay their workers at least the real Living Wage and provide appropriate channels for effective voice.

# 16 - Direct Employment and Upskilling

### **FWC Recommendation 16**

Public sector bodies and construction employers at all parts of the supply chain should increase their use of direct employment and support upskilling and retraining to support high quality careers in the industry and improve attraction and retention. Support for direct employment should also reinforce a commitment never to use umbrella companies.

# **SG** Response

**Status:** Accept for SG, we cannot enforce the use of direct labour, as employment law is reserved.

### Response:

While employment law is reserved, through use of community benefits in procurement and with the support of CITB we encourage and achieve skills and training in public contracts.

We caution against inappropriate use of 'umbrella companies' in our statutory and nonstatutory guidance. The increase in use of direct employment can be explored via the Construction Accord.

Many companies do realise the advantages of direct employment but the sometimes sporadic nature of bringing contracts to market can present problems in retaining staff.

We can encourage use of direct labour, we cannot enforce it.

### **Implementation / Progress:**

While SG do not often procure construction, we are including robust Fair Work requirements in our Civil Engineering Frameworks which are expected go live in 2024.

We will ask the CLF Fair Work working group to consider how direct employment could be further increased.

# **Apprenticeships**

# 17 - Apprenticeship Registration

# **FWC Recommendation 17**

The Scottish Government should work with SDS, SQA and CITB to reinstate the need to register with trade associations / federations and employers should be required to pay collectively bargained rates as part of the apprenticeship agreement, as was the case prior to 2017.

# **SG** Response

**Status:** Accept in principle, as the CITB is a reserved matter.

# Response:

The need for apprentices to register with trade federations was previously a CITB requirement; the CITB is a reserved matter and as such Scottish Government cannot compel apprentices to undertake formal registration.

# Implementation / Progress:

We will convene a meeting in early 2024 with the relevant stakeholders on how we can work in partnership to address their concerns.

# 18 - Apprenticeship Pay

# **FWC Recommendation 18**

SDS should take action to support apprenticeship pay including by:

- Conducting a review of current apprenticeship pay in Construction and publishing the findings;
- Reviewing all documentation to ensure that it promotes and encourages collectively bargained rates or where these are absent the Real Living Wage, and consistent messages are offered to both apprentices and employers.

# **SG** Response

Status: Accept in principle

### Response:

Generally, officials are supportive of a review of apprentices pay in Scotland and the review of SDS documentation, as this would help encourage employers to pay apprentices the real Living Wage.

SDS do not have a locus to compel employers to pay collectively bargained rates or to monitor individual salaries, but we will discuss the potential for apprentice surveys on pay.

# Implementation / Progress:

SDS has updated all apprentice documentation for contracting 2024/25 including promotion of the requirement to pay the appropriate wage and encouraging real Living Wage.

# 19 - FW Apprenticeship Coordinator

# **FWC Recommendation 19**

Continued funding and support should be provided for the Fair Work Apprenticeship Coordinator role, which has been valuable for supporting the Effective Voice of apprentices.

# **SG** Response

Status: Accepted

# Response:

Funding has been confirmed for the Fair Work Apprenticeship Coordinator role for 2023/24.

# Implementation / Progress:

Budget discussions for 2024/25 are ongoing and we will advise on future funding for the post as soon as possible.

# 20 - Apprenticeship Frameworks

### **FWC Recommendation 20**

SDS should ensure there is full and consistent partnership working between SDS, SQA, CITB, trade unions, employers and trade associations/federations in agreeing apprenticeship frameworks, with an aim to see all construction apprentices trained to SVQ level 3 (SCQF Level 6) or above.

# **SG** Response

Status: Accepted

# Response:

We note that frameworks have recently been developed at SCQF Level 5 in response to employer demand.

Taking this into consideration we will ensure existing frameworks are retained at current level and that Construction Apprentices will be trained to the appropriate SCQF Level to maintain the quality and integrity of our apprenticeships, as determined by partners including SDS, SQA, CITB, trade unions, employers and trade associations/ federations.

### Implementation / Progress:

The Technical Expert Group (TEG) process is underway for construction frameworks and this includes representation from SDS, SQA, CITB, trade unions, employers and trade associations/ federations.

# 21 - Shared Apprenticeship Schemes

### **FWC Recommendation 21**

SDS to work with CITB, employers, trade associations/ federations and trade unions to develop principles for taking forward a shared apprenticeship scheme successfully and in line with fair work principles.

# **SG** Response

Status: Accepted

### Response:

There are already criteria for shared apprenticeships that any future pilots and programmes must adhere to, which include fair work principles.

SDS shares the SG criteria and principles for Shared Apprenticeships with all parties interested in developing such an approach.

Employer evidence shows that 92% of all employers offering apprenticeships (c.15k) are categorised SME and 50% are Micro Businesses. This data demonstrates that Micro and Small businesses can offer apprenticeships using the normal model and there is no additional need for a shared apprenticeship. Additionally, work was undertaken by Prof Alan McGregor which demonstrates the lack of support by micro business for the shared apprenticeship model.

# Implementation / Progress:

The Scottish Government and SDS are willing to discuss proposals which are focused on supporting microbusinesses to participate in apprenticeships, alignment with fair work principles and positive experiences and outcomes for apprentices.

# **Equality, Diversity and Inclusion**

# 22 - Skills and Future Workforce

# **FWC Recommendation 22**

Scottish Government, through the Construction Leadership Forum, should convene a working group that includes employers, trade associations/federations, trade unions, SDS and CITB to address skills and labour shortages and future labour needs in the industry and to promote the opportunities that exist within the industry. This group should aim to:

- · Work with employers to identify a pipeline of vacancies and future skills needs;
- Define clear skills pathways required to support the transition to a net zero economy, including workers who are changing careers;
- Work to ensure clear recruitment processes and platforms are available to employers and support employers to access them;
- Create dedicated advertising campaigns encouraging young people and older workers to consider careers in the industry;
- Take action to improve diversity in the industry building on good practice examples such as at Glasgow City Building and Royal Strathclyde Blindcraft Industries.

# **SG** Response

Status: Accepted

### Response:

The Construction Leadership Forum's refreshed Skills and Workforce working group has been convened under new leadership and asked to consider this.

The outcome of this work will impact upon skills provision for Just Transition to Net Zero.

### **Implementation / Progress:**

After consultation, the CLF Transformation Action Plan was published in January 2024. Working Groups will action priority work areas from then on.

# 23 – Bullying and Harassment in the Workplace

# **FWC Recommendation 23**

Employers should support a zero tolerance approach to bullying and harassment at the workplace protecting workers from adverse treatment and employers from potential liability. Embedding a safe culture for reporting must come from the top of the organisation. Employers of all sizes must focus on:

- their internal procedures by providing clear and transparent reporting mechanisms, processes for investigation and management training to identify and take seriously issues of bullying and harassment.
- encouraging and supporting workers to raise any concerns, without fear of retribution.
- ensuring that no detriment arises for workers who raise concerns.
- highlighting external support mechanisms like collective agreements or dispute mechanisms.

# **SG** Response

Status: Not for Scottish Government

# Response:

This recommendation is for construction employers to take forward, and is very much in harmony with the emphasis on fair work in the Construction Accord.

# 24 - Combatting Isolation at Work

# **FWC Recommendation 24**

Unions should provide support mechanisms and dedicated networks for under-represented groups in construction to combat the isolation that workers can feel at work or on training schemes. Employers, trade associations and other relevant actors should signpost to these networks and any dedicated officers who can offer support.

# **SG** Response

Status: Not for Scottish Government

# Response:

This recommendation is for trade unions to take forward. Signposting networks can also be done via the Construction Leadership Forum.

# 25 - Slavery and Human Trafficking

### **FWC Recommendation 25**

Contracting authorities should require participation in the Gangmaster's Labour Abuse Authority's (GLAA) construction protocol within large scale procurement projects

# **SG** Response

Status: Accept in principle

### Response:

The GLAA only covers England and Wales so it would not be appropriate to adopt the protocol directly, however we recognise the importance of the principles within the protocol, and we are assessing how best to ensure our current policies reflect best practice in this area.

Existing policy and legislation allows for exclusion on the basis of breaches of social, environmental and employment laws. Model clauses to help public bodies to make use of this facility are available in SPPN 9/2016 and our latest position on procurement and human rights is outlined in SPPN 3/2020. Both of these are being reflected in updates to guidance on Fair Work and procurement.

# Implementation / Progress:

The <u>Slavery and Human Trafficking Statement</u> was published on 12 December 2023, it outlines the strategies and actions taken by the Scottish Government to identify, prevent and mitigate slavery and human trafficking in our own operations and supply chains.



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