

Modern Slavery Statement 2022-23

1. Introduction

This Statement sets out the steps that have been taken by Construction Industry Training Board (CITB) in relation to its responsibilities under section 54, part 6 of the Modern Slavery Act 2015 (MSA); and includes the activities undertaken in the last twelve months and those planned for the forthcoming year. This Statement relates to the financial year ending 31st March 2023.

2. Organisational structure, business and supply chains

The CITB is the Industry Training Board for Construction and is one of two remaining Industry Training Boards established under the Industry Training Act 1964. The statutory purpose of the CITB is: "To make better provision for the training of persons over compulsory school age for employment in any activities of the industry".

The CITB is funded by a statutory levy on eligible employers operating in the construction industry, and its strategic purpose is: "To support the construction industry to have a skilled, competent, and inclusive workforce, now and in the future".

The CITB is registered as a charity in England and Wales (Reg No 264289) and in Scotland (Reg No SCO44875) with its head office in Peterborough, Cambridgeshire. It provides training services from three sites comprising the National Construction College (NCC), in Bircham Newton, Norfolk; Erith, London; and Inchinnan, Glasgow; and through commissioned services via both public sector colleges and private sector training providers.

The CITB is also classified as a Non-Departmental Public Body (NDPB) and is an Arms-Length Body (ALB) of the Department for Education (DfE). The CITB has agreed with the DfE to continue to publish its own annual Modern Slavery Statement ('MSS') rather than be included in the Ministerial Statement published for the DfE.

The CITB has approximately 250 live contracts, with an annual spend of £52m with the top five spends in 2022-23 covering our enabling partnership arrangement, the provision of HSE testing centres, accommodation for apprentices, catering and cleaning, and print. The significant majority of our Tier 1 suppliers are registered in the UK but many of their operations and supply chains are global. However, we do not generally have visibility of our Tier 2 supply chain locations, only those for our medium and high-risk categories.

The CITBs Commercial and Contracts Team works with its outsourced enabling partner, Shared Services Connected Limited (trading as SSCL) - a leading provider of business-critical support services to Government and the UK public sector – to procure goods and services. Together they ensure that all relevant requirements, as set out in Public Procurement Notes (PPNs), such as PPN 02/23 – *Tackling Modern Slavery in Government Supply Chains*, and PPN 06/20 - *Taking account of social value in the award of central government contracts*, that covers tackling workforce inequality and addressing Modern Slavery, are appropriately applied.

The CITBs total expenditure in 2022-23 was £195m, and it employed an average of 666 employees, (660 directly employed and 6 temporary) across Great Britain over the reporting period.

The CITB has a high number of mobile workers, alongside those working at head office and the NCC, and any temporary staff required throughout the year are recruited through Capita or Brook Street, both sourced through an approved Government procurement framework.

The CITB's Corporate Social Responsibility Manager is the point of contact for any Modern Slavery enquiries, and they report to the Chief Financial Officer, with whom executive accountability for Environment and Sustainability (including Modern Slavery) now sits.

The two main unions representing staff at CITB are Unite and GMB. An agreement is in place establishing the general principles and ways of working between the parties.

3. Policies in relation to slavery and human trafficking

The CITB has several policies that relate to modern slavery that are periodically reviewed, namely:

- Procurement and Contract Management Policy – outlines the CITB's approach to sourcing its external needs, including its compliance with public procurement rules, the financial thresholds for different types of procurement, and its approach to the use of SME's and local suppliers. It is also guided by the requirements of Public Contracts Regulations 2015 to which the CITB must abide. The majority of the CITBs procurement activity is undertaken through Government approved frameworks (via the Crown Commercial Service (CCS), London Universities Purchasing Consortium (LUPC), and Eastern Shires Purchasing Organisation (ESPO)), which have preconditions on suppliers to adhere to good practices relating to modern slavery. Where the CITB contracts directly, its standard terms and conditions for suppliers require them to uphold human and labour rights and to prevent modern slavery and human trafficking in their own operations and supply chains. The Policy was last reviewed, updated and approved by the Executive in August 2022.
- Protected Disclosure Policy – 'whistleblowing' – provides detail on the approach to reporting any concerns (including someone that may be at risk of slavery or human trafficking), how these will be dealt with, and the protection of 'whistle-blowers'. The Policy was last reviewed, updated and approved by the Board in February 2022.
- Corporate Social Responsibility (CSR) Policy – replaces the Sustainability Policy and focuses on four CSR pillars. The Pillar 'Our Business' sets the commitment for the CITB to 'procure sustainably and responsibly' and aligned to the UN Sustainable Development Goals. The Policy was approved by the Board in August 2021. The CITB will be reviewing the Policy and aligning to the four sustainability priorities identified in its 2022 materiality assessment that includes equality, diversity, and inclusion.
- Fairness, Inclusion and Respect Policy – details the CITB's commitments and practices to ensure that people are treated fairly, with respect and ensure that the CITB is an inclusive place to work. The Policy was approved by the Board in November 2021.
- Recruitment 'Step by Step guidance' – details the CITB's approach to recruiting people into the organisation, sourcing, selection, on boarding and induction, for example, ensuring appropriate right-to-work checks are completed, everyone has an employment contract stating terms and conditions, and they are paid directly.
- Pay – the January 2017 Pay Policy will be superseded, following negotiations with the trade unions and colleagues, by a new pay and grading system in Summer 2023. A review of the wider benefits package is planned to follow in Autumn 2023.

- Safeguarding Policy – details the CITB’s approach to safeguarding and promoting the welfare of children and vulnerable adults. The Policy was approved by the Board in August 2022.
- Complaints procedure - provides a means for external parties to report concerns of Modern Slavery with regard to the CITB’s business operations, and is available on the CITB’s website. If a concern is raised and the complainant feels that the issue is not resolved to their satisfaction, they can escalate the matter via contacting, their Member of Parliament, or the Parliamentary and Health Services Ombudsman.

All policies are available on the CITB’s Intranet for colleagues to access. Further policies will be developed if and when required.

The organisation wide process for development, sign-off and ownership of policies has been reviewed by the Corporate Information & Document Controller. As a result, a new process will be implemented in 2023. Prior to the implementation of the updated process, they will manually maintain the process flow, ensuring all policies and procedures are accurately stored and maintained. If colleagues do not comply with any of the CITBs policies, it may result in disciplinary action, with a sanction up to and including dismissal.

4. Risk assessment, prevention and mitigation

Compared to 2021-22, CITB has made no significant changes to the nature of the products and services that it procures, and it continues to contract with recognised businesses that are registered within the United Kingdom. Consequently, the CITB continues to assess the risk of modern slavery across its business operations to be low.

Fraudulent activity is still one of the CITB’s key corporate strategic risks (and such activity could involve modern slavery and human trafficking), and measures have been put in place to reduce this risk, including monitoring at Executive and Board level.

The risk assessment of the CITB’s Tier 1 suppliers was reviewed by the CITB’s Senior Commercial and Contracts Manager to see what contracts were deemed medium or high risk, namely: those that had two or more relevant risk factors. The risk factors applied are: Industry Type, Commodity, Supplier Location, Business Supply Chain Models, Nature of the Workforce, and the Context in which the Supply Chain Operates.

The CITB has four suppliers (covering warehousing, catering and cleaning services, electronics and PPE) that were deemed to be medium or high risk due to their own supply chains and will include merchandising when procured in Summer 2023.

In future, when staff turnover in the commercial, contracts and procurement teams, the CITB will ensure new team members are registered as public sector buyers on the Modern Slavery Assessment Tool (MSAT). For all new procurements and extant contracts involving medium to high-risk suppliers, they will also be invited to complete the MSAT. Further action, if necessary, will then be considered following receipt of the information.

Clause 40 ‘Modern Slavery’ within the CITB’s Standard Goods and Service contract terms and conditions has been reviewed, and all new contracts will state that the CITB has ‘absolute discretion’ as to what action(s) it may take in the event of a case of modern slavery being discovered within its supply chain, including exploring all potential avenues for action before considering terminating the contract. In the event of a concern being identified or raised, the supplier should contact the CITB and the Modern Slavery helpline.

All of the CITBs relevant suppliers must prepare an annual modern slavery and human trafficking report, for submission no later than 1 October of each year and, in future, complete the MSAT if required.

All of CITBs relevant suppliers must in future, also comply with the CITB's new Supplier Code of Conduct that sets out what the CITB expects of its suppliers in terms of responsible business practice and behaviour covering human rights, modern slavery and good employment practices more generally.

5. Due Diligence processes

The CITB continues to support the multi-agency Operation Enterprise meetings run by the Metropolitan Police, including with requests for information and intelligence.

As a member of the Construction Leadership Council (CLC), the CITB's Fraud Manager attended a Cabinet Office virtual event on 'Modern Slavery in Construction' in November 2022 to highlight some of the issues and challenges, share insights and join others with a resolve to eradicate modern slavery.

The CITB has a dedicated email 'report.it@citb.co.uk' for construction industry colleagues to report any suspicions in relation to suspected fraudulent activity. This can include modern slavery and human trafficking activity. During 2022-23, there were no new cases reported via this email address.

6. Effectiveness, measured against appropriate KPIs

As an ALB of the DfE, the CITB receives information and guidance on the DfE's Key Performance Indicators (KPI's) used to monitor the effectiveness of their work to tackle modern slavery. The CITB recognises this is an area for improvement and will, therefore, continue to use the DfE's approach to develop its own suite of KPIs over the next year to support the monitoring and review of its performance in this important area.

DfEs Existing KPI's

KPI 1 - pay 80% of all undisputed invoices within five days, with the remaining undisputed invoices being paid within 30 days or interest becomes liable.

Partially Achieved – 88.6% of undisputed invoices were paid within 5 days but only 95.4% of the remaining undisputed invoices were paid within 30 days,

KPI 2 - % of required staff completing the mandatory training – target 100% completion.

Not Achieved - The completion rate was 97% (as of March 2023).

KPI 3 - 60% of all Category Team colleagues (including SSCL) will have undertaken the annual CIPS Ethical Procurement and Supply e-Learning (or recommended equivalent) by 31st December 2022.

Achieved

For KPI's 4 to 10 below – they will be completed in full by 30th November 2023. CITB have four contracts that exceed the value of £5m.

KPI 4 - The prioritisation tool will be completed for 60% of existing contracts valued at £5m+ with a 6 month+ remaining term by 31st March 2023.

KPI 5 - The prioritisation tool will be completed for 70% of new procurements >Public Contracts Regulations (PCR) threshold.

KPI 6 - A supply chain map will be obtained within 3 months of contract award for new procurements >PCR threshold at medium or high risk of modern slavery.

KPI 7 - By 31st March 2023 a supply chain map will be obtained for 60% of existing contracts valued at £5m+ with a 6 month+ remaining term at medium or high risk of modern slavery.

KPI 8 - An MSAT entry will exist within 3 months of contract award for 60% of all new procurements > PCR thresholds and at medium or high risk of modern slavery.

KPI 9 - By 31st March 2023 an MSAT entry will exist for 50% of existing contracts valued at £5m+ with a 6 month+ remaining term.

KPI 10 - By 31st March 2023 action plans will exist for 50% of MSAT entries to manage red / yellow risks and implement recommendations.

7. Training and capacity building

The Executive Team and all front-line staff members are required to complete a mandatory e-learning module on Modern Slavery. The training module was updated to make it more bespoke to the construction sector. If mandatory training is not completed within the specified time, this is notified to the relevant line manager and discussed with the employee, setting a new target date for completion.

SSCL's Procurement Team members undertake an annual refresher, as part of their CIPS membership for Ethical Procurement and Suppliers, which includes modern slavery and provide confirmation.

Modern Slavery Champions across the CITB help raise awareness of modern slavery and inform others of how they can get help. Their work over the past year has included:

- Sharing articles/guidance via LinkedIn, team briefings, and external presentations
- Specific questions and answers added into site audits of course providers.

8. Additional Activity Planned for 2023-24.

- Continue to support the raising of awareness and the availability of resources via the CITBs media channels and help the sector in addressing fraudulent activity, including through the Stronger2gether Live event for colleagues in October 2023 to raise awareness on Anti-Slavery Day.
- Continue to train new Commercial, Contracts and Procurement Team members, ensuring the requirements of PPN 02/23 are fully embedded and that the risk of modern slavery is contained and effectively managed within their operational risk register.

- The CITB's Counter Fraud Team will continue to work with law enforcement agencies, gathering and sharing intelligence, in relation to construction tests, qualifications, and card checks, to avert the expansion of modern slavery by organised crime groups and other scrupulous employers.

This Statement has been approved by the Directors of the CITB's Executive Committee on the 30 August 2023.

A handwritten signature in blue ink, appearing to read 'T Balcon', with a long horizontal flourish extending to the right.

Tim Balcon
CEO
August 2023