



---

**Labour Standards Assurance Systems (LSAS) : ETi Base Code**

---

June 2021

- The Labour Standards Assurance System (LSAS) is a system that provides a mandate for labour standards in the medical supply industry.
- It was created for the NHS to ensure that suppliers into the NHS had fair labour standards for the work force, both in the immediate supply chain (Tier1) and the Supplier's supply chain "(Tier 2, 3 and 4 etc)
- The LSAS program is based predominantly around the Ethical Trade Initiative Base Code (ETI Base Code) but works to further this international standard to better protect the supply chain workforce
- LSAS is made up of 15 categories of requirements. Each category has 4 possible levels of compliance. . .



## ■ Level 1

- Level 1 comprises of basic requirements for labour standards. This is mainly focused on the direct supplier only and is considered a foundation knowledge of Ethical practices.

## ■ Level 2

- Level 2 is when an organisation first begins to implement ethical practice further in the supply chain. This may be sending copies of the organisation's ethical policy out for suppliers to sign and agree to. Or could be the start of asking ethical based questions in the SAQ's

## ■ Level 3

- Level 3 is effective implementation with at least the organisation's direct suppliers. Such as site audits, and risk assessment on suppliers which are based on their ethical compliance.

- **The Level 4** approach is a progressive one. In level 4 the organisation has mapped it's supply chain beyond it's direct suppliers (sometimes as far as the source)

They may be conducting audits on their further supply chain

Audits may be random and unannounced

Supplier audit scores are published publicly and the organisation is open to working with other organisations to achieve LSAS

Obtaining a level 4 standard is rare, but it doesn't need to be difficult!

Before we go through the methods of achieving LSAS we'll review the ETI Base Code which is at the centre of the LSAS program

- The ETI Base Code is an internationally recognised “Best Practice” code for ethical compliance. It is considered to be the minimum acceptable level for good ethical standards
- It is available online for free
- Is in multiple languages
- And is split into 9 Major Categories which are universally recognised

Copies in different languages can be found using this link:

<https://www.ethicaltrade.org/resources/eti-base-code>

## ■ Employment is Freely Chosen

- This means that no worker is forced to work for their employer. That they may leave employment if they wish and that employers are not permitted to keep an employee's passport or other essential and personal documentation to stop them from leaving.



## ■ Freedom of association and the right to collective bargaining are respected

- This allows workers to join trade unions, without fear of losing their job or being discriminated against by their employer.
- Workers have the right to speak directly with their employer about concerns (such as requesting PPE, or better working hours) without being disciplined



## ■ Working conditions are safe and hygienic

- Workers should be able to come to work without being afraid of injury.
- Some jobs (such as mining) are inherently dangerous and so workers have the right to high quality protection measures in order to feel safe in their jobs



## ■ Child labour shall not be used

- The Base Code establishes that child labour shouldn't be used, but if it is found to be the case, that the child should be protected
- An example is a 14 year old boy who lies that he is 18 to get a job to help feed his family. The employer has an obligation to ensure the child gets education and that, wherever possible, arrangements can be made so that the family is provided for. Such as hiring an adult in the family instead.
- Where child working is required (actors for example) then the child's education must come first and strict guidelines adhered to.



## ■ Living wages are paid

- This ensures that workers take home a salary that can pay for their essential needs (housing, clothing and food)
- Some workers live from payday to payday and so using wage deductions as a disciplinary measure (such as “you break it you bought it”) is prohibited



## ■ Working hours are not excessive

- Whilst there are some people who are willing to work more than others, it shouldn't be that workers are forced into very long hourly contracts
- Overtime should be voluntary
- In professions where long hours are unavoidable (surgeons, farming) every effort should be made for long rest intervals to be provided





## ■ No discrimination is practiced

- Workers are hired on their skills and merits and are not penalised for their ethnicity, religious beliefs, political affiliation or marital status
- Workers are not forced into retirement



## ■ Regular employment is provided

- Workers are given contractual working hours on a documented frequency (e.g. hours per week)
- Zero hour contracts are not used



## ■ No harsh or inhumane treatment is permitted

- Workers should not be bullied or harassed (mentally or physically)



# Any Questions???

Feel free to get in touch using our “Contact Us” Page on the website or

## **Reporting an incident or concern**

Suppliers must work and direct employees in accordance with the Vernacare Whistleblowing Policy (Available on website).

Vernacare can be contacted confidentially either by:

Calling the LSAS Hotline: **+44 (0) 1204 555976**

Or By E-Mailing: [Vernacare.LSAS@vernagroup.com](mailto:Vernacare.LSAS@vernagroup.com)

All instances of unethical behaviour will be investigated.