

Divisions Affected - All

CABINET 17 SEPTEMBER 2024

ETHICAL PROCUREMENT POLICY

Report by Executive Director for Resources and S151 Officer.

RECOMMENDATION

1. **The Cabinet is RECOMMENDED to
Approve the Ethical Procurement Policy (attached at Annex 1).**

Executive Summary

2. The purpose of the Ethical Procurement Policy is to outline the Council's position on various aspects of ethics in procurement as well as to provide appropriate detail on how the Council approaches such matters and how it expects its suppliers and potential suppliers to approach such matters. The Ethical Procurement Policy includes a large section on modern slavery and also covers other areas such as expectations for suppliers, responsibilities of staff, fair employment practices in the supply chain, as well as reporting and whistleblowing.
3. The Ethical Procurement Policy is intended to sit alongside the Council's Modern Slavery Policy (the latter covers all aspects of Modern Slavery including those unrelated to procurement). The Ethical Procurement Policy is required in addition because it includes many topics that would not fit within a Modern Slavery policy but are nonetheless required to ensure the Council is transparent about how it approaches ethical issues when procuring with public funds.

Background

4. The Council is recommended to have an Ethical Procurement Policy because it will promote responsible procurement decision-making and ensure that ethics are considered when planning purchases and managing contracts on behalf of local residents. One holistic policy that considers a wide range of ethical procurement topics is better than a piecemeal approach involving

multiple policies. This is because, with one policy, the Council can be fully transparent about its stance across this important subject matter.

5. This policy has not been to Cabinet before and is not related to a direction or mandate from Central Government.

Key Issues

6. Cabinet is asked to discuss whether it agrees with the principles set out in the Ethical Procurement Policy and the stance being taken by said policy on the key issues of ethical procurement. These correspond to the main sections of the policy and are as follows:
 - a. Suppliers and the supply chain
 - b. Staff responsibilities
 - c. Modern slavery
 - d. Fair employment practices
 - e. Reporting and whistleblowing.
7. This policy represents an important cornerstone of risk management and provides a mechanism for setting appropriate ethical expectations. It is highly likely that our residents expect the Council to act responsibly and ethically when it spends public money on procurements and contracts. As such, Cabinet is recommended to approve the policy so that it can be published on the internal and external websites.
8. Cabinet is asked to consider the implications of not approving this policy in terms of potential future harm to the Council's reputation or its ability to deliver considered ethical and responsible procurements and well-managed contracts, should unethical behaviour or decision-making occur either within the council or its supply chain.

Corporate Policies and Priorities

9. There is a link between this Ethical Procurement Policy (which focuses on the issues of responsible, ethical procurement and contract management) and the Modern Slavery and Human Trafficking Statement (which is cross-functional and applies to many of the Council's services and areas of responsibility). It is important that the Council implements both approaches because they serve different purposes and yet work well together to cover off related topics in appropriate detail.

Financial Implications

10. There are no financial implications of this policy directly. If anything, promoting an ethical, responsible approach to procurement is likely to benefit Council

budgets because it highlights the importance of considered decision-making when purchasing and managing contracts for the Council.

Comments checked by:

Ian Dyson, Director of Finance and Commercial Services,
ian.Dyson@oxfordshire.gov.uk

Legal Implications

11. The Ethical Procurement Policy has been extensively reviewed by legal officers to ensure that it complies with the Council's legal obligations under the Public Contract Regulations 2015 and best practice. Comments checked by:

Anita Bradley, Director of Law & Governance and Monitoring Officer

Staff Implications

12. There are no staffing implications relating to the Ethical Procurement Policy.

Equality & Inclusion Implications

13. There are no negative Equalities & Inclusion implications. If anything, promoting an ethical, responsible approach to procurement is likely to benefit equalities and inclusion because it highlights the importance of considered decision-making when purchasing and managing contracts for the Council.

Sustainability Implications

14. There are no negative sustainability implications. If anything, promoting an ethical, responsible approach to procurement is likely to benefit sustainability because it highlights the importance of considered decision-making when purchasing and managing contracts for the Council.

Risk Management

15. Through implementing this policy, this will reduce the risk associated with supply chain failure and any reputational risks associated with unethical behaviour, including from rogue suppliers further down the supply chain.
16. It will improve residents' trust in the Council's procurement and contract management processes, by ensuring that a responsible, ethical, fair and

transparent approach (in line with relevant legislation) is placed at the forefront of purchasing decisions.

Comments checked by:

Louise Tustian, Director of Transformation, Digital and Customer Experience
Louise.Tustian@oxfordshire.gov.uk

Consultations

17. It was determined that it was not necessary, relevant or proportionate to conduct any consultations while preparing this paper for Cabinet.

Lorna Baxter
Director of Resources

Annex:

- 1 – Ethical Procurement Policy
- 2 – Equalities Impact Assessment
- 3 – Climate Impact Assessment

Background papers: Nil.

Other Documents: The Modern Slavery and Human Trafficking Statement was presented to Cabinet in June 2024: [Issue - items at meetings - Modern Slavery Statement | Oxfordshire County Council](#).

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