



PROPAYE

O U T S O U R C I N G

Modern Slavery and
Human Trafficking
Statement

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Statement

ProPaye Outsourcing Ltd as a company is committed to upholding the statement that any employees or members of ProPaye Outsourcing as well as any workers it supplies (directly or indirectly) for the completion of the companies promised services, are not subject to modern slavery, human trafficking, forced labour, and/or similar human rights abuses, whether this be through behaviour, actions or threats.

This statement document outlines the actions ProPaye Outsourcing have undertaken to demonstrate an understanding of all possible modern slavery risks related to the business and to ensure the necessary steps are taken to prevent both slavery and human trafficking.

Proceeding the last publication of ProPaye Outsourcing's modern slavery statement, and after due consideration, we have not identified any significant risks of modern slavery, forced labour, or human trafficking in our direct supply chain. However, we continue to be alert to the potential for problems.

This statement is made in accordance with Section 54, Part 6 of the Modern Slavery Act 2015 and the Managing Director in conjunction with the Compliance Manager has overall responsibility for implementing and reviewing this statement, as well as monitoring the use and effectiveness of its content and proposals to eradicate modern slavery and human trafficking in ProPaye's supply chain.

ProPaye Outsourcing

ProPaye Outsourcing Ltd is an intermediary that operates as a broker for the temporary labour market in the UK. ProPaye Outsourcing Ltd employs 14 internal employees, the majority work in the company's head office in Lichfield, and some are based in Portsmouth. ProPaye Outsourcing Ltd aid the supply of temporary labour, engaged as employees, subcontractors and limited company contractors, to the warehousing, industrial and transportation sectors primarily.

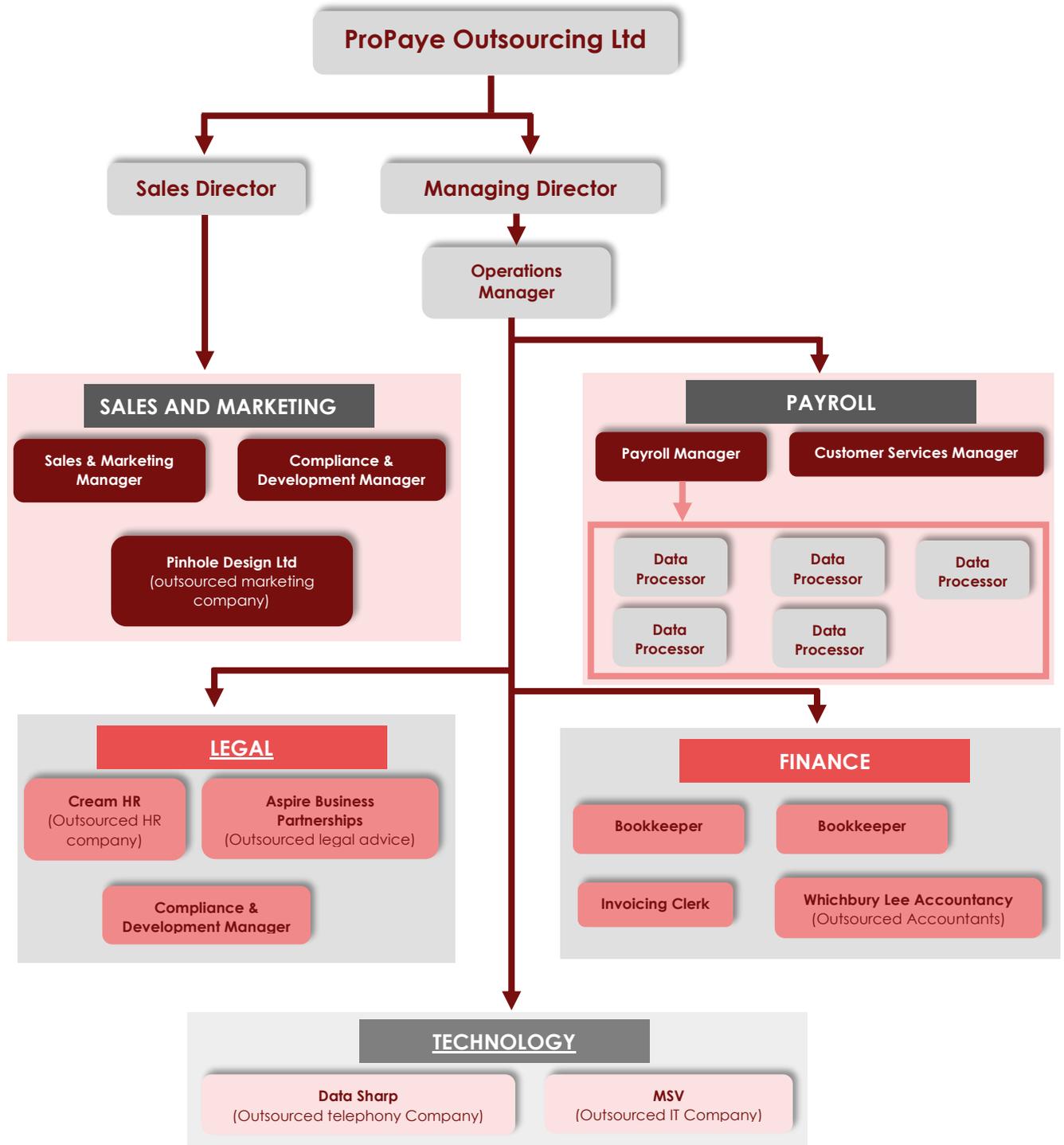
Financial Year

ProPaye Outsourcing's financial year end is 30th November.

ProPaye Outsourcing understand and accept that the company's annual statement and actions made reference to here, in response to the Modern Slavery Act, must be updated and published within 6 months of the companies' financial year end.

ProPaye Outsourcing – Organisation Structure

ProPaye Outsourcing practice what they preach and utilise the ability of outsourcing to deliver their services the best way possible. ProPaye Outsourcing utilise a variety of businesses who are experts in their respective areas to fulfil different business functions and utilise a key, core team of internal employees to run the day to day business activities. Consequentially, the below diagram reflects ProPaye Outsourcings organisational structure.



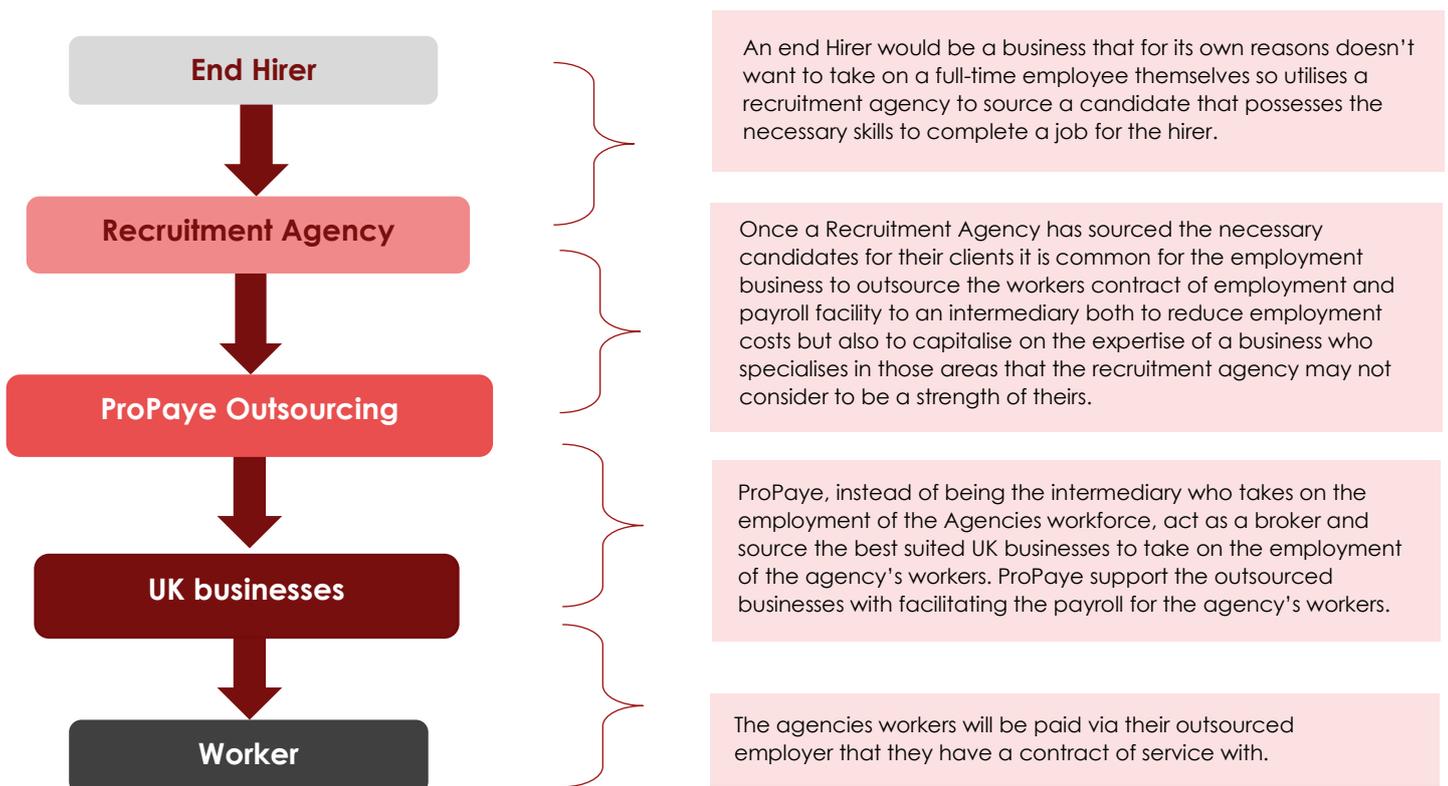
ProPaye Outsourcing Supply Chain

Our business partners include, but are not limited to, our agency clients and suppliers (outsourced employment businesses). We have detailed Terms of Business in place with both our clients and Suppliers. Ultimately, we expect our business partners to promote the same standards within their own supply chains. ProPaye Outsourcing Ltd will never, knowingly, enter into a business relationship with any organisation involved in modern slavery or human trafficking.

As an intermediary involved in the supply of labour, the key areas of our operation that could be affected by modern slavery and human trafficking are our directly hired employees and the agency workers whose contract of employment is outsourced. Forced labour, servitude and trafficking of labour are key areas of consideration for us.

Our employees and those we work with are encouraged to challenge any unethical, dishonest or unacceptable behaviour. All concerns raised will be treated seriously and will be investigated with the relevant parties, without bias, with absolute discretion and appropriate action will be taken by the relevant party where required.

ProPaye Outsourcing Direct Supply Chain



Policies

The following is a non-exhaustive list of policies and documentation that assist ProPaye Outsourcing Ltd with our approach to prevent modern slavery and human trafficking in our operations:

- **Whistleblowing policy** – our whistleblowing policy provides a mechanism for our employees to report concerns within ProPaye Outsourcing Ltd
- **Anti-Bribery Policy** – Our Anti-Bribery policy demonstrates ProPaye's Outsourcings understanding and enforcement of the fact that It is illegal to offer, promise, give, request, agree, receive or accept bribes. This policy exists to help protect not just the company but all of those who operate within our supply chain and serve our business.
- **Anti-slavery policy** – our anti-slavery policy demonstrates ProPaye's commitment to preventing slavery and human trafficking and sets out the steps in place with the aim of ensuring there is no worker exploitation in ProPaye's own business and supply chains. It educates our employees on the action to take if they believe or suspect that there has been a breach of the policy.
- **Criminal Finance (anti-tax evasion policy)** – supports the approach taken by ProPaye Outsourcing to conduct all business in an honest and ethical manner. This policy outlines the zero-tolerance stance adopted by ProPaye CIS towards tax evasion directly and in our supply chain.
- **Due Diligence Policy:** This policy outlines the efforts undertaken by ProPaye Outsourcing to ensure the necessary due diligence is conducted on the supply chain engaged by ProPaye Outsourcing to fulfil the outsourcing needs of our Recruitment Agency clients whilst ensuring compliance is consistent throughout the labour supply chain with no risk of exposure under the Kittel Principle or other pieces of important legislation not to be flouted.
- **Verification of identity and right to work** – we undertake Right to Work checks on our employees and the workers of agencies we broker for in line with the Home Office requirements.

Processes

To ensure the risks of modern slavery are always considered, we use the following processes:

- Identify and assess potential risk areas when considering taking on new suppliers and regularly review our existing supply chains.
- Conduct checks on agency workers to ensure the pay rates they receive are reflective of the services they are providing as someone who is either employed or self-employed based on guidance we have received.
- Review the potential for risk at regular intervals, including the possibility of re-auditing a supplier or conducting spot checks.
- Ensure relevant Identification and right to work documentation is provided and up to date.
- Have a clear and adhered to process surrounding national Insurance numbers of agency workers.
- Protect whistle blowers.

All ProPaye's internal staff are trained on the due diligence procedures appropriate to high risk activity which could assist in identifying a case of modern slavery as detailed below.

A member of ProPaye's management team check and verify the right to work documentation of any directly engaged employees to confirm legitimacy of their right to work in the UK before hiring. The payroll team also request this information from agencies in relation to their workforce whose employment is being outsourced. In circumstances where this information is not supplied the Suppliers engaged by ProPaye will obtain this from the workers directly. ProPaye have been directed that should this documentation not be provided the agency workers employment will not be able to be managed/outsourced. Relevant documents are inspected and photocopied and records are kept in line with the UK Home Office guidance. When appropriate, ProPaye's internal employees are trained to advise Immigration Enforcement of any issues with right to work documentation.

We operate a policy whereby if an employee or subcontractor wants to be paid through a bank account which is not held in their name, then written permission needs to be obtained from both the employee/subcontractor and the account holder before making payment into the bank account. ID must also be received from both parties.

Limited company contractors must be paid through a limited company bank account. Due diligence must be undertaken on all limited company contractors via a prescribed checklist drafted specifically for the engagement of limited company contractors.

On an ongoing basis, responsibility lies with the Payroll Manager, the Operations Manager, Compliance Manager and the Managing Director to ensure that our processes, training and our understanding of the issues involved in modern slavery are kept up to date.

Due Diligence

ProPaye Outsourcing engaged legal advisors Aspire Business Partnerships to implement a robust Due Diligence Policy and process that could be utilised when vetting the supply chain of genuine UK businesses that offer employment to agency workers.

This includes the following:

- ✓ Spreadsheet for documenting supplier's data and compliance documentation issued
- ✓ Due diligence engagement questionnaire
- ✓ Due diligence questionnaire guidance
- ✓ Ongoing Management Review questionnaire
- ✓ Ongoing management review guidance
- ✓ Ongoing due diligence data spreadsheet
- ✓ Due Diligence Policy

Risk Assessment

ProPaye assess the risks of possible exposure to employees and workers being subject to Modern Slavery in the following ways:

1) **Conduct due diligence on the client**

This includes running credit checks and VAT number validity. This check can help paint a picture about both the financial position of a business and their attitude towards compliance.

A business who has a poor credit score is less likely to send over funds for payroll and has a higher chance of struggling with cash flow issues. Therefore, if this assessment of their finances is discovered, ProPaye could deduce that the client is probably in a position where they are more likely to require cheaper labour and the workforce in question may be more likely to be engaged under modern slavery circumstances. Should the results from these checks come back raising concerns then more information could be required from the prospective client.

2) **Worker Pay Rate**

As touched on above, Agencies who find themselves requiring cheaper labour due to struggling with financial circumstances could be more inclined to engage someone in a manner which is considered to be modern slavery. This can often be seen by assessing the worker rate of pay and whether it is in line with National Minimum Wage and is reflective of the nature of work conducted by the agency worker.

Should there be any deductions/charges being requested from the agency to the workers' pay, these would have to be vetted and approved before going through payroll to ensure there are no breaches to NMW and that the charges are fair to the worker and in line with their contract of employment to ensure there is no exploitation to the worker.

3) **Right to work ID**

An agency or worker must be able to evidence that the worker holds (or is in the process of acquiring) a national Insurance Number. Without this the worker will not be able to be payrollled/ have their employment outsourced.

Ongoing Management

Due to the risk assessment stages outlined in the previous section, ProPaye Outsourcing has not payrollled any workers we believe to be at risk under Modern Slavery.

Due to the routine processes required to compliantly manage the engagement and payroll of Recruitment Agencies workforce, ProPaye have been able to ensure modern slavery is not present in our supply chain of labour.

Should any challenges be encountered in the next year of trading it will be reported in this section with an update on how this was managed by ProPaye Outsourcing.

Continued Compliance and Training

We understand that the risk of modern slavery is ongoing and so, we must continue to improve our processes in the years ahead, with particular focus on;

- Update ProPaye Outsourcing Ltd's training procedures on modern slavery including, but not limited to, how to identify the signs that a worker is potentially being exploited and what process to follow if potential issues surrounding modern slavery are identified. We will repeat this training annually and update it as necessary
- Include modern slavery training as part of the internal induction process
- Continue performing the necessary initial and ongoing due diligence on all suppliers.
- Obtaining our clients' and suppliers' anti-slavery policies and, where applicable, their modern slavery statements so we can begin to assess where we can work together to combat modern slavery in our supply chain

We will be working with advisors from Aspire Business Partnership LLP who have been awarded with a Certificate in Investigating Modern Slavery by the Gangmasters Licensing Authority, in partnership with the University of Derby.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015

SIGNED:



NAME: Courtney Hastings

POSITION IN THE INTERMEDIARY: Compliance and Development Manager

DATE: 23/04/2020

SIGNED:



NAME: Ken Hastings

POSITION IN THE INTERMEDIARY: Managing Director

DATE: 23/04/2020