**EXPLANATORY MEMORANDUM TO**

**THE PUBLIC INTEREST DISCLOSURE (PRESCRIBED PERSONS) (AMENDMENT) ORDER 2025**

**2025 No. 604**

## 1. Introduction

1.1 This explanatory memorandum has been prepared by the Department for Business and Trade (DBT) and is laid before Parliament by Command of His Majesty.

## 2. Declaration

2.1 Justin Madders MP, Parliamentary Under Secretary of State for Employment Rights, Competition and Markets at the Department for Business and Trade, confirms that this Explanatory Memorandum meets the required standard.

2.2 Anna Deibel-Jung, Deputy Director for Trade Sanctions Implementation, at the Department for Business and Trade confirms that this Explanatory Memorandum meets the required standard.

## 3. Contact

3.1 Daniel Mepham at the Department for Business and Trade. Telephone: 07708108437 or email: otsi@businessandtrade.gov.uk can be contacted with any queries regarding the instrument.

## Part One: Explanation, and context, of the Instrument

## 4. Overview of the Instrument

***What does the legislation do?***

4.1 This Order amends the list of prescribed persons and matters in the Public Interest Disclosure (Prescribed Persons) Order 2014 ("the 2014 Order") that whistleblowers are able to disclose wrongdoing to as part of a protected disclosure. The prescribed persons and matters are the sanctions functions of the Secretary of State for Business and Trade ("the Business and Trade Secretary"), the Secretary of State for Transport ("the Transport Secretary"), and the Treasury.

***Where does the legislation extend to, and apply?***

4.2 The extent of this instrument (that is, the jurisdiction(s) which the instrument forms part of the law of) is Great Britain.

4.3 The territorial application of this instrument (that is, where the instrument produces a practical effect) is Great Britain.

## 5. Policy Context

***What is being done and why?***

5.1 A whistleblower is a worker who reports certain types of wrongdoing. The reporting of the wrongdoing must be made in the public interest and is limited to certain types of wrongdoing, such as the commission of a criminal offence. Prescribed persons are people and bodies to which a worker or employee may report wrongdoing, where that worker or employee may qualify for protection against detriment or dismissal at work as a result of making that disclosure.

5.2 The Business and Trade Secretary, the Transport Secretary, and the Treasury can receive and act on disclosures relating to sanctions. At present, workers who disclose

information to these bodies may not qualify for the employment protections set out in sections 47B (detriment) and 103A (dismissal) of the Employment Rights Act 1996 (the "1996 Act"). This can discourage workers from making disclosures, reducing the amount of information available to sanctions enforcement authorities and hampering the effectiveness of sanctions implementation and enforcement.

5.3 The amendments made by this legislation help whistleblowers who make a disclosure relating to transport, financial, and certain trade sanctions, qualify for employment protections when disclosing information to the Transport Secretary, the Treasury, and the Business and Trade Secretary respectively. The legislation aims to assist the implementation and enforcement of sanctions by encouraging workers to provide information about suspected breaches to the Transport Secretary, the Treasury, and the Business and Trade Secretary.

***What was the previous policy, how is this different?***

5.4 The 2014 Order contains a description of matters for which whistleblowers can make disclosures to the Business and Trade Secretary and the Transport Secretary about and be protected under the 1996 Act. Prior to this legislation, the 2014 Order did not include their functions relating to the implementation and enforcement of sanctions or include the Treasury as a prescribed person.

## 6. Legislative and Legal Context

***How has the law changed?***

6.1 This Order amends the Schedule to the 2014 Order. Part IVA of the 1996 Act provides employment protection for workers who make certain disclosures of information. The 1996 Act defines the categories of disclosure which qualify for protection (a "qualifying disclosure"). This includes disclosures which the worker reasonably believes are in the public interest and tends to show certain kinds of wrongdoing including, for example, that a person has failed to comply with a legal obligation or that a criminal offence has been committed.

6.2 The 1996 Act also defines the circumstances in which such disclosures will be protected. Section 43F of the 1996 Act provides that a qualifying disclosure is a protected disclosure where, subject to certain requirements, the worker makes the disclosure to a person prescribed by an order made by the Secretary of State for the purpose of receiving disclosures about the matters concerned. The 2014 Order was made pursuant to section 43F and includes a Schedule of prescribed persons and the matters for which they are prescribed.

6.3 This Order helps workers qualify for these employment protections when disclosing information relating to financial, transport, and certain trade sanctions to government. Workers disclosing relevant information to the Treasury, the Transport Secretary, and the Business and Trade Secretary will be able to seek redress should they suffer detriment or dismissal at work as a result of making a protected disclosure.

6.4 To do this, this Order prescribes additional matters that can be disclosed to the Transport Secretary and the Business and Trade Secretary as prescribed persons for whistleblowing; and include the Treasury as a prescribed person. The matters prescribed in this Order about which a whistleblower can make a protected disclosure concern the sanctions functions of these prescribed persons.

6.5 The UK maintains a range of sanctions regimes, through regulations made under section 1 of the Sanctions and Anti-Money Laundering Act 2018 ("the Sanctions Act"). Trade sanctions include restrictive measures on the movement of goods, the transfer of technology, and the provision of services. Transport sanctions relate to the movement, registration, and ownership of aircraft and ships. Financial sanctions include asset freezing measures and prohibitions on the use of certain financial services.

6.6 Non-compliance with sanctions is a criminal offence. Pursuant to powers in the Sanctions Act, DBT, through the Office of Trade Sanctions Implementation, is the civil enforcement authority for trade sanctions that fall within its remit. The Department for Transport (DfT), through the Centre for Transport Sanctions, is the civil enforcement authority for transport sanctions. Pursuant to powers in the Policing and Crime Act 2017 and the Sanctions Act, the Treasury, through the Office of Financial Sanctions Implementation, is the civil enforcement authority for financial sanctions and certain trade sanctions.

***Why was this approach taken to change the law?***

6.7 The prescribed persons and the matters for which they are prescribed are set out in the 2014 Order, so a legislative amendment is required to achieve the intended policy outcomes.

## 7. Consultation

***Summary of consultation outcome and methodology***

7.1 A consultation was not undertaken because it would be disproportionate to the change delivered by this legislation. Consultation is also not a prerequisite for the Secretary of State to exercise their power to make this legislation.

## 8. Applicable Guidance

8.1 The government has guidance on whistleblowing for employees: https://www.gov.uk/whistleblowing. DBT, DfT and His Majesty's Treasury (HMT) will publish guidance on how whistleblowing disclosures can be made to them in due course. The guidance will be available on GOV.UK.

# Part Two: Impact and the Better Regulation Framework

## 9. Impact Assessment

9.1 A full impact assessment has not been prepared for this legislation because the amendment helps workers qualify for employment protections, and no significant impact on the private, public or voluntary sector is foreseen. A de minimis assessment has been prepared as we estimate the costs to be beneath the £10 million threshold for a full impact assessment.

9.2 This estimated net cost to business is based on the main expected cost which is the familiarisation cost associated with the amendments. The estimate of the aggregate familiarisation regulatory cost was calculated using upper-bound estimates of the potential number of affected trading businesses and costs of familiarisation.

***Impact on businesses, charities and voluntary bodies***

9.3 There is no significant impact on business, charities, or voluntary bodies because the legislation does not add regulatory requirements upon business, charities, or voluntary bodies.

9.4 The legislation does impact small and micro businesses. No specific action is proposed to mitigate impacts on small and micro business. DBT does not believe it is possible to exempt smaller businesses from the impacts of this legislation, as sanctions prohibitions and requirements apply to all UK businesses. The impacts to business as a result of this legislation are expected to be minimal. The legislation does not introduce new regulatory requirements upon business and the cost to business is not expected to rise above the de minimis threshold.

9.5 There is no, or no significant, impact on the public sector because the relevant bodies, in DBT, DfT and HMT, already carry out sanctions enforcement work and have

established processes to receive disclosures of information from individuals and businesses.

## 10. Monitoring and review

***What is the approach to monitoring and reviewing this legislation?***

10.1 This instrument does not include a statutory review clause as it only seeks to amend existing legislation by prescribing matters in respect of which the Business and Trade Secretary, the Transport Secretary, and the Treasury are prescribed persons.

10.2 DBT will continue to subject the prescribed persons list to regular internal review to ensure that the prescribed persons on the list remain relevant. At the time of the next review, the efficacy of the changes made by this legislation will be considered.

# Part Three: Statements and Matters of Particular Interest to Parliament

## 11. Matters of special interest to Parliament

11.1 None.

## 12. European Convention on Human Rights

12.1 As the instrument is subject to the negative resolution procedure and does not amend primary legislation, no statement is required.

## 13. The Relevant European Union Acts

13.1 This instrument is not made under the European Union (Withdrawal) Act 2018, the European Union (Future Relationship) Act 2020 or the Retained EU Law (Revocation and Reform) Act 2023 ("relevant European Union Acts").