

Modern Slavery Statement

2020-21

January 2020

Making skills work for Scotland

1. Introduction

The Modern Slavery Act 2015 (the Act) recognises slavery, servitude, forced or compulsory labour and human trafficking as a crime and a violation of fundamental human rights.

Skills Development Scotland (SDS) recognises its responsibilities under the Act and in compliance with the provisions of Section 54 makes the following statement regarding the steps it has taken during financial year ending 31 March 2021 to ensure that no modern slavery or human trafficking is taking place in any part of the organisation or its associated supply chains. This statement summarises the actions and activities carried out by SDS in order to better understand the potential risks of modern slaves and human trafficking and the systems and controls that have been introduced to mitigate those risks. We will review this statement annually.

2. About SDS

We are Scotland's national skills body, focused on contributing to Scotland's sustainable economic growth by supporting people and businesses to develop and apply their skills. We work with partners at national, regional and local levels to create a Scotland where:

- Employers are able to recruit the right people with the right skills at the right time.
- Employers have high performing, highly productive, fair and equal workplaces.
- People have the right skills and confidence to secure good work and progress in their careers.
- There is greater equality of opportunity for all.

3. Our Statement

SDS is committed to ensuring that instances of modern slavery and human trafficking are not taking place in any part of its operational activities or within its supply chains. We are committed to protecting and respecting human rights across SDS's activities and will take, where reasonable, appropriate and possible steps to influence others to ensure slavery and human trafficking does not take place.

Our Human Resources Policies confirm our commitment to workplace rights for employees and we promote our Code of Conduct to ensure an environment based on dignity and respect, that does not condone or allow bullying, harassment, discrimination of any other unacceptable behaviour. Additionally, our Fraud Policy and Whistleblowing Policy provide staff with the means to report improper conduct or unethical behaviour.

In compliance with the Procurement Reform (Scotland) Act 2014, SDS's <u>Corporate</u> <u>Procurement Strategy 2016 – 2020</u>, along with our <u>Responsible And Sustainable</u> <u>Procurement Policy</u>, set out our principles and approach to ensuring responsible and sustainable procurement practices. These include;

- Seeking to ensure that Conditions of Contract which enhance health & safety and equalities will be included.
- Encouraging ethical sourcing practices amongst our suppliers, partner organisations and the broader market.
- Ensuring forced, bonded or compulsory labour practices are not used, and employees are free to leave their employment after reasonable notice. Employees must not be required to lodge deposits of money or identity papers with their employer.

 Mandating that work undertaken by people of 16 years or under without consideration for their personal development, safety, education or health is prohibited. This will be supported by policies and programmes, which promote the development of any employed child. Placing children in employment deemed to be hazardous (in accordance with ILO definitions) shall not be tolerated.

Further, our <u>Prevention of Modern Slavery in Procurement Policy</u> sets out the specific measures being used by the Procurement Team to mitigate the risk of modern slavery and specifies the warning signs to which all staff should be vigilant.

4. Our Supply Chains

Our supply chain includes Training Providers, IT suppliers, Facilities Management, subcontractors and consultants. With all contractors, SDS encourages ethical sourcing which mitigates the risk of modern slavery further down our supply chains.

We internally review by undertaking a Programme of Audits of Skills and Training Programme Suppliers which includes checks on learner eligibility (Payment Terms and Conditions Compliance Monitoring), learner experience (National Operations Quality Reviews) and learner feedback (National Operations Skills Investment Adviser participant interviews). SDS also co-ordinate a Complaints/Concern Portal on our corporate website for anyone to raise any issues. Additionally, we include contractual clauses which allow us to audit contractors which include rights to site visits.

5. Our Procurement Activity and Due Diligence

The risk of Modern Slavery in SDS's activities is considered low. However, we recognise the potential risks linked to the extended and indirect supply chain of goods and services. For SDS, such risks are reduced as procurement of goods and services are increasingly sourced through framework agreements (such as Scottish Procurement or Crown Commercial Services). All of our prime contractors are also required to complete a Pre-Qualification Questionnaire which includes a question on forced labour.

Additionally, SDS considers Fair Work Practices (becoming Fair Work First on 1 April 2020) as part of our contract strategies and, where appropriate, includes either scored Fair Work criteria or a contractual obligation on suppliers.

Within our National Training Programmes there are strict Programme Specifications and Conditions which clearly highlight requirements and consequences for non-compliance (including sub-contractors). For other contracts tendered by SDS of £50k value and over which are procured out with frameworks, Fair Work Practices questions are included in selection and award criteria.

For contracts of lower value, contract managers will have an awareness of signs of modern slavery through training and awareness.

6. Staff Training and Awareness

To ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business, and to further promote understanding and awareness, SDS has produced an e-learning module. Partnered with internal comms, this training is intended to improve the understanding and awareness of modern slavery across the organisation.

7. Our Effectiveness in Combating Slavery and Human Trafficking

We use the following to measure how effective we have been to ensure that slavery and human trafficking is not taking place in any part of our business or supply chains:

- Effective use of the HR Resourcing Policy
- Completion of audits conducted by internal and external auditors
- Level of communication and personal contact with 1st tier supply chain and their understanding of, and compliance with, our expectations.
- Annual evaluation of our 'end to end' commissioning of National Training Programmes.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our Group's slavery and human trafficking statement for the financial year ending 31 March 2021.