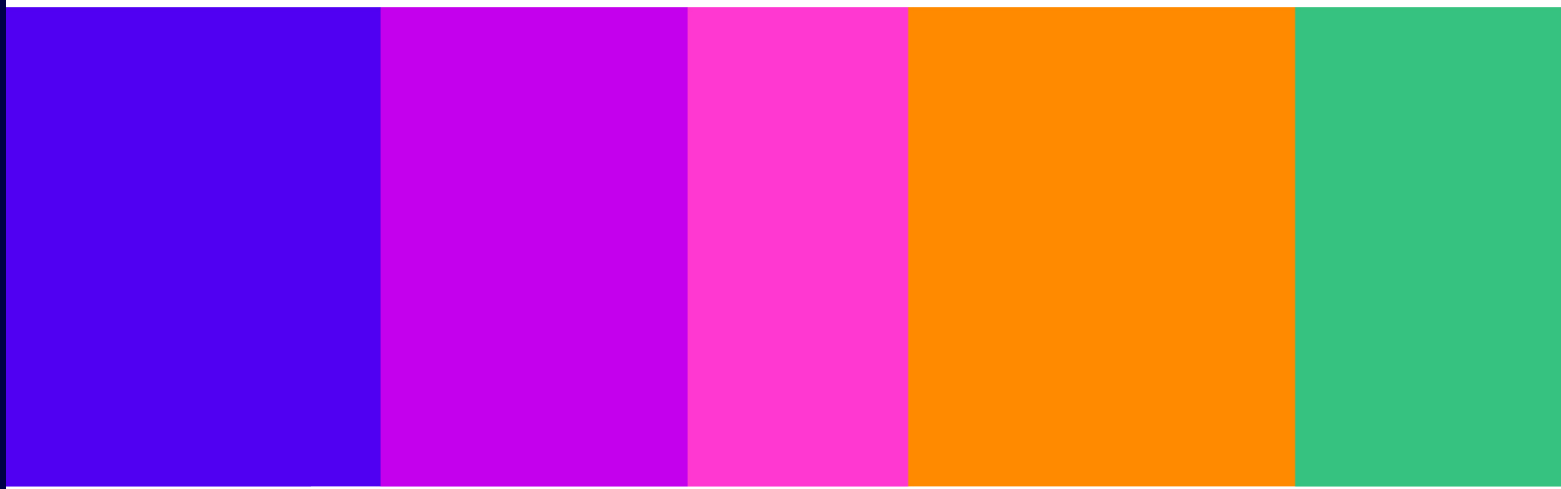




Modern Slavery Statement

2023

29 September 2023



Contents

Section

| | |
|--|----|
| 1. Introduction..... | 3 |
| 2. Organisational Structure and Supply Chain | 4 |
| 3. Policies..... | 5 |
| 4. Due Diligence Processes | 6 |
| 5. Risk Assessment and Management | 7 |
| 6. Training..... | 9 |
| 7. Performance | 10 |
| 8. Approval | 12 |

1. Introduction

- 1.1 We do not tolerate slavery or human trafficking in our business or supply chains. We are committed to continually improving our policies and practices to play our part in tackling this.
- 1.2 This statement sets out the actions that Ofcom has taken to get assurance that slavery and human trafficking are not taking place in its supply chains or its business, and the steps that have been taken to mitigate this risk.
- 1.3 This is Ofcom's third statement which builds on the statement we published last year. Over the past twelve months, we have focused on assessing the potential risks in our supply chain and raising awareness within our organisation.

2. Organisational Structure and Supply Chain

Organisational Structure

- 2.1 Ofcom's mission is to make communications work for everyone. We regulate fixed-line and mobile telecoms, TV and radio broadcasting, video-on-demand services, post, and the radio spectrum used by wireless devices. We help UK businesses and individuals get the best from communications services and protect them from harmful treatment and practices. Where appropriate, we promote competition, investment and innovation as the basis for delivering good consumer outcomes. Ofcom regulates UK-established video sharing platforms and we are set to take on additional responsibilities as the UK's online safety regulator under the Online Safety Bill.
- 2.2 We are an independent public authority and accountable to Parliament for our public duties. We are accountable to Parliament and through the Courts, and to perform our role effectively we need to engage openly and constructively with the UK and devolved Governments. We provide technical advice to governments (for example, our work regarding the implementation of a UK broadband universal service provider) and in some cases, we act as a formal representative of the UK Government (for example, in international negotiations on spectrum).
- 2.3 We employ over a thousand employees around the UK. We have set the Real Living Wage as a minimum for all our employees. This is a voluntary rate of pay set by the Living Wage Foundation and is based on the costs of living, helping to mitigate the risk of labour exploitation among low income workers and households.

Supply Chain

- 2.4 Ofcom buys a wide range of services and supplies on which we spent approximately £60,000,000 in 2022-23. We have approximately 950 active suppliers and in the region of 350 active contracts and framework agreements supported by the Commercial team. The majority of these are transactional and relatively low value so out of scope of our contract management policy which requires contracts over 6 months in duration and £150,000 in total value to be classified. At the end of March 2023, we had 6 gold contracts, 18 silver contracts and 68 bronze contracts.¹

¹ Ofcom's draft contract management policy has been aligned with the cross government Contract Management Best Practice Guide and is supported by Ofcom's own contract rating tool which tiers contracts as Gold, Silver or Bronze depending on their value and risk profile.

3. Policies

- 3.1 Corporate responsibility is important to us as an employer, a customer and as a regulator, and we have a range of policies that support us in mitigating the risks of modern slavery in our business and supply chain.

People Policies

- 3.2 Our people policies and processes conform to legal requirements and good practice. Collectively, our policies prohibit any threat of violence, harassment and intimidation, compulsory overtime, child labour, discrimination, confiscation of workers' original identification documents and provide workers with freedom to terminate their employment and give access to remedy, compensation, and justice for victims of modern slavery.
- 3.3 We set out the ethical standards we expect of our colleagues in our Dignity and Respect Policy. We aim to ensure that we create a safe and inclusive working environment for all our colleagues that is free from harassment, bullying and victimisation, underpinned by mandatory learning on core subjects for all employees. We have a Grievance policy and a Whistleblowing policy, designed to give our colleagues a platform to raise concerns about any wrongdoing or poor working practices.
- 3.4 We provide a wide range of resources for employees to support their mental, physical and financial wellbeing, and to help limit the likelihood of exploitation during periods of uncertainty and stress. This includes access to the Ofcom's Wellbeing Hub, Employee Assistance Programmes and, where needed, access to counselling 24/7. These policies are available to colleagues on our intranet and are reviewed regularly.
- 3.5 We take a partnership approach to union relations. We also have an internal Colleague Forum comprised of a group of elected employees who meet with the senior management team regularly to discuss employee related issues.

Commercial Policies

- 3.6 We continue to voluntarily apply Cabinet Office's Procurement Policy Note (PPN) 05/19 – Tackling Modern Slavery in Government Supply Chains. We have used this as a basis for activity over the past 12 months as well as helping us to set Key Performance Indicators (KPIs) to guide future activity.
- 3.7 We also voluntarily apply PPN 06/20 - Taking account of social value in the award of central government contracts. We require social value criteria to be applied to all contracts that are in scope of the Public Contracts Regulations 2015 where this is related and proportionate to the subject-matter of the contract. We utilise Cabinet Office's Social Value Model to support this.

4. Due Diligence Processes

Public Contracts Regulations 2015

- 4.1 We are a Contracting Authority under the Public Contracts Regulations 2015. For procurement exercises in scope of these regulations, we use Cabinet Office's standard Selection Questionnaire which requires prospective suppliers to confirm that they do not have any convictions relating to child labour or any other forms of human trafficking and that they comply with social and labour law obligations. They are also required to confirm whether they are compliant with the annual reporting requirements of section 54 of the Modern Slavery Act 2015 (where applicable). We verify this by requiring them to provide a link to where statements are published or by providing copies of these documents.
- 4.2 Depending on the nature of the goods or services being procured, we incorporate proportionate questions about corporate responsibility into our procurement process.

Terms and conditions

- 4.3 We use our own standard terms and conditions for contracts wherever possible. These require contractors to comply with all applicable laws, statutes and regulations including the Modern Slavery Act 2015. We require contractors to notify us of any breach or potential breach of these conditions in their supply chains connected to any Ofcom contract. We also require on-demand access to their premises, personnel, systems and records to be able to verify compliance with this condition.
- 4.4 Where these terms and conditions are not used, we generally use terms and conditions developed by purchasing organisations such as Crown Commercial Service which include similar provisions or the Commercial team will negotiate bespoke terms, with specialist legal advice.

5. Risk Assessment and Management

- 5.1 Ofcom reviews its Risk Management Policy annually and recognises the need to manage its risks effectively to deliver its objectives successfully. The document outlines the key aspects of Ofcom’s risk management policy to assist Executive Management in making risk-informed decisions and ensure that everyone is aware of their accountabilities and responsibilities for risk management. Our Risk Management Policy is approved by the Ofcom Board and in addition by the Chief Executive in her capacity as the Accounting Officer.
- 5.2 There is a business lead for each contract, and they are responsible for managing the relationship with the contractor. The Risk Management and Commercial teams provide advice and guidance where any risks are identified.
- 5.3 Over the past year, we have continued to take a systematic, proportionate approach to assessing our suppliers and supply chains to identify any risks of modern slavery, following the ‘Tackling Modern Slavery in Government Supply Chains’ guidance. We will continue to assess all new contracts on the same basis.

Supply chain mapping results

- 5.4 Having assessed all existing gold and silver contracts in previous years, we focused on assessing bronze contracts and new gold, silver and bronze contracts using this guidance to identify whether they had any of the following characteristics:
- Type of industry
 - Nature of workforce
 - Supplier location
 - Operational context
 - Commodity type
 - Business or supply chain model
- 5.5 The results of all supply chain mapping undertaken in this and previous years are presented in the table below:

Table 1: Results of Supply Chain Mapping Exercise

| Rating | Gold | Silver | Bronze | Total |
|---|------|--------|--------|----------|
| High (5-6 risk areas identified) | 0 | 0 | 0 | 0 (0%) |
| Medium (3-4 risk areas identified) | 1 | 0 | 1 | 2 (2%) |
| Low (1-2 risk areas identified) | 1 | 1 | 3 | 5 (5%) |
| Very low (0 risk areas identified) | 4 | 17 | 53 | 74 (80%) |

| Rating | Gold | Silver | Bronze | Total |
|----------------------------------|------|--------|--------|-----------|
| Not assessed | 0 | 0 | 11 | 11 (12%) |
| Total number of contracts | 6 | 18 | 68 | 92 (100%) |

5.6 No additional contracts have been identified as medium or high risk in the past 12 months and required MSATs to be completed. We continue to work with existing suppliers of medium risk contracts to monitor progress towards implementing the recommendations from previous MSAT recommendations via business as usual contract management activity.

6. Training

- 6.1 All commercial specialists working in the Commercial team are required to complete the CIPS Ethical Procurement and Supply eLearning and Test on an annual basis. Developed by the Chartered Institute of Procurement and Supply for all levels of procurement professionals, the programme and test enable the Commercial function to hone skills and knowledge and to demonstrate our commitment to ethical procurement and sustainable supply chains.

7. Performance

Progress since last year

- 7.1 Last year we committed to:
- Assess bronze contracts for the highest risk categories
 - Finalise a new sustainable procurement policy, incorporating modern slavery as well as other areas of corporate social responsibility
 - Publish a supplier code of conduct on our website
 - Develop and roll-out proportionate training for business leads responsible for gold and silver contracts.
- 7.2 Since then, we have published a supplier code of conduct on our website and launched an internal sustainable procurement policy which includes modern slavery risk considerations as well as other areas of corporate social responsibility. We have also continued to assess our existing bronze and all new gold, silver and bronze contracts. While we committed to assessing bronze contracts in the highest risk categories, we have gone further than this and assessed 84% of all bronze contracts. Due to limited capacity, we have been unable to consider any training opportunities for business leads but we will review this over the next 12 months.

Future Plans and Priorities

- 7.3 We have developed an action plan for the upcoming year which will see us:
- Assess the remainder of our existing bronze contracts
 - Continue to assess all new gold, silver and bronze contracts as business as usual activity
 - Consider opportunities to raise awareness of modern slavery risks with business leads responsible for gold and silver contracts.

KPIs

- 7.4 We will continue to measure the success of our approach against the following:
- There are no reports of any incidences of modern slavery within our business or supply chains
 - Our staff are familiar with policies that enable them to report any concerns and they feel comfortable doing so

- Contractors understand the importance of ensuring that modern slavery is not taking place within their supply chain and the consequences of not taking effective action.

7.5 To support this, we have developed new KPIs for the next year:

- a. Risk assess all new gold, silver and bronze contracts within 3 months of contract commencement
- b. 100% of suppliers complete a MSAT where it is deemed necessary
- c. 100% of commercial specialists successfully complete the CIPS Ethical Procurement and Supply eLearning and Test

8.Approval

8.1 We are making this statement on a voluntary basis in the form set out in section 54 of the Modern Slavery Act 2015. This statement was approved by the Ofcom Board on 20 September 2023 and has been signed by Melanie Dawes, Chief Executive of Ofcom on behalf of the Ofcom Board.

Dame Melanie Dawes

Chief Executive