Modern Slavery Statement 2023

Introduction

This is seventh Modern Slavery Statement prepared by RJ McLeod (Contractors) Limited. The statement is made pursuant to section 54(6) of the Modern Slavery Act 2015. This document covers the trading year to 30 October 2022 and sets out the steps that we have taken and the planned way forward to ensure that modern slavery or human trafficking is not taking place within our business or our supply chain.

Business Activities

RJ McLeod operates in the civil engineering market working from offices in Glasgow and Dingwall. We are one of Scotland's largest privately owned civil engineering companies, employing some 450 staff and operatives, the majority of whom are long-serving. This helps to enhance our reputation as an employer of standing. The average length of service for our staff is 14.5 years with 57% being with us for 10 years or more. The average length of service for our site operatives is 7.5 years and 38.7% have continuous service of 5 years or more.

Since our formation in 1951, we have been associated with a variety of civil engineering disciplines. Today our portfolio includes site infrastructure, public realm, both local and national road construction, energy, marine, waterways and land remediation and development.

We work solely in the UK and almost exclusively in Scotland. Being a civil engineering organisation our principal suppliers provide goods such as concrete, aggregates, pipes, reinforcing steel and the like and are similarly based in the UK. Our subcontractors also tend to be UK-based companies and provide the construction disciplines which we do not do in-house such as piling, road surfacing, landscaping, electrical services, fencing etc. We also use labour-only subcontractors for carrying out steel fixing and joinery works as well as complementing our own labour workforce.

Over the years we have developed a tried and tested supply chain where mutual respect has been key to the success of the business.

Our Approach

We have a zero tolerance approach to any form of modern slavery and human trafficking in all its different forms and are committed to acting ethically and responsibly in our business relationships to ensure that slavery and human trafficking are not present in any part of our business or supply chain.

We believe that everyone should have the opportunity to work. We comply with the applicable employment laws and our obligation is to ensure fairness in the hiring and advancement of all employees, both permanent and temporary, without discrimination. All of our staff have a personal responsibility for maintaining a respectful work atmosphere, free of abusive or unprofessional conduct. Every employee is expected to respect other people and treat them with dignity.

Our commitment to respect in the workplace includes our full support for international efforts to promote ethical principles and practices related to the prevention of the exploitation and abuse associated with modern slavery and human trafficking. We also expect a similar commitment to these principles from all organisations with which we do business and will not support or do business with any party knowingly involved in slavery or human trafficking.

All our employees have a contract of employment. The contract sets out working conditions, hours of work, holiday entitlement and the like. Hourly paid site workers are engaged under a contract of employment which reflects the 'Working Rule Agreement for the Construction Industry', this being prepared by the Construction Industry Joint Council – a body incorporating the employer organisations and trade unions. It is the properly recognised terms of employment for construction companies and is subject to annual review. We are also an accredited employer under the Living Wage Foundation meaning that employees are paid at a level at not less than the Living Wage, this being of relevance to the likes of cleaning and security personnel.

Additionally, all of our employees receive a 'Starter Pack' on joining and included in this are our 'Disciplinary and Grievance Documents'. These documents formally set out the processes to be followed when a grievance is raised or disciplinary action is required. The grievance and disciplinary procedure for our hourly-paid workforce exactly follows the procedures set out in the Working Rule Agreement (WR 22 Grievance Procedure and WR 23 Disciplinary Procedure).

In the main, suppliers and subcontractors are established members of our supply chain and also recognised companies in the UK construction market and hence we have confidence in their meeting the obligations of the Modern Slavery Act 2015. Many of our supply chain members are of a size that means they are required to produce their own modern slavery statement.

If we use an organisation for the first time and it is not a recognised, established business then we undertake checks in respect of its practices. On occasion we use organisations outwith the UK but from within the EU, principally companies based in the Republic of Ireland perhaps providing precast concrete products and the like. These are major companies and hence we have comfort that such entities are complying with EU modern slavery legislation.

Our operations mean that we have no direct contact with countries that are generally regarded as being the most likely to have a risk of modern slavery and human trafficking as noted in the Global Slavery Index.

Policies and Standards

We operate a number of policies to ensure that we are conducting our business in an ethical and transparent manner. These documents can be found on our website:

- Modern Slavery and Human Trafficking Statement
- Equal Opportunities Policy
- Corporate Social Responsibility Policy
- Anti-Bribery and Corruption Policy
- Anti-Facilitation of Tax Evasion Policy
- Environmental and Energy Policy
- Sustainability Policy

Furthermore, we have supporting internal procedures including:

- Policy for Raising Matters of Concern
- Mental Health and Wellbeing Policy

In line with Government requirements, our recruitment procedures require that all employees provide evidence of their eligibility to work in the UK.

As noted above, we have been an accredited Living Wage Employer since January 2018.

Additionally, we operate management systems accredited under the British Standards Institute. Within the control of these systems, our procurement processes define the procedures for the obtaining of goods and services from subcontractors and suppliers.

We expect our subcontractors and suppliers to meet with the principles set out in this statement. To satisfy this commitment our terms of subcontract have:

- A Modern Slavery Clause. This clause explicitly states that any subcontractor must ensure that no slavery or human trafficking takes place within its own business and in any part of its supply chain.
- A Living Wage Clause. This clause requires that the real Living Wage is paid to employees of the subcontractor, and its supply chain, when they are providing services to RJ McLeod.

Action Taken in Company Year 2021-2022

Our construction operations continued to be affected by the coronavirus pandemic but to a lesser extent than the previous two years. Covid-19 protocols were kept in place on all our sites and fixed office locations and only in May 2022 were all restrictions formally lifted. Some of the measures used have now been adopted as standard practice for the Company – for instance we now use cleaners during the normal working day as opposed to 'after hours' working. We find that the premises – both fixed and site office – are cleaner and make for a better working environment.

We are confident that there are no modern slavery or human trafficking practices within our business. It is impossible to guarantee that such practices are not present in our supply chain but what we can do is identify the risk.

We believe that the risk of such practices being in our supply chain is low and can demonstrate this through the actions we have taken with our suppliers and subcontractors and the training we have carried out with our staff, this being summarised as follows:

- In the Company Year 2021-2022, we did not identify any human rights abuses and modern slavery in our operations or in the operations of our supply chain.
- In the Company Year 2021-2022 our suppliers and subcontractors, in the vast majority, came from the UK; our supply chain numbers being as follows:
    - Number of suppliers providing goods 878 no.
    - Number of subcontractors 289 no.
    - Number of suppliers from outside UK 4 no.
    - Number of subcontractors from outside UK 2 no.
    - Number of suppliers from outside EU 1 no.
    - Number of subcontractors from outside EU Nil
- As noted in last year's statement our key personnel who have the greatest potential for interface with modern slavery practices have now received formal training from a recognised training provider.

- To reinforce the importance of recognising modern slavery practices, relevant key personnel have also undertaken on-line refresher training. The course has been well-received and reiterates the principal modern slavery and human trafficking issues identified in the original 1-day courses organised by the Company.
- Our Company Procedure – 'CP6 Proactive Management against Modern Slavery' has now been in place since September 2020 and the management process detailed therein has been found to be simple to use and beneficial.
- One of our sites was subject to an external audit on modern slavery practices, there being no issues identified but the importance of maintaining vigilance and checks was noted.
- Our modern slavery toolbox talk (a brief PowerPoint presentation and video) is still useful and relevant for our sites.
- Our internal document 'Modern Slavery Subcontractor Checklist' (QD 159) has been used as an aide memoire by our site staff for reviewing subcontract operations/personnel. We are pleased to report that we have not had any concerns.
- Modern slavery has also been part of the formal site induction on some projects, this being dependent on the size and nature of the works. Posters - including foreign language versions where appropriate - are also displayed in communal areas and welfare facilities.

Actions Proposed for Company Year 2022-2023

We intend to continue to increase our staff awareness of modern slavery practices and also look to further mitigate the risk of modern slavery practices occurring in our supply chain. The following actions will be taken:

- We will continue with our on-line refresher training for staff so that there is a fuller knowledge and understanding on how to recognise modern slavery.
- Our modern slavery toolbox talk will be repeated on our sites.
- On those sites where a large number of subcontractors are required, we will include reference to modern slavery in the site induction.
- Modern slavery posters will be displayed in our site offices, messing facilities and safety rooms. Depending on the site and the number of subcontractors involved, the posters will continue to be displayed be in various languages where applicable.
- We recognise the effects that rising inflation and the increased cost of living has on the economic and mental wellbeing of individuals in the UK and other countries and hence we will continue to be vigilant to the fact that such economic conditions may be ripe for modern slavery practices to develop.
- We will continue to use our Modern Slavery Subcontractor Checklist to review our subcontractors on site. Our Quality and Environmental Manager will keep a central record of such audits.
- We will develop our vendor appraisal questionnaire so that modern slavery compliance matters are addressed in a simple and clear way.
- Our bespoke modern slavery questionnaire issued in 2019 will be further developed and we will look to conduct the survey again at an appropriate time.

- We will look to investigate further the practices of our subcontractors and suppliers and particularly those who are not obliged to produce a Modern Slavery Statement.

Governance

This statement was approved by the RJ McLeod Board of Directors on 13 April 2023.

The statement is available on TISCreport.org and modern-slavery-statement-registry.service.gov.uk



Joint Managing Director
13 April 2023