



Subject:	Modern Slavery Act 2015 – Transparency in Supply Chains
Date:	23 September 2016
Reporting Officer:	John Walsh, Town Solicitor
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Is this report restricted?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Is the decision eligible for Call-in?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>

1.0	Purpose of Report or Summary of main Issues
1.1	The purpose of this report is to outline the impact of the ‘Transparency in Supply Chains’ clause in the Modern Slavery Act 2015 which is designed to prevent organisations entering into contractual relationships with others engaged in or who have engaged in human trafficking or exploitation type offences.
2.0	Recommendations
2.1	The Committee is asked to; <ul style="list-style-type: none"> Approve the council’s draft Modern Slavery Transparency Statement.
3.0	Main report
3.1	<p><u>Background</u></p> <p>The Modern Slavery Act (MSA) is described by the Home Office as aiming to “address slavery and trafficking in the 21st century” by enhancing support and protection for victims, giving law enforcement the tools needed to target today’s slave drivers, ensuring perpetrators can be severely punished and also includes a provision to encourage business to take action to ensure their supply chains are slavery-free”.</p> <p>Section 54 of the Act, which was introduced by the Government following a campaign by a</p>

3.2	<p>coalition of interested groups and businesses, includes a provision which requires commercial organisations with a turnover of more than £36m to produce a slavery and human trafficking statement for each financial year setting out what they have done to ensure there is no modern slavery in its supply chains or any part of its business. A link to this statement must be published in a prominent place on their business website's homepage.</p> <p><u>Key Issues</u></p> <p>Who the Act applies to</p>
3.3	<p>The Modern Slavery Act applies to organisations if they:</p> <ul style="list-style-type: none"> • are a body corporate (under section 1(2) of the Local Government Act (Northern Ireland) 1972 the council is deemed to be a “body corporate”) • carry on a business, or part of a business, in the UK • supply goods or services and • have a total turnover of £36m or more <p>Therefore the Act applies to Belfast City Council.</p> <p>Failure to comply</p>
3.4	<p>If an organisation fails to produce a slavery and human trafficking statement for a particular financial year the Secretary of State may seek an injunction through the High Court. If the organisation fails to comply with injunction, they will be in contempt of a court order which is punishable by an unlimited fine. However, failure to comply with the provision, or a statement that an organisation has taken no steps, may damage the reputation of the organisation.</p> <p>What is required to comply with the Act</p>
3.5	<p>The council must publish a modern slavery transparency statement on a prominent place on its website homepage when publishing its annual accounts from the end of the 2015-16 financial year onwards. The statement must be approved and signed by a director, member or partner of the organisation.</p>
3.6	<p>The Act also creates a duty to report any incidents of modern slavery which applies in England and Wales only. This duty is expected to come into effect in Northern Ireland before the end of 2016 on the commencement of the Human Trafficking and Exploitation (Criminal Justice and Support for Victims) Act (Northern Ireland) 2015. The Department of Justice plans to issue guidance to accompany this Act.</p>

<p>3.7</p> <p>3.8</p> <p>3.9</p> <p>3.10</p> <p>3.11</p>	<p>Draft Modern Slavery Transparency Statement</p> <p>A draft Transparency Statement is set out in Appendix 1 which will introduce:</p> <ul style="list-style-type: none"> • a review of any relevant corporate policies and consider whether they already address the issue of modern slavery • a self-certification clause in our contracts and quotation documents for new suppliers from 1st April 2017 to indicate whether the Act applies to them and that they comply with provisions of the Transparency in Supply Chains clause • a process to allow the council to carry out random checks on whether suppliers have published their own Transparency Statement and that the council is satisfied at the level of assurance that no modern slavery exists in their supply chain (subject to resource availability in Corporate Procurement) <p>The guidance for the Act envisages that organisations develop and add to their Transparency Statement over time.</p> <p>If approved, this statement will to be published on the council’s website at the same time as the annual reports at the beginning of October 2016.</p> <p><u>Financial & Resource Implications</u></p> <p>This will involve staff from Legal Services, Corporate Procurement and Corporate Communications.</p> <p><u>Equality or Good Relations Implications</u></p> <p>None</p>
<p>4.0</p>	<p>Appendices – Documents Attached</p>
<p>4.1</p>	<p>Appendix 1 – Draft Modern Slavery Act Transparency Statement 2015-16</p>