



Supply Chain

NHS Supply Chain

Modern Slavery Statement 2024

Contents

Contents	2
1. Organisation Structure and Supply Chains	3
2. Policies in Relation to Modern Slavery and Human Trafficking.....	5
3. Risk Assessment and Management	7
4. Due Diligence Processes.....	9
5. Key Performance Indicators.....	10
6. Training on modern slavery and trafficking	11
7. Signed on behalf of the Organisation:.....	12

1. Organisation Structure and Supply Chains

Principal Activity

The principal activity is to source, deliver and supply healthcare products, services and food for NHS trusts and healthcare organisations across England and Wales. We work in collaboration with the healthcare system and suppliers to ensure our supply chain is cost efficient, resilient, clinically assured, and responsive to frontline needs - helping the NHS to put patients first.

Business Review

Our vision is to make it easier for the NHS to put patients first through our commitment to helping the NHS save lives and improve health. In alignment to the NHS Long Term Plan, our corporate strategy focuses on the strategic principles of buy smart, supply right and partner expertly. This includes a focus on putting the needs of patients, communities, and clinical outcomes at the core of our sourcing and supplying activities. It is rooted in the strategic goal set in January 2022 of enabling £1 billion of efficiency.

Our Business Model

NHS Supply Chain has over 1100 employees, operating from fifteen regional NHS Supply Chain locations in England. It manages more than eight million orders per year, across 94,000 order points resulting in a total of over twenty-eight million lines of picked goods being distributed to the NHS annually. NHS Supply Chain systems also consolidate orders from one thousand suppliers, saving NHS trusts time, money and removing duplication of overlapping contracts.

Clinical Expertise

Clinical expertise runs through the whole of the organisation, with clinical colleagues working collaboratively across the organisation supporting a collective delivery of the five key priorities agreed within the clinical and quality plan for 2024/25.

Enabling Collective Procurement for Integrated Care Systems

One of the impacts seen over the last year has been the acceleration towards systems working in line with the ambition set out in the NHS Long Term Plan. As NHS trusts continue to work regionally with their health and care partners to drive greater value through working together, our aim is to work with Integrated Care Systems (ICSs) to develop and evaluate Integrated Care System level solutions that align with their clinical and procurement objectives.

To deliver safe patient care and to provide value for healthcare organisations, we are keen to explore opportunities to work with collaboratives of trusts and ICSs to enable collective procurement opportunities with the involvement of clinicians.

NHS Supply Chain is aware that a number of its supply chains have multiple tiers of sub-contracting, including numerous international supply chains. NHS Supply Chain expects all sub-contracted suppliers to proactively manage and mitigate the risk of modern slavery or human trafficking from within their own supply chains, providing greater supply chain

visibility where risks are at the highest, along with supporting the wider response to any international issues.

This statement comprises the slavery and human trafficking statement of NHS Supply Chain for the financial year ending 31 March 2024 in accordance with the Modern Slavery Act 2015.

NHS Supply Chain is committed to eradicating slavery and human trafficking from the supply chains it manages, as well as its own corporate activities.

The following statement identifies what controls NHS Supply Chain has established to date and further measures to be introduced to assure itself and its stakeholders that slavery and human trafficking are eliminated from its business and its supply chains.

2. Policies in Relation to Modern Slavery and Human Trafficking

Modern Slavery, and our approach to it is managed through various policies and mechanisms at NHS Supply Chain.

What our policies say

Environmental and Sustainability Policy

NHS Supply Chain is committed to sustainable development across procurement activities to deliver sustainable value, taking into consideration and mitigating against environmental, social, and economic impacts. This includes working to the principles of the Public Services (Social Value) Act and working to meet Government Small/Medium Enterprises (SMEs) spend targets to promote fair business opportunities and adhering to the Modern Slavery Act 2015 as a guiding principle within our work. Concern for the environment is an integral and fundamental part of this commitment. Our aim is to reduce the impact on the environment from our operations. We continually assess the Environmental impacts of our activities, products and services and are committed to reducing or eliminating wherever practicable these impacts through the establishment of appropriate objectives and targets.

Suppliers and subcontractors must also comply with our other associated policies and initiatives, including the Supplier Code of Conduct.

5.2.3 The implementation of this policy is the collective responsibility of all employees, agents, consultants, suppliers, and subcontractors. Suppliers and subcontractors must also comply with the United Nations Universal Declaration of Human Rights, the International Labour Organisation's standards on child labour and minimum age, the United Nations Global Compact, and the Modern Slavery Act 2015. Suppliers and subcontractors must ensure their suppliers and subcontractors also comply with these standards.

Whistleblowing Policy

This policy is in place to reassure colleagues that it is safe and acceptable to speak up and to enable concerns to be raised at an early stage and in the right way. Colleagues are encouraged to raise the matter early when it is still a concern. It can be difficult to know what to do when these concerns are about unlawful conduct, financial irregularities, abuse of power, patients, dangers to the public or environment, health, and safety issues, or if you feel these issues are being inappropriately concealed. This Policy is underpinned by the Public Interest Disclosure Act 1998 – also referred to as 'The Whistleblowers' Act'. Under this Act, colleagues are legally protected from dismissal or unfavourable treatment by their employers as a result of raising concerns. No colleagues should feel at risk of retaliation or adverse treatment when raising legitimate concerns.

Anti-Fraud, Bribery and Corruption Policy

NHS Supply Chain) has zero tolerance of fraud, bribery, and corruption. It has controls in place to ensure compliance with policies and legislation and is committed to taking all necessary steps to prevent fraud, bribery, and corruption. NHS Supply Chain will seek the appropriate disciplinary, regulatory, civil, and criminal sanctions against those who commit

fraud, bribery, or corruption. Where practical, losses will be recovered. All colleagues have a responsibility to assist in preventing fraud, bribery, and corruption.

NHS Supply Chain's Procurement Policy adheres to the requirements of Public Contracting Regulations and aims to adopt the guidance issued via periodic Procurement Policy Notices (PPNs) from Cabinet Office. The policy reflects its commitment to acting ethically and with integrity in all business relationships as well as implementing and enforcing effective systems and controls in accordance with human rights and employment standards (e.g., complying to the Modern Slavery Act 2015).

Entities that bid for NHS Supply Chain frameworks are required to complete a Selection Questionnaire (SQ) which incorporates a mandatory exclusion question regarding the Modern Slavery Act 2015. Therefore, any company who cannot state that they comply with the legislation is excluded or disqualified from the procurement process. The SQ also includes the questions laid out in Public Procurement Notes PPN 02/23 and PPN 03/23.

Additionally, when contracting for the supply of goods and services, NHS Supply Chain applies NHS Terms and Conditions which requires compliance with all relevant legislation, so the issue of Modern Slavery is addressed both pre and post procurement.

3. Risk Assessment and Management

2023 saw a number of workstreams linked to modern slavery come together.

Health and Care Act	Revised PPN's	Existing Workstreams
<ul style="list-style-type: none"> • Review (Clause 47) • Policy & Secondary Regulation (Clause 81). 	<ul style="list-style-type: none"> • 02/23 • 03/23. 	<ul style="list-style-type: none"> • Boardman Recommendations • Supply Chain Mapping • Modern Slavery Assment Tool (MSAT) rollout.

The Health and Care Act 2022, has two specific clauses on modern Slavery and revised Public Procurement Notes with specific requirements around Modern Slavery and the existing workstreams continued.

Under the Health and Care Act 2022, NHS Supply Chain supported NHS England and the Department for Health and Social care in preparing a review into the risk of modern slavery in NHS supply chains. The report entitled “Review of risk of modern slavery and human trafficking in the NHS supply chain” was published on 18 December 2023.

The below is taken from the report to explain where the risk of slavery exists.

The NHS Supply Chain Coordination Limited snapshot risk assessment considered 1,361 suppliers providing around 600,000 products, using the available information at the time of the review. This assessment included an estimated 30,000 cotton-based products, which have been identified as a specific area of concern in Parliament. The results of the risk review are summarised in Table 2.

Table 2: Summary of supplier risk assessment

Risk assessment route	Suppliers	Low	Medium	High
MSAT	580 (43%)	162 (12%)	207 (15%)	211 (15%)
Matrix	781 (57%)	688 (51%)	17 (1%)	76 (6%)
Total percentage	1361	850 (62%)	224 (16%)	287 (21%)

Of the suppliers identified as medium and high risk, the majority of tier one suppliers were registered in Great Britain (51%) and China (28%), with a substantial reduction for other countries thereafter (Pakistan 3%). While many of NHS Supply Chain’s tier one suppliers are registered as based in the UK, they have global supply chains that consist of multiple layers of suppliers that can be based in multiple and various locations throughout the world.

The tier one supplier location does not necessarily reflect where materials are sourced from or where products are manufactured.

Approximately 62% of suppliers were identified as low risk.

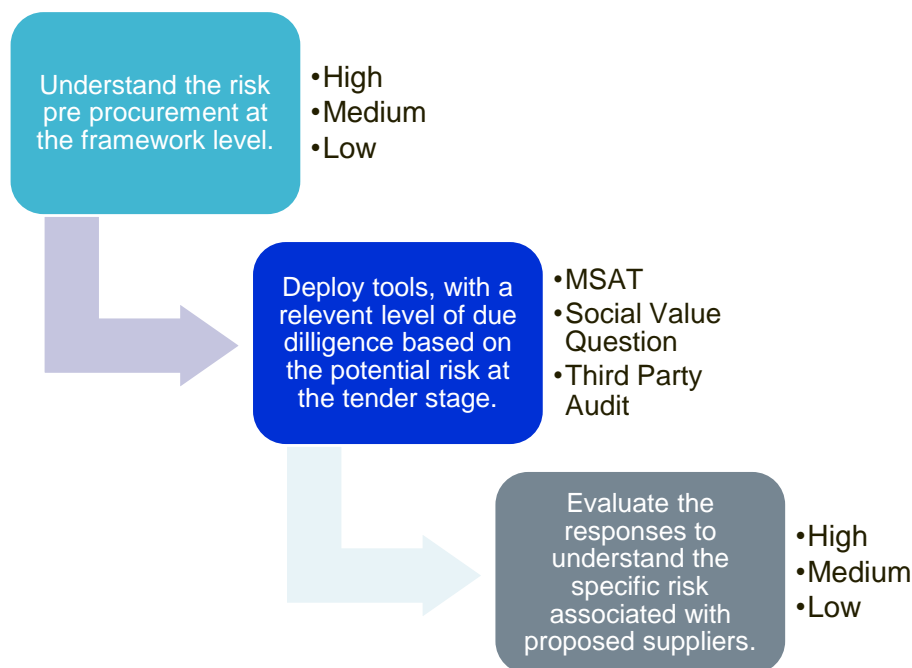
The five most at-risk product groups for modern slavery that were identified for supply chain mapping are:

- Surgical instruments
- Gloves
- Gowns
- Uniforms
- Face masks.

The recommendations from this report, alongside the revised public procurement notes and learning from the work we had been undertaking, led us to revise and update the way we risk assess our procurements and the due diligence process we take. This is detailed in the next section.

4. Due Diligence Processes

From April 2023, the NHS adopted PPN 02/23 “Tackling Modern Slavery in Government Supply Chains”. The PPN requires the risk of Modern Slavery to be identified for each Procurement activity, and appropriate due diligence conducted to manage these risks.



Each NHS Supply Chain procurement is assessed, using a standard methodology. The methodology has been developed using a database of risk, this has been mapped to the procurement activity to assess the level of risk associated with the activity, prior to knowing which specific suppliers and value chains are going to be used. Based on that risk the following tools will need to be applied to understand the specific risk in the proposed supply chains

Procurement Risk	Tools to Use
Low Risk	MSAT
Medium Risk	MSAT + Social Value Question
High Risk	MSAT + Social Value Question + Third Party Audit

The results of the tools will then be used to assess the level of risk in the supplier’s value chain.

5. Key Performance Indicators

Category and Sourcing Strategy

Modern Slavery Procurement Tool	Pass Criteria
MSAT	MSAT completed within 12 months prior to the tender close date. Score of 41% or above
Social Value Question	Score of 2 or above
Third Party Audit	Third Party Audit evidence shows Low and Medium Risk outcomes only.

GSCIP

The Global Supply Chain Intelligence Programme (GSCIP) is a cross-government department initiative led by the Department of Business and Trade, enabling us to review modern slavery risk in tier one as well as further upstream via supply chain mapping intelligence. There are numerous functions within the programme that allow us to assess modern slavery risk.

Risk Dashboard

The Risk Dashboard provides high level insight into risk for tier one suppliers and their supply chains to tier four. Included in an overall risk score is environmental, social, and governance (ESG) risk for all suppliers.

Forced Labour Dashboard

Harmonised System (HS) code data provides insights into the exposure to forced labour that UK-based companies can have throughout important, high-risk supply chains. Two different views can be accessed:

- **Aggregate view:** Shows by sector, and or by company size, and for each supply chain how much exposure there could be to forced labour.
- **Company lens:** For a given company, we can see their supply chain up to tier eight and see where the company relies on ‘flagged’ forced labour companies.

Value chain mapping

Detailed maps are provided for critical sustainability products to tier three, with products selected from the following areas.

- Surgical Instruments
- Gloves
- Gowns
- Uniforms
- Masks.

Risk exposures are identified within the supply chain, which can include organisation on forced labour risk lists.

6. Training on modern slavery and trafficking

Our 2024/2025 NHS Supply Chain Business plan has a strong focus on developing our organisational capability, following on from the insourcing of a number of categories, and implementation of the new operating model.

A key focus is development of professional capability via the customer and commercial academies. These academies play a key role in increasing capability and helping cement our new ways of working through the standardisation of processes and people experience. Where appropriate and practicable we are rolling out professional accreditation, such as Chartered Institute of Procurement and Supply (CIPS).

Modern Slavery is a material issue for our business, as a procuring organisation with a global supply chain, we must be conscious of the risks that slavery and forced labour present and enhance the awareness and capability of all our cross functional teams, not just those in supplier facing roles.

As such, we have developed a programme of training that covers all our colleagues.

The programme is made up of the following elements.

- **Mandatory eLearning**
 - Mandatory for all employees.
 - 2023 completion rate: 1001 colleagues completed the learning and assessment.
- **Government Commercial College: Tackling modern slavery in supply chains: PPE case study.**
 - All Commercial colleagues are asked to complete.
 - 2023 completion rate: 95%.
- **CIPS Course**
 - Working alongside the commercial centre of excellence, who are developing the commercial training and capability programme to ensure this is embedded in the approach.
- **Ethical Trading Initiative (ETI) Programme**
 - Encouraged for all colleagues who are involved with high-risk procurements.

In addition, NHS Supply Chain continues to raise the profile/awareness of modern slavery risks through its dedicated webpages, social media channels, at events and in customer and supplier engagements.

7. Signed on behalf of the Organisation:

Name	Andrew New	Signature	
Job Title	CEO	Date	11.10.2024