



Homes &
Communities
Agency

Modern Slavery Act 2015

**Homes and Communities Agency
Slavery and human trafficking statement 2016/17**



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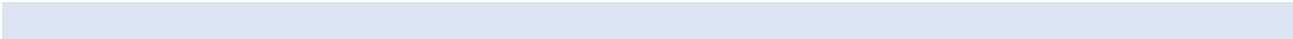
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Homes and Communities Agency Policy

1. The Homes and Communities Agency (“HCA”) is the government’s housing, land and regeneration delivery agency, and the regulator of social housing providers in England.
2. HCA is committed to the highest level of ethical standards and sound governance arrangements and sets high standards of impartiality, integrity and objectivity in relation to the stewardship of public funds and the management of its activities.
3. HCA adopts zero tolerance to modern slavery and human trafficking and all forms of corruption and bribery directly and indirectly associated with these criminal acts.
4. We fully support the government’s objectives to eradicate modern slavery and human trafficking.
5. Our annual statement will provide information to supplement this policy, including details of our activities and supply chains and actions we are taking to support government.
6. We call upon all organisations we engage with to influence their global supply chains by improving transparency and accountability; and together we can help the government eradicate the injustice and brutality of modern slavery and human trafficking.

Sir Edward Lister
Chairman
31 March 2017

Nick Walkley
Chief Executive
31 March 2017



Statement introduction

1. The Homes and Communities Agency (“HCA”) is the government’s housing, land and regeneration delivery agency, and the regulator of social housing providers in England.
2. This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 for the financial year ending 31 March 2017.
3. This is our second annual statement and it contains a summary of progress undertaken within Year 2 of our current work plan. We continue to engage with a large number of private and public sector organisations in pursuit of our regulatory interventions and our investment, procurement and land disposal activities.
4. Our activities are usually undertaken at arms-length and take place solely in England. Our investment model is to support housing and economic growth using Delivery Partners, such as registered providers of social housing, house builders and developers and other key delivery partners in the public and private sector.
5. We occasionally undertake activities by partnering with local authorities and developers within a special purpose or joint venture partnership organisation; and where appropriate we will undertake direct development using Delivery Partners or construction companies procured for that purpose.

Steps taken by HCA since April 2016 – Year 2 of our work plan¹

Management responsibility and general awareness

Responsibility for the preparation and publication of this policy resides with our General Counsel, Legal Services.

We have:

- Reported progress to our Executive Management Team and our Board.
- Reconfirmed management responsibility for this policy and statement and received unanimous endorsement from our Executive Management Team and our Board.
- Raised awareness of this published statement and the Modern Slavery Act by notifying organisations in our Frameworks, Delivery Partnerships and other companies with which we regularly engage.

¹ Year 1 progress was reported in our previous statement dated 31 March 2016

- Prepared the second annual statement.
- Included a policy clarification suggestion from a member of the general public.

Risk assessment

We have:

- Completed a review of this policy and statement against our activities to establish whether the approach we have taken follows emerging best practice by:
 - Assessing and interpreting any recent or emerging case law and best practice; and
 - Benchmarking our activities against statements and action plans undertaken by similar public and private organisations.
 - Re-evaluating the risk of non-compliance as part of our cyclical Compliance Risk Register assessment.
- Undertaken a second risk assessment using our professional legal, risk, procurement and regulation teams to determine our risk exposure.
- Reconfirmed that our primary risk is an association with a Delivery Partner, Framework participant or company with an ambiguous or non-compliant supply chain.

Additional risk mitigation

We have:

- Introduced new processes and procedures in relation to procurement and due diligence, as outlined later in this statement.
- Confirmed the applicability and enforceability of clauses and conditions included in our legal agreements and contracts.

Supply chain and business due diligence

Scope of our procurement activities

6. Our procurement activities take place in England; and our contractors and suppliers are predominantly UK and EU based.
7. We typically host between 60 and 90 competitive procurements annually, each with an award value in excess of £10,000; and our total annual procurement spend is between £80m and £120m.

8. We place general reliance upon the Crown Commercial Service (“CCS”) and government procured supply chains for our consumable goods and operationally-focused services. In a typical year we procure between £6m and £8m of goods and services through CCS.
9. In our own right we maintain a number of professional services and development Framework Agreements, which are made available to the wider public sector. We also maintain a number of other frameworks for exclusive use including site security and legal services.
10. Our Frameworks enable users to draw-down professional multi-disciplinary services and development expertise. This includes the services of development or construction companies, with their associated goods, materials and labour-related supply chains. In a typical year we procure £30m of services through our Frameworks.
11. In addition to the above mentioned CCS and Framework purchasing, we procure between £30m and £50m worth of services, supplies and works from small and medium-sized enterprises (SME companies), predominantly based in the UK or the EU.
12. We do not maintain a goods, materials or direct-labour supply chain Framework.
13. In common with many organisations, our employees occasionally stay in UK hotels when conducting business away from the office. Accommodation and travel arrangements are organised through a government procured travel agent with a publicly stated risk-assessed supply chain procedure. We occasionally procure meeting and conference venues to support our general business activities and these are selected to ensure good value for money. We note that the hotel and hospitality trade recognise the risk of modern slavery within their sector and a Stop Slavery Hotel Industry Network is being developed by the industry.

Procurement and tender process improvements

14. Existing tender documentation includes the mandatory exclusion of any bidder who has been convicted of an offence under the Modern Slavery Act 2015.
15. To comply with government procurement regulations we have introduced a new electronic tendering (e-tendering) system. The initial phase of e-tendering continues to use the existing tender documentation and templates as attachments; however, we are exploring methods to embed key compliance questions into the software application to make use of the inbuilt evaluation functionality.
16. The tender Pre-Qualification Questionnaire (PQQ) process was replaced in September 2017 by a new requirement bringing UK practices in-line with those across Europe. This includes adopting a European Single PQQ, which is a centralised way for a bidder to submit ‘suitability information’ once and apply this to multiple tenders. Our compliance and exclusion requirements outlined above have been retained and updated to comply with this new EU requirement.

17. We anticipate that the UK's departure from the EU may result in some changes to the way we promote procurement opportunities within the UK and the remaining Member States; however, the process improvements described above are likely to continue for the next few years.

Due diligence improvements

18. As part of HCA's Know Your Customer (KYC) due diligence process, the Agency subscribes to World-Check – a database which provides wide-ranging information on organisations, including details of financial crime, bribery, corruption, human rights crimes and environmental crime convictions. HCA uses World-Check information to help inform its decision-making process and when onboarding new customers.

Expectation and encouragement

19. We expect all Delivery Partners, organisations within our Frameworks and other companies we engage with to ensure their goods, materials and labour-related supply chains:

- **Fully comply with the Modern Slavery Act 2015;** and are
- **Transparent, accountable and auditable;** and are
- **Free from ethical ambiguities.**

20. We encourage Delivery Partners, organisations within our Frameworks and other companies we engage in housing, construction, land and real estate to read and apply as appropriate ['Advancing Responsible Business Practices in Land, Construction and Real Estate Use and Investment'](#), a joint publication between the United Nations Global Compact and the RICS.

Public reporting of non-compliance

HCA supply chains

21. Individuals with evidence of non-compliance with the Modern Slavery Act in connection with HCA supply chains or businesses we engage with are encouraged to report their concerns to HCA's General Counsel using the following address mail@homesandcommunities.co.uk or use the national reporting service below.

Other supply chains

22. If you hold information that could lead to the identification, discovery and recovery of victims in the UK, you can contact the Modern Slavery Helpline on 08000 121700.

Steps to take – Year 3 – 2017/18

Management responsibility and general awareness

We will:

- Report progress to our Executive Management Team and our Board.
- Continue to raise awareness of this published statement by re-notifying organisations in our Frameworks, Delivery Partnerships and other companies with which we regularly engage.
- Remind employees of our obligations under the Act.
- Prepare the third annual statement for publication in 2018.

Further risk assessment

We will:

- Undertake a within-year review of this policy against our activities to establish whether the approach we have taken remains proportionate and appropriate by:
 - Assessing and interpreting any recent or emerging case law and best practice; and
 - Benchmarking our activities against statements and action plans undertaken by similar public and private organisations.
 - Working with our Framework and delivery partners to ensure escalation and notification of suspicious activity.

Ongoing risk mitigation

We will:

- Act promptly where a compliance breach has been identified or flagged.
- Continue to feed-back lessons learnt into the compliance risk management process.

Homes and Communities Agency

Date: 31 March 2017