

Modern Slavery and Human Trafficking Statement – 2017/18

This statement has been published in accordance with the Modern Slavery Act 2015. It sets out the steps taken by UK Shared Business Services (UK SBS) during 2017/18 to prevent modern slavery and human trafficking in its business and supply chains.

UK SBS is a private company limited by shares but is also classed as a public body and is subject to all applicable UK legislation, required to comply with all relevant Government policies and guidance for public bodies, including *Managing Public Money*. The Company operates solely in the UK and all employees are public servants.

The Company provides services – Human Resources, Payroll, Finance, Information Systems and Services (ISS) and Procurement - to its owners and their partner organisations, all of which are also UK public bodies and contracting authorities. As contracting authorities, all are subject to European public procurement rules and UK Government implementing legislation, namely the Public Contracts Regulations (PCR), associated government policies and guidance.

Policies and Contractual Controls

Government policy includes a requirement on public bodies to use Crown Commercial Service (CCS) frameworks and contracts where it is possible to do so. The Company's Procurement Service leads on procurement through CCS frameworks and undertakes bespoke procurements where the goods or services required by clients cannot be sourced through central arrangements.

In early 2016, UK SBS introduced a mandatory requirement for suppliers to declare their compliance with Section 54 of the Modern Slavery Act (if the supplier was within scope of the Act) as part of the procurement process. CCS issued Procurement Policy Note 08/16 in September 2016 to which the Modern Slavery Act 2015 was addressed as part of the selection stage for above EU threshold procurements only. UK SBS has recently implemented further requirements by way of a selection stage question to procurements that are captured by the applicable below threshold procurements of the PCR.

The terms and conditions for non-purchase order contracts have been updated to provide a contractual obligation on the supplier to provide an assurance report compliant with the Act on either the anniversary date of the contract or at a frequency set by the contracting authority. This report should evidence the actions taken to embed respect for human rights and zero tolerance of modern slavery, including stakeholder engagement, training initiatives and assessment of associated risks. UK SBS Purchase Order and <£25k contract terms and conditions have a contractual requirement to be bound by governance and interpretations of English law. The supplier is also bound by contractual obligations under applicable legislation, byelaws, regulatory policy or industry code. As a consequence, suppliers are bound to comply with all relevant legislation including the Modern Slavery Act.

Supplier management is in place for strategic suppliers as an integral part of CCS and UK SBS category management. Strategic suppliers are defined as such through a combination of the value, complexity, volume, bespoke nature and impact of the contracts. Supplier management includes active performance and risk management, including risks within the supplier's supply chain. In 2017/18, UK SBS (in collaboration with a number of other Government Departments) introduced an online Modern Slavery assessment. Although this will not be a contractual obligation, under a contract / relationship management approach, suppliers will be expected to complete the modules which will gather in depth information and explore key risk indicators such as country of operation, labour movements and their associated modern slavery policies.

The results of the GIAA internal audit report on UK SBS procurement in 2018 confirmed that the clauses contained within procurement contracts issued by UK SBS comply with the Act.

The Company maintains a Code of Conduct and policies on Corporate Social Responsibility, Whistleblowing (published on the website), Procurement, Risk Management and Inclusiveness as part of a wider suite of policies. All of these are easily accessible by all UK SBS employees and are reviewed on at least an annual basis.

Our Supply Chain

UK SBS contracts directly with approximately 230 suppliers together providing mainly IT hardware, software and associated support, contingent labour, legal and professional services, facilities management including office rentals and travel booking services. UK SBS suppliers have been appointed primarily through CCS frameworks. Where the Company, its clients or suppliers develop any concerns relating to modern slavery (or any other matter) for contracts in operation, they are raised with the CCS and/or UK SBS procurement service for investigation and resolution; with contract termination being an option if the particular circumstances warrant such action.

BEIS Supplier Data Analysis

UK SBS conducted an online survey that was issued to high spend or critical service suppliers for the Department for Business, Energy and Industrial Strategy (BEIS). In total there were 54 participants; 27 of which had a turnover greater than £36m and therefore a legal obligation to comply with the Modern Slavery Act 2015. Classification was based on analysis of contract value, project risk, contract complexity and supply market complexity and covered a wide range of topics including general information about the business, its supply chains and the countries in which it operates, policies and procedures they had in place to help prevent Modern Slavery and suppliers' activities, including the prevalence and frequency of supplier audits that are conducted.

As a result of the assessment, nine suppliers have put action plans in place or made improvements in areas of high risk. UK SBS will be monitoring all suppliers on an ongoing basis and expect to see a marked improvement on their initial scores.

Modern Slavery Training

UK SBS has developed, in conjunction with UK Research and Innovate (UKRI), a bespoke training package, primarily aimed at the Procurement and ISS Supplier Integration and Management teams (approx. 100 employees), both of which are directly involved in supply chain management and / or the procurement process. The Risk, Information and Security Compliance, Corporate HR and Executive teams were also required to undertake the training. As at the date of this statement, 95% had completed the training. An awareness campaign to all UK SBS employees is planned for summer 2018 to help increase understanding of modern slavery, identify key indicators of potential modern slavery and highlight where to find further information or to report suspected incidents.

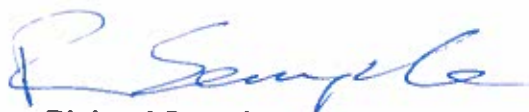
Next Steps

In 2018/19, UK SBS will undertake the following activities and report on them within future modern slavery statements:

- Roll out of an awareness campaign in the summer of 2018 to all UK SBS employees.
- Continued monitoring of those suppliers identified by the BEIS supplier data analysis undertaken in 2018 and conduct a similar exercise in 2019 to compare results.

- As part of a wider review of Key Performance Indicators (KPIs), the consideration and inclusion of KPIs specific to Modern Slavery reporting measures.

This statement was approved by the UK SBS Board on 24 May 2018.



Richard Semple

Chief Executive

Signed on behalf of the UK SBS Board

