Business and Trade Committee



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Rt Hon Jonathan Reynolds MP Secretary of State, Department for Business and Trade Old Admiralty Building, Admiralty Place, London SW1A 2DY

[By email]

25 April 2025

Dear Jonathan,

Ensuring Consistent Application of Forced Labour Bans Across Government Departments

I write to secure an update on the Government's plans to update the Modern Slavery Act, following the announcement of new amendments to the Great British Energy Bill to strengthen safeguards against the use of forced labour.¹

The measures proposed for solar panel sourcing are welcome but not without their shortcomings. But more importantly, there are now significant questions around the consistency, scope, and urgency of the Government's strategy for tackling forced labour in supply chains, when we compare what is proposed for solar panels, in contrast to the wide range of other products imported to our economy. There is now a risk that an incoherent approach to the change that is unfolding. For example:

- Under section 81 of the Health and Care Act 2022, the Department of Health and Social Care must introduce regulations to eliminate the use of goods or services linked to slavery and human trafficking in the health service, with consultation ongoing on how this will be operationalised. ²
- As above, it has been reported that Great British Energy may soon be subject to similar requirements regarding ethical sourcing.
- Under the Procurement Act, contracting authorities have stronger powers to exclude suppliers from public contracts where there is compelling evidence of

Miliband to ban Chinese 'slave-trade' solar panels, The Times, 22nd April 2025

² Tackling modern slavery in NHS procurement: proposed regulations and guidance - GOV.UK

modern slavery in their supply chains, alongside the introduction of a central debarment list applicable across the public sector.³

This collection of legislation risks leaving gaps that could be exploited. As you know, the Business and Trade Committee found serious risk of the UK becoming a 'dumping ground' for products made with forced labour if the UK does not keep up with our global partners on legislative reforms to tackle modern slavery. ⁴

In response, the Government told us it is currently considering how it can strengthen the Section 54 regime of the Modern Slavery Act 2015.⁵ However, no timeline on this work has been outlined. Our only indication was the commitment from the Parliamentary Under-Secretary of State for Business and Trade that an update to the Modern Slavery Act will be advanced as the scope and remit of the Fair Work Agency is developed.⁶

Without a more holistic approach to legislation, clear guidance and resourcing for contracting authorities, there is a risk that powers provided by various pieces of legislation will be underused in practice, due to uncertainty or perceived legal risk and add to the business costs of compliance.

I would be grateful therefore if you could provide further detail on the following:

- 1. The proposed timelines under which the Government plans to review section 54 of the Modern Slavery Act,
- 2. Following changes to the Procurement Act and the potential amendment to the GB Energy Bill, whether the Government intends to adopt a cross-departmental standard for excluding suppliers linked to forced labour, and if so, when;
- 3. What plans are in place to support public authorities in understanding and confidently applying the discretionary grounds for exclusion under the Procurement Act; and
- 4. What assessment has been undertaken regarding the potential effects of these restrictions on the UK's solar deployment targets, and wider growth targets, and what support is being offered to industry in response.

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WRITTEN EVIDENCE SUBMITTED BY DEPARTMENT FOR ENERGY SECUIRTY AND NET ZERO (FLS0062)

Make Work Pay: Employment Rights Bill, Business and Trade Committee,

⁵ Government <u>response</u> to Business and Trade Committee letter, prior to report publication.

⁶ Employment Rights Bill - Hansard - UK Parliament

The UK was once world-leading in its commitment to tackling modern slavery, notably through the introduction of the Modern Slavery Act 2015. It is vital that this vital legislation is updated to take a consistent approach across all UK imports.

I would be grateful for a response by ${f 15}$ ${f May}$ to support continued scrutiny of this important issue.

Yours sincerely,

Chair of the Business and Trade Committee

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