

Committee(s)	Dated:
Markets Committee – For Information	7 July 2021
Policy and Resources Committee – For Decision	8 July 2021
Bridge House Estates Board – For Decision	14 July 2021
City of London Police Authority Board – For Decision	19 July 2021
Court of Common Council – For Decision	22 July 2021
Subject: Modern Slavery Statement Update for 2020/21	Public
Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly?	1, 2, 3, 5
For Bridge House Estates, which outcomes in the Bridge House Estates Bridging London Strategy 2020-45 does this proposal aim to support?	2
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain’s Department?	N/A
Report of: the Chamberlain	
Report author: Lisa Moore, Responsible Procurement Manager	

Summary

In November 2018, Policy and Resources Committee adopted the City Corporation’s Modern Slavery Statement developed in response to the Modern Slavery Act 2015 (the 2015 Act). This was, and remains to-date, a voluntary statement to reflect the City Corporation’s commitment to responsible business principles across all of its activities, and also to reflect the wider responsibilities of the City Corporation under the 2015 Act, having regard to the diverse functions it undertakes.

In 2018 the intention was to publish an annual update to track progress but due to delays and then disruption caused by Covid-19, no further updates have been published since the original statement was adopted. This report seeks approval to publish and adopt an update to the published statement that includes areas of improvement since the initial statement and relevant statistics from the last financial year. As with the original statement the update encompasses all the City Corporation’s functions, including as corporate Trustee of Bridge House Estates.

Local authorities are not currently obliged to publish a statement, but central government has announced their intention to strengthen the provision of, and widening the application of, the 2015 Act to make certain requirements binding and enforceable as well as to extend the requirements for transparency in supply chains to the public sector. These changes are anticipated to come into force later this year. This update to the statement as recommended is intended to comply with any revised requirements for the City Corporation in the discharge of its local authority and other public functions.

Recommendation(s)

As relevant to their Committees' Terms of Reference Members of the following Committees are recommended to endorse for onward approval by the Court of Common Council the proposed policy update to the City Corporation's Modern Slavery Statement published in 2018 at **Appendix 1**, being the Bridge House Estates Board for the City Corporation as Trustee of Bridge House Estates (Charity Reg. No. 1035628), Members of the City of London Police Authority Board for the City Corporation as police authority, and Members of the Policy & Resources Committee in the discharge of all other City Corporation functions.

Main Report

Background

1. The Modern Slavery Act 2015 (the 2015 Act) was introduced to tackle modern slavery in the United Kingdom and set an example for other countries seeking to do the same. The 2015 Act *inter alia* includes a number of offences, provisions for the protection of victims, and requires commercial entities that operate in the UK, with a turnover of more than £36m, to produce an annual Modern Slavery Statement detailing current and planned actions to tackle this crime. References to 'modern slavery' in this report include circumstances of slavery, servitude, forced or compulsory labour and child labour, and human trafficking.
2. The City Corporation was not a relevant commercial organisation as defined by section 54 of the Act, however, in November 2018, Policy and Resources Committee signed off the [City Corporation's Modern Slavery Statement](#). This was a voluntary statement to reflect the City Corporation's commitment to responsible business principles. Additionally, the Statement encompassed the City Corporation's wider activities in addressing modern slavery in the discharge of all of its functions, including by the City Corporation Police Force, as a local authority, and its funding activities in London both as Trustee of Bridge House Estates (Charity Reg. No. 1035628) (through its funding arm, City Bridge Trust) and in partnership with others, such as Heart of the City (Charity Reg. No. 1165434; Co. Reg. No. 5973126).
3. The Modern Slavery Statement outlined the roles, remits, commitments and work undertaken to detect and prevent modern slavery by the City of London Police, Community and Children Services Department, Markets and Consumer Protection Department, Human Resources Team, City Procurement Team, the Barbican Centre, City Bridge Trust and Heart of the City. It also detailed plans for continuous improvement.
4. The Statement is structured to reflect our actions according to the City Corporation's responsibilities and the level of control or influence the organisation can exert. Each section includes requirements of a Modern Slavery Statement under s.54 of the Modern Slavery Act:
 - (a) Remits and relevant risks – Within the remit of each Department; identifying the people, places, trades and industries at the highest risk.

- (b) Policies and commitments – Overarching and department-specific policies and commitments tackling modern slavery and other labour rights abuses.
- (c) Existing interventions – Actions already being undertaken to identify and deal with modern slavery and to minimise the risk of it occurring.
- (d) Continuous improvement – Assessing the effectiveness of our current interventions, creating plans to bridge identified gaps, developing appropriate performance indicators, monitoring and reporting on progress.

Current Position

5. Following an Independent Review of the 2015 Act in 2019 which was presented to Parliament, HM Government has committed to introducing a range of measures to strengthen the current reporting requirements under section 54 of the Modern Slavery Act 2015, including:
 - (a) Extending the reporting requirement to public bodies with a budget of £36 million or more.
 - (b) Requiring organisations to submit their statement to the [Government modern slavery statement registry](#)
 - (c) Setting a single reporting deadline of 30 September by which statements should be published annually.
 - (d) Introducing financial penalties for organisations that fail to meet their statutory obligations to produce annual modern slavery statements.

Proposal

6. It was the intention to complete annual updates to the City Corporation's existing statement voluntarily, but delays and then the impacts of Covid-19 meant that no updates have been published to-date. The City Corporation is now in the position where, we understand from September 2021, it will soon be required to publish a statement.
7. Due to the detail in the original statement on organisational structure, remit, and responsibilities, it is proposed that it is kept on the website with a shorter progress update being published at this time. The overarching statement will be reviewed next year. This will allow the City Corporation to consider how the discharge of its obligations under the 2015 Act, and otherwise its voluntary responses and actions to address modern slavery and servitude in the discharge of its wider functions, should be communicated. It will also allow for internal governance changes within the City Corporation's operational structure as a result of the on-going work to review and implement a new Target Operating Model to be reflected. It is intended that matters will be kept under annual review going forward to provide greater transparency on what has been achieved over the relevant period.
8. Members, as relevant to their Committee's responsibilities, are asked to recommend to the Court of Common Council for approval the publication of the update to the statement on the City Corporation website and also on HM Government's Modern Slavery Statement registry.

Modern Slavery Statement Update

9. The update focuses in more detail on what has been done since the last update and on continuous improvement in four key areas:
 - (a) Our Organisation - Prioritising our commitment at the highest level, protecting and educating staff and taking dedicated action and collaborating across the City Corporation to combat modern slavery.
 - (b) Our Jurisdiction - Minimising the risk of modern slavery occurring in the Square Mile and City Corporation property, referring any victims on to the help they need, ensuring any perpetrators are brought to justice and helping to identify modern slavery in any place the City Corporation has a presence.
 - (c) Our Domestic Supply Chain - Using responsible procurement and rigorous contract management to mitigate the risk of modern slavery taking place within our UK supply chains.
 - (d) Our Global Supply Chain - Using responsible procurement and effective due diligence procedures to minimise the risks of using global suppliers who contravene human and labour rights and exploit people through modern slavery.
10. The full Modern Slavery Statement update can be found in **Appendix 1**.

Corporate & Strategic Implications

11. **Strategic implications** – Tackling modern slavery aligns with several aims of the City Corporation’s Corporate Plan as well as the Responsible Business Strategy and the Responsible Procurement Policy. It also aligns with Bridge House Estates’ *Bridging London Strategy 2020-45*, and the charity’s funding strategy, *Bridging Divides 2018-2023* delivered through the charity’s funding arm, City Bridge Trust.
12. **Financial implications** – There are no financial implications for this update.
13. **Resource implications** – Work on modern slavery has already been established and is being delivered by the relevant Departments and Teams. This paper does not request any changes to the level of resources allocated to tackle modern slavery.
14. **Legal implications** – The current statement adopted by the City Corporation has been adopted voluntarily and extends beyond the strict requirements of a usual modern slavery and human trafficking statement published under section 54 of the 2015 Act. Section 54 requires relevant commercial organisations with a turnover of £36m to set out 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 the organisation’s own business. HM Government has indicated that public bodies with a budget over £36m will also soon be required to publish a Modern Slavery Statement which would, depending upon how those requirements are implemented, potentially require the City Corporation to publish a Statement.

15. **Risk implications** – HM Government has indicated that public bodies should be prepared to publish a modern slavery statement by September. Whilst those requirements are unclear at this time for an organisation as complex as the City Corporation, having regard to the current approach which has been adopted to voluntarily publish a statement which complies with the requirements of section 54 of the 2015 in the discharge of all the City Corporation's functions, it is recommended that an update is published in advance of September to set out the City Corporation's actions over the past financial year to ensure appropriate transparency in its supply chains and the organisation itself . This will mitigate against the risk of possible financial penalties which might arise in the absence of having an up-to-date modern slavery statement published in line with statutory and HM Government requirements.
16. **Equalities implications** – There are no specific equalities implications on the proposal of this paper. Work to tackle modern slavery and, as relevant to the functions being discharged by the City Corporation, Equalities Impact Assessments would be completed by teams undertaking work to ensure proper consideration of equalities implications.
17. **Climate implications** – Not applicable
18. **Security implications** - Not applicable

Conclusion

19. The publication of the proposed update to the current Modern Slavery Statement which was published by the City Corporation in 2018 is a clear and transparent demonstration of the City Corporation's commitment to tackling modern slavery, both internally and externally. It brings current and future actions into one place providing oversight and a point of reference to ensure effective collaboration across the organisation, and in partnership with others.

Appendices

Appendix 1 – Modern Slavery Statement Update 2021

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