



London Universities Purchasing Consortium Slavery and Human Trafficking Statement

Year Three: A Review of 2017
Version 1.0

Introduction

London Universities Purchasing Consortium (LUPC) is a non-profit professional buying organisation owned by its Members, for its Members. LUPC exists to derive better value for our Members through the collaborative procurement of goods and services, without causing harm to others.

LUPC remains committed to supporting the UK Government's [National Action Plan](#), updated in May 2016, to implement the [UN Guiding Principles on Business and Human Rights](#).

This Statement is designed to satisfy the requirements of Section 54 of the [Modern Slavery Act 2015](#), by informing our Members, students, staff, campaigners and the public about LUPC and its policy with respect to modern slavery, human trafficking, forced and bonded labour and labour rights violations in its supply chains and the steps taken to identify, prevent and mitigate the risks. This is LUPC's third annual statement to be published under the Act.

Although, as a business, LUPC turns over far less than the threshold for businesses required to publish a statement under the Act, LUPC's Board considers that our Members' spend (around £200m annually) through its supply agreements warrants a statement on the risks inherent in our supply chains and the steps we are taking to address them, in line with LUPC's leading practices in sustainable and responsible procurement.

In our [second statement](#), we reported that we had engaged with higher-risk suppliers, raised awareness with our Members and in the wider public sector and participated in policy development. During 2017 we have invested in better understanding our supply chains, gained first-hand experience in supply chain due diligence and risk mitigation and implemented strategies progressively to address risks of human rights abuses.

Our spend categories and those that present risks of human rights abuses

LUPC's Member supply chains fall mainly under five 'super-categories', which are:

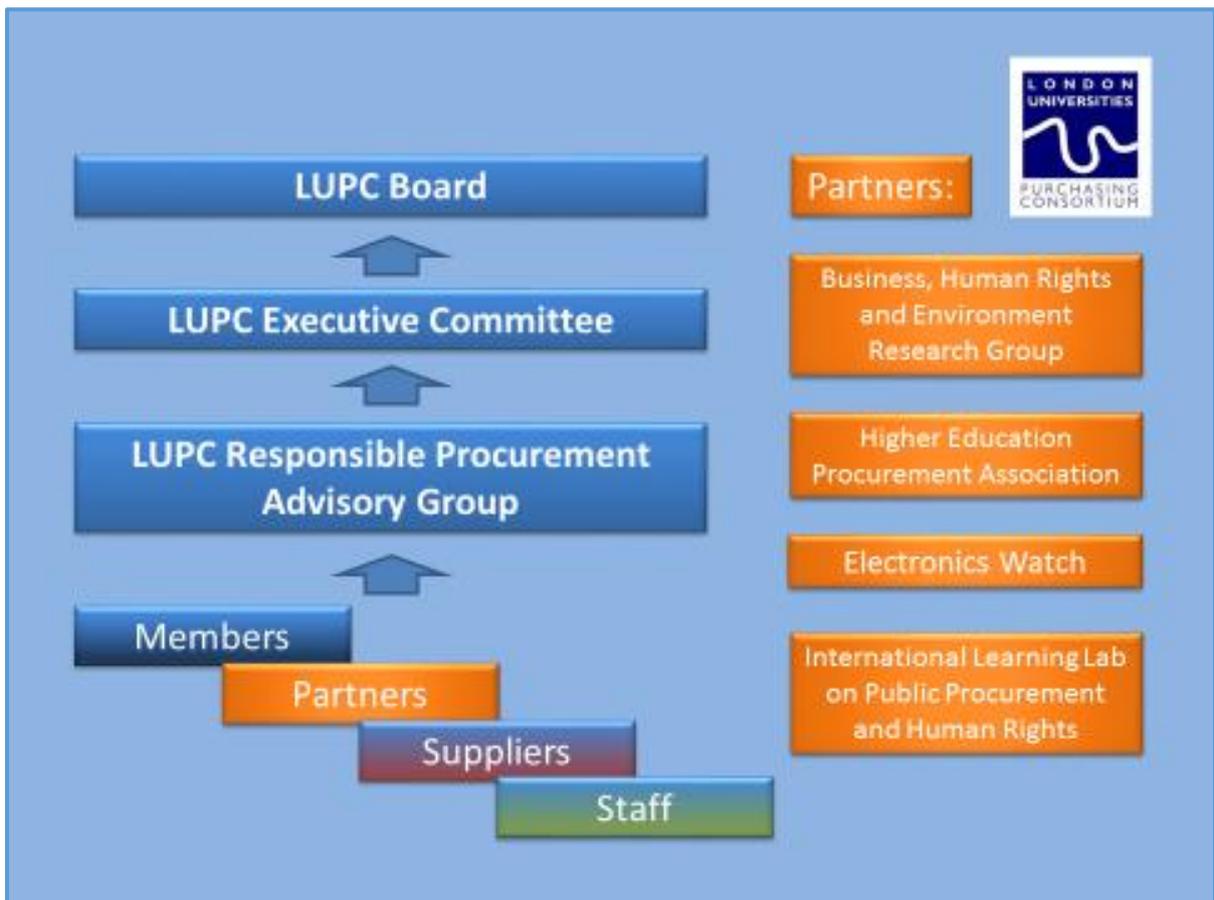
- Laboratory Consumables and Equipment
- Library Resources
- Professional Services
- ICT Equipment and Services
- Estates Goods and Services

The principal categories which LUPC deems as carrying material risks are laboratory consumables, ICT equipment and some estates services, such as cleaning and security services. LUPC deems the corresponding source countries to be as follows:

Category	Country
Laboratory consumables, including gloves	Malaysia, Indonesia, India, Pakistan
ICT equipment	East Asia, China, India, Eastern Europe, Mexico
Cleaning services	United Kingdom
Security services	United Kingdom

LUPC has focused its resources on these highest risk categories by running pilot due diligence projects in laboratory gloves, cleaning services and security services, and by maintaining its affiliation to monitoring organisation Electronics Watch.

Our Governance Structure for Modern Slavery



Our progress during 2017

In June, LUPC’s Board approved a new [Responsible Procurement Policy and Strategy](#) prepared by the LUPC Responsible Procurement Advisory Group, comprised of procurement professionals, sustainability managers and students drawn from the Membership. The Strategy sets out an ambitious programme of projects and actions, a number of which are aimed at addressing risks of human rights abuses, by which we will seek to demonstrate our commitment to its Policy and to Responsible Procurement in the sector. The Policy commits LUPC to joining our partner [Advanced Procurement for Universities and Colleges \(APUC\)](#) in using its [Supply Chain Code of Conduct](#).

Leading by example: The Modern Slavery Project

In late 2016, LUPC's Board committed funds for a project designed to explore ways of tackling human rights abuses in its supply chains. This has been developed in partnership with academics at the [Business, Human Rights and the Environment Research Group \(BHRE\)](#) in the School of Law at the University of Greenwich, led by Dr Olga Martin-Ortega, who was elected to the LUPC Board in 2015.

The Project was commenced in January 2017 and entailed recruiting, on a fixed-term contract, a full-time resource from the retail sector with experience in supply chain risk assessment and mapping. Our Project Developer can provide advice and support to LUPC staff and the wider Membership on promoting respect for human rights in the supply chain and working with the supplier base to mitigate the risks of abuses.

The project has four principal workstreams:



Knowledge creation and transference: The first output of the project has been our professional guidance, published in collaboration with the University of Greenwich, APUC and [CIPS](#). This is a ground-breaking practice document entitled [Protecting Human Rights in the Supply Chain, a Guide for Public Procurement Practitioners](#), now available for free download. The Guide contains model contract clauses that are being widely used in the sector and will be followed by a series of free eLearning topics before the New Year, which aim to further help the public sector understand and develop its responsibilities.

Supply chain monitoring and auditing: During 2017 we have aimed to address an international risk of human rights abuses through a **pilot supply chain due diligence exercise** for laboratory gloves, now well under way. Following the publication of the British Medical Association's report [In Good Hands](#), we have worked with our laboratory consumables suppliers to identify sources of gloves in the report that were the subject of factory audits and media reports. Our intention is to establish whether alleged human rights abuses have yet been resolved by the suppliers and to advise our Members accordingly. It's also to gain first-hand experience of supply chain mapping such that we can learn from the process and use the knowledge we acquire to inform our long-term planning for this activity.

Our third task under the Project aims to address a UK-based risk by initiating initiate **a series of supplier audits** with our cleaning and security services contractors to look for signs of human trafficking. LUPC offers a supply agreement for cleaning and security services to our Members in London and south-east England. These are recognised as spend categories where operatives are traditionally among the lower paid and LUPC is aware of the higher level of risk to workers in these supply chains. Our framework agreement includes clauses requiring our suppliers to demonstrate their ongoing commitment to ensuring that they take steps on our behalf to guard against modern slavery, human trafficking, forced and bonded labour and labour rights violations in their supply chains throughout the term of the agreement. This involves identifying and reporting the risks of human rights abuses and implementing action plans to address them jointly with our contractors. Again, a secondary aim is to build know-how from direct experience of this kind of due diligence.

Information access and systematisation: We recognise that our knowledge of the supplier base and its capability to supply responsibly requires a systematic method of gathering, processing and retrieving data about our supplier base. We are now building **Equiano, our new Responsible**

Procurement database. The database, powered by [Gatekeeper](#), which is built into LUPC's new contract management technology, is expected to be commissioned by the New Year. We have entered into a formal agreement with APUC to share resources, information and build a joint Responsible Procurement capability. Our database is designed to be compatible with AUPC's [Sustain](#).

Building national practice: the HEPA Responsible Procurement Group

Alongside the [Higher Education Procurement Association \(HEPA\)](#), LUPC's Director helped establish a national Responsible Procurement Group for the sector, chaired by the Head of Procurement at the University of Manchester. Our aim is to collaborate closely with the national group and share developmental thinking. The HEPA group is now developing a national approach to risk mitigation and LUPC will play a full part in that project.

Helping eradicate abuses in electronics supply chains: Continued support for Electronics Watch

LUPC renewed its affiliation to [Electronics Watch](#) in 2017, the collaborative organisation monitoring global electronics supply chains. LUPC has this year included supplier due diligence and monitoring clauses in the latest iteration of HE's National Desktop and Notebook Agreement, a £440m national supply agreement managed by LUPC. This gives LUPC contractual rights to enter into dialogue with suppliers on those issues and collaborate with them to establish due diligence and mitigation strategies to address human rights risks.

LUPC has this year been able to report on early success with Electronics Watch

In October 2015, Electronics Watch and its affiliates had learned about an NGO report on Wistron, a large server manufacturer in China, alleging serious labour rights violations including forced labour. Students were forced to perform an internship unrelated to their vocational aspirations as a requirement for graduation. In addition, the student workers reported working hours as much as 10-12 hours a day, six days a week and 48 hours of overtime a month, all in excess of local legal limits.

Electronics Watch responded by evaluating the evidence for the allegations and identifying, in specific terms, the risk of violations of Chinese law, the International Labour Organisation conventions, and the Electronics Watch Code of Labour Standards. Electronics Watch also recommended specific action for affiliates to take with their suppliers.

LUPC and other UK higher education purchasing consortia that purchase these servers contacted their account management representatives at each supplier, thus helping to spur action by the major brands purchasing the servers from the factory. All brands committed to temporarily halting student labour at the factory and ensuring compliance with the legal limits on student labour. In December 2016, Electronics Watch conducted follow-up offsite worker interviews and found no evidence of student labour.

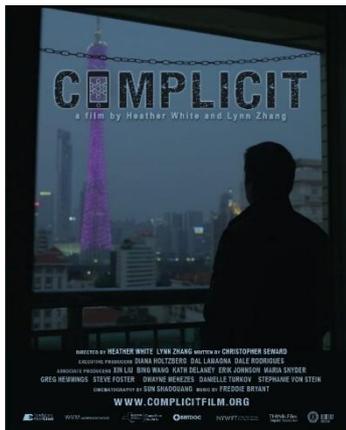
Influencing national policy: Contribution to UK and Australian Parliamentary Inquiries

In March, the UK Parliament's Joint Committee on Human Rights published [its report](#) on human rights and business. LUPC submitted written evidence to the Inquiry in August 2016, making five recommendations that, if implemented, would enable the UK Government to fulfil its obligations under Principle 6 of the UN Guiding Principles on Business and Human Rights. The report acknowledged LUPC's submission and made several recommendations with regard to public procurement such that the UK Government take action to address human rights issues in supply chains.

LUPC continues to be a member of the [International Learning Lab on Public Procurement and Human Rights](#) and LUPC's Director serves on the [Steering Committee](#) of the Lab as a representative of public sector procurement. In April, as a partner in the Learning Lab, the Director also contributed to [evidence](#) submitted to an inquiry into establishing a Modern Slavery Act in the Commonwealth of Australia.

Improving ourselves and others: Training and capacity building

In May, LUPC's **annual conference**, staged in partnership with [Southern Universities Purchasing Consortium \(SUPC\)](#), was attended by 300 delegates and included a major panel session for 80 attendees on the Modern Slavery Act, with expert input from an academic, a sustainability consultant, a lawyer and a supplier.



In June, in collaboration with the University of Westminster and Electronics Watch, LUPC staged a screening of [Complicit](#), a documentary by Heather White and Lynn Zhang at the Regent Street Cinema for Members and partners. The film follows a group of workers in a Chinese electronics factory struck down by illnesses following prolonged exposure to toxic chemicals used in the manufacturing process.

LUPC's Director has continued to lead a series of external presentations and workshops on Responsible Procurement, aimed specifically at promulgating the message about risks to human rights in public supply chains. These took place at:

- University of Cambridge
- Local Government Association, London
- University of Nottingham
- Organisation for Economic Co-operation and Development, Paris
- Conference on University Purchasing, Swansea University
- North Western Universities Purchasing Consortium, Lancaster
- Harris Federation Conference, London

In July, consultants from [Action Sustainability](#) assessed LUPC against the new [ISO 20400 guidance standard](#) for Sustainable Procurement. LUPC scored 3.71 out of a possible 5.00 and was [the first UK public sector organisation](#) and the world's first education sector body to undergo such an assessment.

In October, three members of LUPC staff received Advanced Modern Slavery Training organised by HEPA and delivered by the [Ethical Trading Initiative](#). Plans exist to train remaining procurement staff in 2018.

Our plans for the future

LUPC reconfirms its commitment to better understanding its supply chains and working towards greater transparency and responsibility towards people working on them.

We will continue to work with our partners and suppliers to gain first-hand experience of supply chain due diligence and of mitigating the risks to human rights in our supply chains. As LUPC acquires knowledge and develops capability across all higher-risk spend categories, the intention is

to codify and communicate for wider benefit those due diligence processes that are found to be the most successful.

Our Goals for 2018

In the year ahead, we will continue our strategy to lead within our sector on Modern Slavery by fulfilling seven **key goals for 2018**:

- Improving LUPC's score, when re-assessed, against the **ISO20400 Guidance Standard for Sustainable Procurement** by embedding our policy and systems to achieve our goals. Our target will be to enhance our score (out of 5) from 3.71 to 4.20;
- Completing our **supply chain due diligence pilot projects** in laboratory gloves and cleaning and security services, with learning outcomes shared with our Members and partners;
- Starting with cleaning services, providing **Modern Slavery awareness training** for senior managers at our suppliers in higher-risk spend categories;
- Developing **services that our Members want** in the area of supply chain due diligence;
- Promoting our **free eLearning topics** on *Protecting Human Rights in the Supply Chain*, produced especially for public procurement practitioners;
- Staging our third **BHRE-LUPC Symposium on Responsible Procurement** at the University of Greenwich; and
- Successfully implementing *Equiano*, our new Responsible Procurement database.



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Director, LUPC

8 December 2017