

London Universities Purchasing Consortium Slavery and Human Trafficking Statement

Year Five: A Review of August 2018 to July 2019

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 its 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](#) 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 members, staff, and public stakeholders 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 fifth 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 total spend (around £251m annually) through its supply agreements warrants a statement on the risks inherent in its supply chains and the responsible steps LUPC is taking to address them. LUPC therefore wishes to demonstrate that the 'Golden Thread' of responsible procurement has embedded itself deeper in LUPC's policies and strategies, its organising of the procurement function and its influence over the procurement process. This is in line with LUPC's commitment to follow the international standard on sustainable procurement ISO 20400:2017.

LUPC STRUCTURE, BUSINESS AND SUPPLY CHAIN

Business and Supply Chain

LUPC's supply chain falls mainly under six categories based on the purchasing frameworks agreements it produces and supports, which are:

Laboratory Consumables and Equipment (including but not limited to):

- Consumables and chemicals
- Laser equipment
- Life science equipment personal
- Personal protection equipment and clothing equipment and clothing
- Laboratory gases and laboratory equipment (supply, installation, delivery and post)

Library resources (including but not limited to):

- Books
- E-books and equipment
- software and maintenance

Professional Services (including but not limited to):

- Ceremonial gowns and photography services
- Financial services
- Insurance services
- Debt recovery services
- Legal services



ICT Equipment and Services (including but not limited to):

- Audio visual
- Desktops and notebooks
- Software and network equipment

Estates Goods and Services (including but not limited to):

- Catering services
- Security services
- Cleaning services
- Waste management services
- Furniture and furnishing

Office supplies and equipment (including but not limited to):

- Office, computer and library supplies
- Paper print and specialist
- Print solution
- Promotional merchandise

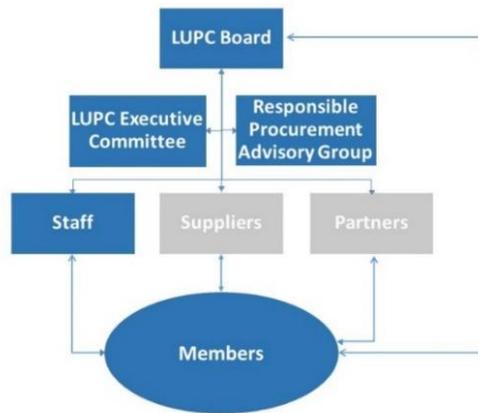
88 full members, an additional 34 from further education institutions and 74 associate members use LUPC frameworks to purchase goods and services under these categories.

LUPC members also use the frameworks of other purchasing consortia and higher education institutions from the UK, for example the Crown Commercial Service and the Southern Universities Purchasing Consortium. LUPC have direct contact with 210 suppliers on its own frameworks and 775 suppliers on all the frameworks combined.

LUPC Modern Slavery Governance Structure

LUPC’s Board of Directors is the ultimate decision-making authority on preventing and addressing modern slavery. Its decisions are acted out and fed into by the Executive Committee, Responsible Procurement Advisory Group, staff, suppliers, members and partners, who include:

- [The Business, Human Rights and Environment Research Group \(BHRE\)](#), University of Greenwich;
- [Electronics Watch](#);
- [International Learning Lab on Public Procurement and Human Rights](#);
- [Higher Education Procurement Association](#);
- [Advanced Procurement for Universities and Colleges \(APUC\)](#).



GOVERNANCE AND POLICIES

LUPC Policies

The [Strategy 2018-2021](#) ‘Adding value through responsible procurement’ details how LUPC will continue the evolution from a collaborative, professional buying organisation into an engine for generating value for its members. The strategy stated its commitment with members to support them in their efforts for supply chain transparency and its work with suppliers to ensure they understand the benefits of responsible procurement.



The [Responsible Procurement Policy and Strategy](#) was incorporated in 2017. This policy continues to be at the forefront of LUPC business operations and implemented with every supplier. It was developed by its Responsible Procurement Advisory Group, guaranteeing a diversity of views, experiences and inputs. Responsible procurement includes identifying, preventing and mitigating the risks of human rights abuses in the supply chain, including forced labour, child labour and human trafficking.

The Responsible Procurement Strategy sets out how LUPC will implement the Responsible Procurement Policy, including special projects related to human rights due diligence and awareness and prevention of modern slavery.

LUPC’s [Whistleblowing Policy and Procedure](#) allows and encourages staff to use internal mechanisms for reporting any malpractice or illegal act or omission including abuses of human rights, including modern slavery and human trafficking.

The [Sustain Supply Chain Code of Conduct](#) shows LUPC’s commitment to carry out procurement activities in an environmentally, socially, ethically and economically responsible manner. The Code of Conduct is mandatory for all its bidders to agree.

RISK ASSESSMENT

Assessing the Risks Associated with Categories

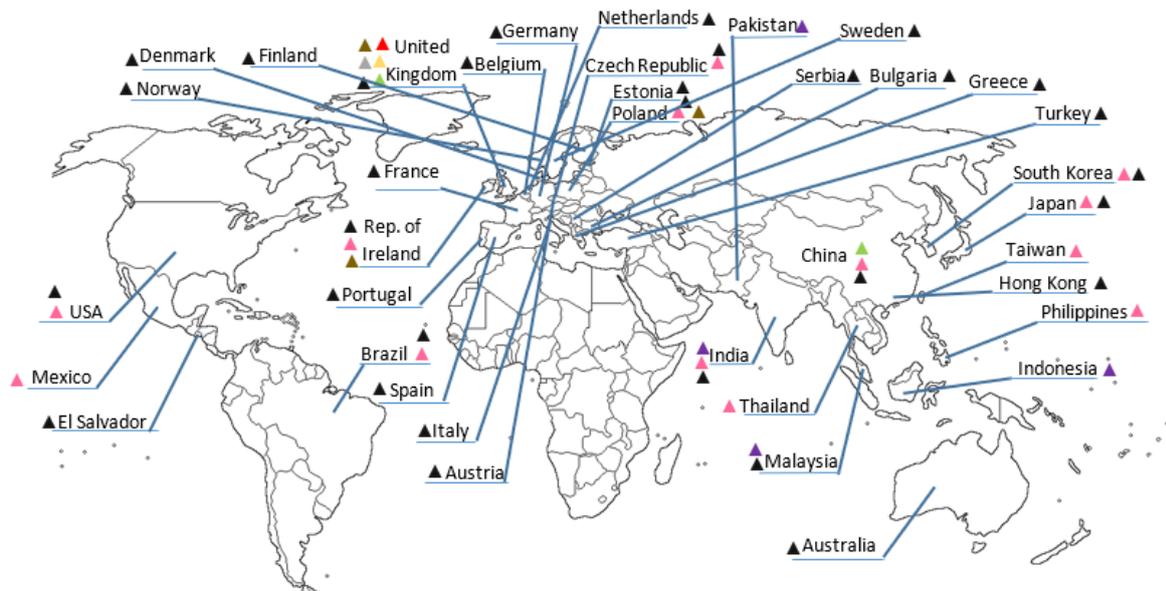
The principal categories which LUPC deems as carrying significant material risks are laboratory consumables (including laboratory gloves), ICT equipment, some estates services, such as cleaning security and catering services, furniture and graduation gowns. LUPC has arrived at this conclusion through assessing the risks associated with the production countries, its own research on products and production methods, including working conditions and supply chain structures, and its continuing engagement with partners and suppliers, as part of its due diligence process.

LUPC deems the corresponding high-risk source countries to be as follows:

Category	Country	
Laboratory consumables, including gloves	Malaysia, Indonesia, India, Pakistan	▲
ICT equipment	China, India, Mexico, Taiwan, Brazil, Poland, Czech Republic, Malaysia, USA, Ireland, Philippines, Japan, Vietnam, Thailand, South Korea*	▲
Cleaning services	UK**	▲
Security Services	UK**	▲
Catering Services	UK**	▲
Graduation gowns	UK, China	▲
Furniture	UK, Poland, Republic of Ireland	▲
Office, computer and library supplies	Austria, Australia, Belgium, Brazil, Bulgaria, China, Estonia, Denmark, Finland, El Salvador, Czech Republic, France, Germany, Greece, Hong Kong, India, Ireland, Italy, Malaysia, Poland, Portugal, Spain, Netherlands, South Korea, Republic of Korea, UK, US, Japan, Serbia, Sweden, Turkey, Norway	▲

**Due to the complexity of the ICT equipment supply chain this list of countries is not definitive and there are likely to be other countries where the ICT equipment is manufactured, assembled and where materials are sourced from.*





*** LUPC is aware that goods and services produced or delivered within the UK may also put workers at risk of modern slavery and human trafficking. The only services 100% carried out in the UK for its members are cleaning, security and catering.*

In order to better understand supply chains and identify potential risks, LUPC has begun mapping its supply chain (see below).

DUE DILIGENCE

Since the first reporting year, (2017), LUPC has continued to develop actions to identify, prevent and mitigate the risks of modern slavery and human trafficking in the supply chains of its members. As part of its human rights due diligence, LUPC has taken steps in specific sectors, increased the resources devoted to responsible procurement and developed several tools and collaborations, as described in this section. This year, LUPC continued to work on the projects set out in its Responsible Procurement Policy and Strategy.

REPORTING ON GOALS FOR 2018-2019

1. Assessing LUPC suppliers

LUPC mentioned in its last statement the modern slavery risk assessment and supplier engagement tool Equiano and its pilot project. Since the successful pilot of the Equiano, LUPC has decided to take a more collaborative approach and has joined with the [APUC](#) to further develop a supply chain audit system called Sustain. This tool includes wider aspects such as environment, equality and diversity, working conditions and health and safety, but keeping a specific section to assess risks of modern slavery within the supplier chain.

Sustain will be integrated into the contracts management system, which will allow category managers to assess suppliers when tendering contracts and engage with them through the lifetime of the contract to improve their policies and practices, and report to members on the findings. The tool will be ready to use with suppliers in early 2020. LUPC will report on progress in the next statement.

2. Supply Chain Mapping

LUPC is committed to develop supply chain mapping in order to gain the necessary knowledge and understanding which would allow us to identify, prevent and mitigate risks. LUPC aims to understand the



origin of the products and services its members benefit from when using the agreements and to use its resources strategically to further map the supply chains, particularly with high risk sector suppliers.

LUPC has worked with NEUPC and its furniture suppliers to obtain information about assembly location from the top four high spending suppliers. The location information can be seen in the risk assessment map of this statement.

LUPC has worked with NWUPC to identify manufacturer locations for the office, computer and library supplies national framework agreement. The location information can be seen in the risk assessment map of this statement.

LUPC has also been working with Electronics Watch to map and understand the ICT supply chain.

LUPC will continue mapping supply chains in other high-risk categories.

3. Percentage of goods procured

Category	Framework Agreement Name	Contracted Value Identified	Percentage and Country
Professional services	Ceremonial gowns and photography services	100%	100% China
Office supplies and equipment	Office, computer and library supplies	18.72%	China 3.95%, Sweden 2.63%, UK 2.34%, Germany 2.13%, Austria 1.91%, Denmark 1.53%, Poland 0.93%, USA 0.92%, Finland 0.50%, Estonia 0.50%, Portugal 0.44%, France 0.39%, Netherlands 0.33%, El Salvador 0.11%, Malaysia 0.07%, Norway 0.02%, Hong Kong 0.02%, Spain 0.02% and Korea 0.01%
Estates goods and services	Catering services	100%	100% UK
Estates goods and services	Security services	100%	100% UK
Estates goods and services	Cleaning services	100%	100% UK
Estates goods and services	Waste management	100%	100% UK
Estates goods and services	Furniture and furnishing	5.03%	59% UK, 31% Poland and 10% Ireland.

4. Cleaning and security suppliers

LUPC has not been able to carry out social audits of cleaning and security services. However, this is still a main priority. LUPC will start by carrying out a risk assessment plan for staff taking part in its main events, including the annual LUPC and SUPC conference as well as the 2021 Conference on Universities Purchasing (COUP).



5. Modern Slavery KPIs

During the 2018/2019 financial year, LUPC has established specific modern slavery KPIs in the following framework agreements: waste management services (sustainable); life science equipment; debt recovery services and occupational health and wellbeing for students and staff.

6. Modern slavery training

LUPC staff are highly aware of the challenges faced regarding modern slavery in supply chains and it strives to attend as much external training as possible.

In June 2019, LUPC co-organised with the Business, Human Rights and Environment Research Group and the Public Unit of the Ministry of Labour and Social Affairs of the Czech Republic, the Sustainable Procurement Exchange Forum at the University of Greenwich. It served as an exchange and dialogue between the public sectors in the UK, Czech Republic and Slovakia to address the importance of protecting and promoting respect for human rights in public supply chains and to learn from each other.

The Responsible Procurement Officer delivered training on the Social Value Act to LUPC staff.

The Higher Education Procurement Association (HEPA) has established a responsible procurement group, which has been divided into subgroups for specific areas. The Responsible Procurement Officer is the leader of the modern slavery and human rights subgroup and the Director is one of the leaders on the social value subgroup. LUPC has representation on all the other sub-groups.

7. Special projects outlined in the Responsible Procurement Strategy

In September 2018, with the approval of the Board, LUPC put in place the budget for a new role of Responsible Procurement Officer. This allowed us to bring dedicated expertise on the area of modern slavery and human rights abuses into its organisation. The role of the Responsible Procurement Officer is to ensure responsible procurement is practised across all LUPC's operations and relationships with the members' suppliers. The Responsible Procurement Officer assists senior category managers from the sourcing strategy, pre-qualification stage through to contract management and ensures the Responsible Procurement Policy & Strategy is implemented as well as contributing to the Responsible Procurement Advisory Group.

The Responsible Procurement Officer has been involved in the tender evaluation for the Network Equipment Framework Agreement led by Jisc; the Laboratory Science Equipment Framework Agreement led by LUPC; the Supply of Taxi Services including Hybrid and Executive Cars Framework Agreement led by LUPC; the Office, Computer and Library Supplies Framework Agreement led by the North West Universities Purchasing Consortium (NWUPC); and the Laboratory Consumables and Chemicals IRLA Framework Agreement led by the Southern Universities Purchasing Consortium (SUPC).

In addition, she has supported the consortia with issues relating to the identification of modern slavery risks in supply chains, the implementation of the [ETI Base Code](#), collaboration with supply chain mapping projects and social value initiatives such as student employability and community investment.

8. Responsible Procurement Policy and Strategy review

LUPC's responsible procurement policy and strategy will be reviewed every three years. This will be in accordance with the recommendations set up by its independent assessment under the international standard ISO 20400:2017.



OTHER LUPC ACTIVITIES 2018-2019

Responsible Procurement Advisory Group

The LUPC has a further due diligence mechanism through its own '[Responsible Procurement Advisory Group](#)' (RPAG) with clearly defined terms of reference setting out its responsibilities. The RPAG steers LUPC's responsible procurement work, by having strategic decision-making power over its Responsible Procurement Policy and Strategy. The Group also provides advice to LUPC members in relation to Responsible Procurement issues. The RPAG is comprised of sustainability managers, procurement managers and students drawn from LUPC's membership and other relevant groups.

Embedding Responsible Procurement into Tendering, Framework Agreements and Contracts.

Each LUPC senior category manager is responsible for implementing responsible procurement in their framework, and this implementation is overseen by the Responsible Procurement Officer.

The internal sourcing and procedures document has been updated to include responsible procurement in every stage of the tender process. A minimum of 15% responsible procurement award criteria should be included in all tenders and this could be raised to 20% for medium and high-risk sectors. The sourcing and procedures document is an internal guidance for all senior category managers and includes six stages, each with a responsible procurement approach that includes modern slavery.

The stages are;

- research,
- tender drafting,
- evaluation,
- award and implementation,
- launch of the framework agreement, and
- contract management (which includes the risk assessment and engagement tool Sustain).

In addition to this, Electronics Watch style contract clauses have been incorporated into LUPC's contract for temporary labour providers, while a requirement to comply with the standards listed on the ETI Base Code has been and will be introduced into all new frameworks and contract renewals.

Electronics Watch

LUPC will continue to be an affiliate of and work closely with the NGO [Electronics Watch](#), the collaborative organisation monitoring global electronics supply chains. LUPC helped to found it in 2014. Since 2018 all LUPC members are automatically affiliated to Electronics Watch.

LUPC continues to affiliate its members and to recommend the use of Electronics Watch Toolkit. The toolkit requests Tier 1 and Tier 2 assembly and component supply chain information.

LUPC will continue to promote the work of Electronics Watch among its members, helping them to understand and use its different resources, as well as improving direct communication between Electronics Watch and members.



LUPC work with Electronics Watch 2018-2019

LUPC has extended its close collaboration with Electronics Watch in order to further improve due diligence and effectiveness in protecting and improving the legal and human rights of workers in electronics supply chains. Within the National Desktop and Notebook (NDNA) framework, HP has engaged positively with the provision of example site audits undertaken in China while Stone Computers has assisted in the area of supply chain mapping.

LUPC along with the Stockholm County Council, Advanced Procurement for Universities & Colleges, and Hanzehogeschool contributed to the report: [Workers' Grievances in Electronics Manufacturing in China: A Study of Dell's and HP's Supply Chains](#). This study sought to understand electronics workers' grievances in China through their social media posts including further engagement with both Dell and HP as part of the resolution process.

The quantitative trend study used a sample of 1.3 million posts taken from January 2014 to April 2018 and was used in combination with a qualitative content analysis from a sample of 600,000 posts between January 2016 and April 2018. The posts analysed related to 38 final assembly and original design manufacturers (ODM) suppliers to Dell and HP and the report identified priority issues for workers needing attention or a new approach.



EFFECTIVENESS OF LUPC POLICIES AND PROCEDURES

In order to understand the impact of its policies and procedures LUPC needs to measure its effectiveness. This is not a simple task and LUPC is still devising the right approach. LUPC has been assessed against the international standard for sustainable procurement ISO 20400:2017 scoring 4.33 out of 5 in its re-assessment in December 2018, an improvement from the 3.75 achieved in the initial assessment two years earlier. LUPC has committed to re-assessment every 2 years. The assessments are available on LUPC's [website](#).

TRAINING AND KNOWLEDGE EXCHANGE

LUPC believes in its responsibility to contribute to the continued discussion on the identification, prevention and elimination of modern slavery in supply chains. LUPC has participated in discussion around this vital subject with suppliers, members, civil society and academia.

Don Bowman, LUPC Director, and Olga Martin-Ortega, Professor at the University of Greenwich and LUPC Board member, contributed to the 2019 International Conference on Tackling Modern Slavery, Forced Labour and Human Trafficking in the Public Sector Supply Chains organised by the Ethical Trade Initiative, the OSCE and the UK Government. The conference gathered representatives from public, private, international and non-governmental organisation in high-risk sectors, to discuss the challenges and solutions to tackle modern slavery in public sector supply chains.

LUPC contributed to (and is acknowledged in) the government's [Guide to tackling modern slavery in government supply chains](#), published in September 2019.



Modern Slavery E-Learning

LUPC continues to provide and promote its modern slavery [eLearning on its website](#). Up to the time of writing, **471** staff members from different public and private sectors ranging from government to private corporations have completed the training. All LUPC staff have completed the eLearning.

LUPC Goals for 2019-2020:

- 1) Roll out Sustain, the supplier assessment and engagement tool to all suppliers on its frameworks. LUPC will start this process with the General Laboratory Equipment framework agreement in the spring of 2020.
- 2) Continue mapping its supply chain in areas such as ceremonial gowns, general laboratory consumables and chemicals and laboratory equipment for critical components. LUPC will be working with other universities purchasing consortia on this.
- 3) Continue to report on the percentage of value of goods assembled or manufactured from each country by category of procurement.
- 4) LUPC will carry out a risk assessment plan for staff taking part in our events. LUPC and SUPC have an annual joint conference and LUPC will be hosting the Conference on University Purchasing (COUP) 2021. The risk assessment will be for subcontracted staff such as cleaning, security, catering and hospitality, all high risk areas.
- 5) Establish specific modern slavery KPIs. Modern slavery KPIs will be measured within the new system Sustain.
- 6) Continue to work on special projects outlined in the Responsible Procurement Strategy. We will utilise our Responsible Procurement Officer to increase understanding of how LUPC can use the Social Value Act to better protect workers' rights in the future, working with a number of external partners.
- 7) Review and update our Responsible Procurement Policy and Strategy in 2020 (and every three years subsequently), to ensure it delivers the latest best practice in due diligence and effectiveness in combatting modern slavery.
- 8) Collaborate externally with multiple partners to deliver policies and strategies that will help in combatting modern slavery.

This statement has been approved by LUPC Board on 13/12/2019 and will continue to be reviewed annually.



Don Bowman MCIPS

Director, LUPC

Date: 28/01/2020

