

AGENDA ITEM

REPORT TO CABINET

13 JULY 2023

**REPORT OF CORPORATE
MANAGEMENT TEAM**

CABINET DECISION

Leader of the Council - Lead Cabinet Member – Councillor Bob Cook

MODERN SLAVERY AND HUMAN TRAFFICKING STATEMENT

SUMMARY

The Council is committed to preventing slavery and human trafficking in the delivery of its services and corporate activities. The Council recognises that modern slavery and human trafficking remain a hidden blight on our society and that the Council has a responsibility to be vigilant in spotting associated risks and to strive to ensure that its supply chains are free from modern slavery and human trafficking at any level.

This Modern Slavery and Human Trafficking Statement details the steps the Council has taken to understand potential modern slavery and human trafficking risks related to its business and the measures adopted with the aim of ensuring that these offences are not committed through the delivery of services or via supply chains

REASONS FOR RECOMMENDATIONS/DECISIONS

This Modern Slavery and Human Trafficking Statement includes the Council's commitment to tackling modern slavery and human trafficking and presents an action plan to be delivered to reduce the associated risks.

Section 52 of the Act imposes a duty on public authorities, including district councils, to notify the Secretary of State of suspected victims of modern slavery or human trafficking.

Section 54 of the Act imposes a legal duty on commercial organisations, which supply goods and/or services from or to the United Kingdom and have a global turnover of more than £36 million, to publish a modern slavery and human trafficking statement each financial year.

RECOMMENDATIONS

That Cabinet approves the Modern Slavery and Human Trafficking Statement in Annex 1.

DETAIL

What is modern slavery?

1. Modern slavery and human trafficking include the following offences:
 - slavery, where ownership is exercised over a person
 - servitude, where a person is obliged to provide services imposed by coercion
 - forced or compulsory labour, which involves work extracted under the menace of penalty and for which the person has not offered himself voluntarily
 - human trafficking, which involves the movement of people by means such as force fraud, coercion or deception with the aim of exploiting them

The Modern Slavery Act 2015

2. To tackle these crimes, the Modern Slavery Act 2015 (the Act) was introduced. The Act consolidates and clarifies modern slavery and human trafficking offences; toughens penalties and prosecution; and introduces greater support and protection for victims.
3. Section 54 – Transparency in Supply Chains Provision of the Act requires commercial entities with an annual turnover of £36m or more to report annually on their actions to identify, prevent and mitigate modern slavery and human trafficking in their supply chain through a Modern Slavery and Human Trafficking Statement. The statement must be included on the entity's website and the Government's Modern slavery and Human Trafficking Statement Registry.
4. Councils are currently under no legal obligation to publish statements in compliance with Section 54 provision, but this is soon to change. New rules now require all public bodies with a budget of £36m or more to regularly report on the steps they have taken to prevent modern slavery and human trafficking in their supply chains.
5. Procurement of services is an important part of councils' expenditure with local government third party revenue expenditure totalling around £60 billion a year. Councils are therefore uniquely placed to manage the risks of modern slavery.

The Modern Slavery and Human Trafficking Statement

6. The statement is attached at Appendix A and includes details of how the risks of modern slavery and human trafficking are currently managed both within the Council and its supply chain and further actions to be implemented this financial year to reduce the risk further.

FINANCIAL IMPLICATIONS

7. Actions identified within this report are either statutory requirements or require relatively low resource or capacity input from the teams identified.
8. A proactive, coordinated response to the threat of modern slavery and human trafficking will help to reduce future costs that might be associated with inaction, such as providing

for the needs of more victims or terminating contracts where it has been discovered that Modern slavery and human trafficking is taking place within supply chains.

LEGAL IMPLICATIONS

9. Modern slavery Act 2015 requires that all large organisation with an annual turnover of more than £36m must undertake effective due diligence in procurement and report upon this in an annual Modern Slavery and Human Trafficking Statement. There has been a significant increase in prosecutions for non-compliance in recent years, as well as organisations being 'named and shamed'. This Modern Slavery and Human Trafficking Statement provides a set of actions to report activity against in future years, helping to ensure that this duty is met.

RISK ASSESSMENT

10. There are also a number of risks to the organisation that are associated with failure to prepare for and respond effectively to potential or actual modern slavery and human trafficking.
11. Modern slavery and human trafficking cases can be high-profile and attract considerable media interest. Cases where victims are improperly supported or should have been identified at an earlier point have the potential to cause significant reputational damage.
12. Coordinated, strategic action across the Council to tackle and protect against modern slavery and human trafficking provides a range of opportunities to both strengthen the business and also to help protect people who may be vulnerable to exploitation.



Modern Slavery and Human Trafficking Statement

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1. About Stockton Borough Council

Stockton Borough Council (SBC) serves a growing population of 196,600 (source: ONS 2021). As a council, we provide a wide range of services to residents, both directly and through agreements with organisations who deliver on our behalf.

The Council employs over 3000 people and spends circa £200m/year on contracts and services, in order to deliver the Council Plan. Examples of services we buy include social care, cleaning, catering, refuse collections, construction, clothing, energy, vehicles, specialist consultancy support, electronic equipment, and IT software.

2. The Council's responsibility

The Council recognises that it has a responsibility to take a robust approach to modern slavery and human trafficking. Modern slavery is a crime resulting in an abhorrent abuse of human rights. It is constituted in the Modern Slavery Act 2015 by the offences of 'slavery, servitude and forced or compulsory labour' and 'human trafficking'.

The Council has a zero-tolerance approach to any form of modern slavery and human trafficking in any part of the business or supply chains. The Council is responsible for ensuring that any activity as an employer and service provider safeguards people from this risk. As commissioner of activity delivered on our behalf, the Council is also responsible for ensuring that suppliers and service providers can evidence that they are actively mitigating risks of modern slavery and human trafficking in their own business and supply chains. The Council also has a duty to notify the Secretary of State of suspected victims of modern slavery and human trafficking, in accordance with Section 52 of the Modern Slavery Act 2015.

3. About this statement

This statement covers the activities of the Council and covers direct employees of the Council, agency workers engaged through the Council, services delivered on behalf of the Council by third party organisations and in the Council's supply chains.

This statement describes the steps the Council will take to prevent modern slavery and human trafficking in the organisation and supply chains. It includes activity to be delivered by the Procurement Team, when entering into and managing contracts on behalf of the council. It also provides links to Council policies and other useful information.

Finally, it sets out our next steps for 2023/2024, describing how we plan to improve our processes.

4. Our activity

Whilst the greatest modern slavery and human trafficking risk lies within the supply chain, the Council is alert to these risks both within the organisation itself and externally within the Borough.

Our trained safeguarding officers support staff across the Council to identify and respond to safeguarding issues which may include modern slavery and human trafficking. A modern slavery pathway has been introduced by the Teeswide Adult Safeguarding Board to ensure those found in modern slavery and human trafficking are protected and supported.

<https://www.tsab.org.uk/>

Council officers within regulatory and civic enforcement roles are alert to modern slavery and human trafficking and can recognise and refer for investigation.

The Council's recruitment processes are transparent and reviewed regularly. They include procedures for vetting new employees, which ensures they can confirm their identities and qualifications, and all workers are paid directly into an appropriate personal bank account. To comply with the Immigration, Asylum and Nationality Act 2006, all prospective employees are asked to supply evidence of their eligibility to work in the UK. References are also requested and followed up. <https://intranet.stockton.gov.uk/media/341513/recruitment-policy-august-2021.pdf>

The Council encourages its employees to report any concerns related to the direct activities or the supply chains of the Council. The Confidential Reporting Policy is designed to make it easy for employees to make disclosures, without fear of retaliation and includes issues of possible fraud, corruption, exploitation sexual or physical abuse of clients.

<https://intranet.stockton.gov.uk/employee-support-and-benefits/employee-engagement/confidential-reporting/>

The Council's Equality, Diversity & Inclusion Policy includes the Council's commitment to activity that meets legal duties, outlines the Council's commitment to equal opportunities, valuing diversity and inclusion, creating a safe and inclusive working environment free from unlawful and unfair discrimination. <https://intranet.stockton.gov.uk/media/341107/equality-diversity-inclusion-policy-2022.pdf>

5. Our supply chains

Stockton Borough Council operates within the United Kingdom, which is considered at low risk of modern slavery and human trafficking, relative to other parts of the world. While the Council has a high level of confidence that policies and processes are in place to protect

against risks of modern slavery and human trafficking in the supply chains with regards to Tier 1 suppliers, it is more difficult to be confident about links further up the supply chain. Higher risk categories identified by the procurement team include: cleaning, construction (particularly demolition, asbestos removal, groundworks, clearance/stripping work), clothing manufacture (particularly involving imported textiles), security (manned guards), domestic furniture supply and manufacture, environmental (waste management, recycling), horticultural (grounds maintenance and plant nurseries), some social care/personal services (including taxis), recruitment/agency staff provision and dry imported foods (rice, cocoa, etc).

SBC is committed to ensuring that its suppliers adhere to the highest standards of ethics and to ensure that suppliers treat their workers with dignity and respect and in accordance with the requirements set out in employment legislation. Whilst a high proportion of suppliers have a presence within the North-East, the Council's supply chains stretch across the world. Raw materials and components can come from sources anywhere in the world and there may be links in the supply chain which could be involved in modern slavery and human trafficking. As the customer, the Council will make clear to our suppliers, and those wishing to do business with us, that they are required to provide confirmation that they are compliant with the Modern Slavery Act 2015. They will also be required to confirm their subcontractors and suppliers comply with the act.

The Council spends around £200m each year on supplies, services and works. This large and varied supply chain is majority based in the UK, but the Council understands that supply chains for these contracts may include countries where there is a higher risk of modern slavery and human trafficking. The Council also understands that certain types of contract activity may present greater risk to employees of exploitation, so the Council plans and manages contracts in categories, enabling better identification and risk mitigation in supply chains and production methods.

The Council's Constitution includes Contract Procedure Rules. These internal regulations govern processes for the way the Council buys supplies, services and works.

<https://intranet.stockton.gov.uk/services/corporate-services/procurement-and-governance/strategic-procurement/procurement-regulations-inc-contract-procedure-rules/>

The Council has a contract with an external agency for temporary/ interim staff to deploy within the Council and meet service needs. The Agency has robust procedures in place to check identity and eligibility to work, and a process to enable payment of salary directly into an appropriate personal bank account.

6. How we manage the modern slavery and human trafficking risk in supply chains

This council will continue to operate in a responsible manner by adhering to legal obligations prescribed by the Modern Slavery Act 2015 in its procurement activities. Stockton Borough Council will continue to:

- Require all suppliers of goods and services to comply with all applicable laws, statutes, regulations [and codes], including but not limited to, the Modern Slavery Act 2015, their own anti-slavery policy (where applicable) and this Modern Slavery and Human Trafficking Statement.
- Requires its service providers engaged in 'regulated activity' for children and adults to have safeguarding policies, procedures and training in place and to comply with the reporting procedures in the Council's Safeguarding Policy.
- Challenge any abnormally low-cost tenders to ensure they do not rely upon the potential contractor practising modern slavery and human trafficking
- Publicise its Whistleblowing/ Confidential Reporting Policy for staff to report on any suspected examples of modern slavery and human trafficking.

- Require our contractors to adopt a Whistleblowing/Confidential Reporting Policy which enables their staff to report on any suspected examples of modern slavery and human trafficking.
- Refer for investigation via the National Crime Agency's national referral mechanism any of its contractors identified as a cause for concern regarding modern slavery and human trafficking.
- Consider ways to increase awareness within the Council, and to ensure a high level of understanding of the risks involved with modern slavery and human trafficking in our supply chains and in our business.
- Ensure those officers in the Council's Procurement Team, who are Chartered Institute of Procurement and Supply (CIPS) members, undertake specific training related to modern slavery and human trafficking in supply chains, through the CIPS online course on Ethical Procurement and Supply.
- Build mitigation measures into the tender process and contract terms & conditions where risks are identified, which will allow for termination of the contract if these clauses are breached.
- Publish details of all spend over £500 for transparency purposes, showing was paid, how much and what it was for.

7. Action Plan

The Council will implement the following actions during 2023/24: The Council will:

- Introduce a new pre-tender modern slavery and human trafficking risk assessment to ensure appropriate identification of high-risk contracts.
- Adopt the new Government Crown Commercial Service's standard selection questionnaire (SQ). Part 3 of the SQ includes a section on the Modern Slavery Act 2015.
- Identify additional appropriate and proportionate activity during the tender process to ensure bidders evidence their compliance with the Modern Slavery Act 2015. This could also include asking specific questions during tender evaluation about how a bidder will manage their modern slavery and human trafficking risk.
- When appropriate, include additional clauses in contract terms and conditions in relation to modern slavery and human trafficking.
- When appropriate, include assessment of how modern slavery and human trafficking risks are managed by contractors via contract management.
- Signpost other officers not members of CIPS but whom have a responsibility for procurement to the Teeswide Safeguarding Adults Board modern slavery and human trafficking training.
- Signpost other officers who may be in a position to identify modern slavery and human trafficking in the course of their work to the Teeswide Safeguarding Adults Board modern slavery and human trafficking training.
- Publish the National Referral Mechanism guidance on the Council's website which describes how to identify possible indicators of modern slavery and human trafficking and how to report concerns through this National Referral Mechanism (NRM).

Review this statement annually, to identify any further actions required to manage the modern slavery and human trafficking risk.

8. Useful Links:

[Modern Slavery Helpline](#)
[National Referral Mechanism Guidance](#)
[National Crime Agency](#)
[Anti Slavery International](#)
[Stop the Traffik](#)

This Modern Slavery and Human Trafficking Statement is approved by the Council's Corporate Management Team and endorsed by the Cabinet. It will be reviewed and updated as necessary and published on an annual basis.

This Statement has been approved by:

Signed:	Date:
Name in capitals:	Designation:
(on behalf of the Corporate Management Team)	

Signed:	Date:
Name in capitals:	Designation:
(Cabinet Member)	

