



Compliance update

December 2014

Licence holders: 970

Ongoing applications: 20

Ongoing compliance inspections: 61
(including compliance, new business and change of Principal Authority)

Common areas of non-compliance

Licensing Standard	Title	Non-compliance
2.3 – Benefits	Holiday pay	Non payment, part payment or incorrectly calculated. Workers are not able to take all their entitlement before the end of the year so lose it. P45s are not being issued and holiday pay is not met.
5.2 – Working hours	Hours	Workers are not being paid for all the hours worked. Poor records being kept for piece rate workers.
2.1 – Critical PAYE, NI and VAT	Transport schemes	Deductions to comply with the National Minimum Wage (various schemes).
2.1 – Critical PAYE, NI and VAT 4.1 – Critical Quality of accommodation	Accommodation	Increase in provision or effectively providing National Minimum Wage deductions (accommodation offset).

2.1 – Critical PAYE, NI and VAT	Travel and Subsistence schemes	Increase in the use of all types of schemes, including T&S and salary sacrifice.
7.1 – Critical Fees and providing additional services	Optional fees/services	The use of accident policies.
5.6 – Disciplinary and grievance procedures	Disciple and grievance	Lack of policy or complaints procedures.
2.4 – Payslips	Payslips	Non-issue emails lost in post, electronic only offered.
7.3 – Workers: Contractual arrangements and records	Contracts	Failure to provide copies, not understood by workers. Self employment.
2.1 – Critical PAYE, NI and VAT	Pay	Workers are not being paid for all hours. Certain sectors, for example chicken catchers, not being paid travel time.

Other issues reported or identified

- Phoenix Licences following revocation, bogus applicants
- Increase in trafficking forced labour via legitimate businesses
- Still some grey areas of whether a licence is actually required - labour providers not seeking advice (particularly packing or cleaning)
- Low charge rates being reported (use of umbrella companies)
- Agency Worker Regulations being ignored
- Failure to update changes/advise GLA
- Poor quality Personal Protective Equipment
- Cost of GLA licences
- HMRC lack of enforcement action on certain cases (e.g. Travel and subsistence)
- Labour users failing to pay within the terms and conditions
- Labour users condoning or colluding with worker exploitation
- Lack of worker awareness about the GLA and its work
- GLA Briefs sometimes need reinforcing or clarification