

The response of Premiership football clubs to the Modern Slavery Act

Document purpose

This document contains an independent analysis of the response of the football clubs playing in the Premier League in 2018/9 to the 2015 Modern Slavery Act. The original analysis was carried out in January 2019, with a revision in July 2019. Its aim is to contribute to the APPG question concerning the impacts of the UK Modern Slavery Act on professional sports companies.

Personal information

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Summary of evidence

- **Legal compliance with the Modern Slavery Act** requires that all companies with a turnover above £36M a year have a modern slavery statement accessible from the home page of their website. The statement must be signed and dated, and a new statement must be published annually.
 - **Fully compliant:** only 4 clubs had a statement that was accessible from their homepage, signed and within an unexpired date.
 - **Clear failure to comply:** 8 clubs had not published a statement.
 - **Technical failure - linkage:** 4 clubs had a statement, but it is not accessible from their home page.
 - **Technical failure - date or signature:** 6 clubs had a statement that was not signed, was undated, or was out of date. Note that two clubs failed on both technical points.
- **Enforcement of the Act:** there appears to be no authority responsible for enforcing the Act – having identified the above failings it is a serious omission that there is no official body to report this to who will then follow up and ensure compliance. This is a shortcoming of the Act that applies to all companies, not just football clubs.
- **Supply chain risk** can be categorized under two headings:
 - **Slavery on the club's grounds:** where low paid workers employed by a sub-contractor or agency in roles such as cleaning, catering, security and construction are potentially slaves.
 - **Slavery in the club's supply chain:** where items such as construction materials, food, clothing and IT equipment are sourced from countries where there is a high incidence of slavery.
- **Reputational risk:** the highest risk to clubs is the reputational impact if slaves are found to be present on their grounds; the highest probability of slavery is in the tiers of their supply chain.
- **Using sport to combat modern slavery:** there is no evidence of clubs showing leadership in this.
- **Best practice:** several of the clubs have evidenced a clear intent to do more than simply comply with the Act. The clubs have addressed the risk in different ways; there is an opportunity for the clubs to share best practice and establish a common approach which is stronger than any of the individual approaches currently in place.

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Call for evidence questions

This paper addresses the following questions regarding modern slavery from the APPG call for evidence:

- What are national sporting federations and clubs (such as the UK Premier League football clubs) required to do under the UK Modern Slavery Act? Are they complying to the letter and the spirit of the law? If not, what could be strengthened?
- How significant is the risk of modern slavery in sport? What aspects of sport and its supply chain are most at risk?
 - What safeguards can be put in place to protect victims?
- How can sport be used as a tool to combat and overcome human trafficking and modern slavery? Can this be applied in a wider context?

The order in which these questions has been answered has been changed in order to give a better narrative flow. The questions have been slightly changed to make them specific to Premiership clubs. The paper contains the following sections:

- What are the UK Premier League football clubs required to do under the UK Modern Slavery Act?
- Are the clubs complying to the letter and the spirit of the law?
- How significant is the risk of modern slavery for Premiership clubs?
- What aspects of Premiership football and its supply chain are most at risk?
- What safeguards can be put in place to protect victims?
- How can Premiership football be used as a tool to combat and overcome modern slavery?
- What could be strengthened?
- Concluding remarks

What are the UK Premier League football clubs required to do under the UK Modern Slavery Act?

Put simply there are two requirements of the Act for Premiership clubs:

1. **Do not employ slaves.** Clubs should have rigorous procedures to prevent recruitment of slaves to their own staff. Clubs should also take steps to the possibility of slavery in their supply chain.
2. **Provide a statement of what is being done to address modern slavery** accessible from the homepage of the club's website. The Act requires that commercial organisations with a global group turnover greater than £36m per annum prepare a slavery and human trafficking statement every financial year. It is not a statement confirming there is no modern slavery anywhere in the club or it's supply chain.

This paper is based on the evidence available through the Premiership clubs published modern slavery statements available on their websites i.e. evidence that clubs are addressing the first requirement of the Act is taken from evidence that they have complied with the second requirement.

The club's slavery and human trafficking statement must include (but is not limited to):

- details about the club's structure, business operations and supply chains;
- the club's policies in relation to slavery and treatment of workers;
- identification of parts of the business and supply chains where there is a risk of slavery and human trafficking taking place and management procedures to manage those risks;
- KPIs demonstrating the effectiveness of the club's commitments and training;
- information on the company's values, remediation and grievance procedures for workers that are victims or at risk of modern slavery;

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- capacity building of staff to manage and mitigate risks of modern slavery , forced labour or human trafficking.
- If the club has taken no steps in that financial year the statement must say so.

The text in this section draws heavily on material produced by the Supply Chain Sustainability School (<https://www.supplychainschool.co.uk/documents/modern%20slavery%20act%202015%20summary%20paper.pdf>) .

Are the clubs complying to the letter and the spirit of the law?

Note that the assessment in this section shows clubs positions at the date of this review and may have changed.

Legal compliance with the Modern Slavery Act requires that all companies with a turnover above £36M a year have a modern slavery statement accessible from the home page of their website. The statement must be signed and dated, and a new statement must be published annually.

Fully compliant: only 4 clubs had a statement that was accessible from their homepage, signed and within an unexpired date:

- Chelsea
- Liverpool
- Manchester United
- Watford

Clear failure to comply: the following clubs had not published a statement:

- Brighton and Hove Albion
- Burnley
- Cardiff City
- Crystal Palace
- Fulham
- Huddersfield Town
- Tottenham Hotspur
- Wolverhampton Wanderers

Technical failure - linkage: 4 clubs had a statement, but it was not accessible from their home page.

- AFC Bournemouth
- Arsenal
- Leicester City
- West Ham United

Technical failure - date or signature: 6 clubs had a statement that was not signed, was undated, or was out of date.

- Everton
- Leicester City
- Manchester City
- Newcastle United
- Southampton
- West Ham United

Note that Leicester City and West Ham United failed on both technical points.

How significant is the risk of modern slavery for Premiership clubs?

The highest risk to clubs is the reputational impact if slaves are found to be present on their grounds; the highest probability of slavery is in the deeper tiers of their supply chain. So far no Premiership club has had an incidence of modern slavery that has been picked up by the press. This is in contrast to high profile cases such as the construction of Qatar world cup grounds where human rights and slavery have been a prominent issue.

What aspects of Premiership football and its supply chain are most at risk?

Supply chain risk can be categorized under two headings:

- **Slavery on the club's grounds:** where low paid workers employed by a sub-contractor or agency in roles such as cleaning, catering, security and construction are potentially slaves.
- **Slavery in the club's supply chain:** where items such as construction materials, food, clothing and IT equipment are sourced from countries where there is a high incidence of slavery.

The categories of spend where there is a high potential risk of modern slavery on a club's premises are those where low pay, low skill workers are employed. Workers may be employed either directly or through a sub-contractor or service provider. The common categories are:

- Catering services provided to both club employees and fans
- Cleaning services used on club premises
- Construction labour
- Couriers providing delivery services
- Security staff employed to protect club premises
- Recruitment services used to employ staff engaged in the above

Travel & accommodation services used by the club also present a similar potential risk as they employ low pay, low skill workers in these categories.

The categories of spend where there is a high potential for slavery in the supply chain are those where materials are sourced from areas in the world where slavery is prevalent. The major manufacturing hubs in Asia are all at high or extreme risk: Bangladesh, China, India, Indonesia, Malaysia, Myanmar, the Philippines and Thailand¹. It is highly likely that clubs supply chains include items sourced from these countries. Typically these supply chains are several tiers deep and the greatest risk of slavery is in the supply chains of the club's main tier one suppliers. The potential high risk supply chains are:

- Construction materials such as stone and steel used in new build projects, and site improvements
- Food used in catering services, especially when sourced from outside the UK
- IT hardware and phone manufacturers often employ low paid workers in high risk areas of the world
- Clothing, including both merchandise for sale to fans and kit used by players

What safeguards can be put in place to protect victims?

Safeguards to protect victims include:

- **Policies and procedures** within the club that make clear that slavery will not be tolerated and take active steps to prevent the employment of slaves. These include rigorous checks on potential employees right to work in the UK, checking for payments for multiple employees being made to a single bank account, and checks to ensure that the person interviewed is the person who turns up to work.

¹ Sourced from <https://spendmatters.com/2017/08/14/latest-modern-slavery-index-released-turkey-eu-see-increased-risk/>

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- **Awareness training** to make sure that all club employees are aware of modern slavery and know how to recognize it.
- **Supply chain due diligence**, taking appropriate steps to ensure that the risk of modern slavery is addressed including:
 - Supplier code of conduct making clear the club's expectations of suppliers
 - Identification of high risk spend categories
 - Inclusion of actions required to prevent modern slavery in contractual terms with suppliers
 - Requirement for suppliers to report incidences of modern slavery in their supply chain
 - Inclusion of modern slavery in supplier onboarding process
- **What to do when slavery is identified** should be documented in the club whistleblowing policy, and should include guidance on what steps to take and phone numbers to alert the appropriate authorities.

How can Premiership football be used as a tool to combat and overcome modern slavery?

There is no evidence of clubs showing leadership in the fight against modern slavery. Possible examples of this would be:

- Using the club's position to promote awareness of modern slavery through their communications. Even clubs that comply with the requirement to have the modern slavery statement available on the home page of their website typically have it at the bottom of the page with no emphasis. There are no strong indications that the clubs *really* care about it.
- Actively promoting ethical and sustainable sourcing of food and merchandise with a clear message to purchasers.
- Active involvement of players in raising awareness, for example in the way that certain players have taken a lead on racial discrimination.
- The Premier League is taking action against racism through its No Room for Racism program (<https://www.premierleague.com/NoRoomForRacism>); there is an opportunity for them to take a similar lead in the response to Modern Slavery by promoting public awareness.

What could be strengthened?

- **Enforcement of the Act:** there appears to be no authority responsible for enforcing the Act – having identified the above failings it is a serious omission that there is no official body to report this to who will then follow up and ensure compliance. This is a shortcoming of the Act that applies to all companies, not just football clubs.
- **Best practice:** several of the clubs have evidenced a clear intent to do more than simply comply with the Act. The clubs have addressed the risk in different ways; there is an opportunity for the clubs to share best practice and establish a common approach which is stronger than any of the individual approaches currently in place.
- **Role of the Premier League:** the Premier League could take a leadership role in bringing clubs together to share best practice, and in pointing out to clubs where they are not in compliance with the Act.

The following seven clubs had provided modern slavery training to their staff:

- Arsenal
- Everton
- Liverpool
- Manchester City
- Southampton
- Watford
- West Ham United

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Supply chain engagement was the strongest area covered by the clubs statements, with eleven mentioning steps to address the risk. Actions taken included risk assessments, establishment of policy and establishment of contractual terms with suppliers. Manchester City specifically took the approach of requiring their tier 1 suppliers to carry out the necessary due diligence. It should be noted that most of the clubs had done at most two of the identified actions.

- Arsenal
- Chelsea
- Everton
- Leicester City
- Liverpool
- Manchester City
- Manchester United
- Newcastle United
- Southampton
- Watford
- West Ham United

Three clubs had taken steps to establish measures and/or monitor their progress in addressing modern slavery:

- Arsenal
- Chelsea
- Everton

Concluding remarks

Given that only four clubs were fully compliant with the Act, and that eight clubs had no statement, it is clear that as a whole the Premiership has not taken the issue of modern slavery sufficiently seriously. The eight clubs that have no statement need to address this immediately and put in place actions to address modern slavery, and those that have failed on a technical point need to update it promptly to reflect the actions that they have undertaken.

On a more positive note several of the clubs have evidenced a clear intent to do more than simply comply with the Act. The clubs have addressed the risk in different ways; there is an opportunity for the clubs to share best practice and establish a common approach which is stronger than any of the individual approaches currently in place. It would be great if one of the clubs, or the Premier League, stepped up to lead this. It is probably fair to say that the spread of responses to modern slavery by the Premiership clubs that are taking action is similar to what would be found for a sample of companies from most industry sectors.

It is a significant omission that there is no official review of compliance with the Act, or authority to whom non-compliance can simply be reported. The Premiership responses to modern slavery highlight both that the Act has been a significant spur to action, with some clubs showing genuine leadership, and that without stiffer penalties for failure to comply those that have done nothing are likely to continue not to address the issue effectively.

The question of whether clubs are indirectly linked to some of these practices by the people who own them and through the activities of some of their sponsors is outside the scope of this paper, which has focused on compliance with the Modern Slavery Act.