



Modern Slavery Statement



2022
23



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Foreword

Modern slavery is a crime and a violation of our fundamental human rights. It takes various forms, such as slavery, servitude, forced and compulsory labour and human trafficking.

Across the world vulnerable people are being exploited by modern slavery every day. Forced labour affects around **25 million people** occurs all around us but is usually kept out of sight.

This is a Companies House's modern slavery statement, required under the Modern Slavery Act legislation 26 March 2015.

[Modern Slavery Act 2015](#)

This statement explains the actions that we at Companies House have taken to identify where the greatest risks of modern slavery arise.

We will continue to work collaboratively with our suppliers to understand what processes are in place to mitigate those risks further down the supply chain. This task will require sustained efforts over a prolonged period to ensure processes are in place to identify any potential wrongdoing and to eliminate it from our supply chain.

This statement also sets out the next steps we are taking to contribute to the fight against with the measures we will use to demonstrate continuous improvement.

Organisation structure and supply chains

Section 1

Departmental overview

Companies House is the register of companies in the UK.

We incorporate and dissolve limited companies. We register company information and make it available to the public. More than **4.8 million** limited companies are registered in the UK. Over **600,000** new companies are incorporated each year.

Our purpose is to drive confidence in the UK economy. We do this by primarily collecting and presenting data on UK companies that benefits the public good and the wider economy. The information on the register is searched billions of times a year to support the making of millions of business decisions and is also used every day by UK and overseas law enforcement, by civil society, and by citizens.

We are committed to carrying out our statutory and commercial business with fairness, openness, and honesty. We have policies and procedures to prevent bribery.

Our Responsibilities

Our main responsibilities are to:

- incorporate and dissolve limited companies
- examine and store company information
- make information available to the public

Our Priorities

Our priorities are to:

- provide excellence in company registration and search
- make the register as complete and accurate as possible
- build a high-performance culture

Section 1

Departmental reporting period

This modern slavery statement covers the period 1st April 2022 to 31st March 2023.

Departmental size and location

Companies House employ around **1,119** staff in our UK offices. Company registrations for England and Wales are carried out in Cardiff. Registrations for Scotland and Northern Ireland are carried out in Edinburgh and Belfast. The London office (which is currently closed) provides search services, and documents can be delivered here.

Companies House expenditure

Companies House was responsible for expenditure of around **£33 million** in Financial Year (FY) 2021/2022 and has an in-house commercial team to manage all procurements.

Category breakdown

Companies House contracts are primarily focused on the following procurement categories, these categories account for **90%** of spend:

- Professional Services - such as technical experts to support major programmes and the delivery of the Companies House call centre;
- ICT - implementing digital transformation, providing IT software and hardware
- Facilities - primarily connected staff and buildings maintenance;

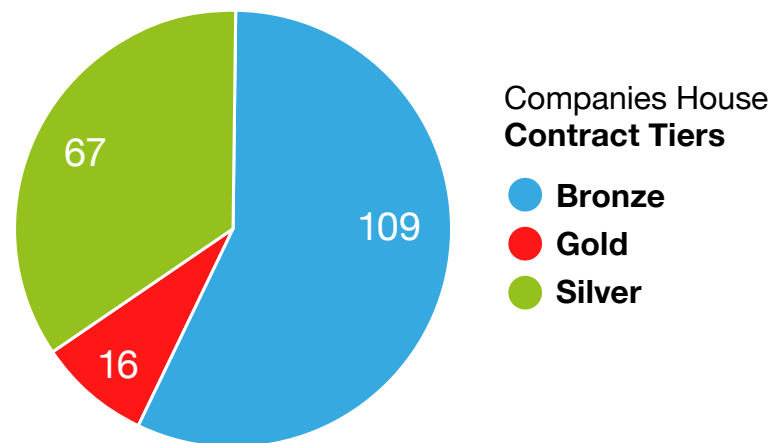
Section 1

Contract tiering

In line with cross-government best practice Companies House segments all contracts based on key factors including criticality; risk; and value into three tiers: Gold, Silver, Bronze.

Gold contracts are deemed vital to operations and are usually high value or high risk. Silver contracts are generally high value and of high importance to the department. These contracts are actively managed by dedicated contract managers and trained staff.

The following pie chart shows the breakdown of current contracts by number.



Supply chain visibility and risk management

Companies House is aware that modern slavery risks will vary according to both country and the sectors and/or products prevalent in that country. Whilst we understand that the majority of our supply chain is of low risk, we understand that we have to mitigate any modern slavery risks within our supply chain.

Companies House does not routinely hold the details of sub-contractor locations further down the supply chain. We recognise that this additional information will support the management of modern slavery risks. In future, where we identify higher risks of modern slavery in our contracts, we will expect those suppliers to complete the **Modern Slavery Assessment Tool (MSAT)** self-assessment exercise. We will then work with those suppliers to properly map their supply chains and use this information to ensure targeted measures are in place to address areas of highest risk.

Policies in relation to modern slavery

Section 2

Companies House follows the government commercial policies and standards which are set by the Cabinet Office. Companies House is part of **BEIS (Business, Energy and Industrial Strategy)** and as such complies with several additional BEIS policy areas relevant to the prevention of modern slavery in supply chains.

Relevant cross-government policies are listed in **p7-9** in the [Government modern slavery](#)

Supply chain good practice

Social value policy

Companies House has implemented the Social Value Model into future contracts. We now evaluate the social value that can be included in these procurements and use this to help select which supplier we will contract with. Social value assesses the social, economic, and environmental benefits that can be gained from each public procurement.

Fair payment practices

We recognise that poor payment performance, leading to delays in funds flowing through our supply chains may be one factor that can cause unintended disruption in supply chains and increase worker vulnerability. Companies House aims to settle all valid invoices within **30** days. As part of our transparency commitments Companies House publishes our quarterly payment performance regularly [online](#).

Employment good practice

Staff reporting of employment concerns

Companies House recognises that everyone in the workplace should be able to raise concerns of abuse or labour exploitation if they come across incidents through their work. There are several different routes for employees to report their concerns - ranging from their line management, to trained independent nominated officers and including an external whistleblowing hotline. If an employee has concerns that someone they come into contact within the course of their work might be breaking modern slavery legislation, or that Companies House processes or procedures might be doing so, they can raise this as a concern under these procedures and it will be investigated.

Risk assessment and due diligence

Section 3

Approach to prioritising anti-slavery activity

Based on government best practice Companies House plans to risk assess all contracts against the following **6** areas during 2022:

- **Industry type** – for example those that involve raw materials and are labour intensive
- **Nature of workforce** - for example reliance on temporary or low skilled labour
- **Supplier location** – some countries have a higher predicted risk of modern slavery
- **Context in which supplier operates** – for example high levels of poverty and unemployment
- **Commodity type** – for example imported products as identified in the Global Slavery Index
- **Business/supply chain model** – for example sub-contracting and complex supply chains.

Where a contract has been identified to be at greater risk of modern slavery impacts upon considering these factors, we have approached these suppliers to complete a self-assessment of their business using the [Modern Slavery Assessment Tool \(MSAT\)](#). The MSAT is a free, risk identification and management tool that the government has developed for public bodies to use with their suppliers. The tool gives suppliers tailored, good-practice recommendations to improve their management of modern slavery risks.

Consideration of supplier assessment results

FY (Financial Year) 2022/23

Following the assessment of all suppliers, Companies House will prepare a development plan which will be regularly reviewed. The findings of these assessments will be utilised to implement actionable improvements where necessary.

Section 3

Next steps-strengthening risk assessment and monitoring modern slavery risk

Risk assessment processes

Companies House is developing our approach to improve how the risk assessment process is applied over the period FY 2022/23. Going forward we will actively assess contracts at an earlier stage in the commercial lifecycle to reduce exposure to modern slavery risks.

To date we have been evaluating risks within our existing contract portfolio. With the support of colleagues in other functions within Companies House, we are developing our approach to identify higher risk areas in new procurements.

Companies House will utilise the provisions in the Social Value Model to seek evidence of due diligence from potential suppliers and hold the winning bidder to account in delivering on their commitments. This will also include the requirement that suppliers will complete an MSAT self- assessment and to provide a supply chain map where necessary. This may lead to the request for a supply chain plan which provides information on what processes a supplier has in place to ensure worker conditions meet applicable government standards.

For those suppliers and contract areas identified as at risk we will require completion of the MSAT within **60 days** of contract award.

Section 3

Reporting and engagement

Companies House is in the process of implementing IT software which will capture evidence that modern slavery risk assessment has been undertaken and the mitigations that have been introduced as a consequence where higher risks have been identified. This will ensure accurate reporting of processes and allow more sophisticated data collation which will be illustrated in future statements.

Further steps are being embedded into the commercial lifecycle which will assist in identifying procurements at risk of modern slavery and strategies to reduce this risk including information guides and discussion at supplier engagement events. We will continue to promote good practice internally across a wider audience outside of the commercial team to raise awareness amongst all those who engage with suppliers.

Peer learning groups and wider programmes

As a BEIS partner organisation, Companies House has had the opportunity to participate in working groups to engage with and learn from other BEIS partner organisations and to share our experiences. These working groups have helped with the practicalities of identifying and monitoring risks within our supply chain and shaped our approach to modern slavery best practice.

Goals and key performance indicators (KPIs)

Section 4

Companies House is committed towards selected goals to focus upon in the next fiscal year. To understand and measure our progress toward our goals we have selected relevant key performance indicators. As we increase our work related in this area the goals and KPIs will develop to reflect this.

Goal: Build on our understanding of risk within procurement and contract management through completion of the Modern Slavery Assessment Tool (MSAT) where suitable.

KPI (Key Performance Indicator) 1 Perform modern slavery risk assessments on existing gold and silver contracts with a value over **£1 million** and remaining term over **6** months.

KPI 2 For all gold and silver contracts that have been assessed as at medium or high risk the suppliers will be requested to complete the MSAT within **60** days;

KPI 3 For all new procurements that have been assessed as at medium or high risk the winning supplier will be required to complete the MSAT within **60** days of contract award.

Goal: Increase formal training to commercial colleagues to raise awareness of the risk of modern slavery in supply chains and processes that are available to reduce this.

KPI 4 To increase the number of completions by commercial staff of the Government Commercial College: Tackling Modern Slavery in Supply Chains course (or equivalent) by **80%**;

KPI 5 Seek to raise awareness of Modern Slavery throughout Companies House staff cohort and raising awareness of our Whistleblowing function.

Goal: Development of a procurement policy that considers the risk of modern slavery and the implementation of processes to reduce this.

KPI 6 Review and refresh the Companies House procurement policies to reflect the **PPN05/19 policy** on Modern Slavery [central guidance](#).



Companies House

[gov.uk/companieshouse](https://www.gov.uk/companieshouse)

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ch-0212-modern-slavery



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