

KFM Modern Slavery Statement FY21

1. Summary/Introduction

Modern slavery is a criminal offence and breaches fundamental human rights. Notwithstanding the provisions of the Modern Slavery Act 2015 (the "Act"), KFM is committed to eliminating modern slavery since this is the right moral course of action as a good corporate citizen.

2. Organisational Structure, Business and Supply Chains

KCH Interventional Facilities Management LLP ("KFM") is a provider of healthcare support services, wholly-owned by King's College Hospital NHS Foundation Trust ("KCH") with no private sector partners. KFM is a public authority and not a private company. The purpose of KFM is to partner with and support healthcare providers in providing world class patient care, with all profits and cost savings re-invested in the NHS.

KFM provides a fully managed service across all clinical areas which includes providing all required clinical supplies and equipment along with maintenance, training and technical support, endoscopy decontamination, sterile services, renal dialysis support, outpatients' pharmacy, radiology IT, transformation and project management. KFM also runs a procurement and contract management service for all departments.

KFM has an annual turnover of around £150m and c300 staff.

3. Modern Slavery Policy Position

KFM takes a zero-tolerance approach to modern slavery and is committed to eradicating modern slavery from its business and supply chain.

KFM has a number of policies in place designed to counter modern slavery within our organisation, which include:

- Modern Slavery Policy
- Code of Conduct
- Supplier Code of Conduct
- KFM Values & Behaviours
- Raising Concerns (Whistleblowing) Policy
- Dignity at Work Policy
- Diversity & Inclusion Policy
- Recruitment and Selection Policy

All procurement and contracting staff are furthermore required to acknowledge a professional code of ethics. During FY21, KFM put in place a corporate Modern Slavery Policy, which is designed to spell out KFM's formal policy position on modern slavery and determines appropriate controls for countering modern slavery in our business and supply chains.

Recently, we approved our first Supplier Code of Conduct, which bans our suppliers from making use of modern slavery, in addition to prohibiting child labour.

4. Due Diligence

KFM is continuously reviewing and improving its due diligence processes relating to modern slavery.

KFM recruitment and people management processes are designed to ensure that all prospective employees are legally entitled to work in the UK and to safeguard employees from any abuse or coercion once in our employment.

A key indicator that a person is not acting of his own free will in an employment situation include lack of access to his passport / immigration documents and being deprived of his wages by another person. To mitigate against this, all employees are at the point of recruitment required to present their passports and right-to-work documents, and salaries will only be paid into a bank account which is held in their name.

In April 2021, KFM's new e-sourcing and SRM system went live, which will further enhance our capability for auditing and assessing the effectiveness of upstream supply chain controls.

In addition to existing controls, KFM's Modern Slavery Policy requires modern slavery to be considered as part of a risk-based approach during the entire contract lifecycle, including the pre-procurement and category plan development, tendering, selection, award and post-award stages.

5. Modern Slavery Risks

KFM recently undertook significant efforts to assess the modern slavery statements issued by KFM's top 200 suppliers for compliance with the requirements of s. 54 of the Act. It was found that around 56% of modern slavery statements reviewed were not compliant with the provisions of the Act and associated guidance. This represents a significant increase from the 15% non-compliance rate reported in our FY20 statement, which can be explained by us taking a more robust approach by also assessing supplier statements against statutory guidance, as opposed to solely the requirements contained in primary legislation. Frequently detected issues include organisations failing to publish modern slavery statements, modern slavery statements being significantly out of date and lacking concrete information on the steps taken to counter modern slavery during the previous financial year. As the initiative progressed, we began to query the information contained in some supplier modern slavery statements and senior KFM commercial staff continue to be in on-going conversations with senior supplier contacts, which we hope will encourage cultural change and lead to greater awareness of modern slavery amongst our supply base.

Our Commercial teams will conduct further work to categorise existing suppliers according to the modern slavery risk they represent.

6. Key Performance Indicators (KPIs)

KFM's Modern Slavery Policy specifies a number of modern-slavery related KPIs. At present, we are tracking two KPIs:

- Percentage of staff with up-to-date safeguarding training (96.6% during FY21).
- Percentage of in-scope supplier spend with compliant / non-compliant modern slavery statement in place.

During FY22, we are planning to add the following KPIs:

- Percentage of Procurement, Complex Contracts, Finance and Business Development staff having completed modern slavery training.
- Percentage of new Procurement, Complex Contracts, Finance and Business Development new starters having completed modern slavery training within six months of starting.

7. Training

During FY22, we will ensure that all staff involved in procurement and contracting receive formal training on countering modern slavery in supply chains, as required by our Modern Slavery Policy.

This document represents KFM's slavery and human trafficking statement under s. 54(1) Modern Slavery Act 2015 for the financial year ending on 31 March 2021 and was approved by the board of KCH Interventional Facilities Management LLP on behalf of its members on 22nd November 2021.

A handwritten signature in black ink that reads "Andrew Lockwood".

Andrew Lockwood
Managing Director
9th December 2021