

## **Modern Slavery & Human Trafficking Statement**

The Modern Slavery Act 2015 consolidates various offences relating to human trafficking and slavery.

In broad terms:

- 'slavery' is where ownership is exercised over a person.
- 'servitude' involves coercion to oblige a person to provide services.
- 'forced or compulsory labour' is where a person works or provides services on a non-voluntary basis under the threat of penalty.
- 'human trafficking' involves arranging or facilitating the travel of a person with a view of exploiting them.

Section 54 of the Act imposes a legal obligation on large commercial organisations to report on transparency within supply chains. This requires the publication of an annual slavery and human trafficking statement.

### **Introduction**

Melin first published its approach to Modern Slavery & Human Trafficking in 2016 and this statement has been revised to reflect the ongoing work that is being carried out in line with its commitment to preventing slavery and human trafficking amongst all business activities and within our supply chains. It demonstrates the measures that we are taking to ensure compliance with the Modern Slavery Act 2015 (MSA 2015) and to minimise the risks of any association with practices which undermine the principles of safety and dignity for our customers and at work particularly for people from vulnerable groups. It covers our current position on modern slavery and activities undertaken during the financial year 2017/18.

Our work within the housing and care sectors means that we have a responsibility to take a robust approach to slavery and human trafficking.

We are totally committed to preventing slavery and human trafficking in our corporate activities and within our supply chains.

### **Organisation Structure & Supply Chains**

Melin Homes takes steps to combat slavery and human trafficking. We have a zero tolerance approach to slavery and human trafficking and are committed to acting ethically and with integrity. We also take steps to ensure that all our activities and our supply chains are operate both on a legal and ethical basis.

This statement covers the activities of Melin Homes as follows:

- Melin offers a broad range of products to meet the housing needs and aspirations of its customers based upon personal circumstances. This includes a wide range of housing solutions for those unable to access market priced housing.
- We work to make a positive difference to the lives of customers through strengthening communities, working in partnership with others to build capacity, create employment opportunities and promote independence.

- We operate an active asset management strategy that aims to maximise the effective use of capital and maintaining high accommodation standards.
- We operate an effective energy strategy that aims to increase community awareness of environmental and energy matters and reduce fuel poverty.
- We work to drive forward innovative service solutions that enhance customer experience and promote the efficient use of our services.
- Manages 4,000 homes and delivers a range of services and projects to build better communities.
- We have established ourselves as a market leader in the provision of care and support to older and vulnerable people living within the community and is well placed to secure new delivery contracts across South Wales.
- Maintains existing properties across the areas in which it operates.
- Is a major developer of new homes across South East Wales.

Melin spends a significant amount of money on goods, works and services and we aim to maximise value and best practice through the procurement of these services. Our auditors audit our supply chain requirements.

## **Risk**

Melin Homes' controls risk through its Audit & Risk Committee and Risk Register. Its aim is to safeguard the assets of the company; ensure compliance with all statutory and regulatory requirements and maximise the chances of achieving corporate objectives.

## **High Risk Activities**

Melin does not carry out activities that are considered to be at high risk of slavery or human trafficking.

Responsibility for Melin's anti-slavery and human trafficking initiatives is as follows:

- **Policies:** The Performance & Business Intelligence Manager is responsible for managing and leading the development of new and existing policies and procedures across Melin through Melin's Policy Gateway. All policies are subject to a sign-off process and include an Equality Impact Assessment. Modern Slavery impacts across a range of policies.
- **Risk Assessments:** We state within our risk register that we will comply with all miscellaneous legislation but will make specific reference to the Modern Slavery Act in the future. Production of our Modern Slavery statement will also mitigate some of our previously recognised risks.
- **Investigations / Due Diligence:** Mazars our Internal Auditors have a forensics and investigations team that look at and examine any potential lack of probity. The work would be scoped and an appropriate fee charged.
- **Training:** Melin includes training on modern slavery and human trafficking within its corporate training plan and it forms part of the induction process for new staff.

## **Relevant Policies**

Melin operates the following policies that describe our approach to the identification of modern slavery risks and steps to be taken to prevent slavery and human trafficking:

- Employee & Managers Codes Of Conduct
- Procurement Strategy
- Recruitment Policy
- Guidance and advice for staff on Whistleblowing.

In addition, Melin signed up to the Welsh Assembly Government's Code of Ethical Employment in Supply Chains which sets out a framework around employment issues that includes Modern Slavery and Human Rights Abuses, Blacklisting, False Self Employment, Unfair Use of Umbrella Schemes, Zero Hours Contracts and Paying The Living Wage. Melin is working towards compliance with the Code within the next 2 years.

Over the next 12 months we will look to review and develop the following policies and processes:

- Whistleblowing Policy and Process
- Due Diligence Policy and Process
- Procurement Policy and Process

## **Due Diligence**

Melin undertakes due diligence when considering taking on new suppliers or where it works in partnership with other organisations. Our due diligence and reviews include:

- Taking steps to improve substandard suppliers' practices, including providing advice to suppliers if needs be and requirement to implement action plans.
- Invoking sanctions against suppliers that fail to improve their performance in line with an action plan or seriously violate our supplier code of conduct, including the termination of our business relationship.

## **Performance Indicators**

We have reviewed our key performance indicators in light of the Modern Slavery Act 2015. As a result we will introduce and monitor the following KPI:

- Instances of breaches of Modern Slavery Act = Zero.
- We will continue to require all staff to complete awareness training on modern slavery by watching Modern Slavery Is Closer than You Think as part of their induction.

## **Training**

We will require all staff to watch the Government's Modern Slavery Is Closer than You Think video in order to provide them with an awareness of modern slavery. This is to be delivered through our online learning platform – Learning Pool.

More detailed modern slavery training is provided for staff involved in procurement and supply chains on an annual basis.

This training will include:

- Melin's business purchasing practices, which influence supply chain conditions and should be designed to prevent purchases at unrealistically low prices, the use of labour engaged on unrealistically low wages or wages below a country's national minimum wage, or the provision of goods by an unrealistic deadline.
- How to identify the signs of slavery and human trafficking.
- How to escalate potential slavery or human trafficking issues to the relevant parties within Melin.
- What external help is available for example through the Modern Slavery Helpline, Gangmasters Licencing Authority and Stronger Together Initiative;
- What messages, business incentives or guidance can be given to suppliers and other business partners and contractors to implement anti-slavery policies; and
- What steps should be taken if suppliers or contractors does not implement anti-slavery policies in high risk scenarios, including their removal from Melin's supply chains.

We will continue to include our partners, suppliers and contractors on relevant training.

In addition, members of staff employed within the Sustainability Team with responsibility for procurement advice and support are undertaking Chartered Institute of Procurement & Supply professional qualifications and are receiving specialist training on ethical procurement. This specialist knowledge and skill will feed into Association practices.

## **Awareness Raising**

We will raise awareness of modern slavery issues by distributing flyers to staff and circulating information via our intranet site. They explain to staff:

- The basic principles of the Modern Slavery Act 2015;
- How employers can identify and prevent slavery and human trafficking
- What employees can do to flag up potential slavery or human trafficking issues to the relevant parties within Melin Homes Ltd.
- What external help is available, for example through the Modern Slavery Helpline.

**Board Approval**

This statement has been approved by Melin Homes Board who will review and update it annually.

**Chair of the Board Signature:**

  
.....

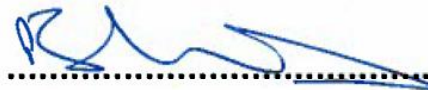
**Chair of the Board Name:**

CHRISTINE D. EDMONDSON  
.....

**Date:**

8 November 2017

**Chief Executive Signature:**

  
.....

**Chief Executive Name:**

Paula Kennedy  
.....

**Date:**

8 November 2017