

MODERN SLAVERY ACT

The Modern Slavery Act 2015 Reporting Obligations

- ▶ From 31 March 2016, any companies caught by the reporting obligations under the Modern Slavery Act must publish a slavery and human trafficking statement on their company website.
- ▶ Does this apply to you? See our brief overview below to find out more.

What's it about?

Whilst the Modern Slavery Act 2015 (**Act**) came into force in October last year, the practical application of the Act for the majority of companies is only just starting to bite. Any companies caught by the legislation whose year end is on or after 31 March 2016 must publish their inaugural slavery and human trafficking statement within six months of the date of their financial year end.

Why does it matter?

Companies caught by the reporting obligations under the Act must publish a slavery and human trafficking statement in a prominent place on their company website, with the name and title of the director who signed the statement equally prominently published (it is a requirement of the Act that the statement is approved by the board of directors and signed by a director). Statements, therefore, will be highly exposed to public scrutiny, and a lacklustre approach to reporting under the Act will run the risk of reputational damage. In addition, non-compliance with the Act runs the risk of injunctive proceedings in the High Court.

Now what?

If your organisation meets the following basic criteria, it must publish a slavery and human trafficking statement:

- ▶ your organisation (covering all group entities, including those registered outside the UK) is incorporated or a partnership which carries on business in the UK (a common sense approach is needed here);
- ▶ you supply goods or services; and
- ▶ your business has a turnover of £36m (including turnover from UK and non-UK subsidiaries).

Whilst the UK Government chose not to prescribe any particular format for statements – indeed a business may set out in its statement that it has not taken any specific steps to review or combat modern slavery or human trafficking - given the degree of public scrutiny to which any statement will be subject, most organisations will look include the following types of information (reflecting guidance set out Section 54 of the Act):

- ▶ the organisation's structure, its business and its supply chains;
- ▶ its policies in relation to slavery and human trafficking;
- ▶ its due diligence processes in relation to slavery and human trafficking in its business and supply chains;
- ▶ the parts of its business and supply chains where there is a risk of slavery and human trafficking taking place, and the steps it has taken to assess and manage that risk;
- ▶ its effectiveness in ensuring that slavery and human trafficking is not taking place in its business or supply chains, measured against such performance indicators as it considers appropriate;
- ▶ the training about slavery and human trafficking available to its staff.

We have developed a Modern Slavery Act statement compliance pack to help organisations to meet the requirements of the Act. The pack includes materials such as model clauses, due diligence wording for tenders and compliance checklists, and is hosted on a dedicated secure extranet site.

The team at Addleshaw Goddard LLP will be happy to discuss the options with you. Please contact Benjamin Taylor or Luke Baines.

Who to contact

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