

# Although 50% of qualifying organisations fail to comply with Modern Slavery Act by their deadline, the legislation is already having a significant global impact.

Submitted by: Tiscreport

Friday, 22 September 2017

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Presenting their findings at Westminster this week, along with progress updates from other organisations, the world's only Open Data anti-slavery register\*\* TISCreport.org highlighted 'the Good, the Bad and the Ugly' of compliance with the Modern Slavery Act section 54\* (this section deals with transparency in supply chains).

The TISCreport team were able to provide an in-depth snapshot of the progress in this first year of operation, using their dynamic data-system to generate a full breakdown of compliance by sector\*\*\*, and, in addition derive a list of known overdue organisations, which has been made available to UK Government Departments.

### Overall compliance with the legislation to date

In terms of compliance with the Act the overall finding is that half (50.6%) of the 2867 organisations who are now due to have published have not done so, in spite of having had over 12 months to prepare. Only 15% (2867) of those who meet the MSA requirement criteria are actually due to have published their statements by this point since the legislation requires this to be done within 12 months from their individual year-end date\*. Of those due a total of 1418 are in compliance and covered by published statements whilst 1449 are overdue. Conversely some 3860 qualifying organisations who were not yet due under the legislation have published ahead of time bringing the total number in compliance to 5278.

In the UK a total of 18,945 organisations have been identified by the TISC team as subject to the provisions of the MSA legislation, namely with over £36M turnover\* of which 27% are in compliance a figure boosted considerably by the extra 3860 organisations who have filed in advance of their required deadline. The numbers both in and out of compliance are increasing rapidly at this stage with the remaining 13,667 required to have published in the next six months, by April 2018.

"The overall number of overdue non-compliers is a little disappointing after all the hard work done by so many to communicate the MSA requirements and aims. It shows we all have more work to do in helping organisations to understand their obligations, especially those sectors who are not confident in complying" says Jaya Chakrabarti CEO of TISCreport. She adds "On our website have created a simple-to-use statement builder tool with prompts to help those who are not quite sure what to do so they can create statements with confidence. In addition CIPS also have a terrific selection of advice and guidance free on their website".

Jaya continues "On the other hand, many companies who were not affected by the Act as they do not meet the turnover criteria, such as Bristol Energy, have gone ahead anyway filing statements even though they don't have to simply because they are committed to ethical practices. It is really heartening to see these 'good actors' coming out in the data and shows that people really want to help eliminate slavery and take action when they have a method to do so"

Further effects of MCA outside the requirement for compliance

The TISCreport.org register is the largest repository of MSA compliance status information and contains live data covering over 80K organisations with statements globally. Of these 26,446 are UK registered, many of which are not required to comply under the legislation criteria.

All 80k organisations are covered by statements via 4915 individual separate statement documents since 'groups' often simply file one document to cover all their subsidiaries. This means that many organisations who are not required to comply because they fall below the Acts specified turnover threshold are nevertheless covered by statements. In this way the Modern Slavery act has already had a far-reaching global impact with four times as many organisations as are required to in law taking steps to examine all their supply chains in order to produce statements.

Full figures can be viewed here

<https://tiscreport.org/breakdown-tisc-data-19th-sept-2017>

Compliance data analysis by sector (for qualifying organisations)

In a drill-down comparison of the compliance by sector\*\*\* considerable differences were revealed with the top performing sector achieving more than three times the compliance of the lowest performer over the same time period. This difference perhaps reflects each sector's awareness and understanding of their responsibilities under Modern Slavery Act legislation, and certainly indicates where awareness campaigns would productively be targeted.

The Good

The best complying sectors were, perhaps surprisingly, the Accommodation and Food Service sector and the Agriculture, Forestry and Fishing sector where 70% and 66% of organisations meeting their required deadline for publication.

The Bad

The Education sector was significantly the worst with less than a quarter (23%) in compliance and the vast majority failing to publish by their deadline. This back-runner was followed by the relatively small Public Admin/Defence/Compulsory Social Security sector and Real Estate sector running at only 30 and 29% respectively.

and the ugly... ..

The evaluation has, also revealed that there is a small but significantly wealthy end of the company spectrum who don't have websites or phone numbers publicly available and you can only really contact their auditors (who are listed in Companies House). The auditors we've talked to have assured us that whilst they don't do anything directly on actual MSA compliance, it is on their checklist to go through with their clients. If that's the case then we have uncovered a group of companies who have made conscious decisions to deliberately not comply because they do not perceive consequences great enough to compel them to do so.

Various reasons for non-compliance given to TISCreport researchers by qualifying companies\* and range

from genuine lack of awareness to alarming lack of concern;

One stated - "Problem is I can't function my business, if I get rid of everything made by slave labour."

One company CEO apologised for being three months late having been on holiday (apparently no one else in his 36M+ turnover company could attend to it in his absence)

Other organisations did not realise they had a supply chain "We don't have a supply chain" (they did)

"We don't have a compliance department..." (and when pushed) ... nor apparently a Legal department (high turnovers don't imply companies have the infrastructure or awareness of their legal responsibilities)

"It doesn't apply to us" (it did)

"We heard it was voluntary" (not for them they were above the turnover)

"We didn't think anyone was looking" (the TISCreport register and community are)

"What's the modern slavery act?" & "What is modern slavery?"

"We don't have slavery here"

"Is there a fine?"

And of course

"We'll get back to you" .

The full table by sector\*\*\* can be accessed on the following link;  
<https://tiscreport.org/table-overdue-organisations-september-2017>

For information the table provided also shows the proportions of each sector that have not published and the second column shows this percentage if the entire qualifying sector is taken into consideration including those not yet due to file. When evaluated in this whole sector way the Utilities sectors are the furthest along with around 42% covered by statements (not surprising given how consumer-facing and regulated they are) but, sadly, Education still limping in the rear on 21%!

Cath Hill, Director at CIPS, said: "It is clear that, although the Modern Slavery Act is a crucial first step towards eradicating modern slavery, there is still a long way to go. There is a significant lack of awareness among businesses, meaning many are not complying with the Act – even when they should be. Our research shows that 37% of supply chains managers subject to the Act's remit have not even read the Government's guidance on modern slavery. Businesses should be doing everything they can to remove modern slavery from their supply chain as there is both a legal and moral obligation.

"It is crucial that businesses comply with the Act and put the right controls in place to end modern slavery. The lack of penalties for non-compliance mean that reputational damage to businesses may well be the most exacting deterrent we currently have."

Says Jaya Chakrabarti, CEO, "We have worked hard to design a system that can deliver up-to-date analysis from continually updating information and thus deliver as complete a snapshot as possible on the state of Modern Slavery Act Compliance. With six months to go before all the MSA statements are finally due in for 2015-16, we have a real opportunity to influence the depth and quality of statement submissions going forward and hope our recommendations to companies planning to file will help delivery this.

<https://tiscreport.org/tiscreport-recommendations>

At this stage TISCreport is focussing on measuring numbers, sectors and identities of companies covered by statements but also prototyping tools to analyse quality of statements. It aims to deliver qualitative information as well once the database is fully populated. With in excess of 300k suppliers to Welsh Government currently flooding into TISCreport this month, the critical mass in order to drive change through supply chains is about to be reached.

The TISCreport dynamic dataset is changing daily. It is a certified, free to join and access open data register, built to Government Digital Service (GDS) standards. By building it to be compatible with Government systems and data formats, on solid GDS data registers and using Companies House (SIC) industry codes\*\*\*, it enables an in-depth drill down of the data against shared supply chains by dashboard.

\* <http://www.legislation.gov.uk/ukpga/2015/30/section/54/enacted>

\*\* <https://gds.blog.gov.uk/2015/10/13/the-characteristics-of-a-register/>

\*\*\* <http://resources.companieshouse.gov.uk/sic/>

\*\*\*\* <http://gov.wales/docs/dpsp/publications/valuewales/170502-ethical-en.pdf>

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Further information about the Westminster Briefing

Attendees included the Department for Business, Energy & Industrial Strategy, the Cabinet Office, the Confederation of British Industry, the Chartered Institute of Buildings, the Chartered Institute of Procurement & Supply, Food Standards Agency, Home Office, HMRC, the Metropolitan Police, Government Digital Service, DCMS, British Chambers of Commerce, Number 10, the Commonwealth Parliamentary Association UK, the Gangmasters' Licensing and Labour Abuses Authority (GLAA), as well as industry leaders including Aviva, BT Group, Co-op Group and EDF.

Justine Currell from the UK Anti-Slavery Helpline and also the author of the Home Office guidances notes for section 54 of the MSA\* opened to set the scene and show the scale of the issue in the UK presenting the first years figures from the Anti Slavery helpline: [www.modernslaveryhelpline.org](http://www.modernslaveryhelpline.org)

Dr Sue Hurrell and Stephen Chapman, Anti Slavery Coordinator from Welsh Government followed showing how Welsh Government are using the MSA as an essential component of their strategy\*\*\*\*.

The Welsh Government Ethical Employment in Supply Chains Code of Practice interlocks neatly into the Modern Slavery Act but requires Modern Slavery statements for all Welsh public bodies and strongly encourages statements from all Welsh Suppliers. TISCreport is the only register administering commitment to the Code, and held a roundtable with Welsh Government last month that successfully secured partnership with significant Business, sector and professional membership bodies.

Emma Scott, Representation Manager from CIPS reported on the survey of their members on awareness of the MSA and included a round up of the many useful tools they provide to help combat slavery.

<https://www.cips.org/en-gb/knowledge/procurement-topics-and-skills/sustainability/modern-slavery/>

Following the presentation, there will be a panel discussion chaired by Paul Gerrard, Director of Group Policy and Campaigns, Co-op Group, to discuss next steps.

Full biographies can be found here:

<https://tiscreport.org/tiscreport-westminster-event-2017-speaker-biographies>

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#### About Chartered Institute of Procurement & Supply

The Chartered Institute of Procurement & Supply (CIPS) is the leading international body representing purchasing and supply management professionals. It is the worldwide centre of excellence on purchasing and supply management issues. CIPS has a global community of 118,000 in 150 different countries, including senior business people, high-ranking civil servants and leading academics. The activities of purchasing and supply chain professionals have a major impact on the profitability and efficiency of all types of organisation and CIPS offers corporate solutions packages to improve business profitability. [www.cips.org](http://www.cips.org) @CIPSnews.

#### About Unseen/the UK Anti-Slavery Helpline

Unseen is a Bristol-based charity, founded in 2008, that operates across three main areas: supporting survivors of human trafficking and modern slavery; equipping frontline staff with the tools to correctly identify victims and take appropriate action; and influencing governments at a strategic level to create long-lasting solutions to modern slavery. In 2015, Unseen was awarded, Charity of the Year: with an income of less than £1 million, by Charity Times Awards.

[www.unseenuk.org](http://www.unseenuk.org) @unseenorg Facebook: unseenuk phone: 0303 040 2888  
info@unseenuk.org

#### About TISCreport

#### Partnerships

Thanks to its partnership with OpenCorporates.com, the world's largest open database of companies, it is now possible to easily trace company relationships from the UK to the world through mergers, acquisitions, groupings and supply. TISCreport partners include: CIPS (chartered institute of procurement and supply), ICC (International Chambers of Commerce), Business West, gov.wales and a growing number of corporate, academic and NGO supporters. The partners have made a public commitment with the Clinton Global Initiative.

<https://www.clintonfoundation.org/clinton-global-initiative/commitments/tiscreport-enabling-business-help-end-modern-slavery>

Says Jaya Chakrabarti MBE, tiscreport CEO: "Our non-UK data set is also proving that openness and collaboration is alive and kicking in the private sector globally when it comes to ending the exploitation lurking in our supply chains. Our growing number of members and partners are all committed to the challenge."

## Background

Tiscreport is an open public database where anyone can easily search for company anti-slavery information. It also provides great resources to the registered organisations to help them actively improve and comply with the legislation through a range of accessible tools, including a supplier dashboard and a statement builder. It enables companies who have to comply with legislation to check through their suppliers to find out who else needs to comply, and also provides prompts to help them draft their own statements. It is the only open data anti-slavery register built to Government Digital Service (GDS) standards and built upon GDS registers.

<https://gds.blog.gov.uk/2015/10/13/the-characteristics-of-a-register/>

<https://registers.cloudapps.digital/using-registers/case-study-tiscreport>

## Other Activities

Tiscreport.org were recently invited to submit their headline data on business engagement with the Modern Slavery Act section 54 compliance requirements to the Human Rights Select Committee Select Committee, and was acknowledged by the UK Anti-Slavery Commissioner in his report to the Australian Government Enquiry into their own Modern Slavery Legislation (our own submission being 183).

<http://data.parliament.uk/writtenevidence/committeeevidence.svc/evidencedocument/human-rights-committee/human-rights-a>

[http://www.aph.gov.au/Parliamentary\\_Business/Committees/Joint/Foreign\\_Affairs\\_Defence\\_and\\_Trade/ModernSlavery/Subm](http://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Foreign_Affairs_Defence_and_Trade/ModernSlavery/Subm)

TISCreport reports voluntarily to the Home Office and is working actively with both Local and Regional Governments to assist them with monitoring and encouraging compliance in their supply chains, developing an accessible dashboard so that procurement departments can easily access and review by sector, geography and by local authority.

## Structure

Tiscreport.org was created and maintained entirely by Semantrica Ltd, an independent UK social enterprise. It is funded purely and transparently by commercial membership fees from organisations uploading reports to the tiscreport site and using data and analytic services. 50% of the proceeds of membership fees are donated to enabling frontline services combat modern slavery via Unseen, the charity running the UK anti-slavery helpline.

<https://tiscreport.org/>

The tiscreport registry has three tiers of governance:

The Governance board:

Gavin Starks (founder of the Open Data Institute), Stephen Hilton (former Futures Director of Bristol City Council), James Sinclair (King's College Policy Unit, Treble Partners), Kay Clark (Tru PR).

The Data Strategy Board:

University of West of England, Bristol University, Bath University, Cray, Verisk Maplecroft, chaired by Dr James Allan of Verisk Maplecroft,

The Business Advisory Panel:

CIPS, BSI, ICC, CIOB, CBI - and we are now approaching private sector industry exemplars, focusing on sectoral best practice.

Notes to Editors:

Please contact the press office to arrange interviews, a system demonstration or for further information on any of the topics in this release.

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