



The Modern Slavery Act 2015 requires certain UK businesses to publish an annual statement on the steps taken to eliminate slavery and human trafficking in their business and supply chains.

Organisations with a financial year ending on or after 31 March 2016 will be the first required to make such a statement. Although there is no time limit in which to make the statement, organisations are expected to produce it as soon as reasonably practicable after the financial year end, and are encouraged to provide the statement within six months of the financial year end.

The Act aims to prevent all forms of labour exploitation and increase transparency of labour practices in supply chains. The Government has taken the view that organisations with significant resources and purchasing power are in a strong position to influence global supply chains, and estimates that 12,000 UK organisations will be affected by the Act.

What is slavery?

The definition under the Act is very wide and includes:

- Slavery
- Servitude
- Forced labour
- Exploitation
- Human trafficking.

Which organisations must produce a statement?

Any commercial organisation (this includes charities and other institutions) which:

- Supplies goods or services
- Carries on a business or part of a business in the UK and
- Has a global annual turnover of £36 million or more.

What form should the statement take?

The statement must be published on the organisation's website, with the link in a prominent place on the homepage. If there is no website, a written copy must be provided upon request.

Each business can decide what to include in the statement and the form that it should take. However, the statement should be simple, succinct and easy to understand.

Government guidance suggests including information about:

- 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.

If no steps have been taken to ensure there is no modern slavery within the business or its supply chain, the statement should say so.

How should you prepare?

There are practical steps you can take:

- Consider whether your organisation is within the definition of a commercial organisation under the Act.
- Identify who will be responsible for preparing the statement.
- Consider whether this should be a stand-alone statement or part of an integrated human rights process.
- Assess and map your supply chain and direct

operations and start to assess the areas of particular risk and impact.

- Formulate responses in terms of policy and action against the key identified risks.

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This document is written as an outline guide only and any action should not be based solely on the information given here. Appropriate professional advice should always be taken in specific instances.

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