

Transport for London Slavery and Human Trafficking Statement 2020/21

Period covered by this statement

Transport for London's (TfL) financial year end occurs on 31 March. This statement covers the financial year 1 April 2020 – 31 March 2021.

Organisations covered by this statement

This statement covers Transport for London, its subsidiary company Transport Trading Limited and the following subsidiary companies of Transport Trading Limited:

Crossrail Limited
Docklands Light Railway Limited
London Buses Limited
London Bus Services Limited
London River Services Limited
London Transport Museum Limited
London Transport Museum (Trading) Limited
London Underground Limited
LUL Nominee BCV Limited
LUL Nominee SSL Limited
Rail for London (Infrastructure) Limited
Rail for London Limited
Tramtrack Croydon Limited
TTL Blackhorse Road Properties Limited
TTL Earl's Court Properties Limited
TTL Kidbrooke Properties Limited
TTL Landmark Court Properties Limited
TTL Northwood Properties Limited
TTL Properties Limited
TTL Southwark Properties Limited
TTL South Kensington Properties Limited
Tube Lines Limited
Victoria Coach Station Limited

More information on TfL and its subsidiaries can be found on our website:

<https://content.tfl.gov.uk/tfl-subsiary-organisation-june-2020.pdf>

Introduction

This Statement is designed to satisfy the requirements of Section 54 of the [Modern Slavery Act 2015](#), by informing our customers, suppliers, staff and the public about TfL's 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 TfL's fifth annual statement to be published under the Act and relates to the period 1 April 2020 through to 31 March 2021.

1 Our organisation and supply chain

TfL is the integrated transport authority responsible for delivering Mayor of London, Sadiq Khan's, strategy and commitments on transport. We run the day-to-day operation of the Capital's public transport network and manage London's main roads. In a normal year of operations more than 31 million journeys are made across our network each day. In 2020-21, daily ridership decreased to 3.5 million daily journeys, but the supply chain required to deliver services remained in place. We do all we can to keep the city moving, working and growing and to make life in our city better.

Managing TfL's supply chain is the direct responsibility of the Chief Procurement Officer reporting to the Chief Finance Officer, who in turn reports to the Commissioner of TfL. During 2020/21, TfL spent in excess of £6.7bn on goods, services and works required to deliver and upgrade services across London Underground, Surface Transport, Professional Services and Technology and Data. Our Purchasing and Supply Chain function has circa 617 staff.

Our 62 key suppliers represent around £3.9bn of our spend. These suppliers offer a wide range of strategically important goods and services to TfL. Over 95 per cent of our key suppliers are registered in the UK but many of their operations and supply chains are global. Some of our suppliers have complex supply chains with multiple tiers of sub-contracting and, in some cases, such as construction or electronic equipment, we have little visibility over where products are made. Therefore, we are using a risk-based approach, receiving expert advice from the Ethical Trading Initiative (ETI) and Electronics Watch where relevant, prioritising steps to achieve greater supply chain visibility where our risks are highest, recognising that workers in the lowest tiers of supply chains are often the most vulnerable.

2 Policies in relation to modern slavery

In March 2021, the Mayor published the refreshed [Greater London Authority \(GLA\) Group Responsible Procurement Policy](#).

This document is a high-level strategic policy setting out the GLA Group's plans, ambitions and commitments for ensuring continuous improvement in London, delivered through all the Group's procurement activities, which support the delivery of the Mayor's commitments and strategies. It reflects best practice and demonstrates our procurement activities meeting legislative requirements, including the Modern Slavery Act 2015.

The GLA Group Policy commits us to promote ethical sourcing and addresses risks of modern slavery by:

- adopting the nine provisions of the ETI Base Code¹, or equivalent, as the standard we expect of our suppliers to support working conditions that are legal, fair and safe;
- adopting a risk and opportunity-based approach to identify contracts and areas of spend where there may be a high risk of poor working conditions, modern slavery, forced labour, human rights abuses, sourcing from conflict-affected areas or negative impacts on security and crime; and
- seeking to improve transparency within the supply chain by working with suppliers and in partnership with the ETI and Electronics Watch to improve any poor performance identified as part of a process of continuous improvement, reflecting existing and emerging legislation and guidance.

To support the business in implementing the Policy, TfL hosts the GLA Group’s Central Responsible Procurement Team (CRPT) within its Procurement and Supply Chain (P&SC) function. It is expected the team will publish the Responsible Procurement Implementation Plan for the Mayoral term 2021-24 before the end of September 2021. The plan sets out the actions TfL, along with the wider GLA Group, will prioritise to deliver on the commitments of the GLA Group Responsible Procurement (RP) Policy, including how we plan to promote ethical sourcing practices and address risks of modern slavery.

3 Risk assessment and management

The highest risks of people falling victim to modern slavery in our UK-based supply chain include construction workers and those undertaking service contracts in sectors such as cleaning, catering, security and waste management, where low pay, migrant labour and/or indirect labour are prevalent.

The highest risks of poor working conditions and human rights abuses from our global supply chain are associated with the production and manufacture of electronic equipment, textiles and materials used in our construction and infrastructure projects. The mining and extraction of conflict and rare earth minerals such as copper, lithium, nickel and cadmium, used in the production of batteries for electric vehicles is an increasing risk as TfL supports the transition to a net zero fleet. We will work with partners, such as Electronics Watch, to address these risks as outlined in Section 7. TfL recognises the corresponding source countries and associated sector risks in its supply chains for these categories to be as follows:

Category	Country	Identified Sector Risks
Construction	United Kingdom	Multi-tiered supply chains involving use of labour agencies which could result in poor labour practices due to lack of transparency. Unethical practices including workers being charged unlawful or excessive recruitment fees, workers being misinformed about terms of

¹ <https://www.ethicaltrade.org/eti-base-code>

		employment, and the withholding of passports may take place.
Facilities Management: cleaning and catering services	United Kingdom	Low skilled labour; migrant labour; agency labour leading to lack of transparency on employment practices.
Electronic equipment	China, East Asia, Eastern Europe,	Labour intensive, often low-skilled work; mining of raw materials in high risk countries. Poor labour practices including underpayment of wages, delayed payment or wage deductions; physical abuse; working excessive overtime; worker's visa or permit is tied to a single employer, and financial penalties for early contract termination
Uniforms and workwear	Bangladesh, China	Risks include gender inequality; weak protection of workers' rights; poor labour practices including excessive overtime, underpayment or deduction of wages, financial penalties for leaving employer and structural integrity of factories.
Steel and steel components	China, Europe, Japan, India, US.	Country of production where labour rights might not be well protected; low-skilled labour, and dirty, dangerous, or difficult work in mines and smelting plants leading to poor labour conditions.
Stone	Brazil, China, Europe, India, US.	Country of production - US State Department of Labour highlights multiple countries where child and forced labour exists in quarries; child labour and unsafe working conditions
Batteries	Cobalt – Democratic Republic of Congo (DRC); Lithium - Australia, Chile, China; Nickel – Canada, Indonesia, Philippines and Copper – Chile.	Sourcing of cobalt presents greatest risk to human rights abuses. Political instability or conflict particularly in the DRC; weak protection of civil liberties and workers' rights; safe and healthy working conditions in mines can be poorly regulated and protected
Personal Protective Equipment (PPE)	China and Malaysia	Similar risks to those for uniforms and workwear, compounded by the rapid increase in global demand from coronavirus resulting in pressure on manufacturers to produce large quantities in short timeframes.

TfL mitigates and manages these risks through our due diligences processes. A summary of our activity this year is outlined below.

4 Due diligence

Through robust procurement and governance processes, including the use of a Responsible Procurement (RP) checklist for each tender in developing an approach to market, our P&SC staff can identify categories and contracts which are likely to present a high risk of human rights abuses and poor working conditions.

All relevant procurements include a question at supplier selection stage on compliance to Section 54 of the Modern Slavery Act 2015. TfL continues to include award criteria and contractual requirements in contracts where a significant risk of human rights abuses is identified.

This year, with support from Modern Slavery experts at Action Sustainability, we developed assurance tools to support our commercial processes to identify and prevent modern slavery risks in our supply chain. A workshop with representation from all of our P&SC teams took place in November enabling Commercial Managers to input into the following documents: *Modern Slavery Assurance Handbook* - a detailed guide to assurance in construction in relation to modern slavery and exploitation; *Procurement Guidance* – an easy to use guide setting out the key procurement requirements at the planning, selection and management stages and a *Risk Assessment Matrix* of medium to high risk categories.

We obtain assurances from our supply chain directly through our suppliers as part of the tendering process and then via online platforms such as the Supplier's Ethical Data Exchange (Sedex), where we access independently verified audit reports of factories as part of our contract management processes. While the coronavirus pandemic has meant we have not been able to exercise our usual due diligence, for example through a reduced level of physical inspection of factories overseas, we will return to our usual level of inspection as soon as circumstances allow.

The following section highlights this year's interventions at the procurement and contract management stages. We have reviewed our contract pipeline and undertaken work to include requirements in future contracts with the expectation that the range of categories and number of contracts will increase as our approach continues to mature.

Examples of How TfL Manages These Matters

Surface Technology Contract Retender (STCR) and High Voltage Power

The STCR contract includes the supply of a number of essential assets to Surface Transport, notably CCTV, Traffic Signals, Variable Message Signs, Overhead Vehicle Detection, etc plus the provision of capital works and maintenance activities across London for the above asset categories. Modern slavery risks were identified in the supply of these assets and in the labour provision in London therefore, and considering feedback from early market engagement in early summer, we developed a bespoke approach to mitigate these risks.

Within supplier selection, bidders will be required to provide their approach to identifying the Modern Slavery risk in their workforce, and their supply chains workforces and as a minimum, include: Management practices and governance structure; Risk assessment and due diligence procedures, including the use of auditing; Communication with suppliers and supply chain; Policies / contract requirements and Supply chain training. The successful bidder(s) will be required to provide an Ethical Sourcing Plan to be agreed by the Contractor and TfL RP Manager and will be updated on an annual basis for the duration of the contract.

The same approach was included in London Underground's contract to upgrade it's High Voltage Power Networks and associated Low Voltage Works as part of the Piccadilly line Upgrade and other substation works.

TfL is a founding member of Electronics Watch - an independent monitoring organisation that assists public sector buyers to meet their responsibility to protect the human rights of electronics workers in their global supply. Electronics Watch contract conditions, where suppliers are required to disclose the factories where goods and key components are produced, were also included in the STCR. We will closely monitor these outcomes going forward to ensure our suppliers share their often-complex global supply chains with us.

The tender documents for the STCR and the HV Power contract are due to be published later in 2021.

LU parts and components

TfL continues to implement the 9 principles of the ETI Base Code as the minimum level of performance for suppliers and their supply chain in sectors with a recognised risk of poor working conditions and labour standards. This year, bidders for the Supply of Wheels and Axels and the Framework for Bespoke Components (Rolling Stock, Track and Signals) were required to outline how both their organisation and their supply chains complied with the ETI base code as part of supplier selection. Further guidance was provided to those businesses, mostly SME's, to whom these requirements were new, to develop their capacity.

Contract Management

Electronic equipment:

Our frameworks for our ticketing payment solution - Oyster Cards - and ICT Hardware included Electronics Watch contract conditions and this year our reseller of ICT Hardware disclosed the factory locations of some of their products and we will continue to work with our reseller to increase the transparency of their supply chain.

Due to the drop in customer demand for Oyster Cards we are yet to procure new cards from the framework and therefore have not requested the suppliers to disclose the factories where goods and key components are produced. Given the recognised risk in the manufacturing of the microchips in each card, in January this year with support from Electronics Watch we held initial discussions with NXP (chip manufacturer) on their due diligence processes and approach to eradicating forced labour risks in their complex supply chains.

Facilities Management (Cleaning and Security Services):

Through inclusion of direct employment requirements embedded in our cleaning contract TfL has taken a proactive approach to manage the risks of worker exploitation in the UK cleaning sector. In March 2021, 95.2 per cent (an increase from 80% in 2019) of the circa 2,500 cleaning staff were directly employed by the supplier. All contracted and sub-contracted workers on this contract receive the current London Living Wage rate or above.

Uniforms:

In August 2020, we reached out to the supplier of TfL Uniforms to support their ability to meet World Health Organisation's health and safety guidelines on key issues such as health and safety, personal protective equipment and social distancing. Our supplier completed the ETI's Enhanced Expectations Survey, for their factories in Bangladesh and China, and were not deemed to be a risk as a result.

Workwear and Laundry:

This contract replicated the approach to ethical sourcing included in TfL's Uniform Contract where, following contract mobilisation each factory is required to undergo an annual, independent, third party social audit against the nine principles of the ETI Base Code. Contract mobilisation was delayed due to the Covid-19 pandemic, however a plan will be place by October 2021, to initiative the contract conditions which include a time-bound corrective action plan for each factory to address any areas of non-compliance identified in the annual audit. Audit results are viewed, and corrective action plans tracked online through the Sedex system.

Personal Protective Equipment (PPE):

Due to the recognised risk of modern slavery in the supply of PPE, our main supplier shared evidence of the due diligence processes of their two key suppliers, which included manufacturing factories to be audited at least every two years (Sedex Members Ethical Trade Audit (SMETA) or SA8000 Social Accountability audits) and compliance to their Ethical Standard Code of Conduct, as well as other due diligence initiatives. We will continue to work with our main supplier to improve transparency of these supply chains, as the issues are complex and systemic and will take time and collaboration to fully address.

Supplier Engagement

In the spring of 2021, we met with 10 of our key suppliers to commence dialogue on understanding their approaches to mitigating and managing the risk of modern slavery in their organisations and their supply chains, to share our approach and to identify areas for improvement. We intend to continue this engagement with our key suppliers to improve their provision of Modern Slavery assurance activities on to us.

Through engaging with a key supplier of an application hosting platform for the London Underground on supply chain transparency through Electronics Watch, we were able to obtain the factory location of where the product is assembled and the factory location of the top three component parts. We identified that the assembly factory has unionised positions and thus very unlikely to have poor working conditions.

Industry Engagement

CRPT continue to utilise its networks to collaborate and share knowledge on socially responsible procurement and from April 2021 will be participating in the Organisation for Economic Co-operation and Development (OECD) Pilot on Due Diligence in the Public Procurement of Garment & Textiles and the ICLEI (Local Governments for Sustainability)-led International Working Group on Ethics in Public Procurement for IT, with public authorities from a global and European reach respectively. The CRPT are also members of the International Working Group on ethical Public Procurement. Key learnings will be incorporated into future relevant procurements across TfL and the GLA group.

A CRPT member shared TfL's approach to corporate transparency as part of an international panel at the Electronics Watch Occupational Health and Safety Summit in December 2020. The CRPT represent TfL on the Supply Chain Sustainability School's (SCSS) Labour Group: Modern Slavery group which includes key infrastructure and construction organisations in the UK.

Crossrail

Contractors on the Crossrail (CRL) project are required to pay their employees the London Living Wage (LLW) and to undertake audits of on-site employers' pay and employment arrangements. During the financial year 2020/21, CRL sought reaffirmation from all forty-two contractors that they are paying their own employees the LLW and using reasonable endeavours to ensure that their supply chains also pay the LLW for time worked on the CRL Project. All the contractors responded to confirm compliance.

During the financial year, no construction activities were identified as giving rise to a risk of slavery in any periodic contract reviews undertaken of contractor performance or in cost verification exercises.

CRL plans to open the Elizabeth line as soon as practically possible in the first half of 2022. CRL has already transferred responsibility for eighteen elements of the railway to the future Infrastructure Managers and at the end of the year, the railway became operational.

London Transport Museum

London Transport Museum (LTM) assessed their top 20 retail suppliers approaches to Modern Slavery by inviting them to complete the UK Governments Modern Slavery Assessment Tool (MSAT) this year. 17 completed the assessment, with a wide range of scores, evidencing a breadth of maturity in combatting Modern Slavery. The LTM Retail Team will work with the low scoring suppliers to act on the tailored good practice recommendations to improve their anti-slavery activity in 2021/22. A Modern Slavery requirement was also included within LTM's standard stock purchase orders.

5 Training and Awareness Raising

This year we focussed on training and raising awareness in our P&SC department and our Capital Delivery and Projects teams, as there are the business areas identified from our risk assessment in section 3 of this statement.

Procurement and Supply Chain

To ensure that modern slavery and ethical sourcing risks are considered in the early stages of procurement when developing business cases and category management strategies, RP training is available to the P&SC teams. This year, we ran two virtual half day sessions enabling 27 staff to refresh their knowledge and awareness of our approach. 125 staff completed our RP e-learning module, providing them with an introduction to the RP Programme. The e-learning module is available on our internal system enabling continual access to the information.

As part of the development of the Modern Slavery Assurance Handbook and associated documents, 17 staff representing all of our P&SC teams attended a 3-hour workshop in November 2020.

Capital Delivery and Projects

Due to the need for high volumes of low-skilled labour with relatively short delivery deadlines using tiered supply chains, the UK construction sector is identified as a high-risk by the Gangmasters Labour Abuse Authority (GLAA). To ensure our staff working on our construction and project sites are aware of the signs of modern slavery and know what to do if they do see suspicious behaviour, we ran four Modern Slavery awareness raising sessions in March 2021. A total of 170 staff across Renewals and Enhancements, Major Projects, London Rail, Programme and Projects Directorate, Commercial Development and our Safety, Health and Environment Teams benefited from the interactive sessions, facilitated through the Supply Chain Sustainability School. Two of the sessions were held at 22:00 to capture night shift staff. A Toolbox Talk has been developed, to be rolled out to other groups unable to make the sessions, with further engagement planned later in 2021.

TfL intends to continue to use its membership of the ETI and Sedex to maintain awareness of best practice and current developments, benchmark with other organisations and externally verify our approach.

6 Reporting and key performance indicators (KPIs)

The Responsible Procurement Implementation Plan 2021-24 will include how the approach TfL, and the GLA Group, will promote ethical sourcing practices and address risks of modern slavery over the next three years, including metrics to monitor continuous improvement of internal capacity building and supply chain assurance. The plan is expected to be published before the end of September 2021.

7 Goals for 2021/22:

Next year we plan to:

Raise Awareness: Continue to raise awareness of modern slavery to TfL staff in the Safety, Health and Environment (SHE) Directorate; Commercial Development and the Capital Delivery and Projects community, through TfL's membership of the Supply Chain Sustainability School. Develop a module for all TfL staff and include in Induction for our new employees.

Increase capability: We will further upskill commercial and procurement staff, as well as contract managers on how to tackle modern slavery in supply chains through the Home Office e-learning package and on supply chain transparency through bespoke learning sessions with Electronics Watch.

Peer Learning: Establish a pan-GLA Group practitioner learning group to share best practice and collaborate across the GLA Group in relation to modern slavery due diligence and to continue to learn and share with the transport industry through TfL's representation on the Rail Safety and Standards Board (RSSB) Modern Slavery Group

Risk Assessment: Undertake a risk assessment of our key suppliers using the Cabinet Office Risk Assessment Template to identify medium and high-risk suppliers.

Site Set Up: Develop a standard project site set up based on best practice, such as the 'SCSS Site Set Up Guidance' to include requirements for awareness raising, identifying and managing risks of exploitation on site.

Supply Chain Assurance: Improve performance of TfL key suppliers, and those assessed to be medium and to high risk, in eradicating the risks of Modern Slavery in their organisations and their supply chains.

- 1) All TfL key suppliers to be risk assessed using the Cabinet Office Risk Assessment Template, by Nov 2021.
- 2) All TfL key suppliers, and those assessed to be medium to high risk, to complete the UK Government's Modern Slavery Assessment Tool (MSAT) by the end of 2021 and develop an improvement plan based on MSAT recommendations by April 2022.
- 3) All TfL key suppliers, and those assessed to be medium to high risk, to achieve an MSAT score of a minimum 70% by Jan 2024.

Minerals Supply Chains: Support Electronics Watch in developing a new approach for public bodies to improve supply chain transparency of the mining and manufacturing of minerals used in the provision of batteries for electric vehicles.


State-sponsored forced labour: Continue to collaborate with partner organisations such as the ETI and Electronics Watch to progress due diligence issues, such as the treatment of Uyghur Muslims in China, in our supply chains.

London Transport Museum: Following assessment of their top 20 retail suppliers approaches to Modern Slavery through the MSAT, the LTM Retail Team will work with the low scoring suppliers to act on the tailored good practice recommendations to improve their anti-slavery activity in 2021/22.

Crossrail: In final complex stages of the delivery of the Elizabeth line, CRL will:

- Seek reaffirmation from its contractors of payment of the London Living Wage for the current financial year.
- Seek confirmation from its contractors that they each have:
 - Whistleblowing policies about which that they carry out awareness training. They will be asked to summarise any cases where an incident of modern slavery (potential or real) has been raised through the whistleblowing process, how the case was managed and the outcome.
 - Incorporated CRL's requirements into any lower tier contracts for Crossrail works awarded during the year.
- Continue to carry out surveillance of remaining construction activities to identify any activities where there is a risk of slavery and audit contractor's compliance where appropriate.
- Encourage relevant remaining contractors to participate in TfL's partnership with Electronics Watch to support improvements to working conditions and prevent exploitation and abuse in the global electronics industry

This Statement has been approved and published by the TfL Board and will continue to be reviewed at least once annually.



Howard Carter, General Counsel

13 September 2021

For TfL Board

On 28 July 2021 (Minute 54/07/2021) the TfL Board approved the draft TfL Slavery and Human Trafficking Statement 2021 and authorised the General Counsel to agree the final form of the Statement.