

Modern Slavery: Transparency in supply chains statements

Aide memoire

Procurement of services is an important part of councils' expenditure with, local government third party revenue expenditure totalling around £60 billion a year. Understanding our supply chains and assessing the risk to those working in it is not easy and requires commitment, support and collaboration.

To accompany existing guidance on TISC statements, this is aimed to give you practical advice on how to draft your first statement; what to include; where to publish it and how to avoid some of the common pitfalls.

It can also be used to assist those looking to build on previous statements; to implement year-on-year improvements and evidence the practical progress on how you are tackling the risks and incidence of modern slavery in your operations and supply chains

	DO	DON'T
PUBLISHING	Report annually	Publish it later than six months after the end of the financial year
	Report on the ended financial year	Report in advance of a financial year
	Improve the statement year-on-year – it is a live document.	Reproduce your old statement
	Maintain your old statements online – this allows for progress to be monitored.	Delete old statements
	The Act requires organisations to publish their statement on their website and include a link in a prominent place on its homepage.	Publish it in an obscure place that is not easy to locate
	Ensure the statement is signed by a senior member of the organisation; providing their post and name.	Simply state it has been approved
	Include a date of signature	Simply state it has been approved
	Ensure the statement is a genuine reflection of your business, practices, and culture.	Use templates
	Include information about modern slavery, its types, prevalence and signs on a separate webpage.	Include information about modern slavery, its types, prevalence and signs in the statement.
	Own the statement and take responsibility for it	Use templates without making the statement your own
ORGANISATION AND SUPPLY CHAIN	Provide relevant detail in your statement	Provide too much legal or technical information
	Provide relevant information of your council that allows the reader to create a picture of the structure of your business and supply chains.	Only list categories of products that are procured
	Show knowledge and understanding of the origin of your products, materials and services.	State that you procure only from the UK - UK origin does not guarantee abuse free conditions.
	Show insight into your existing business relationships	Simply state your supply chain is complex

	DO	DON'T
POLICIES	Provide a link between your existing policies and modern slavery	Reiterate all of your organisational policies and refer to policies that have no relation to modern slavery.
	Amend existing policies to include references to modern slavery if your current ones are inadequate.	Leave outdated policies unrevised
	If creating a standalone modern slavery policy, clearly set out the obligations on staff, suppliers, business partners and agents, as well as procedures to be followed.	Make empty statements not backed by policies or evidence – for example a zero-tolerance approach.
DUE DILIGENCE	Ensure that you have functioning due diligence processes in place. Describe those in detail.	Make vague and generalised declarations
	Inform suppliers of your policies	Make this your only due diligence activity
	Seek assurances from suppliers during the tendering process by using questionnaires, for example.	A quick checklist during the tendering process is not enough. Do not allow this to become a tick box exercise.
	Engage with suppliers	Simply inform suppliers of your policies.
	Be clear in your expectations to suppliers	Simply ask for your suppliers' modern slavery policies
	Introduce modern slavery related clauses into contacts and terms and conditions.	Simply seek general and vague assurances
	When contracting services establish robust recruitment processes and when using subcontractors and agencies demand the same standards.	Simply stating you vet new employees is not sufficient
	Have a robust checking process for recruitment and agency workers, including: right to work checks, bank account checks, address checks.	Simply seek general and vague assurances
	Audit and monitor your own sites and sites of your suppliers through planned audits and unannounced visits. Use internal and external audits.	Outsource all audit responsibility third parties
	When using third party audits engage in the process and plan the response to the results.	Just say you have commissioned audits
	Identify violations which may be taking place. Address them and take action to prevent and mitigate them.	Hide violations or dismiss them because they are taking place lower down your supply chain.
	Report violations to suppliers and law enforcement	Just ask suppliers to resolve it, it is your supply chain to manage
	If you identify a supplier has a problem, work with them and create action plans and take corrective measures.	Immediately terminate the business relationship – an approach involving punitive, fast-track termination runs a very real risk of encouraging denial and concealment.
	Consider taking measures against suppliers who refuse to cooperate in identifying, preventing and mitigating modern slavery from their supply chain.	Immediately terminate the business relationship
	Establish modern slavery working groups.	Make it the responsibility of one sole individual or department in the institution, it is an organisational wide process.

	DO	DON'T
RISK ASSESSMENT	Understand your risks: of abuse towards your own staff related to your own products/services in your supply chains related to recruitment agencies related to sub-contracting of the recruitment processes.	Just reproduce the risks found in other statements or templates
	Consider risks according to country, sector, transaction and business partnership risks.	State that procuring solely from the UK means your supply chains are at low or no risk of modern slavery. Modern slavery risks exists in UK as well.
	Map supply chains – show how this was done and what conclusions have been reached.	State that supply chain mapping has been carried out as this is not sufficient.
	Show prioritisation of risks through identifying high-risk categories first and carrying out supply chain mapping on them first.	Try and map all of your supply chain, it's unrealistic to do and a waste of time and resource.
	Understand that risk may change	Reproduce the same risks year on year in your statement without investigating it and taking action.
EFFECTIVENES	Provide information on existing or additional key performance indicators (KPIs).	Make vague and general commitments for the coming years. Use aims – they are not KPIs, introducing a modern slavery policy is not a KPI.
	Ensure KPIs are modern slavery related	List general sustainability and/or procurement commitments which are not directly relevant.
	Set further goals and aspirations for the following years as an ongoing improvement and self-awareness process.	Make vague and general commitments for the coming years
	Track progress at short, medium and long term, and allow for substantive measurement. Review your aims, goals and KPIs at regular intervals.	Reproduce the same KPIs year on year without measuring their effectiveness.
TRAINING COLLABORATION	Provide modern slavery training to staff	Cite training unrelated to modern slavery in your statement
	Use external and internal training	Outsource responsibilities to consultants
	Provide ongoing training and awareness, including refresher and new courses.	Induction processes training are usually not enough as they lack focus on modern slavery and even if they do they only happen once when staff may not be able to absorb its relevance.
	Collaborate with external actors. For example Electronics Watch, Ethical Trading Initiative, and the Chartered Institute of Procurement and Supply (CIPS): http://electronicswatch.org	Just sign up to organisations expecting for them to resolve the problem
	Collaborate with other organisations in the same sector and industry	Treat producing the statement as a competition

Further suggested reading and training

Protecting human rights in the supply chain

<http://static.uk-plc.net/library/london-universities-purchasing-consortium/documents/knowledge-lupc---protecting-human-rights-in-the-supply-chain.pdf>

Transparency in Supply Chains etc: A practical guide

<http://static.uk-plc.net/library/london-universities-purchasing-consortium/documents/knowledge-lupc---protecting-human-rights-in-the-supply-chain.pdf>

Protecting Human Rights in the Supply Chain - free e-Learning for public procurement practitioners

www.lupc.ac.uk/modern_slavery

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