

Impact case study (REF3)

Institution: University of Nottingham		
Unit of Assessment: 17 - Business and Management Studies		
Title of case study: Improving Governmental Responses to Modern Slavery Risk in Supply Chains		
Period when the underpinning research was undertaken: 2014-2020		
Details of staff conducting the underpinning research from the submitting unit:		
Name(s): Alexander Trautrim	Role(s) (e.g. job title): Associate Professor	Period(s) employed by submitting HEI: 2013-to date
Period when the claimed impact occurred: 2017-2020		
Is this case study continued from a case study submitted in 2014? N		
1. Summary of the impact		
<p>Research by Dr Trautrim changed how international, national and local government bodies tackle modern slavery in supply chains. There are an estimated 40,300,000 people enslaved globally and the G20 countries import GBP260,000,000,000 of at-risk products annually across the top five at-risk sectors (Global Slavery Index [GSI], 2018). The research helped to change the public procurement processes and policies of the Organization for Security and Cooperation in Europe (OSCE), the UK Government, and UK local councils. These changes in how billions of pounds are spent, on tens of thousands of suppliers, reduced the risk of modern slavery in governmental supply chains. As the OSCE explained, the impact was to reduce “the demand for goods and services resulting from modern slavery” and therefore decrease “the supply of modern slavery victims.”</p>		
2. Underpinning research		
<p>Trautrim researched public and private sector responses to the risk of modern slavery in supply chains. In the wake of the passage of the UK’s Modern Slavery Act (MSA) in 2015, Trautrim published the supply chain management field’s first article about modern slavery [1]. It explained modern slavery’s challenges to current supply chain theory and practice, and formulated a structural framework and contextual factors for the occurrence of modern slavery in supply chains. The paper provided a starting point for research into how to identify modern slavery risk in supply chains. He then continued to formulate a theory of how proactive, value-oriented, and long-term supply chain management is a superior risk management approach than traditional approaches, and explicitly extended the findings of his 2015 article [1] to demonstrate the importance of this superior approach in the context of Covid-19 [2]. Showing the pandemic’s impact on both business and government procurement, including governments’ relaxation of due diligence requirements in the procurement of personal protective equipment (PPE), the article [2] argued for increasing the resilience of supply chains to events like Covid-19 through the proactive, multi-stakeholder and risk-based approaches that Trautrim had theorised in 2015 [1].</p> <p>Trautrim also researched the private and public sector impacts of the MSA, which requires organisations with a turnover of GBP36,000,000 or more in the UK to publish an annual statement about how they tackle modern slavery in their business and supply chains. In a research report published by the UK Independent Anti-Slavery Commissioner about UK agricultural companies’ MSA compliance, he analysed and graded company Modern Slavery Statements against six content areas, assessed how the agricultural sector has engaged with the MSA, and compared statements to three other high-risk sectors [3]. Turning then to the international implications of modern slavery legislation, Trautrim examined the problem that supply chains span countries with different legal systems and market features, which impacts the implementation of antislavery measures [4]. He extracted variations in the characteristics of two international supply chains and showed that: legislation with punitive sanctions is effective in incentivising compliance with antislavery rules; major market players’ leadership is crucial to the effective spread of antislavery measures across a sector; and commercial pressure from large buyers and adding social sustainability criteria to investment indices can trigger change.</p> <p>Knowing from his research [1] that public procurement is no less exposed to modern slavery risks than commercial procurement, Trautrim researched governmental procurement at local and intergovernmental levels. He worked with an internal collaborator (Caroline Emberson) to analyse modern slavery risk in local councils’ procurement of adult social care [5]. Using interviews and surveys, the article identified regulatory loopholes in direct payment systems, generated new data on worker deception and intimidation, and explained the nature of the sector’s risks. A second</p>		

article about social care used data from a case study of one council to identify four types of modern slavery risk in the labour supply chains of its adult social care services and applied one of Trautrim's theoretical models to identify the capabilities required to reduce these risks [6]. At the intergovernmental level, Trautrim analysed the risk of modern slavery in the supply chains of the OSCE [7]. This was the first analysis of modern slavery risk in the procurement portfolio of an intergovernmental organisation and made recommendations for how to manage risk.

3. References to the research

1. Gold, S., Trautrim, A. and Trodd, Z., 2015. "Modern Slavery Challenges to Supply Chain Management." *Supply Chain Management* 20.5: 485-494. DOI: 10.1108/SCM-02-2015-0046.
2. Trautrim, A., Schleper, M.C., Cakir, S. and Gold, S., 2020. "Survival at the Expense of the Weakest? Managing Modern Slavery Risks in Supply Chains During COVID-19." *Journal of Risk Research* 23.7-8: 1067-1072. DOI: 10.1080/13669877.2020.1772347.
3. Phillips, A. and Trautrim, A., 2018. "[Agriculture and Modern Slavery Act Reporting: Poor Performance Despite High Risks.](#)" Independent Anti-Slavery Commissioner Report. [G1]
4. Pinheiro, S.M., Emberson, C. and Trautrim, A., 2019. "'For the English to See' or Effective Change? How Supply Chains Are Shaped by Laws and Regulations, and What That Means for the Exposure of Modern Slavery." *Journal of the British Academy* 7(s1): 167-190. DOI: 10.5871/jba/007s1.167. [G1]
5. Emberson, C. and Trautrim, A., 2019. "Public Procurement and Modern Slavery Risks in the English Adult Social Care Sector." *Public Procurement and Human Rights*. Edward Elgar: 180-191. DOI: 10.4337/9781788116312.00021.
6. Emberson, C. and Trautrim, A., 2020. "How Might Modern Slavery Risk in English Adult Social Care Procurement be Reduced?" *Public Procurement Law Review* 6: 380-394.
7. Trautrim, A. and Cakir, S., 2020. "[Analysis of Procurement Data for the Risk of Trafficking in Human Beings.](#)" OSCE Report.

Funding body	Investigators	Title	Dates	Amount
G1. British Academy	Trautrim	Supply Chain Effectiveness of Modern Slavery Legislation	2017-19	GBP207207

4. Details of the impact

Changing UK Government Policies and Approaches

Trautrim's research shaped the UK Government's action on modern slavery in the supply chains of businesses and the Government itself. Firstly, Trautrim's research supported the Government's efforts to hold businesses to account. The top five categories of products at risk of modern slavery have an annual import value for the UK of over GBP13,000,000,000, exposing UK businesses to large-scale criminal exploitation (GSI, 2018). Three of those top five categories are agricultural. Trautrim therefore used his risk framework [1] to focus on agriculture as a high-risk sector and found that only 19% of the sector was abiding by the requirements of the MSA [3]. In 2018, this research supported the UK Government to galvanise a stronger private sector response to the MSA's requirements. For example, an MP used Trautrim's findings in a House of Commons debate to argue that the Government should increase its efforts to implement the MSA's requirements [A]. In response, the Parliamentary Under-Secretary of State at the Home Office announced that as "too many businesses still fail to meet their basic legal obligation...the Home Office will therefore over the next month write directly to the chief executives of 18,000 businesses." She promised "tougher consequences" for those "flouting their obligations" [A].

During another House of Commons debate, three different MPs used Trautrim's data again to argue for increased compliance and leadership on modern slavery. One MP used Trautrim's figure of 19% compliance to argue that the Government should introduce tough financial penalties if agricultural businesses are not compliant [A], another drew from Trautrim's research to argue for "leadership at national level to ensure consistency" [A], and a third used Trautrim's findings to argue that non-compliant businesses should be held liable [A]. The House called on the Government to "protect the workers and farmers who produce food" [A]. In response, the Parliamentary Under-Secretary of State acknowledged again that too many businesses were failing to meet their legal obligations, repeated that the Home Office was writing to CEOs, and added that—in a "significant development in transparency"—the Home Office also would audit Modern Slavery Statements and name non-compliant companies [A].

Secondly, Trautrim's research helped the UK Government tackle modern slavery risk in its own procurement. The MSA (Section 54) required only commercial entities to report on their actions to tackle modern slavery in supply chains and operations. But the UK Government spends GBP292,000,000,000 a year on external suppliers (equal to 15% of the UK's GDP). Therefore, in 2018 Baroness Lola Young called for MSA requirements to apply to the public sector as well: to mandate government agencies to produce Modern Slavery Statements, and to introduce mandatory due diligence in government contracts. She took a role as Expert Advisor to an Independent Review of the MSA that was conducted in 2018 and 2019. At Baroness Young's invitation, Trautrim's shared findings from his research on modern slavery risk [1] and the impacts of modern slavery legislation [4] at four parliamentary roundtables that she hosted in 2018 and 2019 about modern slavery and supply chain transparency in the public sector [B].

Trautrim's findings provided evidence for why public bodies (not only the private sector) should report on modern slavery risk, and informed Baroness Young's report on transparency in supply chains as Expert Advisor to the Independent Review of the MSA [B]. Baroness Young said that the research input from Trautrim's was "extremely helpful as evidence of the need to extend Section 54 of the 2015 MSA to the public sector" [B]. This research enabled her, as co-chair of the Review's supply chains panel, "to provide concrete evidence of the risks of modern slavery in public supply chains" [B]. She explained that the evidence Trautrim's provided "really helped to strengthen the case for the need for transparency in supply chains legislation for public bodies" [B]. Both the Review's interim report on supply chains and its final overall report recommended that the MSA requirement on reporting be extended to the public sector [C].

In July 2019, in its response to the Review, the Government accepted the need to extend MSA reporting requirements to the public sector. It announced that from 2020 onwards, individual UK Government ministerial departments must publish their own Modern Slavery Statements and that it would hold a consultation on which other public sector organisations in the UK should be in scope [C]. Trautrim's submitted evidence to this consultation on public sector responsibilities and in September 2020, in response to that consultation, the Government introduced additional measures to strengthen the MSA: it now requires all public bodies with a budget of GBP36,000,000 or more, including local authorities in England and Wales, to report on the steps they have taken to prevent modern slavery in their supply chains [C]. Also, as part of its response to the Review, the UK Government published the world's first Government Modern Slavery Statement in 2020. The statement laid out the steps taken to eradicate modern slavery from its supply chains: companies who have failed to meet their legal obligations on modern slavery in the last three years now risk being excluded from public procurement; the Home Office's audit process may now name and shame companies who do not take steps to become compliant; and the Crown Commercial Service has implemented due diligence in its contracting procedures [C].

Changing Policies and Practices in Local Government Supply Chains

During and after this successful push to include the public sector in the MSA's requirements, Trautrim's worked to help mitigate modern slavery risk in local government supply chains. With an internal collaborator (Emberson), Trautrim's conducted research into modern slavery risk in adult social care [5,6] that led to a local government introducing new policies that better protect workers from exploitation. After one workshop on the design of the research with Nottinghamshire County Council (NCC), the Direct Payments (DP) Quality Officer confirmed that "Modern Day Slavery is a gap and not something that is currently incorporated/looked for/discussed" [D]. The research [5,6] therefore reviewed the NCC's social care procurement processes, explained the risks, and made recommendations for this sector that accounts for an annual spend of GBP100,000,000 (38% of the council's budget). In an account of the research process, the NCC described its wide-ranging, multi-stakeholder evaluation that engaged council staff working on DP services in developing solution-orientated action plans [D]. It noted that the research had revealed several examples of questionable practices and concerns about modern slavery risks in the delivery of DP care services [D]. The NCC adopted the recommendations of the research. In so doing, it closed loopholes that had previously allowed exploitation to occur. As a direct result of the research, NCC processes now include: the recommendation to DP recipients to pay into the named accounts of personal assistants; the registration of each DP personal assistant on the NCC internal systems; the capture of the name of agencies used within individual DP recipients' support plans; and requests by NCC frontline staff during an annual review process that recipients

inform them of changes to personal assistants [D]. The 11,000 people working in adult social care in Nottinghamshire (3.7% of local employment) now benefit from these enhanced protections.

The LGA pointed to this research and its impact as an example of good practice in its “Councillor Guide to Tackling Modern Slavery” (2019), which recommended all councils consider the risks of exploitation in care services [D]. In 2020, as the UK Government rolled out the change in MSA reporting to include local councils, the UK Home Office and the LGA consulted further with Trautrim and Emberson about modern slavery risk in social care [D], and the LGA disseminated new briefings by Trautrim and Emberson, adapted from their research [5,6], about the enhanced risks of modern slavery in social care due to Covid-19. The research findings were included in the LGA’s daily briefing to all council senior management teams and leaders; in its weekly bulletin (which has a readership of 5000); and at its “Modern Slavery in the Supply Chain Hub,” where the LGA described the “really helpful and practical recommendations for local authority commissioners” by researchers “who work closely with the LGA” [D].

Responding to the changes in MSA requirements to include the public sector, Trautrim also focused in 2020 on local government product supply chains. He used his research into public procurement [7] and modern slavery risk in supply chains [1,2] to help local councils respond to the new national requirements for public sector reporting by addressing the modern slavery risks in their supply chains. Adapting his risk analysis techniques [7] to the size and shape of local UK councils, and incorporating his recommendations for how to increase the long-term resilience of public sector supply chains [2], he analysed the modern slavery risks in the City of Bradford Metropolitan District Council (BMDC) supply chain. BMDC provided data on its spend and Trautrim provided a sectoral risk assessment, an explanation of each risk, and seven recommendations for how BMDC could mitigate risks. BMDC had never undertaken an in-depth supplier analysis and it responded to Trautrim’s research by making what its Head of Procurement calls “decisions and actions as a result of the learnings” [E].

These actions include new supplier requirements, the inclusion of more stringent requirements in tender documentation, changes to reporting, the appointment of new staff focused on modern slavery due diligence, more focused training, and a new five-year Procurement Strategy that explicitly includes modern slavery in two of its five areas (Social Value and Governance) [E]. The BMDC Head of Procurement explained that Trautrim’s research was “instrumental in setting the direction for this work,” including by providing “the justification and confidence to feature modern slavery within the strategy” [E]. The Local Government Association (LGA)—whose membership consists of 339 English councils and the 22 Welsh councils—distributed the report at its Modern Slavery in Supply Chains Hub as a key national resource for all councils [D].

Changing Intergovernmental Public Procurement Practices

Trautrim’s research shaped public procurement practices at the intergovernmental level, as well as at national and local levels. Using the findings of his research into supply chain risks [1,2] and legislative requirements [4], Trautrim delivered for the OSCE the first modern slavery procurement risk analysis in an inter-governmental organisation. The OSCE is the world’s largest regional security organization and has a mandate to support its 57 participating states to develop antislavery legislation and policies, including public procurement guidelines [F]. Public procurement accounts for 12% of GDP in participating states [F]. Trautrim worked together with the OSCE’s Office of the Special Representative and Co-ordinator for Combating Trafficking in Human Beings (OSR/CTHB) and the OSCE’s Procurement and Contracting Unit (PCU) over four years (2017-20) to tackle modern slavery risk in its procurement [F]. As the OSCE explained, this work by Trautrim helped it prioritise and respond to risks in the supply chains of its large procurement processes, with the impact of reducing “demand for goods and services resulting from modern slavery” and therefore decreasing “the supply of modern slavery victims” [F].

First Trautrim participated in regional training workshops for OSCE missions and States in Geneva and Vienna (2017), Uzbekistan (2018), Riga, Athens, London, the Hague, and Vienna (2019) [F]. The workshops responded to the OSCE’s Ministerial Council Decision No. 6/17, which asks States and OSCE executive structures to implement antislavery measures in supply chains. As the OSR/CTHB explained, the workshops were part of how the OSCE supported States to deploy practical tools against modern slavery in supply chains [G]. In these regional workshops for 59 experts from OSCE States, Trautrim delivered training (rooted in the findings of 1-4) about modern slavery risks in government supply chains, supplier engagement, supply chain mapping,

and due diligence in public procurement, and helped to design new initiatives for policy change. For example, one workshop resulted in what the OSCE calls “significant concrete measures” including the announcement by the Mayor of Athens of a “slavery-free” programme to ensure that the City of Athens does not purchase products or services provided from modern slavery [G].

Then Trautrim's collaboration with the OSCE expanded to a new analysis of the OSCE's own procurement. The OSCE described this work with Trautrim's as part of its efforts toward eliminating modern slavery risks in its own supply chains and described the collaboration between Trautrim's, the OSCE PCU, the OSCE Mission to Serbia and the OSR/CTHB as a “pioneer project aimed at obtaining a better picture of the OSCE supply chain” [G]. Using the OSCE Mission to Serbia procurement data as a pilot, Trautrim's undertook an analysis of modern slavery risks in the Mission's supplier portfolio, “to gain a comprehensive overview of what services may be more prone to such risks,” as the OSCE explained [G].

The research report shaped the OSCE's guidelines for public procurement. Before the report's publication, Trautrim's presented a draft to OSCE procurement staff at a workshop in Belgrade about how to “develop the capacities of the OSCE Executive Structures and Field Operations to prevent trafficking in human beings in the OSCE's procurement” [G]. The workshop's purpose was to develop new guidelines for OSCE public procurement experts, including those based in field operations, and it used Trautrim's draft report to develop the guidelines [G]. The OSCE staff discussed and selected recommendations from Trautrim's draft research report for use in the OSCE's guidelines for public procurement experts on how to manage and mitigate modern slavery risks when procuring goods and services [F].

The recommendations for risk mitigation in the final research report by Trautrim's about the OSCE's procurement [7] included consolidating suppliers in high-risk categories, strengthening relationships with suppliers in high-risk categories, and increasing granularity of purchasing data for more detailed risk identification. The OSCE explained that its implementation of these recommendations helped it “lead by example in addressing its own supply chains” [F,G]. The OSCE also used the research report as an example of best practice for public institutions in OSCE States, for example translating it into Serbian for dissemination to relevant institutions in support of the Serbian Government's Public Procurement Development Programme [F].

The US Government's annual “Trafficking in Persons Report” highlighted this work by Trautrim's with the OSCE as an example of global good practice, explaining that the OSCE was now risk-mapping its supply chains and building the capacities of OSCE personnel through new guidance [H]. And after visiting a training workshop delivered by Trautrim's for the OSCE, the US Office of Federal Procurement Policy requested copies of Trautrim's research [5,7] for use in its own training and guidance for its 60,000 member acquisition workforce on US Government public procurement (USD550,000,000,000 per year) [H].

Trautrim's continues to deploy his supply chains research for impact at international and national levels. In 2020, his reputation for research and impact in the area of modern slavery and procurement led to his appointment as Chair of the British Standards Institution committee G/001/03 on Modern Slavery, to develop for this chartered body the first British and International Standards on modern slavery—standards to which private and public sector organisations will be expected to adhere [I]; and to the commissioning of Trautrim's by the Canadian Government to analyse modern slavery risk in its procurement supply chains [J].

5. Sources to corroborate the impact

- A. House of Commons debates.
- B. Testimonial from Baroness Lola Young.
- C. Independent Review of the Modern Slavery Act materials (excerpts).
- D. Nottinghamshire County Council and Local Government Association materials.
- E. Testimonial from Bradford Metropolitan District Council.
- F. Testimonial from the OSCE.
- G. OSCE report (excerpts) and workshop materials.
- H. U.S. Government report (excerpts) and correspondence.
- I. Testimonial from the British Standards Institution.
- J. Correspondence with the Canadian Government.