King’s College London
Modern Slavery Act
Transparency Statement
2016-17

This statement is produced under the university's obligation to publish an annual 'Modern Slavery Act Transparency Statement' in accordance with the provisions of Section 54 of the Modern Slavery Act 2015.

King's College London conducts its business in compliance with the provisions of all applicable legislation and operates a zero-tolerance policy towards non-compliance with the Modern Slavery Act 2015. As such, the university is committed to ensuring that mechanisms are in place to prevent business being undertaken with an organisation that has not adopted appropriate steps to ensure that Modern Slavery is not taking place in any of its supply chains. Accordingly, all potential suppliers to the Institution are required to provide written assurance of their compliance with the Act. Furthermore, if any company (or parent company) falls within the provisions of the Act i.e. any business with a turnover in excess of £36m, the university requires evidence of the company’s annual ‘Modern Slavery Act Transparency Statement’, as required by the legislation. Failure to comply with this clause will result in loss of business.
Structure of the organisation

The university comprises ten Professional Services Directorates and nine Faculties, these total upwards of 327 Departments\(^1\), and there are numerous research groups within each faculty. As the Institution operates on a system of devolved budgets, control over the day-to-day spend of these groups is delegated through line management in accordance with the College’s Financial Regulations and Procedures and Purchasing Policy.

In academic year 2016-17, the operating expenditure of the university including Agency and contract staff costs was £297m, and of this approximately £190m was spent on goods, works and services with around 8,500 different suppliers. The nature of this business falls predominantly within the following categories:

- Estates and Facilities - Capital Projects, Minor Works and Utilities
- Premises Services – Catering, Guarding and Cleaning Services
- ICT Equipment and Services – Computing, Communications and Audio Visual
- Laboratory Supplies - Research and Scientific Equipment and Consumables
- Library Provisions – Books, e-journals and subscriptions
- Professional Resources – Consultancy (Estate, ICT, Finance) Legal Services
- Corporate Business Services – Travel and Accommodation
- Temporary Staff – Agency, Contract and Fixed Term
- Office Supplies – Stationery, Printing, Postage and Furniture

In terms of value, for approx. 60% of this spend the university has formal contracts in place, for which due diligence regarding institutional Policy has been undertaken either directly via an EU Tender exercise or indirectly via a consortium that has undertaken due diligence on behalf of the sector and has its own Slavery Statements and policies. Of the remaining 40% of spend, this is predominantly with suppliers with whom the university is buying products and services on an ad-hoc basis, with relatively low-value transactions and total spend not requiring the involvement of the central Procurement Strategy and Services Team - institutional policy provides for ‘local’ budgetary responsibility below £50,000, i.e. Departments are required to obtain formal quotes against a tiered system of diligence commensurate with contract value (see below):

- Less than £2,000 then two quotations are required.
- Between £2,000 and £10,000 then a minimum of two written quotations are required and records must be kept.
- Between £10,000 and £50,000 then a minimum of three written quotations are required and records must be kept.
- Above £50,000 then a formal tender is required in compliance with university Policy and the EU Interpretive Communication.
- Above £164,176 for goods and services and £4.6M for works then a formal tender is required in accordance with the university Policy to adhere to the process provided for under the provisions of EU & UK Public Procurement Legislation (Public Contract Regulations 2015).

To ensure that financial control is maintained, the university has produced and maintains a Manual of Financial Regulations and Procedures, Purchasing Policy and Manual of Purchasing Procedures and Directives. It is the responsibility of all budget holders to abide by the guidance and procedures prescribed within these documents and, as such, all matters of legal compliance, obligations under funding and fiduciary responsibility, pertaining to the expenditure of university funds, regardless of source, are prescribed within these documents. These documents, that embody the university’s Policy on compliance with, for example, the Freedom of Information Act 2000, the Equality Act 2010, The Bribery Act 2010, The Public Services (Social Value) Act 2012, The Public Contract Regulations 2015 and the Modern Slavery Act 2015 to name a selected few are published on the university external web pages within the Governance Zone and replicated where necessary on individual internal departmental webpages. In particular the university’s Policy on the Modern Slavery Act.

Progress

During the past year the members of the university procurement team have engaged in a number of training sessions given by an external provider to engender an ethos of Modern Slavery awareness and develop tools to enable improved engagement with new suppliers, via the tender process, with a view to ensuring not only compliance but also a commitment to supporting the institution’s endeavours to broaden awareness and intolerance of Modern Slavery and Human Trafficking more widely. To this end in addition to these internal workshops and revisions to the tender process all of the university’s incumbent suppliers have been sent a questionnaire enquiring as to their compliance with the obligations of the Modern Slavery Act and their awareness, policies and procedures in respect of Corporate and Social Responsibility. As of writing this statement 1,051 have engaged with the questionnaire, of these 88% are SMEs and 92% are aware of their obligations in respect of the Modern Slavery Act. This represents an encouraging start to this ongoing initiative that will see more suppliers engaged in the future

\(^1\)Correct at time of writing

2017
The future
Looking forward, in addition to increasing the level of influence over expenditure, suppliers that have not yet responded to the questionnaire will be encouraged to do so. Further, appropriate training courses will be identified, promoted and made available to all relevant staff. This will not only serve to raise awareness of the issue, but also provide the opportunity to obtain feedback regarding potential for enhancing content and expand the relevant audience as well as identify other areas of the university that may be vulnerable to abuse. This initiative has commenced with all members of the university’s Procurement Team/Sustainability Office and a recommendation that an introduction to the Modern Slavery Act be made a mandatory element of all staff induction and condition of passing probation. All university staff will be encouraged to develop a progressive awareness of the corrosive nature of Slavery and in all its guises within the context of their own work place by ensuring the Modern Slavery Act is included within the Institution’s Organisational Development training initiatives.

Longer term with the benefit of feedback and further awareness training a 'Responsibly Sourcing Policy' will be developed that will be sent out to all supplier with a view to their signing up and committing to support this in their own business dealings.

Due diligence in relation to supply changes
The university is vigilant in all areas of activity that may be open to the risk of slavery taking place, not only in areas of employment where there is a prevalence of vulnerable persons but also within the areas of catering, cleaning, hospitality and construction. Strict observance of the Procurement Statement on Corporate and Social Responsibility (Appendix A) is required of all contractors working for or on behalf of the university. This Statement encompasses the ethos and position in respect of the university’s obeisance with the provisions of the Modern Slavery Act and is reinforced in practice by requiring all of its suppliers to commit to compliance with the legislation as a condition of accepting their tender submissions (Appendix B).

KCL/CPO/PSS/SEPT17

Sir Christopher Goldt
Chairman of King’s College Council

Date 18/12/2017
Appendix A

Procurement statement on Corporate and Social Responsibility

Guidance on the selection of suppliers

King’s College London buys a wide variety of goods and services from suppliers to support its research and teaching activity. Through its purchasing activity the university has the opportunity to impact the policies and practices of its suppliers, locally, nationally and globally.

Whilst supplier selection should be based on overall value for money in accordance with the Financial Regulations, preference should be given to those suppliers who comply (and encourage their supply chain to comply) with the following principles, or who can demonstrate a programme of improvement in respect of these principles.

In addition, the university’s suppliers should demonstrate a full understanding and comply with all applicable laws in the countries in which they operate.

Principles

- **Labour Conditions** – suppliers will not use forced, bonded or involuntary labour, and must take steps to eliminate child labour in their supply chains (in a manner which is consistent with the interests of the children concerned).
- **Health and Safety** – suppliers should ensure that employees work in safe and healthy environments, and that adequate steps are taken to prevent accidents in the normal course of work. Employees should receive suitable health and safety training.
- **Working Hours** – suppliers must ensure the working hours of their employees are not excessive and are in line with good industry practice. Overtime should be voluntary.
- **Over-Dependency** – suppliers must diversify their business and/or markets in which they operate to ensure they are not financially dependent on the university. Except in exceptional circumstances the university would not expect its business to exceed 30% of a supplier’s annual turnover.
- **Prompt Payment Terms** – the university’s standard payment terms are 30 days from receipt of a valid invoice. The university expects suppliers to flow these terms (as a minimum) down their supply chain.
- **Equality of Treatment** – suppliers should have a clear commitment to equal opportunities in employment (hiring, pay, access to training, promotion, termination and retirement) and eliminate discrimination on the grounds of race, nationality, colour, gender, age, religion, political affiliation, sexual orientation, marital status or disability.
- **Living Wage** – suppliers must pay a living wage to staff working on the university’s sites, and should work towards the general adoption of the living wage, wherever possible.
- **Ethics** – suppliers must establish management systems and practices to ensure the prevention of money laundering, conflicts of interest, fraud, bribery and corruption.
- **Tax Compliance** – suppliers must pay taxes in accordance with national legislation, and should not participate in aggressive tax avoidance schemes.
- **Environmental Impacts** – suppliers should minimise negative environmental impacts by decreasing reliance on non-renewable and unsustainable resources, making practical efforts to reduce waste (including recycling where practical to do so and reducing packaging), consolidating deliveries and reducing energy consumption.
- **Local Community** – suppliers should positively contribute to the local community, for example through the provision of local apprenticeships or by themselves reducing barriers to trading with small and local suppliers.
Clause in Tender Documentation

In accordance with Crown Commercial Services Guidance -- Procurement Policy Guidance Note: Standard Selection Questionnaire [Action Note 8/16 – 9th September 2016] the following section is included in all tender documentation.

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<th>Section 7</th>
<th>Modern Slavery Act 2015: Requirements under Modern Slavery Act 2015</th>
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<td>7.1</td>
<td>Are you a relevant commercial organisation as defined by section 54 (&quot;Transparency in supply chains etc.&quot;) of the Modern Slavery Act 2015 (&quot;the Act&quot;)?</td>
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<tr>
<td></td>
<td>Yes □</td>
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<td></td>
<td>N/A □</td>
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<tr>
<td>7.2</td>
<td>If you have answered yes to question 7.1 are you compliant with the annual reporting requirements contained within Section 54 of the Act 2015?</td>
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<td>Yes □</td>
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<td>Please provide the relevant url ...</td>
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<td>No □</td>
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