

The Modern Slavery Act 2015 – guidance and model documents

This document comprises information on the Modern Slavery Act 2015 and its supporting regulations, and a template modern slavery policy and statement. It replaces the previous factsheet “Transparency in Supply Chains Reporting Requirement” form November 2015.

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1. Background

The Modern Slavery Act 2015 (the Act) significantly enhanced the criminal penalties for traffickers and illegal gangmasters, alongside increasing support and protection for victims of modern slavery and human trafficking. The Act applies across all industry sectors and so is not recruitment specific.

Section 54 of the Act also introduced a new statutory obligation on large businesses to publish an annual statement on the steps they are taking to ensure that modern slavery and human trafficking are not taking place within their business operations and their supply chain. The Modern Slavery Act 2015 (Transparency in Supply Chains) Regulations 2015 which came into effect on 29 October 2015 build on Section 54 and provide more detail on the requirements. All references to the Regulations in this document are to those regulations.

Some REC members operating in certain sectors of the economy may be more familiar with the risks of modern slavery and human trafficking than others, but it is hoped that the Act and the Regulations will encourage business across the whole of the economy to increase their efforts to eliminate modern slavery and human trafficking.

2. What do slavery, human trafficking and exploitation mean?

We set out the definitions of slavery, human trafficking and exploitation in full in Annex A. In brief they are:

- Slavery/ servitude - behaviour depriving an individual of their freedom and property¹.
- Human trafficking - arranging or facilitating the travel of another person with a view to them being exploited, even if they consent to the travel ².
- Exploitation- forced or compulsory labour. This can include direct threats of violence or more subtle forms of compulsion³.

3. Which businesses are required to report?

The reporting requirement applies to commercial organisations which:

- Are incorporated (either a public or private company) or a partnership;
- Supply goods and/or services in the UK (even if incorporated outside the UK); and
- Have an annual turnover of at least £36 million (see below for comments relating to group companies and overseas revenue).

Turnover - total turnover of a commercial organisation is (a) the turnover of that organisation and (b) the turnover of any of its subsidiary undertakings (Regulation 3(1)). Turnover means the amount derived from the provision of goods and services falling within the ordinary activities of the commercial organisation or subsidiary undertaking after deduction of (a) trade discounts, (b) VAT and (c) any other taxes based on these amounts (Regulation 3(2)).

Group companies – every organisation within a group of companies will have to publish a statement if it meets the above requirements. Neither the Act nor the Regulations specify how a group of companies can manage this obligation. However, the [Home Office guidance](#) states that if for example a parent company and one or more subsidiaries are each required to publish a statement, then the parent company could provide one statement for use by all provided it covers the steps each organisation has taken during the financial year. This includes where the subsidiary is a non-UK company. ⁴

Franchises – again, this is not expressly covered in the Act or the Regulations but is covered in the [Home Office guidance](#). Only the franchiser's turnover is relevant to assess whether the franchiser has a duty to publish or not. However, any franchisee which reaches the £36 million in its own right will also have a duty to publish.

Businesses that don't meet the above requirements - while the majority of REC members may not meet the turnover threshold and therefore will not be required to report in their own right, they may be asked by businesses further up the supply chain to help them prepare their statement by providing evidence or implementing new policies and practices. So members supplying via vendors, whether master or neutral, can expect to be questioned about the steps they take to tackle slavery and human

¹ Section 1 of the Act

² Section 2 of the Act

³ Section 3 of the Act

⁴ Pages 7 and 8 of the [Home Office guidance](#)

trafficking within their own organisation and any other entities they engage with. Alternatively, where there are no vendors they could be asked directly by their client if it has a duty to publish.

4. What information should the statement contain?

There is no prescribed format for the content or structure of the statement. The guidance states that different types of business can develop their policies and practices – and consequently statements – to reflect the level of risk in their sectors. That said, Section 54 of the Act states that the statement may include information about:

- The organisation's structure, its business and its supply chains;
- Its policies in relation to slavery and human trafficking;
- The organisation's due diligence processes in relation to slavery and human trafficking in its operations and supply chains (i.e. audits, compliance checks, procurement policies);
- Steps taken to assess and manage risk of modern slavery and human trafficking in its operations and supply chains, and how the business measures its effectiveness in this regard;
- The training about slavery and human trafficking which is available to staff.

It is quite common for businesses to have already adopted, for example, one or more of:

- A corporate social responsibility policy
- An ethical procurement policy
- An anti-bribery / corruption policy
- A code of conduct for suppliers (possibly including procedures for handling alleged breaches)
- A whistle-blowing policy

It may be appropriate to reference one or more of these policies in your modern slavery statement.

The [Home Office guidance](#) also suggests noting whether any of the organisation's work is seasonal, the countries it sources goods and services from including high risk countries where modern forms of slavery are prevalent and the relationships it has with suppliers, trade unions and other bodies representing workers. It also emphasises that **tackling modern slavery is not just about policies but about organisational behaviour including training, resourcing, collaboration and leadership by senior management**⁵.

Due diligence – neither the Act nor the Regulations set out what due diligence the reporting organisation might do on their supply chains. However, Annex E of the [Home Office guidance](#) sets out some pointers⁶. It states that due diligence procedures should be:

- Proportionate to the identified modern slavery risk (which is affected by the countries and sectors the supply chain operates in, finance (including money laundering) and business partners);
- The severity of the risk;
- The level of influence a business may have; and
- Informed by broader risk assessments that the organisation has already conducted.

⁵ See Annex E of the [Home Office guidance](#)

⁶ Pages 27 to 37

Language – the [Home Office guidance](#) suggests keeping the information succinct and writing it in plain English to ensure it is accessible to all. The statement should be written in English but can be provided in other languages relevant to the business and supply chains (though note there is no obligation in the Act or the Regulations to provide it in other languages). Where an organisation already has to comply with auditing or reporting obligations elsewhere, e.g. the Ethical training Initiative, they can build on those rather than start from scratch.

The REC has created a template model slavery policy and statement – see Annex B.

5. Publishing the statement

When - section 54(1) simply states that commercial organisations have to complete a statement for each financial year. Section 6 of the [Home Office guidance](#) provides some examples of different financial years and when businesses will be expected to publish a statement. We have taken the following text from the guidance:

***Example 1** Business V has a financial year-end of 30 November 2015. The transparency provisions do not take effect in relation to financial years ending before 31 March 2016. Business V, therefore, does not need to complete a statement for the financial year-end 30 November 2015. Business V's first statement will need to be produced for the financial year 1 December 2015 to 30 November 2016.*

***Example 2** Business W has a financial year end of 31 March 2016 and so is required to produce a statement for the current financial year. Business W has undertaken a number of activities throughout the financial year relating to tackling modern slavery and wider human rights issues, including activity prior to the commencement of the provision. Their statement should cover all the relevant activities undertaken by the organisation during the period 1 April 2015 to 31 March 2016.*

***Example 3** Business X has a financial year-end of 30 April 2016 and so is required to produce a statement for the current financial year. Business X has only started to undertake activities related to tackling modern slavery since the provision was commenced. Their statement covers the financial year from 1 May 2015 to 30 April 2016 but only details the activity undertaken since the transparency provision commenced in October 2015.*

The [Home Office guidance](#) encourages organisations to publish their statement as soon as reasonably practicable, and ideally within 6 months, after the end of their financial year.

Who – the statement must be approved and signed off by senior members/ staff within the company before it is published. Section 54(6) states that this is:

- (a) If a company, the board of directors (or equivalent) must approve the statement, whilst it must be signed off by a director
- (b) If a limited liability partnership it must be approved by members and signed off by a designated member
- (c) If a limited partnership registered under the Limited Partnerships Act 1907 it must be signed by a general partner; or
- (d) If any other kind of partnership it must be signed by a partner.

Where – Section 54(7) provides that the statement must be published in a prominent place on the reporting organisation’s website and there should be a link to the statement in a prominent place on the homepage. If the company does not have a website, then it must provide a copy within 30 days of receipt of written request from any person (section 54(8)).

6. Sanctions for non-compliance

Failure to publish a statement will not be a criminal offence, nor will it result in a financial penalty. However, the Act gives powers to the Home Secretary to seek an injunction to force a company to publish. The government hopes that compliance with this new reporting requirement will be chiefly driven by businesses seeking to avoid negative publicity and reputational damage amongst their customers, suppliers and potential investors.

7. What do the reporting requirements mean for your business?

REC members should first establish whether they have a statutory duty to report, or whether their clients are likely to ask for information on their policies and practices with regards to tackling modern slavery and human trafficking.

We recommend that REC members:

- Identify whether they will have a duty to publish the statement. Where part of a corporate group, identify which entities will be required to report and decide whether each will report separately or whether the parent company will prepare a statement on behalf of all reporting organisations.
- Decide who will be responsible within the business for overseeing compliance, and signing off the final statement.
- Assess the risks of modern slavery and human trafficking within their operations and supply chain – do the appropriate due diligence.
- Talk to their clients and any sub-contractors about their policies and practices on this.
- Review whether their business’s current policies and practices are effective and the extent to which they think these will stand up to public scrutiny.
- Review the current training available to staff members on spotting the signs of modern slavery and human trafficking.

8. REC resources

The REC produces a wide range of model documents for its members to use. These include:

A template modern slavery policy and statement

At the back of this document are the REC’s template modern slavery policy and statement.

- The Modern Slavery Policy is for internally use. You should use it to make sure that your staff understand the company approach to tackling modern slavery, forced labour and human trafficking, how they can get support from your business, and who is responsible for the policy.
- The statement is the document that businesses, which meet the criteria set out in section 3, are required to publish under Section 54 of the Act. Alternatively, clients or parties higher up the recruitment supply chain may require you to publish such a statement in which case you can also use this template.

Model contracts

If you engage with supplier further down the recruitment supply chain, such as umbrella companies, you may wish to have a contractual right to audit or inspect those suppliers from time to time. REC Model Contracts [6](#), [8](#), [10](#) and [12](#) (for use with limited companies, including umbrellas) include a requirement for limited company contractors to provide you with the information you require to comply with the Regulations.

You should also consult the REC's [intermediary checklists](#) and, in particular, Checklist 7A, which suggest due diligence questions you should ask of your suppliers, including umbrella companies.

9. Other useful resources

- [The Modern Slavery Act 2015](#)
- [The Modern Slavery Act 2015 \(Transparency in Supply Chains\) Regulations 2015](#)
- The Home Office's Modern Slavery website contains guidance for employers on how to spot the signs of modern slavery, and how to report it: www.modernslavery.co.uk
- The Home Office has also published [guidance](#) on complying with the Modern Slavery Act around transparency in supply chains.
- The REC is a supporting partner of Stronger Together, which provides guidance, training resources and a network for recruiters, workers and their clients to tackle hidden labour exploitation in supply chains: <http://stronger2gether.org/>

Annex A – definitions contained in the Modern Slavery Act 2015

Section 1 - Slavery, servitude and forced or compulsory labour

(1) A person commits an offence if—

- (a) the person holds another person in slavery or servitude and the circumstances are such that the person knows or ought to know that the other person is held in slavery or servitude, or
- (b) the person requires another person to perform forced or compulsory labour and the circumstances are such that the person knows or ought to know that the other person is being required to perform forced or compulsory labour.

(2) In subsection (1) the references to holding a person in slavery or servitude or requiring a person to perform forced or compulsory labour are to be construed in accordance with Article 4 of the Human Rights Convention.

(3) In determining whether a person is being held in slavery or servitude or required to perform forced or compulsory labour, regard may be had to all the circumstances.

(4) For example, regard may be had—

- (a) to any of the person's personal circumstances (such as the person being a child, the person's family relationships, and any mental or physical illness) which may make the person more vulnerable than other persons;
- (b) to any work or services provided by the person, including work or services provided in circumstances which constitute exploitation within section 3(3) to (6).

(5) The consent of a person (whether an adult or a child) to any of the acts alleged to constitute holding the person in slavery or servitude, or requiring the person to perform forced or compulsory labour, does not preclude a determination that the person is being held in slavery or servitude, or required to perform forced or compulsory labour.

Section 2 – Human trafficking

(1) A person commits an offence if the person arranges or facilitates the travel of another person (“V”) with a view to V being exploited.

(2) It is irrelevant whether V consents to the travel (whether V is an adult or a child).

(3) A person may in particular arrange or facilitate V's travel by recruiting V, transporting or transferring V, harbouring or receiving V, or transferring or exchanging control over V.

(4) A person arranges or facilitates V's travel with a view to V being exploited only if—

- (a) the person intends to exploit V (in any part of the world) during or after the travel, or
- (b) the person knows or ought to know that another person is likely to exploit V (in any part of the world) during or after the travel.

(5) “Travel” means—

- (a) arriving in, or entering, any country,
- (b) departing from any country,
- (c) travelling within any country.

(6) A person who is a UK national commits an offence under this section regardless of—

- (a) where the arranging or facilitating takes place, or
- (b) where the travel takes place.

(7) A person who is not a UK national commits an offence under this section if—

- (a) any part of the arranging or facilitating takes place in the United Kingdom, or
- (b) the travel consists of arrival in or entry into, departure from, or travel within, the United Kingdom.

Section 3 – Meaning of Exploitation

(1) For the purposes of section 2 a person is exploited only if one or more of the following subsections apply in relation to the person.

Slavery, servitude and forced or compulsory labour

(2) The person is the victim of behaviour—

- (a) which involves the commission of an offence under section 1, or
- (b) which would involve the commission of an offence under that section if it took place in England and Wales.

Sexual exploitation

(3) Something is done to or in respect of the person—

- (a) which involves the commission of an offence under—
 - (i) section 1(1)(a) of the Protection of Children Act 1978 (indecent photographs of children), or
 - (ii) Part 1 of the Sexual Offences Act 2003 (sexual offences), as it has effect in England and Wales, or
- (b) which would involve the commission of such an offence if it were done in England and Wales.

Removal of organs etc

(4) The person is encouraged, required or expected to do anything—

- (a) which involves the commission, by him or her or another person, of an offence under section 32 or 33 of the Human Tissue Act 2004 (prohibition of commercial dealings in organs and restrictions on use of live donors) as it has effect in England and Wales, or
- (b) which would involve the commission of such an offence, by him or her or another person, if it were done in England and Wales.

Securing services etc by force, threats or deception

- (5)The person is subjected to force, threats or deception designed to induce him or her—
- (a)to provide services of any kind,
 - (b)to provide another person with benefits of any kind, or
 - (c)to enable another person to acquire benefits of any kind.

Securing services etc from children and vulnerable persons

- (6)Another person uses or attempts to use the person for a purpose within paragraph (a), (b) or (c) of subsection (5), having chosen him or her for that purpose on the grounds that—

- (a)he or she is a child, is mentally or physically ill or disabled, or has a family relationship with a particular person, and
- (b)an adult, or a person without the illness, disability, or family relationship, would be likely to refuse to be used for that purpose.

Amendments

Section	Description
Amendments made in June 2016 to the Factsheet “Transparency in Supply Chains Reporting Requirement” (November 2015)	
Annex B	We have provided a template modern slavery policy and statement, for you to amend and adapt for your business.

This document has been created for REC Corporate Members for information only. It is not a substitute for legal advice on related matters and issues that arise and should not be taken as providing specific legal advice on any of the topics discussed.

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Annex B - Template modern slavery policy and statement


How to adapt the model policy and statement for your business:

The modern slavery policy and statement are template documents **which you should adapt to your business's particular circumstances and preferences**. Your policies and responses should reflect the needs of your business. For example, if you operate in one of the high risk sectors (e.g. hospitality, construction, or the GLA regulated sector) or source workers from overseas, your policies will need to be more extensive than a smaller organisation that provides specialist head-hunting services for senior executives.

- The role of the policy is to provide you with a document for use internally at your company. You should use it to make sure that your staff understand your positions around modern slavery, forced labour and human trafficking, how they can get support from your business, and who is responsible for the policy.
- The statement is the document that some businesses are required to publish under Section 54 of the Act, or which you might be asked to publish or provide by another organisation.

Various sections include possible policies, risks, training etc. that you may have adopted. It is **not** expected that you adopt all of these wholesale, or that all of them will be appropriate for your business. However, they are intended to provide you with suggestions that you can modify to fit your circumstances.

Notes: All notes are at the back of the template statement. We suggest you print the notes separately so that you can read them side by side with the template statement (rather than flick back and forth through the text). Delete all “[see Note X]” from the text before publishing the statement.

Highlighting: In order to assist you in using this template for your own business's needs we have highlighted the places where you will need to insert information specific to your business and also where there are optional clauses or notes of explanation at the end of the template statement. The notes, insertions and choices are highlighted in grey. To remove highlighting from your Word document do the following: select the highlighted text, or press CTRL+A to select all of the text in the document; then on the Formatting toolbar, click the arrow next to Highlight tab  and then select None and the highlighting will be removed.

Template Modern Slavery Policy

[Insert any of your business's branding, logos etc.]

1. [Business name] is committed to eliminating modern slavery, human trafficking, forced labour, and similar human rights abuses.
2. [Business name] is committed to ensuring that its staff and any workers it supplies (directly or indirectly) are not subject to behaviour or threats that may amount to modern slavery, human trafficking, forced labour, and similar human rights abuses.
3. [Business name] provides appropriate training and awareness information for all of its staff. In particular:

[Choose one or more of the following options, as appropriate to your business:]

- Our [leadership team and/or senior supply chain managers] receive detailed training in identifying and resolving concerns around modern slavery and human trafficking.
 - Our [recruiters, HR personnel, and/or staff involved in our procurement and supply chains] undertake training courses that include guidance around modern slavery and human trafficking, as well as other wider human rights issues.
 - All of our staff receive awareness-raising information around issues involving modern slavery and human trafficking, so that they can bring any concerns they have to the attention of management.
4. Any staff, workers or other parties are strongly encouraged to report any concerns or suspicions that they might have to [identify an appropriate contact(s), by name or by role].
 5. Reports surrounding these issues are taken extremely seriously by [our board of directors / the partners / senior leadership team / briefly describe those responsible], who are committed to ensuring that all investigations shall be prompt and effective. If our investigations reveal any issues, we are committed to taking appropriate action, including but not limited to:

[Choose one or more of the following options, as appropriate to your business:]

- Working with the appropriate organisations to improve standards,
 - Removing that organisation from our preferred supplier list,
 - Passing details to appropriate law enforcement bodies.
6. We regularly monitor our risks in this area through the use of relevant key performance indicators, including:

[Describe any indicators you have established, such as any of the following:]

- The percentage of suppliers who sign up to an appropriate code / provide their own modern slavery statements,
- The percentage of [workers and/or candidates] supplied from audited businesses / our preferred supplier list,
- The effectiveness of enforcement against suppliers who breach policies,
- The amount of time spent on audits, re-audits, spot checks, and related due diligence, and

- The level of modern slavery training and awareness amongst our staff.
7. As part of our efforts in this area, we publish a modern slavery statement on an annual basis.
 8. We would also recommend reading this in conjunction with our other policies, including our:

[Choose one or more of the following options, as appropriate to your business:]

- Corporate social responsibility policy,
- Ethical procurement policy,
- Anti-bribery / corruption policy, and
- Whistle-blowing policy.

This policy was adopted on [date] after being agreed by [our board of directors / the partners / briefly describe the decision-makers]. It is reviewed [annually / describe time-scale].

Template Modern Slavery Statement

[Insert any of your business's branding, logos etc.]

This statement is made as part of [Business name]'s commitment to eliminating the exploitation of people under the Modern Slavery Act 2015 (the Act). It summarises how [Business name] operates, the policies and processes in place to minimise the possibility of any problems, any risks we have identified and how we monitor them, and how we train our staff.

This statement is published in accordance with section 54 of the Act, and relates to the financial year [Month Year] to [Month Year]. [see Note 1] It was approved by [the board of directors / the partners] on [the date]. [see Note 2]

[Your name and signature]

[Job title] [see Note 3]

1 Our Business

[Business name] is a [limited company / limited liability partnership / partnership / describe your business] operating in the recruitment sector. We [provide introduction services / supply temporary workers / act as a neutral vendor / and/or act as a master vendor] in the [briefly summarise the sectors your business works in] sectors.

[Choose one of the following] [see Note 4]

[Choice A:] [Business name] is an independent business.

[Choice B:] [Business name] is part of the wider [Group name] group. For details of our group structure, see [link to an appropriate webpage]. [see Note 4]

1.1 Who we work with

[see Note 5]

[Choose one or more of the following paragraphs, as applicable to your business.]

[Choice A:] All of the hirers that we work with, and all of the work-seekers we provide, are known to and identified by our staff. All of the temporary workers we supply are identified by our staff. [Some of these work-seekers operate through their own limited companies.] [We do not supply work-seekers to hiring companies through any intermediaries. / Some of our work-seekers are supplied via other businesses, who facilitate providing them to the eventual hiring company.]

[Choice B:] As a "neutral vendor", we work with other businesses to supply workers to hiring companies. All of the workers we supply are hired directly by other businesses, and we facilitate supplying them to the hiring companies. [Some of these workers operate through their own limited companies.]

[Choice C:] As a "master vendor", we work with other businesses to supply workers to hiring companies. We hire some of the workers directly, who are directly recruited by our staff. Other workers are hired directly by other businesses. [Some of these workers operate through their own limited companies.] We facilitate supplying a mix of these workers to the hiring companies.

The hiring companies that we work with are located in [briefly describe their locations]. The [work-seekers / workers] we supply live in [briefly describe their locations].

1.2 **Other relationships**

As part of our business, we also work with the following organisations: [see Note 6]

- [sector-specific trade unions]
- [sector-specific professional and regulatory bodies]
- [sector-specific industry bodies]
- the Recruitment and Employment Confederation (www.rec.uk.com) [and/or] the Institute of Recruitment Professionals (www.rec-irp.uk.com)

2 **Our Policies**

[see Note 7]

[Business name] has a modern slavery policy [available at [link to it, if publicly available]].

In addition, [Business name] has the following policies which incorporate ethical standards for our staff [and our suppliers].

- [List your policies, and link to them if publicly available.]

2.1 **Policy development and review**

[Business name]'s policies are established by [our directors / our partners / our senior leadership team / briefly identify the decision makers], based on advice from HR professionals, industry best practice and legal advice, and in consultation with [briefly describe other stakeholders]. We review our policies [annually / on a regular basis / describe your time-scale], or as needed to adapt to changes.

3 **Our Processes for Managing Risk**

In order to assess the risk of modern slavery, we use the following processes with our suppliers:

[Choose one or more of the following options:] [see Note 8]

- When engaging with suppliers, we ask for evidence of their processes and policies, including commitments around modern slavery, human trafficking, forced labour, human rights, and whistle-blowing.
- We conduct audits before entering into a commercial relationship with any business where there is the potential for risk. These audited businesses form the basis of our preferred supplier list.
- We review the potential for risk at regular intervals, including the possibility of re-auditing a supplier or conducting spot checks.

[Choose one of the following options:]

[Choice A:] After due consideration, we have not identified any significant risks of modern slavery, forced labour, or human trafficking in our supply chain. However, we continue to be alert to the potential for problems.

[Choice B:] After due consideration, we have identified the following potential risks in our supply chain: *[see Note 9]*

- *[country/region-specific risks]*
- *[sector-specific risks]*
- *[other risks]*

Additionally, we have taken the following steps to minimise the possibility of any problems:

[Choose one or more of the following options:] *[see Note 10]*

- We reserve the right to conduct spot-checks of the businesses who supply us, in order to investigate any complaints.
- We require the businesses we work with to *[abide by our code of supplier conduct / address modern slavery concerns in their policies / publish a modern slavery statement]*.
- We collaborate with our suppliers in order to improve standards and transparency across our supply chain.
- Only senior members of staff who have undergone appropriate training for assessing modern slavery risks in the supply chain are authorised to sign contracts and establish commercial relationships in any area where we have identified the potential for risk.
- We ensure that all of our suppliers are members of appropriate industry bodies and working groups.
- We work with *[list appropriate organisations]* in order to combat the risk of modern slavery and human trafficking.

Our staff are encouraged to bring any concerns they have to the attention of management.

4 Our Performance

As part of monitoring the performance of *[Business name]*, we track the following general key performance indicators: *[see Note 11]*

- *[list any relevant indicators, and briefly describe their impact on modern slavery monitoring]*

Based on the potential risks we have identified, we have also established the following key performance indicators, which are regularly assessed by *[our board of directors / the partners / our senior leadership team / briefly describe the staff]*:

[Describe any indicators you have established, such as any of the following:]

- the percentage of suppliers who sign up to an appropriate code / provide their own modern slavery statements
- the percentage of *[workers and/or candidates]* supplied from audited businesses / our preferred supplier list
- the effectiveness of enforcement against suppliers who breach policies
- the amount of time spent on audits, re-audits, spot checks, and related due diligence
- the level of modern slavery training and awareness amongst our staff

We [benchmark our indicators against industry best-practice / discuss our indicators with suppliers / carefully consider our indicators], in order to ensure that we do not put undue pressure on our suppliers that might increase the potential for risk. [see Note 12]

5 Our Training

All of our staff receive training and support that is appropriate to their role. In particular:

[Choose one or more of the following options, as appropriate to your business:]

- Our [leadership team and/or senior supply chain managers] receive detailed training in identifying and resolving concerns around modern slavery and human trafficking.
- Our [recruiters, HR personnel, and/or staff involved in our procurement and supply chains] undertake training courses that include guidance around modern slavery and human trafficking, as well as other wider human rights issues.
- All of our staff receive awareness-raising information around issues involving modern slavery and human trafficking, so that they can bring any concerns they have to the attention of management.

As part of this, our staff are encouraged to discuss any concerns that they have. [see Note 13]

Training is refreshed [annually / regularly / describe your time-scale].

Notes

Note no.	Issue	Explanation
1.	Financial year	Only businesses which meet the relevant criteria (see section 3 of this guide) are required by law to publish a statement. Where required, the statement must be published for each financial year in the organisation.
2.	Approval	The statement should be approved by: <ul style="list-style-type: none"> the board of directors, for a limited company, or the members, for a limited liability partnership.
3.	Signature and title	The statement should be signed by: <ul style="list-style-type: none"> a director, for a limited company, a designated member, for a limited liability partnership, a general partner, for partnerships formed under the Limited Partnerships Act 1907, or a partner, for any other partnership.
4.	Business – individual / group structure	Group structure is important because the parent/subsidiary structure is used to determine which organisations are <i>obliged</i> to produce a modern slavery statement. For details, see ‘ <i>Which businesses are required to report?</i> ’ above.
5.	Business – who we work with	The aim of this section is to provide some transparency around your business, your operating model, and your supply chains. It is <i>not</i> necessary to go into financial details (such as the income generated in particular sectors or regions), although some organisations may provide this detail.
6.	Business – other relationships	Home Office guidance in this area suggests including any groups that represent workers and labour standards, such as trade unions / professional bodies.
7.	Policies	Even if your assessments determine that you have no realistic risks, you may still want to consider having specific policies. In particular, other businesses you work with may expect you to have such policies as part of <i>their</i> due diligence processes around modern slavery.
8.	Processes for Managing Risk	These processes will differ greatly between organisations. It is understood that the level of due diligence you can engage in will not be the same at all organisations. For example: <ul style="list-style-type: none"> If you are a vendor in a multi-tier supply chain, it will generally be significantly easier for you to engage with any first-tier suppliers you use (because you have direct contractual and personal relationships), and it may be

Note no.	Issue	Explanation
		<p>more difficult to engage with suppliers further down the chain,</p> <ul style="list-style-type: none"> • If you are a relatively small business in comparison to an organisation you work with, you may have very limited commercial leverage in order to encourage that organisation to act with greater transparency or improve standards, and <p>Even with extensive audits and spot-checks, some businesses will go to great lengths to obscure any evidence of human trafficking, forced labour, bonded labour etc.</p>
9.	Processes for Managing Risk – potential risks	<p>Home Office guidance gives four example categories that you may want to discuss if they apply to you:</p> <ul style="list-style-type: none"> • Country risks, in particular if you source workers from countries where working practices may be very different, such as if workers are unable to retain their own ID (e.g. passport, visas) or other paperwork, or where there are human rights concerns, • Sector risks, because there may be substantially different working practices between different sectors, • Transaction risks, where payments may be made in opaque or unusual fashions with associated risk regarding money laundering, and • Business partnership risks, acknowledging that different relationships your business has may have different risks associated with them. This can involve a variety of factors including knowledge and familiarity with the other business’s working practices, the length of the relationship, and any due diligence (audits etc.) you have conducted.
10.	Processes for Managing Risk – minimising risks	<p>You should discuss the steps you have taken to minimise these risks. If you have previously encountered issues with modern slavery or worker exploitation and remedied them, it would be appropriate to provide examples.</p> <p>This does not mean that you must automatically cut off relationships with any companies/countries/sectors where you have identified the potential for risks. It can be appropriate to maintain relationships but work with businesses to improve standards and transparency.</p> <p>This does not have to be restricted to activity that is internal to your business. For example, you might also be participating in wider programmes run by a third-party, such as a professional body, NGO or charity.</p>

Note no.	Issue	Explanation
11.	Performance	<p>You should consider which of your existing key performance indicators (KPIs) can be used as part of tracking any potential modern slavery risks.</p> <p>You should also consider whether you have established (or should establish) any specific KPIs relating to modern slavery. For example, you might be tracking:</p> <ul style="list-style-type: none"> • The level of training amongst your staff, • The speed with which you investigate related complaints, and the effectiveness of any whistle-blowing procedures, and/or • The level of compliance and transparency you have established in your supply chain.
12.	Performance – benchmarking	<p>You should consider whether any KPIs may have unintended consequences – for example:</p> <ul style="list-style-type: none"> • A target intended to improve standards – such as minimising the number of serious breaches of your company’s policies – might unintentionally discourage staff from reporting concerns, or • If you operate as a neutral or master vendor, an unrealistic standard for speed of supply, guaranteed supply, and/or low margins with the businesses below you in the supply chain may unintentionally lead to those companies cutting corners and, as a consequence, increasing the risk of issues. For example, in the GLA regulated sector, the GLA maintains guidance on indicative minimum charge rates below which it is uneconomic to supply a worker without impacting on statutory rights or obligations. The linked guidance is from March 2016, but the GLA publishes new briefing documents periodically.
13.	Training	<p>You should consider providing opportunities for staff to discuss the training with an appropriate colleague(s), in particular if they have any questions or concerns that they want to raise.</p> <p>For many businesses, it will often be appropriate for staff to receive online or pre-recorded training, or documents/emails to raise awareness; however, you may want to signpost them to appropriate colleagues or other contacts to discuss the issues raised.</p>