

Modern Slavery Statement 2021-22

1. Introduction

This statement sets out the steps that have been taken by CITB in relation to its responsibilities under section 54, part 6 of the Modern Slavery Act 2015 (MSA); and includes the activities undertaken in the last twelve months and those planned for the forthcoming year. This statement relates to the financial year ending 31st March 2022.

2. Organisational structure, business and supply chains

CITB is the Industry Training Board for Construction, and its purpose is to support the construction industry to have a skilled, competent, and inclusive workforce, now and in the future.

CITB is registered as a charity in England and Wales (Reg No 264289) and in Scotland (Reg No SCO44875) with its head office in Peterborough, Cambridgeshire.

CITB is a qualifying Arms-Length Body (ALB) of the Department for Education and has agreed with the Department to continue to publish its own annual Modern Slavery Statement ('MSS') rather than be included in the Ministerial Statement.

CITB has approximately 195 commercial contracts and most new contracts are procured through its enabling partner Shared Services Connected Limited (trading as SSCL) - a leading provider of business-critical support services to Government and the UK public sector. As its Enabling Partner, SSCL ensures that all relevant requirements as set out in Public Procurement Notes (PPNs), such as PPN 05/19 – *Tackling Modern Slavery in Government Supply Chains*, and PPN 06/20 - *Taking account of social value in the award of central government contracts* that covers tackling workforce inequality and addressing Modern Slavery are appropriately applied.

As an average over the reporting period, CITB had 644 Employees (640 directly employed, 4 temporary) at its offices and National Construction Colleges based across England, Scotland and Wales. CITB also has a high number of mobile workers. Any temporary staff required throughout the year are recruited through Capita or Brook Street, both sourced through a government procurement framework.

CITB's Corporate Social Responsibility Manager is the point of contact for any Modern Slavery enquiries and reports to the Board Secretary within the Legal, Governance and Compliance Directorate. Operational accountability for Sustainability (including Modern Slavery) sits with the Director for Legal, Governance & Compliance with overall accountability sitting with the Board of Trustees.

The two main unions representing staff at CITB are Unite and GMB. An agreement is in place establishing the general principles and ways of working between the parties.

3. Policies in relation to slavery and human trafficking

CITB has several policies that relate to modern slavery that are periodically reviewed, namely:

- Procurement and Contract Management Policy – outlines CITB’s approach to sourcing its external needs, its relation to public procurement rules, the financial levels for different types of procurement and its approach to the use of SME’s and local suppliers; and is guided by the requirements of Public Contracts Regulations 2015 to which CITB must abide. The standard terms and conditions for suppliers require them to uphold human and labour rights and to prevent modern slavery and human trafficking in their own operations and supply chains. The Policy was last reviewed, updated and approved by the Executive in August 2022.
- Protected Disclosure Policy – ‘whistleblowing’ – provides detail on the approach to reporting any concerns (including someone that may be at risk of slavery or human trafficking), how these will be dealt with, and the protection of ‘whistle-blowers’. The Policy was last reviewed, updated and approved by the Board in February 2022.
- Corporate Social Responsibility (CSR) Policy – replaces the Sustainability Policy and focuses on four CSR pillars. The Pillar ‘Our Business’ sets the commitment for CITB to ‘procure sustainably and responsibly’ and aligned to the UN Sustainable Development Goals. The Policy was approved by the Board in August 2021.
- Fairness, Inclusion and Respect Policy – details CITB’s commitments and practices to ensure that people are treated fairly, with respect and ensure that CITB is an inclusive place to work. The Policy was approved by the Board in November 2021.
- Recruitment ‘Step by Step guidance’ – details CITB’s approach to recruiting people into the organisation, sourcing, selection, on boarding and induction, for example, ensuring appropriate right-to-work checks are completed, everyone has an employment contract stating terms and conditions and they are paid directly.
- Pay Policy – details pay and reward, the benefits framework, its link to performance, and the mechanics by which pay decisions are fairly made. The Policy was last reviewed in January 2017 with annual pay offer award letters communicated to staff annually.
- Safeguarding Policy – details CITB’s approach to safeguarding and promoting the welfare of children and vulnerable adults. The Policy was approved by the Board in October 2021.
- [Complaints procedure](#) - provides a means for external parties to report concerns of Modern Slavery within CITB’s business operations and is available on CITB’s website. If a concern is raised and the complainant feels that the issue is not resolved to their satisfaction, they can contact, via Members of Parliament, the Parliamentary and Health Services Ombudsman.

All policies are available on CITB’s intranet for colleagues to access. Further policies will be developed if required.

The organisation wide process for development, sign-off and ownership of policies has been reviewed by the Corporate Information & Document Controller. As a result, a new process will be implemented in 2022. Prior to the implementation of the updated process the Corporate Information and Document Controller will manually maintain the process flow ensuring all policies and procedures are accurately stored and maintained. If colleagues do not comply with CITB policies, it may result in disciplinary action up to and including dismissal.

4. Risk assessment, prevention and mitigation

Compared to 2020-21, CITB has made no significant changes to the nature of the products and services that it procures, and it continues to contract with recognised businesses that are registered within the United Kingdom; and so, assesses the risk of modern slavery to be low.

Fraudulent activity is still one of CITB's key corporate strategic risks (and such activity can involve modern slavery and human trafficking), and measures have been put in place to reduce this risk and it is monitored at Executive and Board level

As a Non-Departmental Public Body (NDPB) of the Department of Education, CITB procures from a number of established frameworks from public sector procurement buying organisations, such as the London Universities Purchasing Consortium (LUPC), Crown Commercial Services (CCS) and Eastern Shires Purchasing Organisation (ESPO) who must adhere to the Public Procurement Notices.

The risk assessment on CITB's Tier 1 suppliers was reviewed by CITB's Commercial Corporate Contracts Manager to see what contracts were deemed medium or high risk, namely: those that had two or more risk factors. The risk factors applied are Industry Type, Commodity, Supplier Location, Business Supply Chain Models, Nature of the Workforce, and the Context in which the Supply Chain Operates.

CITB has four suppliers (covering warehousing, catering and cleaning services, electronics and PPE) that were deemed to be medium or high risk due to their own supply chains.

CITB has a Commercial and Contract Manager registered as a supplier on the Modern Slavery Assessment Tool (MSAT) and by applying a process that is proportionate to level of risk, will invite the medium and high-risk suppliers to complete an MSAT. Further action will then be considered following receipt of the information.

As of 31 March 2022, of the 38 suppliers added to the Transparency in the Supply Chain ('TISC') dashboard (the world's largest open data platform committed to ending corruption, supply chain labour abuses and modern slavery); of those with confirmed turnovers (in excess of £36M) - 11 are required to produce statements, of which only three have statements that currently meet all the Home Office criteria compared to four last year, although one audit is currently outstanding.

Clause 40 'Modern Slavery' within CITB's Standard Goods and Service contract has been reviewed and all new contracts will state that CITB has 'absolute discretion' as to action(s) in the event of a case of MDS being discovered within its supply chain and that it will explore all potential avenues for action before considering terminating the contract. In the event of a concern being raised, the Supplier should contact CITB and the Modern Slavery helpline.

Suppliers must prepare an annual slavery and human trafficking report for submission no later than 1 October of each year and complete the MSAT if required.

Suppliers must also comply with CITB's Supplier Code of Conduct that sets out what CITB expects in terms of responsible business practice and behaviour covering human rights, modern slavery and employment.

5. Due Diligence processes

CITB remains a signatory to the Gangmasters and Labour Abuse Authority's (GLAAs) Construction Protocol and is committed to working in partnership to protect vulnerable and exploited workers. This includes the sharing of information to help stop or prevent exploitation, and pledges to raise awareness of slavery through supply chains within the construction industry. See Box 1 for details of a case supported by CITB as reported by the Construction News online on the 19th April 2022.

A further case involving two men, one from Manchester and one from Macclesfield were sentenced to 28 months each at Chester Crown Court in February 2022. The pair pleaded guilty to conspiring to commit fraud and fraud by false representation between May and September 2019, after falsifying CITB health, safety and environment tests for commercial gain. Some of those they assisted to partake in the fraudulent activity were either trafficked or illegally in the country.

Box 1: Crime family convicted for human trafficking of construction workers

Four members of an organised-crime family in London have been sentenced to five years or more in prison after being convicted of human-trafficking offences. Following sentencing at Southwark Crown Court, the head of the family, Vasile Dragoi Snr, was given a six-year custodial sentence for his role in a scheme that trapped dozens of workers in a state of limbo after being promised construction jobs in the UK.

Two further family members – Florinel Dragoi and Marian Podianu – received sentences of five years and three months. Ion Brogan Dragoi was handed a sentence of five years and seven months. A fifth member, Alexandra Ciocodan, was given a two-year sentence suspended for 18 months and 200 hours of community service.

In December, the Crown Prosecution Service said the five family members, four of whom lived in East Ham, had lured their victims to the UK with promises of construction work, only to leave them ensnared in conditions described as “modern slavery”, with no pay.

Vasile Dragoi Snr, 61, and the four others were found guilty after a 16-week trial for the offences, which occurred between January and October 2017. Their 16 victims were promised £50 per day to work in the construction industry, as well as food and accommodation. However, once in the UK, identification documents were seized from the workers and withheld to exert further control over them.

Vasile Dragoi Snr and other members of the Dragoi family made the travel arrangements for the victims to come to the UK from Romania and placed them in four houses in east London.

In order to hide the number of people living in the properties during council inspections, bunk beds were hidden in the loft. Living in cramped accommodation of up to 26 in a single-terraced house, the victims were presented with false debts and provided with spurious reasons for withholding wages.

Construction Industry Training Board (CITB) fraud manager Ian Sidney was contacted by the Metropolitan Police during their investigation into the case. Sidney was able to provide evidence in court to show that the victims had taken their CITB health and safety site tests, a component of acquiring a Construction Skills Certification Scheme card, at a centre that the CITB had already terminated for fraudulent activity.

Commenting after the sentencing, he said: “There were also links from the victims’ addresses given at the test centre to those of the traffickers, helping to show that the family convicted had ‘control or influence’ over some of the victims.

“Sentencing these individuals sends out a message that not only is modern slavery abhorrent, but that we will not tolerate people compromising construction site safety by facilitating some people cutting corners to obtain their site cards without the required knowledge, skills or experience to pass the tests.”

CITB’s Fraud Manager contributed to a report published by the Independent Anti-Slavery Commissioner (IASC) Dame Sara Thornton in April 2022 titled ‘Operation Cardinas and beyond: addressing exploitation risk in the construction sector. It highlighted the fraudulent activity taking place to gain a CSCS card required by most major contractors to demonstrate that workers have the necessary training, including passing CITB’s Health and Safety test so they operate safely onsite. See Box 2 for extract from the Report.

Box 2: Extract from IASC Construction Report April 2022.

The Construction Industry Training Board (CITB) estimates that between 10 and 15 centres out of the 400 it has approved to run health and safety tests for CSCS could become corrupted or controlled by criminals at any time. In the case of Operation Cardinas, the gang made heavy use of one rogue centre, using two or three other centres less frequently. Methods of corruption include hacking IT systems to manipulate the electronic testing system; ‘ghosting’ (sending in substitutes to sit exams); bribing invigilators. In extreme cases the entire centre can be taken over by the criminal gang for set periods.

CSCS calculates that fraud impacts less than one percent of applications. Nevertheless, it admits that more work needs to be done. Since 2000, CITB has closed down 25 centres where it has discovered fraud, malpractice or maladministration, and has cancelled around 6,000 tests, most of which were used to obtain cards. A cancelled card will be flagged up on an electronic card reader only if the site system has been connected to the internet and has been recently updated. CSCS launched Smart Check in April 2022 to make it easier to check all

CSCS cards via a single mobile phone app. However, if site teams fail to do regular checks, there will always be the risk that unqualified workers are continuing to access sites.

CITB continues to support the multi -agency Op Enterprise meetings run by the Metropolitan Police and continues to support with requests for information and intelligence.

CITB has a dedicated email 'report.it@citb.co.uk' for construction industry colleagues to report any suspicions in relation to suspected fraudulent activity. This can include modern slavery and human trafficking activity. During 2021-22 there were no new cases reported via the email address.

6. Effectiveness, measured against appropriate KPIs

As an ALB of the Department of Education (DfE), CITB receives information and guidance on the Departments Key Performance Indicators (KPI's) used to monitor the effectiveness of their work to tackle modern day slavery. CITB recognises this is an area for improvement and will use the DfE's approach to develop its own KPIs over the next few years to support the monitoring and review of its performance.

As an ALB, CITB is required to pay in accordance with the PPN 05/15 - Prompt Payment Policy and Reporting of Performance, ensuring it pays 80% of all undisputed invoices within five days, with the remaining undisputed invoices being paid within 30 days or interest becomes liable. Late payment is a key issue for business, especially smaller businesses as it can adversely affect their cash flow and jeopardises their ability to trade and make payments, for example, staff wages.

Existing KPI's

KPI 1 - pay 80% of all undisputed invoices within five days, with the remaining undisputed invoices being paid within 30 days or interest becomes liable.

For the reporting year – 86.7% of undisputed invoices were paid within 5 days and 94.2% of remaining undisputed invoices paid within 30 days.

KPI 2 - % of required staff completing the mandatory training – target 100% completion

A completion rate of 95% was achieved (as of April 22).

New KPI's introduced for 2022/23

KPI 3 - 60% of all Category Team colleagues (including SSCL) will have undertaken the annual CIPS Ethical Procurement and Supply e-Learning (or recommended equivalent) by 31st December 2022.

KPI 4 - The prioritisation tool will be completed for 60% of existing contracts valued at £5m+ with a 6 month+ remaining term by 31st March 2023.

KPI 5 - The prioritisation tool will be completed for 70% of new procurements >PCR threshold.

KPI 6 - A supply chain map will be obtained within 3 months of contract award for new procurements >PCR threshold at medium or high risk of modern slavery.

KPI 7 - By 31st March 2023 a supply chain map will be obtained for 60% of existing contracts valued at £5m+ with a 6 month+ remaining term at medium or high risk of modern slavery

KPI 8 - An MSAT entry will exist within 3 months of contract award for 60% of all new procurements > PCR thresholds and at medium or high risk of modern slavery.

KPI 9 - By 31st March 2023 an MSAT entry will exist for 50% of existing contracts valued at £5m+ with a 6 month+ remaining term.

KPI 10 - By 31st March 2023 action plans will exist for 50% of MSAT entries to manage red / yellow risks and implement recommendations

7. Training and capacity building

The Executive Team and all front-line staff members were required to complete a mandatory e-learning module on Modern Slavery. Any mandatory training not completed in time is raised by line managers at employee review meetings.

SSCL's Procurement Team undertake an annual refresher as part of their CIPS membership for Ethical Procurement and Suppliers which includes Modern Day Slavery and provided confirmation.

As part of its commitment to the Sustainability Supply Chain School's 'People Matter Charter' which includes addressing labour exploitation, CITB is piloting a 'learning pathway' with some of its key suppliers, and if successful, will be rolled out to more of its suppliers. The Pathway allows CITB to allocate key bite-size e-learning modules to a supplier and track their completion, giving CITB some assurance that suppliers are aware of key legislation on key human right topics including Modern Slavery and Equality and what action they should and can take. The Pilot was delayed due to staff being furloughed during the Pandemic and is yet to re-commence.

Sixteen staff participated in a one day's training in July 2021, delivered by the organisation StrongerTogether to become Modern Day Slavery Champions to help raise awareness of modern slavery and inform others how they can get help. Their work has included:

- A Champion recording and sharing a short video to internal colleagues
- Sharing articles / guidance via LinkedIn, team briefings, external presentations
- Specific questions added into site audits of course providers

CITB was pleased to support StrongerTogether in developing and promoting their hand SOS signal launched on Anti-Slavery Day 2021, see Box 3 for further details.

Box 3: Construction leads on adopting a Hand SOS Signal for victims of modern slavery

Supported by the Chartered Institute of Building (CIOB), CITB and the Gangmasters and Labour Abuse Authority (GLAA), Stronger Together launched a new Hand SOS Signal on Monday 18th October 2021 (Anti-Slavery Day), for victims who are seeking help.

Detecting victims, who are often 'hidden in plain sight', is a particular challenge as victims are often unable to communicate easily for reasons including being under threat and intimidation in the workplace, and/or may not speak English as a first language. It is important therefore that victims can use a non-verbal signal as necessary, enabling them to seek help discretely without raising suspicion or placing themselves or others in danger. This is a particular challenge faced on construction sites but is shared across many other workplaces.



CITB was able to support raising awareness about the new sign.

Additional Activity Planned for 2022/23.

- Continue to support raising awareness and availability of resources via media channels and support the sector in addressing fraudulent activity
- Review and develop further KPIs for monitoring and performance review

This statement has been approved by CITB's Executive Directors on the 27th September 2022.

Director's signature



Tim Balcon
CEO
September 2022