



Homes
England

**Homes England
Modern Slavery Act
Policy & Statement 2019/2020**

PUBLISHED DOCUMENT VERSION CONTROL

Version	Date	Name	Comments
V1	March 2016	HCA Modern slavery statement	Original Version produced by Homes and Communities agency
V2	March 2017	HCA Modern slavery statement	Second annual MSA Policy and Statement produced by Homes and Communities agency
V3	June 2018	Homes England (Op Risk)	Third annual MSA Policy and Statement (first produced by Homes England Operational risk)
V4	April 2019	Homes England Financial Crime Compliance	Fourth annual MSA Policy and statement produced by Homes England financial Crime compliance as FCC has taken over responsibility for the policy from Operational risk.
V4	June 2019	Homes England Financial Crime Compliance	Protective marking review for external communication
V4	July 2019	Homes England Financial Crime Compliance	Senior Independent Director and CEO sign off.

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Modern Slavery Act 2015 Homes England's Policy and Statement 2019/20

Introduction

Homes England is the government's housing delivery agency. We accelerate the supply of new homes and address affordability issues in the areas of highest demand in England. We have the appetite, influence, expertise and resources to drive positive market change. By releasing more land to developers we're making possible the new homes England needs, helping to improve neighbourhood's and grow communities breaking new ground to make this happen.

We are committed to the effective management and application of public funds in accordance with Managing Public Money¹ carried out in the spirit of, as well as to the letter of, the law:

- In the public interest
- To high ethical standards
- Achieving value for money

The Code of Conduct, for our staff, is an endorsement of the Nolan principals - Principals of Public Life².

- Selflessness
- Integrity
- Objectivity
- Accountability
- Openness
- Honesty
- Leadership

We recognise that Modern slavery is a crime and a violation of fundamental human rights. We are aware that Modern slavery takes various forms, including slavery, servitude, forced and compulsory labour and human trafficking, all of which have in common the deprivation of a person's liberty by another in order to exploit them for personal or commercial gain

Modern Slavery is the term used within the UK and is defined within the Modern Slavery Act 2015³.

The Act categorises offences of Slavery, Servitude and Forced or Compulsory Labour and Human Trafficking (the latter of which comes from the Palermo Protocol⁴).

Homes England continues to adopt a zero tolerance to modern slavery, human trafficking, all forms of servitude and forced and compulsory labour.

We fully support the government's objectives to eradicate all forms of modern slavery and human trafficking.

¹ <https://www.gov.uk/government/publications/managing-public-money>

² <https://www.gov.uk/government/publications/the-7-principles-of-public-life>

³ <http://www.legislation.gov.uk/ukpga/2015/30/contents/enacted>

⁴ <https://www.ohchr.org/EN/ProfessionalInterest/Pages/ProtocolTraffickingInPersons.aspx>

We continue to set high standards of impartiality, integrity, transparency and objectivity. We will ensure that our activities and those of our contractors operate to the highest level of ethical standards operating under sound governance arrangements.

Our annual statement attached to this Policy provides details of our activities, our supply chains and actions we are continuing to take to support government.

We require all organisations we engage with to ensure their goods, materials and labour-related supply chains are unambiguous:

- Fully comply with the Modern Slavery Act 2015; and are
- Clear, transparent, accountable and auditable; and are
- Free from ethical ambiguities.

We call upon all organisations we engage with to influence their global supply chains by improving transparency, accountability, and training so that together we can help the government eradicate the injustice and brutality of modern slavery and human trafficking.

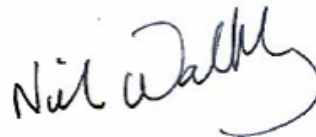
Simon Dudley



Senior Independent Director

04 July 2019

Nick Walkley



Chief Executive

04 July 2019

Relevant Guidance and Information

Expectation and Encouragement

We expect all Delivery Partners, organisations within our Frameworks and other companies we engage with to ensure their goods, materials and labour-related supply chains:

- Fully comply with the Modern Slavery Act 2015; and are
- Transparent, accountable and auditable; and are
- Free from ethical ambiguities.
- Provide Modern slavery training both internally to staff and externally to their contractors and sub-contractors

Public Reporting of Non-compliance

Individuals who have reasonable suspicion or evidence of non-compliance with the Modern Slavery Act in connection with any Homes England supply chain or third party contractor we engage with are encouraged to report their concerns to our Head of Financial Crime Compliance using the following email address RiskKYC@homesengland.gov.uk.

Alternatively, if you hold information that could lead to the identification, discovery and recovery of victims of modern slavery or human trafficking in the UK, you can contact the

Modern Slavery Helpline on 08000 121700 or alternatively follow the link to the National reporting mechanism;

<https://www.gov.uk/government/publications/how-to-report-modern-slavery/how-to-report-modern-slavery> , and

<https://www.gov.uk/government/publications/human-trafficking-victims-referral-and-assessment-forms>

Victim Support

If you think you are a victim of modern slavery or human trafficking, use the victim support link to contact the Modern Slavery Helpline. Trained operators will help you to understand what is available including information, advice and ways to access government-funded support.

The Modern Slavery Helpline is confidential, but, if you don't want to give your name, that is fine. Modern slavery website <https://www.victimsupport.org.uk> and **hotline 0333 270 7704**

Construction Industry Toolkit

Stronger Together is a multi-stakeholder initiative aiming to reduce modern slavery, particularly hidden forced labour / labour trafficking and other hidden third party exploitation of workers. Supported by the Chartered Institute of Building (CIOB), this toolkit is part of a specialist, in-depth industry programme supporting construction companies in tackling modern slavery. <https://www.ciob.org/>

Advancing Responsible Business Practices in Land, Construction and Real Estate Use and Investment

This is a practical resource for organisations acting in land, construction; real estate use and investment <https://www.unglobalcompact.org/library/1361>

The Gang Masters and Labour Abuse Authority – GLAA works in partnership to protect vulnerable and exploited workers

The GLAA are a Non Departmental Public Body (NDPB) governed by an independent board.

The role of the GLAA is to protect vulnerable and exploited workers. Through the intelligence they receive from inspections, the public, industry and other government departments, they investigate reports of worker exploitation and illegal activity such as human trafficking, forced labour and illegal labour provision, as well as offences under the National Minimum Wage and Employment Agencies Acts.

The GLAA will investigate all aspects of labour exploitation in England and Wales but will also work with partner organisations such as the police, the National Crime Agency and other government law enforcement agencies to target, dismantle and disrupt serious and organised crime across the UK.

Reporting abusive practice can be undertaken by visiting the GLAA website: <https://www.gla.gov.uk>

Modern Slavery and Human Trafficking Public Statement 2019/20

1. This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 for the financial year ending 31 March 2019. Responsibility for the preparation and publication of this statement resides with the General Manager Head of Financial Crime Compliance
2. This is our fourth annual statement and it contains a summary of progress undertaken during 2018/19. Earlier statements (prior to 2017/18) were published by the Homes and Communities Agency. Year 3 progress was reported in our previous statement dated 31 March 2018.
3. We continue to engage with a large number of private and public sector organisations in pursuit of our regulatory interventions and our investment, procurement and land disposal activities.
4. Our activities are usually undertaken at arm's length and take place solely in England
5. Our investment and Land models are to support housing and economic growth using delivery partners, including registered providers of social housing, house builders and developers in both the public and private sector; and direct intervention by providing loans to builders and developers, including small and medium-sized enterprises (SMEs).
6. Homes England occasionally undertake activities by partnering with local authorities and developers within a special purpose or joint venture partnership organisation; and often where appropriate we will undertake direct development using Delivery Partners or construction companies procured for that purpose.
7. We maintain a number of professional services and development framework agreements; and our framework partners are made available to the wider public sector. We also maintain a number of other frameworks for exclusive use including site security and legal services.
- 8.. The nature of Homes England's activities, engagement and intervention within the construction industry means there is a genuine reputational risk if we are seen to support or associate with a corrupt delivery partner or investment / grant recipient.
9. The scope of our activities is summarised at Annex A below.

Key Statement Highlights for 2018-2019.

1. In the financial year 2018/19 Homes England:
 - Continued to engage with the Office of the Independent Anti-Slavery Commissioner and the Gang masters and Labour Abuse Authority to inform, benchmark and endorse our risk approach.
 - Formed and maintained relationships with UK law enforcement bodies including the National Crime agency; the Metropolitan Police and Northumbria Police, to identify opportunities for intelligence sharing and collaborative working.

- Prepared and delivered internal training to Homes England staff and external training to our panel firms and framework partners across England.
- Ensured that our compliance and monitoring surveyors pro-actively identify and report suspicious activity or welfare concerns relating to modern slavery and human trafficking. This change is appropriate.
- Home England's training and awareness campaign have significantly raised awareness within our panel firms, delivery partners and companies with whom they contract. Homes England has sought to share best practice; and embed change. This has led to raising the profile of Homes England and its' work within this area identify new areas of change, summarised here as follows:
 - Enabling our partners to have the tools to identify indicators of modern slavery and to be equipped to be able to escalate their concerns to enforcement bodies.
 - Raising awareness within Homes England's supply and partner delivery chains and requirements under the Modern Slavery Act.
 - Identified additional methods of training delivery in the form of a "webinar" as medium by which to expand upon our delivery and increase risk awareness, and, is applicable not only within our workforce but with our panel firms and contractors and partner agencies, and due for implementation during 2019/20.
- Identified that procurement is a powerful tool to influence business practices. We are beginning to utilise the Home Office procurement database for public contractors.
- Built upon and developed specific compliance conditions within our invitations to tender, contracts and legal agreements.
- An exchange of management information (MI) underpins and supports this activity providing Homes England with MI to ensure compliance is measurable, thus allowing for appropriate governance of our activity and that of our panel firms and framework participants.
- Worked with the Government Property Profession; the Royal Institute of Chartered surveyors (RICS) and Chartered Institute of Builders (CIOB) at lecture days to raise awareness of modern slavery and associated financial crime.
- Undertake a risk and control or compliance assessment during the next financial year (2019/2020) and report our findings to our Executive Management Team and our Audit and Risk Committee.
- Continued "top-down" responsibility and governance for this policy and statement and its' endorsement from our Executive Management team and Board.

Governance - Management Responsibility

2. Responsibility for the preparation and publication of this policy resides with Homes England Financial Crime Compliance.

We have:

Reported mid-term progress during 2018 to Homes England Audit and Risk Committee, Executive Management Team and our Board.

Reconfirmed management responsibility for this policy and statement and received unanimous endorsement from our Executive Management Team and Board.

Prepared and published this second Homes England annual statement.

Raised awareness of this published statement and the Modern Slavery Act by notifying organisations in our Frameworks, Delivery Partnerships and other companies with which we regularly engage.

3. Our policies and statement are approved at board level.

Policy Review and Statement Approach

4. We continually review our policy and statement against our activities to establish and maintain whether the approach we take embraces best practice.

We have:

Evaluated the risk of non-compliance in line with our expanding business activities and delivery profile.

Assessed emerging case law and best practice. This has included a detailed examination of the Independent Review of the Modern Slavery act 2015 – Transparency in supply chains.

Formed and maintained relationships with UK law enforcement. The purpose has been to identify opportunities for intelligence sharing and collaborative working; training and staff development.

Benchmarked our activities against statements and action plans; undertaken by similar-sector public and private organisations. This includes examination and comparison of statements from companies involved in the development of housing, the wider construction industry, major banks, local authorities and other public sector organisations with similar property-related and supply chain risks

Risk Management

5. Homes England's approach has been to widen our risk assessment across business lines, benchmarking our activities and policy statement with other organisations with similar supply / reputation risk issues and engage with leading anti-slavery organisations.
6. The risk of modern slavery and ambiguous supply chains has been identified and is monitored within our corporate Risk and control assessment (RACA).
7. The actions detailed within the policy and this Statement form part of Homes England's compliance risk mitigation strategy.

In terms of continued risk management, Homes England has completed a review of this policy and statement measuring against our activities to establish whether the approach we have taken follows emerging best practice by:

- Assessing and interpreting recent or emerging case law and best practice including a review of the Modern Slavery Act 2015 – Transparency in supply chains.
- Ensuring our statement is proportionate and appropriate in both content and size we compared and benchmarked statements across the wider

sector, including those produced by house builders / construction companies, banks, local authorities and other public and private sector organisations with property-related risks.

Evaluate the risk of non-compliance as part of our, risk and control assessment (RACA)

Undertake a continual RACA assessment using our; professional, legal, risk and procurement frameworks to determine our risk exposure.

8. Reconfirmed that the primary risk is an association with a delivery partner; Framework participant or company with an ambiguous or non-compliant supply chain.

Risk assessment - Assessing our Risk

9. Earlier Statements concentrated on the risk associated with third party procurement activities, including land sales to large house builders or developers. As each large company is required to comply with the Modern Slavery Act, Homes England historically placed significant reliance on their own supply chain risk assessments and activity monitoring.
10. Over the past 2 years Homes England's business activities have significantly expanded, along with our understanding of modern slavery risk across the construction sector.
11. Our earlier assessments have determined that:
 - Our primary risk is an association with a delivery partner, framework participant or investment recipient, regardless of size, with an ambiguous or non-compliant supply chain;
 - And;
 - Where we provide loans to SMEs, our assessment has identified a specific risk in certain foreign supply chains, as noted in the next section.
12. Continued assessment of our risk environment indicates that our primary risks remain constant and our controls to mitigate against these risks whilst mature are always evolving.

Risk Environment & Risk Mitigation.

13. In the course of our business activities, the potential risk of modern slavery arises from the following key scenarios:
 - The risk that we procure goods or services for our own consumption where there is an unethical supply chain.
 - The risk that we partner alongside organisations with an unethical supply chain or we engage, invest, lend or sell land to organisations with an unethical supply chain.

14. This risk is mitigated by;

- Using vetted and monitored framework panels or suppliers demonstrating compliance with the requirements of the Modern Slavery Act.
- Reputational risk is mitigated by an up-front compliance requirement in our tender and procurement documentation, enforced at delivery by contractual conditions and agreements; and including appropriate termination clauses.
- Customer due diligence to identify organisations with criminal convictions or a higher potential risk of non-compliance.
- Applicants are required to provide details of their development scheme; this provides us with an opportunity to identify potential supply chain risks within the development specifications.
- Introduced new processes and procedures in relation to procurement and due diligence, including Homes England's contractual arrangements with the inclusion of a mandatory undertaking from our contractors that they will comply with the provisions of the MSA 2015; confirmation of the applicability and enforceability of clauses and conditions included in our legal agreements and contracts.
- Requested MI from our panel firms in relation to the training they provide both internally and externally to their contractors. The requests will allow Homes England the comfort of being able to measure the compliance of our contractors against procurement controls.

15. Furthermore of the companies who do not produce a MSA statement annually, due to their turnover being below £36 million, Homes England is considering requesting they produce a statement where they provide goods and services to a UK government agency that it has considered its obligations regarding its supply chains.

The Approach adopted by Homes England ensures:

We have:

- A clearer understanding of the supply chain risks across our business lines.
- Established that SME participants are at a higher risk in certain component supply chains. To support investment decisions applicants are required to provide a Project Delivery Plan, which enables us to discuss and clarify supply chain anomalies
- Identified a specific risk emanating from the manufacture and installation of off-site construction components, where the country of origin was unable to verify the welfare of labourers within the supply chain. As a consequence, we refused to provide investment until an alternative and ethical supply chain was sourced.

- Re-affirmed compliance requirements with the Modern Slavery Act in our tender and procurement documentation.
- Reviewed existing compliance conditions in existing contracts and agreements, including termination clauses.
- Identified how we can use our framework panel of compliance and monitoring surveyors to provide escalation and notification of suspicious activity or welfare concerns.
- Engaged with other organisations to establish our approach is appropriate and proportionate and to raise awareness across the sector.

We will:

- Continue to be vigilant when assessing areas of potential risk within our supply chain and that of our delivery partners, framework participants and investment and grant recipients.
- Act promptly where a compliance breach has been identified or flagged
- Increase awareness with third parties we engage with by promoting and signposting industry led on-line guidance and compliance tool kits, as supplied by CIOB, RICS and others.
- Continue to provide more training and awareness both internally and externally and help in the identification of new areas of risk arising from our wider business activities.
- Increase our understanding of risk within the sector; and specifically SME and equity participation risk.
- Roll-out new contractual arrangements, requiring monitoring surveyors to act as Homes England's 'eyes and ears' when checking development progress; and I provide guidance and clarity on how to report suspicious activity or welfare concerns.
- Work with other organisations across the sector to identify additional methods to promote and support the government's aim to eradicate the injustice and brutality of modern slavery and human trafficking.
- Seek data sets and shared information from our law enforcement partners to help us identify areas and locations of high criminal activity to assist our risk assessment process.
- Fully implement the recommendations of the current review of the Modern Slavery Act 2015
- Measure and report progress on the actions above within our 2020/21 statement.

Annex A: Scope of our procurement activities

Homes England procurement activities take place in England; and our contractors and suppliers are predominantly UK and EU based.

We typically host 45 Competitive procurements annually, each with an award value in excess of £10,000; and our total annual procurement spend is £145 million

We place general reliance upon the Crown Commercial Service (“CCS”) and government procured supply chains for our consumable goods and operationally-focused services (IT, energy, fleet and Temporary staff). In a typical year we procure around £19 million for these goods and services through CCS.

In our own right we maintain a number of professional services and development Framework Agreements, which are made available to the wider public sector. We also maintain a number of other frameworks for exclusive use including site security and legal services.

Our Frameworks enable users to draw-down professional multi-disciplinary services and development expertise. This includes the services of development or construction companies, with their associated goods, materials and labour-related supply chains. We currently have 3 frameworks available to the wider public sector. These have a cumulative value of £260m (Property £150m, Multi-Disciplinary £100m and Asbestos £10m). We also maintain a number of frameworks for our own use including Legal (£30m) and Economics (£1.3m).

This excludes our DPP3 framework which provides for up to £8 billion of development and a number of procurements which are not yet complete namely; (Land Survey and Master planning and Monitoring Surveyors – these are new solutions which will later be made available to other public bodies).

In addition to the above mentioned CCS and Framework purchasing, we procure around £40m worth of services, supplies and works directly from small and medium-sized enterprises (SME companies), predominantly based in the UK or the EU.

We do not maintain goods, materials or direct-labour supply chain frameworks.

Existing Statements are referred to in our invitations to tender and legal agreements. We have modified the policy to highlight guidance and information, relevant to organisations we engage with and a wider public audience, we will continue to build upon this guidance. This includes links to the Chartered Institute of Building’s (CIOB) construction industry toolkit and the UN / Royal Institution of Chartered Surveyors (RICS) ‘Advancing Responsible Business Practices in Land, Construction and Real Estate Use and Investment’; and a victim support link together with information relating to the Gang masters and labour abuse authority (GLAA).

In common with many organisations, our employees occasionally stay in UK hotels when conducting business away from the office. Accommodation and travel arrangements are organised through a government procured travel agent with a publicly stated risk-assessed supply chain procedure. We occasionally procure meeting and conference venues to support our general business activities and these are selected to ensure good value for money. We note that the hotel and hospitality trade recognise the risk of modern slavery within their sector and a Stop Slavery Hotel Industry Network is being developed by the industry.

Procurement and Tender Process Improvements

Existing tender documentation includes the mandatory exclusion of any bidder who has been convicted of an offence under the Modern Slavery Act 2015.

To comply with government procurement regulations we have introduced a new electronic tendering (e-tendering) system. The initial phase of e-tendering continues to use the existing tender documentation and templates as attachments; however, we are exploring methods to embed key compliance questions into the software application to make use of the inbuilt evaluation functionality. Standard tender documentation has been updated during the current financial year for the following – updated guidance from CCS and changes to the PAS91 questionnaire which forms part of our standard suitability assessment (for construction process). We are piloting in 2019/20 new equality and diversity questions aimed at improving our procurement arrangements in this regard.

We have adopted the Cabinet Office's standard Selection Questionnaire (SQ) across all our procurement activities which includes compliance and exclusion requirements across a broad range of matters including Modern Slavery. These questions are to be supplemented by expanded questions into 2019/20.

We anticipate that the UK's departure from the EU may result in some changes to the way we promote procurement opportunities within the UK and the remaining Member States; however, the process improvements described above are likely to continue for the next few years.

Due Diligence Improvements

As part of Homes England's Know Your Customer (KYC) due diligence process, the Agency subscribes to World-Check - a database which provides wide-ranging information on organisations, including details of financial crime, bribery, corruption, human rights crimes and environmental crime convictions. Homes England uses World-Check information to help inform its decision-making process and when on boarding new customers. Homes England is seeking to improve its existing on-boarding capabilities with addition of further detective and prevention that would enhance the existing process.