

Corporate Policy and Strategy Committee

10.00am, Tuesday 2 October 2018

Charter Against Modern Slavery

Item number	8.2
Report number	
Executive/routine	
Wards	
Council Commitments	

Executive Summary

The reports sets out a response to the amended Council Motion by Councillor Day on 28 June 2018 calling for the Council to adopt the Co-Operative Party's ten point Charter Against Modern Slavery. Two amendments were added creating a total of twelve action points.

This report sets out to Corporate Policy and Strategy Committee how the Council will implement these action points.

Charter Against Modern Slavery

1. Recommendations

- 1.1 It is recommended that the Corporate Policy and Strategy Committee;
- 1.1.1 Approve the Modern Slavery Commitments; and
- 1.1.2 Note the contents of this report which lays out the Council's approach to implementing the requirements of the Council motion.

2. Background

- 2.1 At the City of Edinburgh Council meeting on 28 June 2018, the Deputy Leader of the Council proposed the following motion, which was approved: -
- “Council notes the terms of the Co-operative Party’s Charter Against Modern Slavery which commits each participating Council to:*
- 1. Train its corporate procurement team to understand modern slavery through the Chartered Institute of Procurement and Supply’s (CIPS) online course on Ethical Procurement and Supply.*
 - 2. Require its contractors to comply fully with the Human Trafficking and Exploitation (Scotland) Act 2015 and the Modern Slavery Act 2015 wherever they apply, with contract termination as a potential sanction for noncompliance.*
 - 3. Challenge any abnormally low-cost tenders to ensure they do not rely upon the potential contractor practising modern slavery.*
 - 4. Highlight to its suppliers that contracted workers are free to join a trade union and are not to be treated unfairly for belonging to one.*
 - 5. Publicise its whistle-blowing system for staff to blow the whistle on any suspected examples of modern slavery.*
 - 6. Require its tendered contractors to adopt a whistle-blowing policy which enables their staff to blow the whistle on any suspected examples of modern slavery.*
 - 7. Review its contractual spending regularly to identify any potential issues with modern slavery.*
 - 8. Highlight for its suppliers any risks identified concerning modern slavery and refer them to the relevant agencies to be addressed.*

9. *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.*
10. *Report publicly on the implementation of this policy annually.*
11. *Encourages close cooperation with Police Scotland and other relevant Scottish and UK Government Agencies;*
12. *If Council practice risks a breach of any Employment Legislation in this regard then it is immediately informed.*

Council agrees to sign up to the Charter and asks the Director of Resources to report to the September meeting of the Corporate Policy Strategy Committee on how this will be implemented

- 2.2 Council Officers have reviewed the impact and scope for implementation of the charter and propose the attached Modern Slavery Charter Commitments (the Charter).

3. Main report

- 3.1 The Charter is intended to tackle modern slavery through ensuring that the supply chains the Council procures from are free from modern slavery.

Legislation

- 3.2 Transparency in supply chains is addressed in the Modern Slavery Act 2015 which sets out obligations for commercial organisations over a certain size, currently those with an annual turnover of £36m. In summary this requires organisations to:
 - 3.2.1 prepare a slavery and human trafficking statement for each financial year of the organisation;
 - 3.2.2 include the steps that the organisation will take to ensure that slavery and human trafficking is not taking place either in its supply chains or its own business or a state it has taken no such steps; and
 - 3.2.3 Approve and sign the statements at a senior level within the business and publish the statement on its website, if it has one, or provide a copy to anyone who requests one in writing, within 30 days.
- 3.3 Procurement legislation imposes a duty on the Council to investigate abnormally low price or cost tenders to ensure that social and labour laws are complied with. Scottish Government issued additional guidance on fair work practices which address low pay and potential poor employment practices which are taken into account where appropriate.

Current Council Practice

- 3.4 Where the Council is procuring projects, which are at risk of low pay and therefore a risk of modern slavery e.g. cleaning, security and construction we liaise with Police Scotland, thereby implementing an agreed protocol of additional due diligence.
- 3.5 The Council also has a well-established and effectively operating independent whistleblowing policy and procedure to raise staff awareness and further facilitate reporting, which is included in essential learning activity for all employees.
- 3.6 The Council has agreed a multi-agency approach to addressing human trafficking which provides guidance for staff on reporting and supporting awareness of these issues.
- 3.7 Council officers consider that the proposed commitments will enable the effective implementation of the Charter.

4. Measures of success

- 4.1 The success of the Charter will be measured by its adoption and promotion.
- 4.2 The Council has confirmed it supports the Charter and its intended aims. Signing the Charter would be a clear signal to the market that the council take the requirements within the Charter seriously and contractors are expected to accord to them.
- 4.3 Staff involved in procurement and management of Council contracts are trained to be recognise the risk of modern slavery in supply chains and to take appropriate action to address where risk is identified.
- 4.4 Progress with the implementation of the Charter will be reported to Finance and Resources Committee in the annual procurement report at the end of the financial year.

5. Financial impact

- 5.1 There is no direct financial impact associated with this report
- 5.2 Indirect financial impact is envisaged in respect of improved procedures and follow up actions, which will include increased training time, monitoring and reporting annually on implementation.
- 5.3 Where risks are identified, there will be a cost associated with managing the risk. Council officers will work closely with other agencies to address and non-compliance which leads to termination may result in procurement of alternative contractors. This could lead to significant and costly delays depending on the type of project impacted.

6. Risk, policy, compliance and governance impact

6.1 There are no risk policy, compliance or governance impacts arising from this report.

7. Equalities impact

7.1 The outcomes of this report will support the Council's efforts to ensure that workers within its supply chain are free from exploitation

8. Sustainability impact

8.1 There are no sustainability impacts resulting from this report.

9. Consultation and engagement

9.1 Consultation and engagement has taken place between Council officers and relevant agencies will be engaged through its implementation.

10. Background reading/external references

10.1 [Item 8.8 City of Edinburgh Council](#) 28 June 2018

10.2 [Item 7.5 Addressing sexual exploitation and human trafficking](#) 1 December 2015

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Executive Director of Resources

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11. Appendices

Appendix 1 - Modern Slavery Charter Commitments

Modern Slavery Commitments

The City of Edinburgh Council

September 2018

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Modern Slavery Commitments

Our commitment

The City of Edinburgh Council (the Council) commits to work with fairness and integrity in all aspects of commercial activity and as such has a zero-tolerance approach to slavery and human trafficking. Our Modern Slavery Commitments (the Commitments) set out what we the Council commits to do to combat and prevent human trafficking and slavery in the Council's corporate activities.

The objective of the Commitments is to confirm the effective steps the Council is taking to tackle modern slavery in its supply chain.

The Leader, Depute Leader, Councillors, Executive Directors, Heads of Service and all Staff pledge to adhere to these Commitments.

Andrew Kerr, Chief Executive
September 2018

Modern Slavery Commitment 1

Training

The City of Edinburgh Council (“the Council”) will train its corporate procurement team to understand modern slavery.

The Council recognises its duty to train relevant staff and raise awareness of modern slavery and acknowledges that staff understanding of the issues is key to the successful implementation of the Commitments. The Council therefore commits to train its Commercial and Procurement Services team to ensure staff understand the issues, the risks and appropriate action.

Modern Slavery Commitment 2

Modern Slavery Act compliance

The City of Edinburgh Council will require its contractors to comply fully with the Modern Slavery Act 2015, wherever it applies, with contract termination as a potential sanction for non-compliance.

The Council will require contractors to comply with all relevant provisions of the Modern Slavery Act 2015 including the provisions promoting transparency. Section 54 of the Modern Slavery Act relates to transparency in supply chains and requires certain businesses to produce an annual statement on the steps they are taking to prevent modern slavery in their own business and in their supply chain. The Council will seek compliance with the Act from its contractors.

Modern Slavery Commitment 3

Abnormally Low Tenders

The City of Edinburgh Council will challenge any tenders which the Council believes to be abnormally low which should help to highlight contractors practicing modern slavery.

Where the Council considers a tender submitted is abnormally low then under Regulation 69 of the Public Contracts (Scotland) Regulation 2015 the Council must require a tenderer to explain the cost element of their tender. Abnormally low tenders may indicate exploitation of workers and the Council will continue to challenge such procurement submissions.

Modern Slavery Commitment 4

Membership of Trade Unions

The City of Edinburgh Council will highlight to its suppliers that contracted workers are free to join a trade union and are not to be treated unfairly for belonging to one.

All workers in the UK have a right to join a trade union and it is unlawful for employers to treat trade union members unfavourably because of their trade union membership. The Council will continue to highlight this to its contractors.

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Modern Slavery Commitment 5

Whistleblowing System

The City of Edinburgh Council will publicise its Multi-Agency Human Trafficking and Exploitation Protocol

To promote compliance with modern slavery legislation the Council has a Multi-Agency Human Trafficking and Exploitation Protocol. This Protocol outlines for staff the actions to be taken when there is a concern that a person is, or appears to be, a victim of an offence of human trafficking, modern slavery and / or exploitation.

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Modern Slavery Commitment 6

Encouraging Contractors to adopt a Whistleblowing Policy

The City of Edinburgh Council will positively encourage its tendered contractors to adopt a whistle-blowing policy which enables their staff to blow the whistle on any suspected examples of modern slavery.

The Council strives to uphold the highest standard of conduct and ethics and positively encourages its contractors to do the same. The Council therefore positively encourages its contractors to adopt a whistle-blowing policy to provide a mechanism for modern slavery issues to be flagged whilst ensuring whistleblowers are protected and supported.

Modern Slavery Commitment 7

Contractual Review

The City of Edinburgh Council will regularly review its contractual agreements to identify any potential issues with modern slavery.

As part of its continued contract management and monitoring process, the Council will review its contractual agreements and spend on high risk sectors to identify any potential issues with modern slavery and take immediate appropriate action.

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Modern Slavery Commitment 8

Notification to Contractors

The City of Edinburgh Council will, where appropriate, highlight for its suppliers any risks identified concerning modern slavery and refer them to the relevant agencies to be addressed.

The Council will, as a way of tackling the risk of modern slavery direct its contractors to Scottish Government approved guidance and support.

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Modern Slavery Commitment 9

Referral

The City of Edinburgh Council will, where appropriate, refer for investigation contractors identified as a cause for concern regarding modern slavery.

Where the Council identifies a contractor / contractors as a cause for concern regarding modern slavery, the Council will follow the reporting procedures as outlined in its Multi-Agency Human Trafficking and Exploitation Protocol

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Modern Slavery Commitment 10

Reporting to Committee

The City of Edinburgh Council will report to Committee on the implementation of this policy annually.

To ensure the Council remains vigilant against modern slavery, to ensure transparency, and to ensure appropriate action is taken and lessons learned, the Council will report to Committee on the implementation of the Commitments.

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Modern Slavery Commitment 11

Cooperation with Agencies

The City of Edinburgh Council will encourage close cooperation with Police Scotland and other relevant Scottish and UK Government Agencies.

The Council acknowledges the importance of working with partners to tackle modern slavery and commits to working with Police Scotland and governmental agencies as appropriate. The Council will continue to participate in the Public Protection Framework's Human Trafficking and Exploitation sub-group.

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Modern Slavery Commitment 12

Notification to Committee

The Convenor and Vice Convenor of the Governance, Risk, and Best Value Committee will receive reports on cases identified in the procurement process and the actions taken, at the appropriate time.

Reports will be shared with the Convenor and Vice Convenor of the Governance, Risk, and Best Value Committee containing details of cases concerning modern slavery identified in the procurement process and the actions taken. The information will be shared at the appropriate time with reference to obligations re confidentiality in live criminal investigations and the Council's requirements under relevant legislation.

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Council Leader, Councillor Adam McVey

Council Depute Leader, Councillor Cammy Day

Chief Executive, Andrew Kerr

Executive Director of Resources, Stephen S. Moir

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