

Ethical Trading Standards and the Modern Slavery Act 2015

Modern slavery statement 2023-2024

Executive summary

The Modern Slavery Act 2015 (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 in their supply chain.

The Act specifically states that the statement must include 'the steps the organisation has taken during the financial year to ensure that slavery and human trafficking is not taking place in any of its supply chains, and in any part of its own business'.

This does not mean that the organisation must guarantee that the entire supply chain is slavery free. Instead, it means an organisation must set out the steps it has taken in relation to any part of the supply chain (that is, it should capture all the actions it has taken).

This statement sets out the action of Ealing Council to understand potential modern slavery risk relating to its business and steps it has taken to ensure that there is no slavery or human trafficking in its business or supply chain.

Our commitment

As a responsible contracting authority, with the wellbeing of its residents at the core of its role, Ealing is committed to ensuring ethical trading standards are maintained and its concerns extend beyond the boundaries of the borough and even the UK. Adherence to Ealing's ethical standards is required of *all* suppliers¹ in all aspects of the goods or services they provide, from the originating raw materials to the delivery of the finished product.

1. Organisational structure and supply chain

Ealing Council commissions and procures a range of statutory and discretionary services for its residents, businesses, and partners. These services are managed directly or through third parties.

The acquisition of these contracts is governed through the Council's contract procedure rules and associated policies and procedures to ensure compliance with regulatory standards as well as the Council's commitment to ensure highest standards of ethical practices and achieving best value.

The Council's Joint Contracts Board (JCB) consists of Director level representation from across the council's business areas and is responsible for the scrutiny of high value contracts, review of procurement and contract policies and procedures as well as championing and monitoring our compliance with our social, ethical, and environmental standards across our supply chain.

2. Corporate policies and meeting the requirements of the Modern Slavery Act

Ealing Council has set out clear policies and procedures and high standards for its employees that support identification and management of risks in relation to modern slavery and human trafficking within the council and its suppliers. These are covered through the following:

¹ Supply, Supplies and Services all mean works, goods and or services within the context of this statement.

- **Council Plan 2022-26**

The Council Plan (the Plan) is a key document that describes the Council's priorities, resources and how progress is monitored. The Plan shows how we will work closely with our partners, the voluntary sector, businesses, the health service and residents to ensure we maximise all our resources and provide better joined-up services.

Inclusive Economy (IE4) of the Plan states "We will use our spending power in Ealing and beyond to encourage better pay, workplace representation, terms and conditions for workers, local small and medium sized businesses, black, Asian & minority ethnic owned businesses as well as supporting new social and cooperative enterprise" and undertakes to "Develop and publish our Modern Slavery Statement".

- **Social value and ethical standards**

The social value policy sets out the general principles that the Council will follow for all procurement and commissioning activities in excess of £100,000. This will ensure that these activities focus on the delivery of value for money, meet the needs of residents and achieve additional economic, social, and environmental benefits for its residents.

- **Employee Code of Conduct**

Under the Council's Employee Code of Conduct, all employees are aware of the actions and behaviours expected of them when representing the Council. The Council strives to maintain the highest standards of employee conduct and ethical behaviour and breaches are investigated.

- **Whistleblowing**

Ealing Council's whistleblowing policy is designed to make it easy for employees to make disclosures, without fear of retaliation. All staff, clients and other customers and business partners are encouraged to report any concerns related to the direct activities or the supply chains of the Council.

- **Corporate Complaints Systems**

The purpose of the complaints policy is to clarify how the public can make a complaint or appeal and define the standards they can expect. The policy seeks to create a positive approach to complaints where they are valued as a means of continuously reviewing and improving the services we offer. Modern Slavery related concerns or complaints regarding Council contractors or any organisation contracted to work for Council can be raised through the Council's website.

3. Risk Assessment Due Diligence Processes

To ensure that all suppliers are aware of the standards of trading ethics required by Ealing Council, all tender documentation for any value or nature of supply includes a copy of 'LB Ealing's Ethical Trading Standards and the Modern Slavery Act' or a website link to it.

To reinforce this determination, for larger supply values (i.e. above £75,000 value) bidders are required to declare their compliance with the Modern Slavery Act. This declaration is reinforced by the inclusion of clauses requiring compliance with the Act within the Terms and Conditions of contracts for supply contracts of all values.

To help minimise exploitation of labour, all contracts issued by Ealing require all employees working on a contract with the Council to be paid, as a minimum, the Real Living Wage (RLW) (formerly London Living Wage). Bidders are advised to ensure their costing strategy and price bid cater for this requirement.

Written guidance for Council officers is also available to supplement the advice provided to officers by the Commercial Hub (central procurement) during a tender process.

The JCB undertakes mid-term performance assessments of all larger contracts. Confirmation that all modern slavery checks have been undertaken, and the outcome of those checks, will be required, supported by data based on the Council's Modern Slavery Act KPIs.

Where contractor compliance has not been confirmed or a breach of the regulations is known or suspected, a subsequent report will be submitted to JCB updating the Board on the resolution of the issue and necessary action will be taken as soon as possible in accordance with the contract terms.

4. Training and raising awareness

A lead will be identified with responsibility for corporate compliance with the Modern Slavery Act. This Lead Person shall champion the introduction of the measures listed above and shall ensure that training on the Act and its implications is embedded in the Councils e-learning portal. At Ealing that lead is the Strategic Director of Corporate Resources, supported by the Commercial Hub.

The lead person will also ensure:

- All published material relative to the Act and Ealing’s response to it are kept up to date.
- A programme of data capture from suppliers is established and maintained.
- Ealing’s Modern Slavery Statement is published annually, to the required standard.
- Implementation of training programme (based on government online training) for Council officers on:
 - Assessing the risk of malpractice with different contracts at the tender stage
 - The requirements of the Act
 - Incorporating contractual requirements for compliance and guidance within tender documentation
 - Ensuring ethical trading standards are met and maintained.

5. Reporting measures to assess the effectiveness of steps being taken to eradicate Slavery.

To monitor its success in meeting the requirements of the Act in line with Home Office Guidance and commitment to address this shortfall, a monitoring regime able to provide the required information is being established. The proposed approach will comprise the following:

- Review of our approach to Contract Management and checks on Modern Slavery
- A stipulation in all contractual and tender documentation that suppliers provide requested reports and statistics confirming their compliance with Ealing’s standards and the requirements of the Act.
- Corporate KPIs to help monitor Ealing’s diligence in seeking this information on an annual basis.
- Data accretion to assess the level of compliance – so far as is possible – of suppliers.
- Immediate escalation where any incident of malpractice is suspected.

To assist with monitoring, the following KPIs shall be reported annually by Departments to the Modern Slavery lead for inclusion in the annual Statement and for further action as necessary:

KPI	Measure	Target
A. Number of new contracts that require compliance with the Modern Slavery Act 2015 as a condition of contract.	% of contracts that include this clause in their T&Cs – annual figure	100%
B. Number of new contracts where confirmation of adherence to the Modern Slavery Act 2015 has been sought	% of new contracts – annual figure	100%
C. Number of officers undertaking contract management duties who have completed the Government on-line e-training	% of Contract Managers	90%

D. Number of contractors who have satisfied the Council that RLW is paid as a minimum to all staff employed on its contracts	Number of contracted suppliers as a % of total number of contracted suppliers for contracts in excess of £500k per annum – annual figure	100%
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Annual submission of this data will allow the Council to monitor trends in performance in time for the annual statement and to check that any shortfalls in performance are being addressed.

Ealing undertakes to have the new measures in force within six calendar months of this statement being issued.

I approve the above recommendations:

Signature:



Date: 03.03.23

Tony Clements, Chief Executive, Ealing Council