

Draft Regulations laid before Parliament under section 58(3) and (4) of the Modern Slavery Act 2015, for approval by resolution of each House of Parliament.

DRAFT STATUTORY INSTRUMENTS

2015 No.

MODERN SLAVERY

**The Modern Slavery Act 2015 (Transparency
in Supply Chains) Regulations 2015**

Made - - - - *******

Coming into force in accordance with regulation 1

The Secretary of State makes the following Regulations in exercise of the powers conferred by section 54(2)(b) and (3) of the Modern Slavery Act 2015(1).

In accordance with section 58(3) and (4) of that Act, a draft of this instrument has been laid before Parliament and approved by a resolution of each House of Parliament.

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Modern Slavery Act 2015 (Transparency in Supply Chains) Regulations 2015 and come into force on the day after the day on which they are made.

(2) In these Regulations—

- (a) “the 2015 Act” means the Modern Slavery Act 2015;
- (b) “subsidiary undertaking” has the meaning given by section 1162 of the Companies Act 2006(2).

Prescribed amount of total turnover

2. The amount of total turnover prescribed for the purposes of section 54(2)(b) of the 2015 Act is £36 million.

Determination of total turnover

3.—(1) For the purposes of section 54(2)(b) of the 2015 Act the total turnover of a commercial organisation is—

- (a) the turnover of that organisation; and

(1) 2015 c. 30.
(2) 2006 c. 46.

(b) the turnover of any of its subsidiary undertakings.

(2) In paragraph (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) value added tax; and
- (c) any other taxes based on the amounts so derived.

Review

4.—(1) The Secretary of State must from time to time—

- (a) carry out a review of these Regulations;
- (b) set out the conclusions of the review in a report; and
- (c) publish the report.

(2) The report must in particular—

- (a) set out the objectives intended to be achieved by these Regulations;
- (b) assess the extent to which those objectives are achieved; and
- (c) assess whether those objectives remain appropriate and, if so, the extent to which they could be achieved with a system that imposes less regulation.

(3) The first report under this regulation must be published before the end of the period of five years beginning with the day on which these Regulations come into force.

(4) Reports under this regulation are afterwards to be published at intervals not exceeding five years.

Home Office
Date

Name
Parliamentary Under Secretary of State

EXPLANATORY NOTE

(This note is not part of the Regulations)

Section 54 of the Modern Slavery Act 2015 requires a commercial organisation to prepare a slavery and human trafficking statement for each financial year of the organisation if its total turnover is not less than an amount prescribed by the Secretary of State. These Regulations prescribe that amount and set out how a commercial organisation's total turnover is to be determined.

Regulation 4 requires the Secretary of State to review the operation and effect of these Regulations and publish a report within five years after they come into force and within every five years after that.