## Liverpool John Moores University Modern Slavery Act Transparency Statement

This statement has been published in accordance with section 54(1) of the Modern Slavery Act 2015. It sets out the steps taken by Liverpool John Moores University during the financial year ending 31 July 2018 to prevent Modern Slavery and Human Trafficking in its business and supply chains.

#### 1. Introduction

**1.1** Liverpool John Moores University published its first Modern Slavery statement in January 2017. Since then we have taken positive steps towards increasing our understanding of the risks we face. We know that slavery, servitude, forced labour and human trafficking is a global issue, existing in every region in the world and in every type of economy. As a University with a global approach and footprint, we are committed to improving our practices to play our part in eradicating slavery and human trafficking. Modern Slavery is a crime and a violation of fundamental human rights. It takes various forms, 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.

**1.2** We are committed to better understanding our supply chains and working towards greater transparency in, and responsibility towards, people working within them.

**1.3** We are committed to working with our suppliers in our supply chains to encourage more of them to commit to the highest standards of business in dealing with Modern Slavery.

#### 2. Our Business and Structure

**2.1** Liverpool John Moores University is a modern civic university, integral to the life of the City of Liverpool, yet with a global approach and footprint forging international partnerships to facilitate world-leading research and collaboration in order to tackle some of the huge global issues facing the modern world.

**2.2** With roots dating back to 1823, we are one of the largest Universities in the UK. Home to over 23,300 students and 2,300 staff, drawn from over 100 countries world-wide, our academic structure is divided into five faculties, each home to world-leading research, teaching and learning in a wide range of fields. At any one time, we have around 1,830 students enrolled on accredited University courses overseas.

**2.3** The university partners with like-minded institutions and organisations within the UK and around the world to deliver its learning programmes.

**2.4** The University has eight subsidiary companies, six based in the UK and one based in Malaysia:

* JMU Services Limited
* JMU Learning Resource Centre Development Limited
* JMU Property Development Company Limited
* JMU Building Services & Maintenance Limited
* Standard Trace Metal Quantification Limited
* Liverpool John Moores (Malaysia) SDN.BHD
* The Liverpool Business School Limited

**2.5 The University has a 50% interest in the company Sensor City Liverpool Limited, which is treated as a joint venture, a 24.5% interest in Liverpool Science Park Limited, which are treated as associates.**

**2.6** The University was established as a Higher Education Corporation under section 124A (3) and (4) of the Education Reform Act 1988. It is a legally independent corporate institution with charitable status accountable through a governing body, which carries ultimate responsibility for all aspects of the University.

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**2.8** Our day to day operations are overseen by a Strategic Management Team, headed by the Interim Head of Institution and Chief Executive. Each of our five faculties is led by an Executive Dean. We have three business services divisions (Organisational Enhancement; Finance and Resources; Student and Academic Services), each of which is led by a Deputy Chief Executive.

**2.9** Given the complexity and evolving nature of Modern Slavery and Human Trafficking, we have formalised our internal governance of this risk at the highest level: Executive Deans of each academic area and the Deputy Chief Executives of each of the business services divisions are responsible for ensuring that their respective areas comply with due diligence requirements set and overseen by the finance team within Finance and Resources in relation to the approval and use of suppliers and the approval of collaborative partners. Executive Deans and Deputy Chief Executives are required to certify compliance in their respective areas on an annual basis.

**2.10** Progress will continue to be reported annually to the Board of Governors.

#### 3. Our Values

**3.1** Our forerunner The Liverpool Mechanics Institute was founded in 1823 on the ethos of transformation first of the individual, then through them, of communities, cities and the world. In our 25th year as a University we still remain true to this heritage.

**3.2** We are a socially responsible institution, aware of our impact as an organisation within our local community. We recognise our responsibilities as a major employer and contributor to the local economy and to society at large. Equally we seek to minimise our environmental impact and encourage responsible and ethical behaviour in all aspects of our operations.

**3.3** Our values and commitments are embedded in our Strategic Plan 2017-22, which can be accessed ([here](https://www.ljmu.ac.uk/about-us/public-information/strategic-plan)). We have undertaken within our Strategic Plan to act as a catalyst for social change. We have a number of policies and procedures, which embed these values into our day-to-day activities (see section 6).

#### 4. Supply Chain

**4.1** In 2017/18 we purchased approximately £63m of goods, services and works through various supply chain arrangements.

**4.2** Our main areas of expenditure can broadly be classified as follows:

|  |  |  |
| --- | --- | --- |
| **Expenditure type** | **Value £m** | **%**  |
| IT, audio visual and multi media | 10.5 | 17 |
| Professional Services | 8.9 | 14 |
| Printing, post, telephone and office supplies | 1.8 | 3 |
| Travel and Transport | 3.7 | 6 |
| Estates | 15.9 | 25 |
| Catering | 1.2 | 2 |
| Library and Publications | 2.6 | 4 |
| Utilities  | 2.6 | 4 |
| Laboratory | 2.3 | 3 |
| Other | 13.5 | 22 |

**4.3** We procure goods and services from suppliers across the world and although we consider our day to day activities are low risk, we recognise that the global nature of our supply chains may increase the risk of modern slavery occurring, particularly in high risk industries and high risk countries. As part of our initiative to identify and mitigate risk in respect of our supply chain, we are continuing to implement and improve systems to identify and assess potential risk areas in our supply chains and to mitigate the risk of Modern Slavery and Human Trafficking occurring.

**4.4** During financial year ending 31 July 2017, we developed a new due diligence questionnaire aimed at identifying modern slavery and human trafficking risks, which was rolled out to new suppliers and collaborative partners in 2017/18. Our standard contractual terms now refer to MSA compliance and impose contractual controls on suppliers/third parties in this regard. These contractual controls were further enhanced in 2017/18 with the implementation of our Anti-Slavery and Human Trafficking Policy, as well as the enhanced due diligence checks.

**5. Due Diligence**

**Identifying and assessing potential risk areas in our supply chains**

**5.1** During the financial year ended 31 July 2018 we have continued to undertake a regular process of cleansing our supplier data to facilitate more effective reporting.

**5.2** In order to try and understand the risks we face from our global supply chain, we carry out monthly risk assessments of our suppliers. These cross-reference both country of origin and value of expenditure. We have devised a score card against which each supplier can be assessed using a scoring mechanism based on how countries are ranked on the Global Slavery Index.

**5.3** Based on the risk assessment carried out we contact our top 100 suppliers (by value of expenditure) each month, on a rolling basis, to make them aware of the University’s commitment to, and to determine their response to the Modern Slavery Act and to encourage them to share the University’s objectives to prevent Modern Slavery in their supply chains. We ask suppliers to complete a declaration to state their company’s turnover, and whether they are fully compliant with the obligations under the Modern Slavery Act 2015. Suppliers are also asked to sign up to the NETpositive toolkit (see 5.4).

We have integrated supplier responses from the NETpositive toolkit (see 5.4) into our risk assessment to provide additional information, and also save links to transparency statements on web sites and to documents provided to us by suppliers, for example anti-slavery policies.

**Supplier engagement**

**5.4** The University continues to subscribe to the supplier sustainability toolkit NETpositive. The toolkit enables suppliers to sign up and develop their own sustainability action plan. The tool addresses Modern Slavery, encouraging suppliers to develop a code of conduct and publish a Modern Slavery Transparency Statement.

#### 6. Our Policies and Contractual Controls

**Finance**

**6.1** We have an Ethics Policy Framework, designed to organise the University's ethics related policies into categories and groups to assist staff in giving due consideration to ethical issues arising from the University's activities. This is an overarching framework providing guidance to support the  University's vision, mission and values and the Ethical Investment Policy, Fairtrade Policy, Procurement Strategy, Sustainable Procurement Policy and Financial Due Diligence Process are all set within that Framework.

**6.2** We operate a Whistleblowing Policy for our employees, students and others working in our supply chains, to encourage the reporting of any wrongdoing, which extends to human rights violations like Modern Slavery. All reports are fully investigated and appropriate remedial actions taken where required.

**6.3** Our Sustainable Procurement Policy, in conjunction with our Procurement Strategy, sets out our aims in relation to developing ethical criteria in supplier and product/service selection. Staff are advised to consider suppliers' environmental and social credentials during the contracting process.

**6.4** We are a Fairtrade University, committed to the Fairtrade aims of better prices, decent working conditions, local sustainability and fair terms of trade for farmers and workers in the developing world. The elimination of modern slavery is embedded in the Fairtrade Standards.

**Research**

**6.5** We have a Research Code of Practice, which provides a framework for good ethical governance to be followed when staff and students undertake any academic activities.

**Employment**

**6.6** At the point of recruitment, we ensure that appropriate checks on prospective employees are completed in accordance with the law. We have a comprehensive Recruitment Policy and mandatory training programme for those involved in recruitment to ensure compliance.

**6.7** We are committed to ensuring that people are paid appropriately for the work that they carry out. In March 2016, we became the first University in Liverpool, and the largest employer in Liverpool, to be accredited as a Living Wage employer.

**6.8** During 2016/17 we undertook a review of flexible labour (in contrast to directly employed staff) engaged by the University, which has helped us better to understand and to identify where in the business this flexibility is required, and to enhance our internal set-up processes for the use of flexible labour to ensure Modern Slavery Act compliance.

**Policies**

**6.9 We operate a Dignity at Work policy which sets out the University’s commitment to protecting staff in their work place with the intention that all staff are treated fairly and consistently.**

**6.10 Our Equality and Diversity policy sets out the University’s commitment to promoting equal opportunities for all those involved within the University community, whether staff, students, visitors, contractors or clients. This commitment is to ensure that people’s individual qualities are recognised and celebrated; and that people are treated with dignity and respect.**

**6.11** We place the highest importance on the integrity of our operations, and have in place a number of policies and procedures to address problems that may arise for our students and staff.

#### 7. Training

**7.1** The University provides staff involved in recruitment with appropriate training, to ensure legal compliance.

**7.2** Our Finance staff receive regular training and updates on changes to the law.

**7.3** To ensure a high level of understanding of the risks of Modern Slavery and Human Trafficking in our supply chains two e-learning modules have been developed and launched. The first module has been developed as a general training package and has been shared with all University staff. The training aims to raise awareness of Modern Slavery and outlines the University’s obligations in addition to advising staff of the correct channels through which concerns can be raised. At the end of the financial year, 1,400 University staff had completed the module.

**7.4** The second module is a bespoke training package, which is aimed at key University staff. This comprehensive training includes detailed case studies to inform staff of the different forms Modern Slavery can take. Initially, this was targeted at Finance staff, however during 2017/18 this was also provided to Legal and Governance, International Relations and Research and Innovation Services. At the end of the financial year, 72 out of 116 staff had completed the module.

**8. Raising awareness**

**8.1** We have a dedicated intranet page, which provides information to staff and students on the Modern Slavery Act and the actions the University is taking towards eliminating Modern Slavery and human trafficking from its supply chains. The website is updated on a regular basis to inform staff of the progress the University is making towards its Modern Slavery obligations.

**8.2** On 24 November 2017 a presentation on Modern Slavery was given to the Finance and Resources Division. This covered what is modern slavery, what is being done about it and what we as a University are doing to meet our obligations.

**8.3**  On 9 May 2018 the University held a Modern Slavery Awareness Raising seminar which was open to all staff and students. This consisted of a mini interactive lecture on the Modern Slavery Act, an outline of the warning signs that someone may be a victim of Modern Slavery, and what staff and students should do if they suspect someone may be a victim of Modern Slavery. This was followed by discussion and a Q&A session.9. Steps taken in Preventing Modern Slavery and Human Trafficking during

#### 9. Steps taken in Preventing Modern Slavery and Human Trafficking during 2017/18

During 2017/18 we have built on the work started in 2016/17 to eliminate the risk of Modern Slavery and Human Trafficking from our business and supply chain. We appreciate that this risk is not static and that this will be a long journey, as we raise awareness both within the University and with our partners and stakeholders. The progress we have made is summarised as follows:

|  |
| --- |
| * Developed and launched an e-learning module targeted at Finance and other frontline staff, providing comprehensive training, and detailed case studies
* Developed a dedicated intranet page in respect of Modern Slavery which is updated on a regular basis with progress
* Further cleansed our supplier database, closing 3921 suppliers, to facilitate more effective reporting
* Continued to carry out supplier risk assessment, categorising supplier risk in the context of value of supply and country of origin using the Global Slavery Index as a reference
* Continued to subscribe to the supplier sustainability toolkit NETpositive, which enables suppliers to develop a sustainability action plan which includes Modern Slavery
* Worked closely with NETPositive Futures to maintain the University’s supplier list through NETPositive, to ensure accurate reporting can be facilitated
* Contacted our top 100 suppliers on a rolling month by month basis, by value of supply, to ask them to sign up to NETpositive and develop their own code of conduct  and publish a Modern Slavery statement
* Refined the internal set-up processes for the engagement of flexible labour following a review of flex labour in 2016/17
* In November 2017 the new Anti-Slavery and Human Trafficking Policy was approved by Audit Committee and published on the University’s web pages
* Embedded Modern Slavery controls and requirements into our standard contracting processes
* Implemented a Modern Slavery questionnaire, which was embedded into the new supplier and partner set up process in June 2018
* Held a Modern Slavery Awareness Raising seminar  which was open to all University staff and students
* Updated all internal payment forms to include a link to LJMU’s Modern Slavery Statement and Anti-Slavery and Human Trafficking Policy, requiring signature to confirm staff read and understand their obligations
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We have clear plans for the year ahead in terms of further steps we will be taking to mitigate Modern Slavery risk.

**10. Assessment of Effectiveness in Preventing Modern Slavery and Human Trafficking**

**10.1 Reporting on KPIs**

During 2017/18 we have engaged with suppliers from 62 countries, invoicing us with approximately £67 million of goods and services.

Total number of suppliers in 2017/18 = **2,881 (£63m)**

Number of suppliers identified as having modern slavery statements = **304 (£45.897m)**

Number of suppliers who have signed up to the Net Positive sustainability toolkit = **385 (£18.3m)**

Number of suppliers who have provided a declaration to state their turnover is less than £36m, but have signed to acknowledge they have read and understood the University’s Transparency Statement and Anti-Slavery Policy = **28** **(£6.9m)**

Number of suppliers who have engaged with the University having signed the new Supplier Form which includes Modern Slavery declarations = **49 (£0.2m)**

Number of suppliers who have signed tender agreements which include Supply Chain code of conduct = **5 (£0.4m)**

**Supplier Origins**

|  |  |  |  |
| --- | --- | --- | --- |
| Australia | Ghana | New Zealand | Taiwan |
| Bahrain | Greece | Norway | Tanzania |
| Bangladesh | Honk Kong | Pakistan | Thailand |
| Belgium | Hungary | Poland | The Netherlands |
| Brazil | Iceland | Portugal | Turkey |
| Brunei | India | Qatar | Uganda |
| Bulgaria | Indonesia | Romania | United Arab Emirates |
| Canada | Ireland | Russia | United Kingdom |
| China | Israel | Saudi Arabia | USA |
| Costa Rica | Italy | Singapore | Vietnam |
| Czech Republic | Kenya | Slovenia | Zimbabwe |
| Denmark | Kuwait | South Africa |  |
| Estonia | Latvia | South Korea |  |
| Finland | Lebanon | Spain |  |
| France | Malaysia | Sri Lanka |  |
| Georgia | Mexico | Sweeden |   |
| Germany | Nepal | Switzerland |   |

In our 2016/17 statement, we committed to report on the following key performance indicators. The table below details our progress:

|  |  |
| --- | --- |
| Strengthen supply chain auditing and verification | We have implemented a monthly detailed supplier risk assessment and further begun to understand the risk profile of our supply chain. Whilst 97% of our suppliers are based in the United Kingdom, we recognise that the remaining suppliers are scattered across the globe, and some are based in high-risk countries (as identified by the Global Slavery Index). |
| Supplier responses and action plans developed through NETpositive toolkit | We contacted our top 100 suppliers (by value) on a rolling monthly basis and requested they sign up to NETpositive and develop an action plan. At year end 385 of LJMU’s suppliers had signed up to the NETpositive application, with 371 indicating they are taking steps to address Modern Slavery in their business.15 suppliers have provided evidence through NETpositive of the actions taken to prevent Modern Slavery in their business. |
| Steps taken to upskill any suppliers identified as "high risk", and assessing their ability to detect and mitigate Modern Slavery risk in supply chains | We have continued to use the supplier engagement toolkit NETpositive to help educate suppliers in respect of sustainability and specifically encourage suppliers to create an action plan for Modern Slavery and to publish a transparency statement. |
| Staff training levels | We have launched two bespoke training courses, ‘Understanding Modern Slavery’ for all staff, and ‘Modern Slavery - Awareness and Understanding’ for key staff. To date 1,400 staff have completed ‘Understanding Modern Slavery’ and 72 out of 116 Finance and frontline Staff have completed ‘Modern Slavery - Awareness and Understanding’.Initially the module ‘Modern Slavery - Awareness and Understanding’ was rolled out to Finance staff, however in 2017/18 this was also made available to our Legal and Governance Services, International Relations and Research and Innovation Services staff. |
| Investigations undertaken into reports of Modern Slavery and remedial actions taken in response. | We have reported an instance of labour abuse to the Modern Slavery Helpline. This was brought to our attention through our own internal Modern Slavery awareness raising programme and although did not directly involve the University or one of our suppliers, was a matter of concern, which we escalated to the appropriate authority. |

**10.2** In order to assess the effectiveness of the measures taken by the University we will continue to review the key performance indicators identified above and reporting on them in our future Modern Slavery statements:

* Actions taken to strengthen supply chain auditing and verification;
* Supplier responses and action plans developed through NETpositive toolkit
* Steps taken to upskill any suppliers identified as "high risk", and assessing their ability to detect and mitigate Modern Slavery risk in supply chains;
* Staff training levels;
* Investigations undertaken into reports of Modern Slavery and remedial actions taken in response

#### 11. Our Plans for the Future

**11.1** We commit to continue to better understand our supply chains in their entirety and work towards greater transparency and responsibility towards people working within them.

**11.2** We will continue to implement and develop the following action plan to address the risks Modern Slavery and Human Trafficking represent in our business and supply chains:

* We will continue to carry out supplier and partner risk assessments and embed our MSA due diligence into the supplier and partner set up process
* We will review and monitor supplier action plans through regular contract management and support initiatives to reduce the risk of Modern Slavery and Human Trafficking occurring
* We will review and monitor supplier action plans developed through the NETpositive toolkit
* We will continue to embed our Anti-Slavery and Human Trafficking Policy
* We will continue to provide training for all key staff on MSA compliance, with a particular focus on People and Organisational Development and Academic Registry
* Members of SMT and University Governors will undertake MSA super user training in 18/19
* We will continue to review and update all relevant policies and controls to embed MSA awareness
* In 2018/19 we will become an affiliate member of Electronics Watch through NWUPC. Electronics Watch is an independent body who assist public sector organisations to ensure the rights of workers in the electronics industry are protected
* Our current supplier of seafood does not have Marine Stewardship Council (MSC) accreditation or chain of custody certification. MSC is the leading marine ecolabelling charity and operates a rigorous standard for both environmentally sustainable fishing and condemns the use of forced labour. In 2018/19 we plan to review our supplier of seafood and will add MSC accreditation or chain of custody certification as an essential credential as part of the tender process
* The University recognises that there is a significant risk of Modern Slavery and Human Trafficking within the construction industry, as identified by the International Labour Organisation. This, coupled with uncertainty around Brexit, which may lead to changes to EU worker’s rights, and cost uncertainty following changes to the value of the pound, means the risk the University faces in this area is significantly high. With a number of high value construction projects either ongoing or due to start, we plan to map our risk and put steps in place to minimise these risks

If you have questions about this statement, please contact Belinda McGuiness, Deputy Finance Director (b.mcguiness@ljmu.ac.uk)

#### Declaration

This statement has been approved and published by the Office of the Vice Chancellor and will be reviewed at least once annually.

Signed

**Mr Mark Power**
**Interim Vice Chancellor and Chief Executive**
**Liverpool John Moores University**

This statement was endorsed by Audit Committee on 12 November 2018.

This statement was approved by Liverpool John Moores UniversityBoard of Governors on 25th November 2019.