

NHS Labour Standards Assurance System (LSAS) Policy – Urgo Ltd

The 'Labour Standards Assurance System' or LSAS was developed in collaboration between NHS Supply Chain and the Department of Health in order to enhance the identification of issues, remediation and continuous improvement in labour standards management ⁽¹⁾.

The LSAS places the responsibility on Urgo to demonstrate we have effective systems in place. It builds on principles of due diligence, extending this to routine consideration of labour standards ⁽¹⁾.

Urgo Ltd aims to fulfil the obligations of the LSAS by reference to the International Labour Organisation (ILO) fundamental conventions. The eight ILO fundamental conventions we expect to be respected are:

- C087 – Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87)
- C098 - Right to Organise and Collective Bargaining Convention, 1949 (No. 98)
- C029 - Forced Labour Convention, 1930 (No. 29)
- C105 - Abolition of Forced Labour Convention, 1957 (No. 105)
- C100 - Equal Remuneration Convention, 1951 (No. 100)
- C111 - Discrimination (Employment and Occupation) Convention, 1958 (No. 111)
- C138 - Minimum Age Convention, 1973 (No. 138)
- C182 - Worst Forms of Child Labour Convention, 1999 (No. 182)

When considering trading with companies we will use the ILO ratification of these principles by country as a guide to the assessment of individual companies ([ILO Convention Weblink](#)) and determine the steps we need to take to assure ourselves of compliance to this policy.

Urgo Ltd will incorporate these conventions into the documented supplier selection and approval process. We also recognise as does NHS Supply Chain that we may expect a manufacturing site in a developing country to have the same standards as a similar site in the UK or in other developed countries⁽²⁾. These may include (but is not only restricted to) rates of pay, standards of facilities and/or approach to safe systems of work. Urgo Ltd will make decisions based on evidence obtained in writing against the legal requirements in such countries and the ILO requirements.

Remediation is important to developing a meaningful supply agreement where we can support and influence remediation. As stated by NHS Supply Chain "NHS Supply Chain is not suggesting that you would end business relationships with suppliers in cases where there are non-conformities. Compliance is a journey. If the supplier is willing to work on improvements, that is key"⁽²⁾.

Our aim is to build constructive and effective relationships with our suppliers to be able to support and influence them towards improvement.

For the purposes of LSAS, the "responsible manager" is the Managing Director, who delegates this responsibility to the Industrial Director.

Damian Jeffrey

Industrial Director

References :

1. NHS Supply Chain Webex Notes, 3 June 2013
2. NHS LSAS Document v2 LM (NHS SC), KT (DHL SC), September 2014