



Statement on Slavery and Human Trafficking

Introduction

In 2016 L&QHT published its first annual statement on the actions taken to ensure no slavery or human trafficking exists in its business or supply chain on its website. Publication of all annual statements should be within 6 months of financial year end (i.e. end September 2019).

The minimum standard to ensure compliance is a short basic statement. An organisation will be complying with the law even if the statement says that no steps have been taken or investigations have just begun. The Government's intention is that transparency will drive improvements through accountability. It is anticipated that statements will develop and evolve each year where further steps are taken.

The statement must be approved by the Group Board, be signed by a director and published (or at least for there to be a link to it) on a prominent place on the L&QHT website homepage.

Background

The Modern Slavery Act 2015 consolidates and clarifies the existing offences of slavery and human trafficking. The Home Office guidance describes modern slavery as 'a crime' resulting in an abuse of human rights. The crime is constituted in the Act by the offences of 'slavery, servitude and forced or compulsory labour.'

Part 6 requires corporate bodies that carry on business in the UK and have an annual turnover of £36m or more to disclose what activity they are undertaking to eliminate slavery and trafficking from their supply chains and their business. It applies to L&QHT and those of our subsidiaries that meet the criteria above.

If a business fails to produce the statement, the Secretary of State may seek an injunction through the High Court requiring compliance. Failure to publish a statement thereafter may result in the company being found to be in contempt of court, which may result in an unlimited fine. Recent correspondence from the Home Office advised of its intention to conduct an audit of compliance and referred to the potential for it to publish the names of non-compliant organisations, underlying the potential for negative publicity following failure to comply with the Act.

Content of Statement

The purpose of the statement is to set out the steps that L&Q has taken during the financial year to ensure that slavery and human trafficking is not taking place in any part of its own business and in any part of its supply chains. If a company has not taken any steps the statement should say so.

There are no prescribed content requirements beyond the fact that it must set out all the steps that have been taken (or that none have been taken). However, the Act does include a non-exhaustive list of things that the statement may include information about:

- The organisation's structure, its business and its supply chains
- Its policies in relation to slavery and human trafficking
- Its due diligence processes in relation to slavery and human trafficking in its business and supply chains
- The parts of its business and supply chains where there is a risk of slavery and human trafficking taking place, and the steps it has taken to assess and manage that risk
- Its effectiveness in ensuring that slavery and human trafficking is not taking place in its business or supply chains, measured against such performance indicators as it considers appropriate
- The training and capacity building about slavery and human trafficking available to its staff

Devonshires has previously advised that: Registered Providers may consider that the nature of their work (compared to, for example, clothing retailers, international hotel chains and supermarkets) is such that modern slavery will not be a material issue. Whilst it is legal to publish a statement saying that no steps have been taken, most in the sector will be willing to at least assess the risks in their supply chains and put steps into their tendering/contracting procedures to require their partners (at least in areas where the highest risk is assessed) to take their own measures to work towards eradicating modern slavery further down the supply chain. All of L&Q's fellow g15 members have posted a statement on the issue.

Risks of slavery in business or supply chain (including subsidiaries)

The entities in the L&Q Group to which the statement applies are outlined in appendix 1. The primary risk relates to suppliers and contractors, e.g. providing building works, maintenance, construction, cleaning etc. services. The principal means of managing the risk is specifying in tender documentation and contracts that suppliers and contractors, and their supply chains, do not involve slavery or human trafficking. Where any evidence of slavery or human trafficking exists, this will be investigated, and appropriate measures will be taken, e.g. terminating the contract unless the problem is addressed.

Procurement of goods and services across L&Q and its subsidiaries (save for the L&Q Estates Group companies shaded in grey in appendix 1 which are subject to the L&Q Estates statement set out in appendix 3) is managed by: i. Group Procurement; and ii our Development & Sales Department. The statement on modern slavery will be particularly applicable to their procurement activities.

Way forward

Statements are typically short. A proposed statement is contained in appendix 2. It covers our responsibilities towards our staff, in particular paying the living wage, and makes commitments regarding all suppliers and contractors. It has been previously agreed with key parts of the business dealing with both staff and suppliers: Assistant Director of Human Resources and the Director of Procurement.

Recommendation

That L&QHT's Group Board approve the 2019 statement on slavery and human trafficking in appendix two and that a Group Director sign the approved statement which will be placed in a prominent place on our website, linked from the L&Q Homepage.

Appendix 1

L&QHT and subsidiaries

London & Quadrant Housing Trust is an amalgamation of several housing associations. It has also acquired stock from stock transfers. Its subsidiaries are listed below.

The L&Q Estates Group modern slavery statement at appendix 3 applies to the subsidiaries highlighted in grey.

Subsidiary	Activity
L&Q New Homes Limited	Property development and housing for open market sales
Quadrant Construction Services Limited	Provision of design and build services and acting as principal contractor to members of Group
Quadrant Housing Finance Limited	Bond finance provided to Group members
L&Q PRS Co Limited	Management and ownership of properties available for lettings in the private rental market
L&Q Living Limited	Provision of care services and supported housing
L&Q Energy Limited	Provision of energy services
East Thames Partnership Ltd	Delivery of housing for sale
East Regen Ltd	Development, design and construction of housing schemes
East Finance plc	Onward lender of bond monies
East Place Ltd	Housing for open market sales and partner in Triathlon Homes LLP
East Homes Service Ltd	Provides services to East Thames estates and Triathlon Homes LLP
Barking Riverside Limited	Joint venture placemaking company
L&Q Estates Limited	Principal Trading Company from 2019
Gallagher Estates Holdings Limited	Holding company
Gallagher Homes Limited	Dormant
GW 305 Limited	Intermediate holding company
Gallagher Estates No. 2 Limited	Intermediate holding company
Gallagher Estates Limited	Holding company and property development
Portobello Developments 2002 Limited	Property development
Wixams First Limited	Property development
Gallagher Estates NR Limited	Property development
Drayton Stratford Limited	Property development
West Longstanton Limited	Small company property development
Gallagher Longstanton Limited	Property development
Redlawn Limited	Holding company
Gallagher Llanwern Limited	Property development
Gallagher Projects Limited	Procurement and delivery of infrastructure and other construction activities
Gallagher Elstow Limited	Property development
Gallagher Bridgend Limited	Property development
Gallagher Poole Limited	Property development
Gallagher Broughton Limited	Property development
Gallagher Estates Land Limited	Dormant
J.J. Gallagher Construction Limited	Dormant
Redlawn Land Limited	Property development

L&Q is one of the UK's leading housing associations and one of London's largest residential developers. We own or manage approximately 90,000 homes in London and the South East.

We are an exempt charity committed to a wider social responsibility. This commitment has been integrated throughout the work of the organisation. We are committed to ensuring that we comply with our legal and regulatory responsibilities, including the Modern Slavery Act 2015. We take care to ensure that slavery and human trafficking does not exist in any part of L&Q's business or supply chain.

As a landlord we are working on identifying how modern slavery and human trafficking may affect our customers. We will come across a wide range of customers which reflect a diverse variety of backgrounds and needs. We recognise that isolated residents and people with learning difficulties may be particularly vulnerable or at risk.

Our safeguarding of vulnerable adults policy highlights modern slavery and all staff undergo baseline safeguarding training to build awareness and understanding of our vulnerable customers, how to identify potential risk factors and at risk groups, including signs of exploitation and respond to them. The extent of safeguarding training staff undergo varies depending on their role, but all customer facing staff must attend formal classroom training and managers working with vulnerable customers must attend an intensive two day safeguarding course. We have a dedicated safeguarding team in place that is available to offer advice and guidance to members of staff across the Group and we hold quarterly cross departmental safeguarding committee meetings.

We will, through our unauthorised subletting, tenancy fraud and tenancy management policies and procedures, aim to ensure that we understand who is living in the properties we manage.

As an employer we are committed to paying our staff the relevant wage set out by the Living Wage Foundation; or the National Living Wage for apprentices.

We manage projects and procurements where services and products are sourced from suppliers. Most of these products are not sourced by us directly but are sourced by our contracted suppliers of services, goods and works. As an organisation that does not wish to work knowingly with any business involved in slavery or human trafficking in any part of its operations, we have taken the following steps:

- We require new suppliers to declare that they are not involved in slavery or human trafficking and have not been subject to any investigation in connection with any offence involving slavery or human trafficking
- Our template contract and sub-contract documentation include provisions requiring our suppliers to take appropriate steps to ensure that there is no slavery or human trafficking in their supply chains
- Our tender documentation notifies potential suppliers that we will expect them to comply with the Modern Slavery Act.
- We have published a Code of Conduct for L&Q Suppliers on the L&Q website. This includes the requirement that all suppliers comply with the Modern Slavery Act.
- We pay particular attention to those procured goods/services carrying the highest risk of modern slavery within their supply chain.
- We have whistleblowing policy for all staff.

We will assess any evidence of non-compliance and will take appropriate remedial action. We will only trade with those who comply with this statement and the terms of our contracts or those who are taking verifiable steps towards compliance.

This statement is made under section 54(1) of the Modern Slavery Act 2015. It constitutes our Group's slavery and human trafficking statement for the financial year ending 31st March 2019. The turnover of the L&Q Group exceeds £36 million for that period.

This statement will be reviewed and updated on an annual basis and is approved by L&Q's Group Board. It applies to all companies and organisations within the Group except for the L&Q Estates portfolio (formerly known as the Gallagher Estates portfolio), the L&Q Group's strategic land business, which has a separate statement that reflects the distinct nature of its activities but is consistent with the Group policy.

For more information

L&Q Group
T: 0300 456 9998
www.lqgroup.org.uk
 @LQHomesMatter
 /londonandquadrant