

Modern Slavery Statement

2021-22

September 2022

1. Introduction

At The Skills Development Scotland Co. Limited (“SDS”) we recognise the responsibilities under the Modern Slavery Act 2015 (the “Act”). In voluntary compliance with the provisions of Section 54 of the Act, this statement sets out the steps we have taken during the financial year ending 31 March 2022 to prevent the risk of modern slavery or human trafficking taking place in any part of the organisation or our associated supply chains. This statement summarises the actions and activities carried out by SDS in order to better understand the potential risks of modern slavery and human trafficking and the systems and controls that have been introduced to mitigate those risks. We will review this statement annually.

2. About SDS

We are Scotland’s national skills agency, focused on contributing to Scotland’s sustainable economic growth by supporting people and businesses to develop and apply their skills. We work with partners at national, regional and local levels to create a Scotland where:

- Employers are able to recruit the right people with the right skills at the right time;
- Employers have high performing, highly productive, fair and equal workplaces;
- People have the right skills and confidence to secure good work and progress in their careers;
- There is greater equality of opportunity for all.

3. Our Statement

We are committed to preventing the risk of instances of modern slavery and human trafficking taking place in any part of our operational activities or within our supply chains. We are committed to protecting and respecting human rights across SDS’s activities and will take, where reasonable, appropriate and possible steps to influence others to ensure slavery and human trafficking does not take place.

Our Human Resources Policies confirm our commitment to workplace rights for employees and we promote our [Code of Conduct](#) to ensure an environment based on dignity and respect, that does not condone or allow bullying, harassment, discrimination or any other unacceptable behaviour. Additionally, our [Fraud and Financial Irregularity Policy](#) and [Whistleblowing Policy](#) provide staff with the means to report improper conduct or unethical behaviour. Such policies are reviewed on a regular basis, at times of legislative change and following feedback as required.

In compliance with the Procurement Reform (Scotland) Act 2014, SDS’s [Corporate Procurement Strategy 2021 - 2025](#), along with our [Procurement Policy](#), set out our principles and approach to ensuring responsible and sustainable procurement practices. These include:

- SDS’s adoption of Fair Work First (“FWF”) and our expectations in connection with this from contractors;
- The requirement on SDS to adhere to the public sector equality duty;
- Seeking future opportunities to utilise the Supported Businesses framework;
- Continuing to work with small and medium sized organisations;
- Seeking community benefits for relevant contracts; and
- SDS’s modern slavery policies and training.

Further, our [Prevention of Modern Slavery in Procurement Policy](#) sets out the specific measures being used by the Procurement Team to mitigate the risk of modern slavery and specifies the warning signs to which all staff should be vigilant.

4. Our Supply Chains

Our supply chain includes Training Providers, IT suppliers, Facilities Management, sub-contractors and consultants. With all contractors, SDS encourages ethical sourcing which mitigates the risk of modern slavery further down our supply chains.

We internally review by undertaking a Programme of Audits of Skills and Training Programme Suppliers which includes checks on learner eligibility (Payment Terms and Conditions Compliance Monitoring), learner experience (National Operations Quality Reviews) and learner feedback (National Operations Skills Investment Adviser participant interviews). SDS also co-ordinate a Complaints/Concern Portal on our corporate website for anyone to raise any issues. Additionally, we include contractual clauses which allow us to audit contractors which include rights to site visits for our National Training Programmes.

During the financial year ending 31 March 2022, we have conducted a review of our standard terms and conditions for the purchase of goods and services and have included a clause requiring compliance with anti-slavery and human trafficking laws, in addition to the existing general clause requiring compliance with all applicable laws. The new clause requires a supplier to:

- comply with all applicable anti-slavery and human trafficking laws, including the Act and the Human Trafficking and Exploitation (Scotland) Act 2015;
- not engage in any activity, practice or conduct that would constitute an offence under the Human Trafficking and Exploitation (Scotland) Act 2015;
- include a similar provision within its sub-contracts;
- notify us if the supplier becomes aware of any actual or suspected slavery or human trafficking in the supply chain relating to the Contract;
- maintain records to trace the supply chain of all goods and services provided to us and provide us or our representatives with access to such records; and
- warrant that the supplier has not been convicted of any offence involving slavery and human trafficking or been subject to any investigation, inquiry or enforcement proceedings regarding any such offence or alleged offence.

Our new terms and conditions apply to relevant purchases of goods and services from 1 June 2022. We have also included similar wording within our template Framework Agreement and Call-off terms.

5. Our Procurement Activity and Due Diligence

The risk of Modern Slavery in SDS's activities is considered low. However, we recognise the potential risks linked to the extended and indirect supply chain of goods and services. For SDS, such risks are reduced as procurement of goods and services are increasingly sourced through framework agreements (such as Scottish Procurement or Crown Commercial Services). All of our prime contractors are also required to complete a Single Procurement Document Questionnaire which includes a question on child labour and other forms of trafficking in human beings to gain assurances that these crimes are not present in the contractor's business, as set out in our [Best Practice Guidance Note on Modern Slavery in Procurement](#). Any sub-contractors that contractors are relying on are also required to complete a Single Procurement Document Questionnaire.

Additionally, SDS considers FWF for all regulated procurements in a relevant and proportionate manner. When FWF applies to any contract, we will evaluate with a relevant weighting if required and evaluate each submission fairly and in the same way. SDS will continuously monitor progress against tender submissions throughout the contract lifetime and support suppliers to deliver on their commitments to FWF. For contracts of lower value or where FWF does not apply, contract managers will have an awareness of the signs of modern slavery through training and awareness (including our Best Practice Guidance Note on Modern Slavery in Procurement).

FWF is also considered in a fair and proportionate manner for all SDS grants using the same methodology applied to contracts.

Within our National Training Programmes there are strict Programme Specifications and Conditions which clearly highlight requirements and consequences for non-compliance (including sub-contractors).

We also require all employees and agency workers to complete pre-employment checks. Such checks include ensuring the individual is of legal age to work, has the right to work in the UK, verifying the individual's ID to check identity and the provision of references.

6. Staff Training and Awareness

Working in partnership with our recognised Trade Unions we have embedded the fair work principles into the way we work, incorporating effective voice, fulfilment, opportunity, respect and security into our strategic plan.

To ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business, and to further promote understanding and awareness, we have produced an e-learning module. Partnered with internal comms (including our Procurement Policy), this training is intended to improve the understanding and awareness of modern slavery across the organisation.

The e-learning module was updated during the financial year ending 31 March 2022 and was issued to staff in May 2022. It is now mandatory for all staff to complete the module, which is intended to raise awareness of the risks of modern slavery, our obligations, how to report instances of modern slavery internally and to the police and notify staff of the Modern Slavery helpline. We are also able to run reports on the volume of staff who have undertaken the training and any failure to complete the training within the required timescale will be flagged to people managers and reported to the relevant Heads of Service.

We have also provided staff with information on our intranet to advise colleagues of our approach to FWF and how that informs our practices.

7. Our Effectiveness in Combating Slavery and Human Trafficking

We use the following to measure how effective we have been to prevent the risk of slavery and human trafficking taking place in any part of our business or supply chains:

- Effective use of appropriate pre-employment checks in all instances;
- Modern Slavery e-learning mandatory for all SDS personnel;
- Supplier selection checks.

This statement is made voluntarily pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our slavery and human trafficking statement for the financial year ending 31 March 2022. It was approved by the board on 21 September 2022.



Damien Yeates

Chief Executive

The Skills Development Scotland Co. Limited

Date: 22 September 2022