KFM Modern Slavery Statement
Financial Year 2022

Introduction

Our company, KCH Interventional Facilities Management LLP ("KFM"), is committed to protecting and respecting human rights and does not tolerate slavery or human trafficking.

According to Section 54, Part 6 of the Modern Slavery Act 2015, this statement details the steps KFM has taken to combat slavery and human trafficking within its supply chain(s).

1. Organisational Structure and Supply Chains

KFM is a provider of healthcare support services, wholly-owned by King's College Hospital NHS Foundation Trust ("KCH") as such this makes KFM is a public authority, with a workforce of 320 staff.

All clinical areas are fully managed by KFM, including the provision of clinical supplies and equipment as well as maintenance, training and technical support, endoscopy decontamination, sterile services, renal dialysis support, outpatient pharmacy, radiology IT, transformation, and project management. Additionally, KFM manages contracts and procurement for all departments.

All KCH procurement activity should be carried out by KFM to ensure compliance with legislation & to achieve value for money on bought-in goods and services. The vast majority of supplier expenditure was with first-tier suppliers who have registered addresses in the UK. In the FY21, KFM spent circa £150 million gross with more than 5,000 suppliers

During FY21 KFM also branched out to support hospital healthcare providers within the private sector within the UK and internationally with their procurement and contract management needs.

2. Policies in relation to slavery and human trafficking

As already noted, KFM is committed to protecting and respecting human rights and has embodied this ethical stance in a number of its policies, including:

- 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

A professional code of ethics must be acknowledged by all procurement and contracting staff.

The KFM Modern Slavery Policy is designed to specify KFM's formal policy positions on modern slavery and determine the appropriate controls to mitigate its effects on our supply chain and business operations.

3. Procurement and Contractual Due Diligence

KFM is in the process of updating all of its procurement templates, including the Selection Questionnaire and tendering documentation to ensure these are in line with regulatory requirements around modern slavery.

KFM also works with several procurement consortia including the NHS Supply Chain and is reassured that they are applying similar measures to their procurements and framework agreements.

KFM operates under the NHS standard terms and conditions for purchasing goods, works and services, which include an obligation to comply with the Modern Slavery Act and to pass this down to any supply chain.

4. Risk assessment and management

KFM has not identified any instance of a breach of the Modern Slavery Act in its supply chain. Additionally, KFM is of the view that a breach of the Modern Slavery Act would be a material breach of its contracts.

In a scenario where KFM identified any instance of modern slavery in its supply chain, it would seek to take action in accordance with due process. Actions would include: informing the police and terminating a contract.

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.

4.1 Raising Concerns

Where staff or others have concerns about potential breaches of the Modern Slavery Act, these can be raised directly with their line manager and to the Governance team

In addition, where the Head of Complex Contracts suspects the occurrence of modern slavery in a KFM supplier who also happens to be a Strategic Supplier to the Central Government, the risk shall be reported to the Cabinet Office's Chief Commercial Officer without delay.

4.2 Recruitment

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 their employment.

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.

KFM operate an e-sourcing and SRM system which enables further enhancement in the ability and capability for auditing and assessing the effectiveness of upstream supply chain controls.

5. Key performance indicators to measure effectiveness of steps being taken

5.1 Key Performance Indicators (KPIs)

KFM's Modern Slavery Policy specifies a number of modern-slavery-related KPIs. KFM shall monitor the following KPIs yearly:

- Percentage of staff with up-to-date safeguarding training (95.77% during FY21).
- Percentage of in-scope supplier spend with compliant / non-compliant modern slavery statement in place.
- Percentage of Procurement, Contracts, Finance and Business Development staff having completed modern slavery training. (90% FY21)
- Percentage of new Procurement, Contracts, Finance and Business Development new starters having completed modern slavery training within six months of starting. (90%FY21)

5.2 Monitoring and auditing

KFM does not have the resources to audit in detail its entire supply chain to second, third (and lower) tiers, therefore we intend to collaborate with others in the Health Sector (e.g. Consortia Framework Providers) and Central Government (e.g. DHSC).

We recently completed an audit of 156 top suppliers to ensure compliance with the Act's requirements, as part of our ongoing monitoring and auditing. This highlighted that 73% of suppliers were defined as in-scope. Of that number, 91% confirmed that their modern slavery statements had been reviewed and updated within the last 12 months.

Furthermore, senior procurement personnel identified several suppliers working in high-risk industries, which they contacted individually. By doing this, we hope to encourage cultural change among our suppliers and raise awareness about modern slavery among them. We hope to develop a closer relationship with them around best practices in supply chain monitoring.

A further assessment of existing suppliers by our Commercial team will be conducted to categorise them according to the level of modern slavery risk they represent. As our supplier base changes year on year, this categorisation will form part of the on boarding process for all future potential suppliers.

6. Training on modern slavery and trafficking

KFM provides all staff with safeguarding training, and additionally, Procurement and Contracts staff have also undertaken mandatory training that specifically addresses countering modern slavery in supply chains; a course that looks at the issue of human trafficking/ethical procurement.

This training is available to all strategic procurement staff and other senior personnel involved with operational procurement.

7. Future Steps

To ensure its compliance with the Modern Slavery Act and to embed zero-tolerance policies related to human trafficking and slavery into its daily operations, KFM is committed to developing its policies, processes, and procedures.

To facilitate effective risk management and ongoing monitoring of potential areas of higher risk, KFM will maintain its Modern Slavery Act training programmes as well as utilize systems that facilitate ongoing monitoring of supply chains.

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 2022 and was approved by the board of KCH Interventional Facilities Management LLP on behalf of its members on 22 December 2022.



Andrew Lockwood
Managing Director