

## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations impose a reporting requirement on large limited liability partnerships in relation to their payment practices and policies and their performance by reference to those practices and policies. The substantive provisions of the reporting requirement are set out in the Reporting on Payment Practices and Performance Regulations 2017, which apply to companies that have exceeded certain size thresholds. These Regulations apply equivalent provisions to certain limited liability partnerships (regulation 3), with modifications to some of the wording so that the provisions reflect limited liability partnerships and their structure. The modifications are set out in regulations 4 to 10.

These Regulations should be read in conjunction with section 3 of the Small Business, Enterprise and Employment Act 2015. They should also be read in conjunction with the Reporting on Payment Practices and Performance Regulations 2017 which they modify.

Regulation 1(3) provides that these Regulations are to cease to have effect on 6th April 2024. Regulation 11 requires the Secretary of State to review the operation and effect of these Regulations and publish a report within five years after the Regulations come into force. Following the review it will fall to the Secretary of State to consider whether the Regulations should be allowed to expire as regulation 1(3) provides, be revoked early, or continue in force with or without amendment. A further instrument would be needed to continue the Regulations in force with or without amendments or to revoke them early.

A full impact assessment of the effect that this instrument will have on the costs to business and the voluntary sector is available from the Department for Business, Energy and Industrial Strategy at 1 Victoria Street, London SW1H 0ET and is published with an Explanatory Memorandum alongside the instrument on [www.legislation.gov.uk](http://www.legislation.gov.uk).

**Changes to legislation:**

There are currently no known outstanding effects for the The Limited Liability Partnerships (Reporting on Payment Practices and Performance) Regulations 2017.