The Provident Financial plc statement on the Modern Slavery Act 2015

This statement has been published in accordance with the Modern Slavery Act 2015. It sets out the steps taken by Provident Financial plc and its operating companies during the year ending 31st December 2017, to prevent the possibility of modern slavery and human trafficking occurring within its direct operations and supply chains. All information and data provided below is based on the 2017 financial year unless otherwise stated.

Our business

Provident financial plc and its operating companies (“the group”) is a specialist non-standard lending group which operates across the United Kingdom (UK) and Republic of Ireland (ROI).

The average number of people employed by the group across its three divisions as at 31 December 2017 stood at 4,940. Collectively, these people serve 2.5 million customers in the UK and ROI. Vanquis Bank is a supplier of credit cards in the non-standard credit market and has operations in Bradford, London and Chatham, Kent. The Consumer Credit Division (CCD), which operates under the Provident home credit and Satsuma brands, is headquartered in Bradford, with 253 branches across the UK and ROI. The third division, Moneybarn, is a non-standard vehicle finance company and has operations in Petersfield, Hampshire.

The group is opposed to slavery and human trafficking in both its direct operations and in the indirect operations of its supply chains. As such, the group will not knowingly support or do business with any organisation involved in slavery or human trafficking. This commitment is underpinned by the group’s corporate policy on procurement and outsourcing and the group’s corporate diversity, equality and inclusion policy which endorses the United Nation’s Universal Declaration of Human Rights and International Labour Organisation’s core standards. Other corporate policies, which support this commitment include the Health and Safety Policy, Whistleblowing Policy, Bribery Policy and Human Resources Policy.

Our supply chains

In 2017, the group’s revenue was almost £1.2bn and its annual procurement spend was £335.2m. The majority of the group’s tier one suppliers are based predominantly within the UK and ROI. These suppliers range in size and scale from small to medium-sized enterprises, to large multinational corporations. Approximately two-thirds of the group’s procurement spend is on products and services such as mailing, marketing, security, debt recovery, credit scoring and professional services such as legal and accountancy services. The second highest procurement spend relates to the group’s information technology and office infrastructure (ie hardware, software, support, property and facilities). It is recognised, however, that some of the organisations that supply these suppliers can be based in locations in Asia, Europe, Middle East and North America.

The procurement and partnership teams in the group’s operating companies are required to adhere to all relevant group corporate policies. Each of the group’s operating companies have established due diligence processes and procedures to manage supply chain-based risks, and engage with suppliers to ensure that they comply with the group’s policy requirements and meet legislative requirements such as the Modern Slavery Act. This includes requiring suppliers to complete a self-assessment corporate responsibility (CR) questionnaire.

The CR questionnaire seeks to identify supplier commitment to environmental, social and governance issues to ensure that the group only works with companies who hold similar values to the group. It also enables the group to identify suppliers that are viewed as a higher risk in terms of a range of human rights and labour issues including: child, forced or bonded labour, freedom to form/join trade unions, collective bargaining, disciplinary/grievance practices, payment of a minimum/living wage and working hours and overtime. The group will only trade with suppliers who comply with these policies.

The group’s direct operations

In order to minimise the risk of modern slavery or human trafficking occurring within the direct operations of the group (ie through the staff that are employed by the group’s operating companies), a range of HR processes and
procedures are in place. Each of the group’s operating companies is required to collect evidence which shows that: the person being hired is the person they claim to be; the prospective employee has the right to work legally in the UK; the person has permission to do the type of work that is being offered to them and that they are not a criminal. The evidence described above is assured by conducting checks using information held on the National Fraud Database and credit reference agency databases, as well as through the carrying out of criminal record and driving licence checks. Prospective employees are also required to provide proof of ‘right to work’ documents in line with the Immigration, Asylum and Nationality Act 2006 and original photographic documents, for example, a valid passport.

The group is also committed to the highest standards of equality, honesty, openness and accountability. Staff are encouraged to raise concerns relating to potential breaches of regulations, policy requirements and/or other grievances, either by contacting a line manager or by telephoning a dedicated external helpline in confidence. The group’s whistleblowing helpline ‘Safecall’ is a 24-hour whistleblowing helpline operated by an independent third party to ensure impartiality and confidentiality.

Our plans for the future

Following the publication of the group’s first statement on the Modern Slavery Act 2015, the business has developed a broad understanding of the areas within its businesses that require further focus to identify potential risks which relate to modern slavery and human trafficking. To ensure that there is a high level of staff awareness of issues relating to modern slavery and human trafficking, particularly within the group’s procurement and partnerships teams, the group will, during 2018, engage a third party consultancy to deliver a workshop. This workshop will focus on: raising awareness and understanding of the changing expectations around human rights and modern slavery risks; reviewing current procurement practices across the group and assessing risks and opportunities for human rights in the group’s supply chains; and providing examples of good practice and recommendations that will help the group’s procurement teams mitigate risks of modern slavery and human trafficking breaches occurring in the future.

The group will also seek to harmonise the due diligence processes and procedures used by the group’s operating companies to manage supply chain-based risks, and develop metrics to measure the effectiveness of group’s approach to ensuring that its supply chains are free from modern slavery and human trafficking.

This statement has been approved by the Provident Financial plc board of directors and will be reviewed and updated annually.

Malcolm Le May
Chief Executive Officer
Provident Financial plc

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