

Transparency in Supply Chains: Modern Slavery Statement

(To publish November 2023 for the period
April 2022 – March 2023)

1. Introduction

- 1.1 Modern slavery is a violation of human rights and is defined within the Modern Slavery Act 2015. The Act categorises offences of Slavery, Servitude and Forced or Compulsory Labour and Human Trafficking. This can include:
 - Forced labour
 - Sexual exploitation
 - Domestic servitude
 - Criminal exploitation
 - Forced or sham marriage
 - Organ harvesting
- 1.2 Modern slavery is a global human rights issue, and exploitation in supply chains can occur in the UK or internationally. Estimations of the scale of modern slavery suggest there are 100,000 victims in the UK¹. The National Referral Mechanism (NRM) is the UK Government's system used both to record and support victims of modern slavery, and in 2022, 16,938 referrals for potential victims/survivors of modern slavery were made. This represents a 33% increase compared to the preceding year (12,706 referrals) and is the highest number of referrals made in a year since the NRM began.
- 1.3 The systems used to record modern slavery cases at a local and national level make it difficult to provide exact data on the number of cases in the Royal Borough of Kensington and Chelsea. In 2022 the Council reported 18 cases of modern slavery to the government's support system, the NRM. Although this is the best data available, it is unlikely to be a true representation of the scale of modern slavery taking place across Kensington and Chelsea.
- 1.4 The Council coordinates a local partnership, the Modern Slavery and Exploitation Operational Group (MSEOG), attended by health, law enforcement, charities and other relevant partners. The MSEOG work together to deliver a yearly action plan to tackle modern slavery across Kensington and Chelsea, Westminster and Hammersmith and Fulham. Additionally, both Adult and Children's Social Care provide signposting, support and safeguarding for potential victims of modern slavery and there is a referral pathway for council officers to follow should they identify exploitation in the borough.

¹ Justice & Care and The Centre for Social Justice, (2020) *It Still Happens Here*



2. The Council’s response to modern slavery

- 2.1 The Modern Slavery Act 2015 requires commercial organisations with an annual turnover of more than £36 million to report on the steps they have taken to ensure modern slavery is not taking place in the business or its supply chains. The Council has chosen to publish its fourth annual statement to provide transparency, show ethical leadership and demonstrate its commitment to tackling modern slavery.
- 2.2 The Council has committed to a five-year strategy with Westminster City Council, ‘Ending Modern Slavery: Our Strategy for a Coordinated Community Response 2021-2026’. The Strategy is divided into four objectives, detailed in figure one below. The annual Modern Slavery Statement sits within the ‘Exploitation Prevented’ objective and describes the actions being taken to understand and address the risk of modern slavery across the Council’s supply chains. Any cases identified within the Council’s supply chains will be responded to via the provisions in place under the ‘Victims Supported’ and ‘Exploiters Brought to Justice’ objectives of the Modern Slavery Strategy.

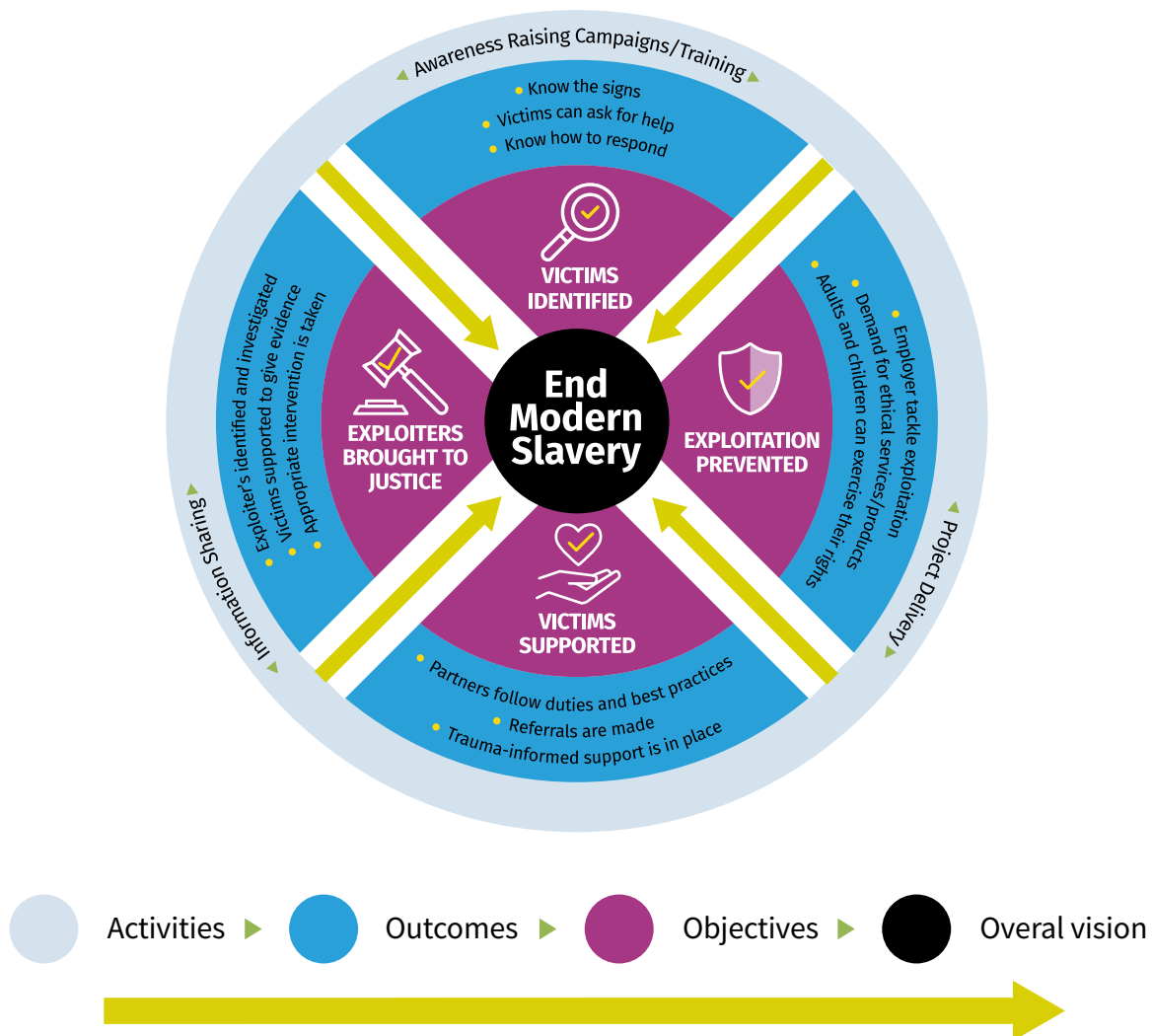


Figure 1 – Theory of Change for the modern slavery and exploitation coordinated community response (from Ending Modern Slavery: Our Strategy for a Coordinated Community Response 2021-2026)

3. Preventing modern slavery within the Council

- 3.1 The objective 'Exploitation Prevented' in the Council's Modern Slavery Strategy states employers must tackle exploitation. As an employer, the Council is not exempt from this requirement and has the following measures in place:
- a. Providing a code of conduct for employees which sets out both the expectations of staff and the organisation.
 - b. Being reaccredited as a London Living Wage Provider (April 2023, by the Living Wage Foundation), ensuring all employees, directly and indirectly, are paid in line with London Living Wage. Suppliers of services to the Council and its residents must verify they pay the London Living Wage as a requirement, and that this is also reflected throughout their supply chains.
 - c. Working with a recruitment provider to monitor employment through regular audits. The provider is monitored by Human Resources to ensure they comply with equality law, and that measures are in place to provide equal opportunities and prevent bullying, harassment, and discrimination regarding all protected characteristics in line with the Public Sector Equality Duty (PSED). The provider publishes their own annual Modern Slavery Statement, which includes performing spot checks to identify where agency workers may be sharing a bank account and ensuring new staff are trained on modern slavery. In the financial year 2022/2023 they reported no breaches of the Modern Slavery Act.
 - d. Providing a whistleblowing process with a confidential channel for reporting concerns and investigating any breaches of policies and procedures. Reporting channels include an external confidential reporting line for staff and contractors to raise concerns about wrongdoing, fraud, and corruption. There have been no whistleblowing concerns or referrals raised in the financial year 2022/2023 in relation to modern slavery.

4. Preventing modern slavery within the Council's supply chains

- 4.1 Every year, the Council spends around £350 million through contracts to provide essential goods, works and services in the borough. This gives the Council a significant opportunity to influence the prevention of modern slavery within its supply chains, and an opportunity to ensure the Council's values and behaviours are reflected by its suppliers. The Council acknowledges the influence it has through its buying power and the need to ensure that buying decisions and purchasing practices consider ethical, social, and environmental elements when determining best value. Part of this responsibility is ensuring suppliers understand and act in accordance with Council values, outlined in **the Council Plan**. This will be achieved against two of the Council's main priorities – to support and safeguard vulnerable residents, and to make Kensington and Chelsea a safer borough. The Council is updating its approach to commissioning and procurement to embed responsible procurement throughout its processes, with the aim of ensuring that suppliers adhere to the Council's values. Contract and commissioning terms and conditions will be reviewed, and a supplier code of conduct will be developed to embed values in service and project delivery to ensure modern slavery and exploitation are addressed throughout the procurement process. The code and other resources will be published on the Council's internal and external web pages.
- 4.2 As contract management is devolved across the Council, a practical, risk-based approach has been developed to manage supply chains. This has been achieved by identifying key high-risk areas and working with suppliers to mitigate these risks where practical. We will reassess all contracts positioning and work with devolved departments to enhance knowledge and management of contracts. As a Contracting Authority, the Council undertakes procurement in compliance with the Public Procurement Regulations i.e. the Public Contracts Regulations 2015 and as such will need to comply with the new Procurement Bill legislation when published. The Council's Standard Selection Questionnaire used in all competitive tenders includes a requirement to declare and evidence (where applicable) compliance with the Modern Slavery Act 2015. The Council's due diligence and reviews include:
- a. Requiring suppliers covered by the Act to self-certify that they comply with the Modern Slavery Act, as part of the tender process.
 - b. Provisions in all new contracts requiring compliance with the Modern Slavery Act and the ability to suspend/terminate a contract in the event of a breach where it is deemed necessary.
 - c. The ask on all Council Contract managers to review modern slavery within their project supply chains on a bi-annual basis with suppliers during contract delivery and to report any misgivings to the Strategic Procurement team.
 - d. Introducing action plans/sanctions where areas of poor compliance and/or performance are identified.

- 4.3 The Council's supply chains include areas at a higher risk of modern slavery, such as, but not limited to, cleaning and construction. The Council has a responsibility to be an ethical employer and buyer and encourage suppliers to investigate their own practices and supply chains to ensure they mitigate the risks of modern slavery. The Council is committed to ongoing due diligence and is working with our contract managers to ensure that suppliers to reduce and mitigate the risk of modern slavery and exploitation. As such, we have secured funding from the Department of Levelling Up to enhance the knowledge and effectiveness of our devolved contract management over this coming year. As part of a commitment to transparency, the Council has put requirements in place for contractors to demonstrate compliance at the pre-qualification stage for high-risk areas. The Council is in the process of integrating a new Contract Management software system for effective monitoring and a more streamlined declaration process for suppliers to allow learning to be sustained and shared.
- 4.4 Over the past financial year, the Strategic Procurement team has analysed and mapped the Council's high risk suppliers, where organisations had an annual turnover of £36 million or over. Officers were then asked to confirm if the provider website displayed a recent Modern Slavery Statement. Where a supplier did not have a Statement, contract managers were contacted to confirm that the organisation could present one and to warrant that this was then made available on the supplier website.
- 4.5 Council Officers are now stratifying risk for each contract and new/renewing contracts based on a Supplier Risk Matrix.

5. Responding to modern slavery & exploitation within the Council and its supply chains

- 5.1 Whilst the Council hopes not to encounter modern slavery or exploitation within the organisation or its supply chains, the Council does see fit to set out the response in case this were to occur. The Council takes a coordinated community response to tackling modern slavery. In the event that modern slavery were identified, the Council's Procurement and Community Safety Teams would work together with relevant partners to ensure victims access support, crimes are investigated and exploiters are brought to justice.
- 5.2 The Council will look to terminate a contract with any organisation which knowingly exploits its workforce and refer them to relevant law enforcement agencies. Should the Council identify suppliers that unwittingly exploit their workforce, or an increased risk of exploitation is identified, the Council is committed to working with these organisations to help improve their practices and ensure employees are protected.

6. Training

- 6.1 Specialist training on modern slavery within supply chains was a priority action for 2021/2022 and the Council worked with an external provider to deliver a webinar for procurement, contract, and commissioning officers. Practical information on combatting modern slavery through due diligence in supply chains, how to respond if modern slavery is identified and the approach the Council is taking to address the issue was provided. A recording of the webinar is available on an internal webpage for officers to access.
- 6.2 Training for professionals who may encounter victims/survivors of modern slavery as part of their job roles is also available for council officers, statutory and non-statutory partners across the borough. A total of 233 professionals were trained by the Council to identify modern slavery in the financial year 2022/2023.

Appendix: Action Plan

| Actions for 2022 – 2024 | | Lead | Due Date |
|-------------------------|---|--|-----------|
| 1 | Publish the updated statement on the Council's website and communicate the statement widely across the Council's supply chains and businesses in the borough. | Communications, Procurement and Community Safety Teams | Completed |
| 1 | Develop an enhanced training program for commissioning and contract managers to train staff on modern slavery and ethical procurement. | Procurement and Community Safety | Mar 2024 |
| 2 | Review and map the Council's supply chains and conduct a thorough risk assessment of primary and secondary high-risk contractors. | Procurement and Community Safety | Dec 2024 |
| 3 | Provide market engagement, supplier development and supply chain management incorporating best practice, ensuring the Council's suppliers put measures in place to mitigate the risk of modern slavery and exploitation. Supplier development sessions are delivered for suppliers to develop their ability to report and escalate concerns, and for the Council to disseminate information and share best practice. | Procurement, Human Resources and Economic Development | Dec 2024 |

| Actions for 2022 – 2024 | | Lead | Due Date |
|--------------------------------|---|---------------------------------|-----------------|
| 4 | High-risk supply chains used by the Council are supported to use the Modern Slavery Assessment Tool (MSAT) or complete a modern slavery questionnaire to assess compliance. | Procurement | Dec 2024 |
| 5 | Deliver a strategic review of modern slavery in policies and procedures in line with the Council's Social Value policy. | Procurement and Leader's Office | Feb 2025 |
| 6 | Following the risk mapping exercise, conduct a deep dive into high-risk contract(s). | Procurement and Scrutiny | Dec 2024 |
| 7 | Commit to only commission organisations that have thoroughly investigated their labour practices, and those of its direct suppliers, to ensure actions are taken to mitigate the risks of modern slavery or forced labour being used anywhere in the organisation, or by the organisation's direct suppliers. | Procurement and Leaders Office | Mar 2025 |



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07/12/2022



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07/12/2022

Advice and Support

In an emergency, call 999.

If you have concerns about modern slavery, you can contact the Modern Slavery Helpline 24/7 for help and advice: **08000 121 700**.

Our internal Modern Slavery Adult Referral Pathway can be found on KCnet.

A local directory of survivor support services can be found at:

www.angelou.org/human-trafficking