

Report to the Board

19 September 2019



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**Title:** Slavery and Human Trafficking Statement

**Report of:** Interim Managing Director

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**Purpose of Report**

1. To approve a TGHC Slavery and Human Trafficking Statement for 2018/19.

**Background**

2. Evidence from a variety of sources suggests that modern day slavery affects almost every industry and although modern day slavery is illegal, it is a problem which exists in every country in the world.
3. The Modern Slavery Act 2015 (the Act) received Royal Assent on 26 March 2015 and the Board approved the first, second and third Slavery and Human Trafficking Statements for 2015/16, 2016/17 and 2017/18 at its meeting in September 2016, November 2017 and July 2018.
4. The Board approved a Slavery and Human Trafficking Policy at its meeting in July 2018.
5. The Act consolidates various offences relating to human trafficking and slavery. It covers: -
  - Slavery – where ownership is exercised over a person;
  - Servitude – involving the obligation to provide services imposed by coercion;
  - Forced or compulsory labour involving work or services exacted from any person under the menace of a penalty and for which the person has not offered himself voluntarily and;
  - Human trafficking involving arranging or facilitating the travel of another with a view to exploiting them.
6. The Act includes provisions to: -
  - Enable to Secretary of State to make regulations relating to the identification of an support for victims;
  - Make provision for independent child trafficking advocates;
  - Introduce a new reparation order to encourage the courts to compensate victims where assets are confiscated from perpetrators;

- Close gaps in the law enforcement to stop boats where slaves are suspected of being held or trafficked; and
  - Require businesses over a certain size and threshold to disclose each year what action they have taken to ensure there is no modern slavery in their business or supply chain.
7. An additional clause was added retrospectively and came into force in October 2015, which requires all commercial organisations carrying out business in the UK, with a turnover of £36million or more to disclose, in an annual slavery and human trafficking statement on their website, what steps they have taken during the financial year to ensure their business and supply changes are slavery free.
8. Failure to produce the required statement, where applicable, could result in the Secretary of State seeking an injunction but in practice is more likely to risk being “named and shamed”.

### **Details**

9. Whilst a statement template is not provided under the legislation, the Act does recommend that it contains: -
- An outline of the organisation’s structure, business and supply chains.
  - Policies in relation to slavery and human trafficking.
  - Due diligence processes in relation to slavery and human trafficking in the organisation’s business and supply chains.
  - Identification of parts of the business and supply chains where there is a risk of slavery and human trafficking and the steps taken to assess and manage that risk.
  - An assessment of its effectiveness in ensuring slavery and trafficking are not taking place in its business or supply chains measured against performance indicators it considers appropriate.
  - Information about training concerning slavery and human trafficking that’s available to staff.
10. The Appendix to this report details the fourth TGHC annual statement under this legislation, which represents an ongoing commitment to address the issues of Modern Slavery.
11. Whilst there is no requirement and it is perhaps impossible to guarantee that slavery and trafficking does not exist somewhere within an organisation’s supply chain, the annual statement: -
- Is designed to demonstrate that an organisation is aware of the issue;
  - Is not driving the use of modern day slavery practices through purchasing and procurement practices; and
  - Is taking effective steps to stop modern day slavery practices in its supply chains
12. The company did not have a turnover in excess of £36 million in 2015/16 but felt strongly about the issue and issued its first statement. Turnover in 2016/17 was just in excess of £36 million.
13. The company established the Property and Assets Directorate following the transfer of employees from Gateshead Council Construction Services on 1 April

2017. Since its establishment, turnover has increased significantly and at the end of 2018/19 was £57,773,000.

### **Link to values**

14. This report is linked to the company values of being: -
- Customer focused
  - Open and honest
  - Accountable

### **Risk Management Implications**

15. Failure to publish a Slavery Statement could technically lead to the Secretary of State seeking an injunction but in practical terms is likely to increase the risk of being “named and shamed” resulting in adverse publicity and increased public scrutiny.

### **Financial Implications**

16. There are no financial implications arising directly from this report.

### **Health Implications**

17. The publication of this statement will have a positive impact on the health of our tenants.

### **Environmental Implications**

18. There are no environmental implications arising directly from this report.

### **Equality and Diversity Implications**

19. Compliance with the Modern Slavery Act 2015 will help TGHC promote equality, diversity and community cohesion across its business, the borough and its supply chain generally.

### **Value for Money implications**

20. It is possible that ensuring supply changes are slavery free may lead to an increase in the price of products purchased, however this increase in cost will be offset by the impact it will have in ensuring we are meeting our strategic objectives and statutory requirements.

### **Consultation carried out**

21. There was no direct consultation carried out relating to this report.

## **Recommendation**

22. The Board is asked to approve the TGHC Slavery and Human Trafficking Statement and publish the Statement on the TGHC Website.



**The Gateshead Housing Company  
("TGHC")**

**Slavery and Human Trafficking Statement**

**2018/19**

## **Introduction**

The Gateshead Housing Company (“TGHC”) is a not-for-profit Arms-Length Management Organisation (ALMO) and a wholly owned subsidiary of Gateshead Council. We were set up in 2004 to manage the Council’s properties, to improve housing in order to meet the Government’s Decent Homes standard. We currently manage:-

- 19,109 council homes on behalf of Gateshead Council;
- 912 Leasehold properties

## **Our structure, business and supply chains**

The principal activity of the Company is the day to day management, maintenance and improvement of the housing stock of Gateshead Council and Keelman Homes.

The Company also manages the building of new properties to be owned and managed by the Company where funding is available and manages new build programmes for both Gateshead Council and Keelman Homes.

The Company also provides housing management services for a number of properties which are owned by registered providers and for the Council through the Private Empty Homes Programme.

On 1 April 2016, a number of functions transferred to the company from the Council’s Care, Wellbeing 7 Learning. These included housing options, adaptations and the warden services for sheltered housing tenants.

On 1 April 2017, a Property and Assets Directorate was established following the transfer of employees from Mears and Gateshead Council Construction Services. This effectively doubled the size of the workforce from 400 to 800. More significantly, this brought the delivery of repairs and maintenance in-house.

Further information about our activities is detailed on our website at [www.gatesheadhousing.co.uk](http://www.gatesheadhousing.co.uk).

## **Policies in relation to slavery and human trafficking**

A Slavery and Human Trafficking Policy was agreed by the Board in July 2018. This reinforces our zero-tolerance approach to any form of modern slavery and trafficking. It also informs employees what they should do if they suspect modern slavery and tracking may be occurring within our supply chain.

We also have a number of associated policies including a TGHC Safeguarding Adults Policy, Children’s Safeguarding multi-agency policy and procedures, Anti Bribery, Fraud and Corruption and Whistleblowing Policy and a Single Equality and Inclusion Scheme, as part of our public sector equality duty which includes the elimination of unlawful discrimination.

TGHC is also committed to the continual assessment of recruitment procedures and practices in order to comply with current employment legislation, and recruit staff

according to best practice. Equality impact assessments are carried out on all HR related policies to ensure they promote equality of opportunity.

### **Due diligence processes in relation to slavery and human trafficking in our business and supply chains**

As a group we are governed by the Public Contract Regulations 2015, which are underpinned by our Financial Regulations and Contract Procedure Rules. This includes, as appropriate, a supplier suitability or pre-qualification questionnaire containing checks relating to a suppliers economic and financial standing, as well as compliance with labour law.

In addition our standard contract terms require our suppliers to adhere to all of our policies and rules, together with compliance at all times with the Law in the performance of the contract.

### **Effectiveness in ensuring that slavery and human trafficking is not taking place in our business or supply chains**

We are confident that slavery and human trafficking is not taking place amongst our first tier suppliers due to the due diligence processes that we currently have in place, but we cannot be as certain that slavery and human trafficking is not taking place further down our supply chains.

All our tender documents, which are issued by Gateshead Council's Corporate Commissioning and Procurement, includes specific prohibition against any contractor who has been convicted of any offence involving slavery and human trafficking or the subject of any investigation, enquiry or enforcement proceedings by any governmental, administration or regulatory body. There is also a requirement that the contractor shall implement due diligence procedures for its own suppliers, sub-contractors and any other participants in its supply chains, to ensure that there is no slavery or human trafficking in its supply chains.

### **Training about slavery and human trafficking available to employees**

Whilst TGHC employees do not currently undertake specific slavery training, following the introduction of the Care Act 2014 and the Modern Slavery Act 2015, 'modern slavery', a new category of abuse is covered within Gateshead's multi-agency Safeguarding Adults training courses. This training is targeted at employees who are responsible for making a referral to other services or those managers who have organisational or professional responsibility to safeguard adults at risk and who partake in risk assessments and protection planning. This training is mandatory and includes all employees in the Property and Assets Directorate.

Children's Safeguarding training can also be accessed via Gateshead's Children and Adults Safeguarding Training Directory.

During 2016/17, the company implemented its own TGHC Safeguarding Policy which is line with Gateshead Council's approach to Safeguarding and will apply it to relevant policies as needed.

The company also delivered, through the Safeguarding training programme, training for relevant employees relating to their roles and responsibilities in relation to the eradication of slavery and human trafficking within the organisation and our supply chains.

In addition, the company rolled out further safeguarding awareness briefings during 2018/19.

**During the forthcoming year, we intend to:-**

- Continue to deliver, through the Safeguarding training programme, training for relevant employees.
- Roll out further safeguarding awareness briefings.

This Statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and has been approved and published by the TGHC Board and will be reviewed annually.

Signed: .....

Position: .....

Date: .....