



MODERN SLAVERY AND HUMAN TRAFFICKING STATEMENT 2019

Introduction

Compassion UK (CUK) fully supports and respects the protection of internationally proclaimed human rights and neither tolerates nor condones any form of harm, abuse, neglect or exploitation.

CUK is committed to upholding high standards of accountability and transparency to ensure slavery and human trafficking is not taking place within either our organisation or our supply chains.

This statement covers progress that CUK has made during the financial year (1 July 2018 to 30 June 2019). To date, there is no evidence of modern slavery in our organisation or supply chains.

1. Structure and supply chains

CUK is an independent charity, which is separate to, but within the federated and partnership-based structure of Compassion International (CI). Donations raised by CUK and other global Compassion entities are disbursed through CI to fund charitable activities in 25 developing countries reaching over 2 million beneficiaries. CI has a group of locally registered 'National Offices' in these countries that are responsible to, and form part of CI to oversee the programmatic activities within geographically defined regions. The National Offices work through the local church, known as Frontline Church Partners (FCPs) that are separate legal entities supported to set up and manage Child Development Centres embedded in local communities.

In the financial year 18-19, CUK had an average full time equivalent (FTE) of 100 employees and 585 volunteers who are based in the United Kingdom and Northern Ireland. CUK pays its employees above the living wage and reimburses volunteers for reasonable out-of-pocket expenses incurred in the course of their volunteering.

Key suppliers for CUK operations are engaged mainly for information technology, fulfilment services, direct mail and digital marketing, fleet management, financial services, external audit, legal advice and professional subscriptions and facilities management.

Governance and Leadership update

Leadership	<p>The board made the following appointments in the year:</p> <ul style="list-style-type: none"> • Designated Safeguarding Trustee Lead responsible for undertaking on-going monitoring and oversight, to ensure effective implementation of safeguarding policies and procedures. • Designated Child Protection Officer who acts as the first point of contact on all matters related to child protection and is responsible for receiving and acting upon any reported concerns.
Pay scale benchmarking	<p>The board conducted an annual review of pay scales to benchmark with others in the Charity sector including inflationary factors and to ensure minimum salaries are in line with the increased London Living wage.</p>

Further actions for 2020:

Complete the accreditation process to be certified by the Living Wage Foundation as an Accredited Living Wage Employer.

2. Policies on Modern Slavery

CUK operates the key policies relevant to modern slavery which apply to all our employees and associated person, i.e. volunteers, trustees, ambassadors, independent contractors and to third party organisations and suppliers working on behalf of CUK.

Policies update	
Recruitment and Selection	Updated to include new requirements for engaging people with a criminal record.
Procurement	Under review and proposed updates include an enhanced due diligence checklist for selecting suppliers.
Anti-Financial Crime	Under review and will supersede the existing Anti-Bribery Policy and include CUK's zero-tolerance approach towards bribery, fraud, corruption and money-laundering in any form.
Whistle-blowing	Updated to include the new appointee (Designated Trustee), procedure for investigating child protection concerns (Child Protection Officer) and the new online process via CUK's website for raising concerns.
Anti-Bullying and Anti-Harassment	Updated to reiterate CUK's commitment to having a workplace free harassment, including sexual harassment and bullying.
Employee Assistance Programme	CUK provides staff access to a confidential 24/7 telephone and online counselling. This includes an information and advice line for concerns about bullying and harassment, maternity rights, sick pay and health and safety at work.
Child Protection	Universally adopted by Compassion International and all its affiliates and outlines standardised expectations and criteria for child protection
Safeguarding	New policy that was developed to sit alongside the Child Protection Policy and outlines CUK's commitment to safeguarding.
Equal Opportunity and Diversity	Reviewed and updated for consistency and alignment following updates to other policies and procedures including children protection and engaging people with a criminal record.
Code of Conduct	Updated to apply to trustees, employees, independent contractors and specific volunteer roles at CUK. It now includes a declaration which will be signed annually.
Further actions for 2020:	
<ul style="list-style-type: none"> • Develop a Supplier Code of Conduct which outlines the professional behaviours and ethical standards CUK would expect from its suppliers. This will be included as a Schedule in every contract. • Update standard contract terms and conditions to include a clause of CUK's right to terminate in the event that we become aware of or have reasonable grounds to believe any form of modern slavery is taking place. • Develop a new policy on Anti-Slavery and Human Trafficking to sit alongside the Safeguarding Policy. 	

3. Due Diligence Processes

CUK adopts a risk-based approach to conducting proportional due diligence checks for prospective suppliers. This includes verification of company information, its directors, subsidiaries and affiliates. Checks are also done against sanction lists.

The Finance and Audit Committee conducts an annual review of suppliers with a total contract value of over £50,000.

CUK's HR team is responsible for conducting 'Right to Work' checks under the requirements of the Immigration, Asylum and Nationality Act 2006 for all prospective applicants and employees. Confidential records are maintained and kept up to date

Due diligence update

Enhanced Supplier Due Diligence Checklist	Under review and proposed updates will include a questionnaire for suppliers for purchases totalling £25,000 or more. This will include vetting questions on procedures to prevent modern slavery and human trafficking.
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Further actions for 2020:

Approve and roll out the Enhanced Supplier Due Diligence Checklist. This will strengthen the due diligence processes.

4. Risk Assessment

4.1. Risk Governance

The trustees review the risk register annually as a standing agenda item and have delegated the regular review and update of the risk register to the Finance and Audit Committee (FAC) with a specific focus on the top and moderate risks. This is a standing agenda item for all FAC meetings. However, significant risks are brought to the attention of the Board as necessary during the year.

The Executive Team reviews and updates the risk register quarterly and is responsible for the operational management and implementation of mitigating strategies. Summary reports are provided to the FAC with details of residual risks.

Compassion works in some of the neediest countries in the world with increased risk of labour exploitation and child protection issues. Compassion International (CI) has a separate global risk management and global audit function focusing on Compassion's large-scale risk profile internationally.

4.2. Managing recruitment risks

CUK maintains full control over recruitment processes by employing workers directly.

Risk assessment updates

Risk identification and assessment	The risk register was updated in June 2019 meeting following the identification and assessment of organisational risks done in consultation with relevant stakeholders and in alignment with the 3-year strategic goals. A new approach was approved to rate both the financial and reputational impact of risks in the register.
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Casual workers	Casual workers are paid for hours worked and in line with CUK's Salary Grading System which does not go below the London Living Wage. Holiday pay is added to the normal hourly rate and Statutory Sick Leave applies when on assignment.
Apprenticeship Programme	Apprentices have formal employment contact and enjoy the same benefits as any other employee. Salaries are within CUK's Salary Grading System and above the London Living Wage.
Independent contractors	The standards terms and conditions for independent contractors were updated. Procedures for engagement of independent contractors are under review including all existing independent contractors.
Further actions for 2020:	
<ul style="list-style-type: none"> To provide greater consistency in prioritisation or risks across Compassion globally, going forward, Compassion entities will work together to create stronger risk practices and build a greater strategic relationship for co-assessment of enterprise-wide risks. This will include assessment of the risk factors relating to modern slavery. Complete review of engagement practices for independent contractors. 	

5. Measuring effectiveness

Monitoring and evaluation updates	
Review of progress	The board reviews the progress against our previous Modern Slavery statements as an annual standing agenda item in the first meeting after year end.
Further actions for 2020:	
<ul style="list-style-type: none"> Develop key performance indicators to measure knowledge and understanding of modern slavery across the organisation and by all budget holders and managers responsible for procurement. Conduct evaluation of training delivered and measure impact. 	

6. Training for staff

Training updates	
Awareness and understanding	<p>In January 2019, compulsory training was provided to all staff on the updates in policies covered in (2) above.</p> <p>Training on the Child protection and Whistle-blowing policies is now a compulsory requirement as part of the onboarding journey for new staff.</p> <p>The next staff engagement survey will include questions on levels of understanding of whistle-blowing procedures and extent to which staff feel confident and protected from unfair treatment by the whistle blowing process.</p>
Further actions for 2020:	
<ul style="list-style-type: none"> Publish internal communication covering modern slavery and human trafficking including how to identify and escalate any concerns 	

- Roll out compulsory training on modern slavery and human trafficking for all budget holders and managers responsible for procurement.
- Evaluate staff engagement survey results
- Report and update risk register with any indicators of risks related to modern slavery in the supply chain.

Board approval

This statement has been approved by the organisation's Board of Trustees, who will review and update it annually.

Designated member's signature:



GRAHAM WILLIAMS (Chair of the Board of Trustees)

18 October 2019