



CEO's Quarterly Report

October to December 2015

News

Consultation on Labour Market Enforcement published

The government has now released its formal response to the consultation on tackling exploitation.

The consultation ran from 13 October and closed on 7 December 2015 during which period 193 responses were received from a range of trade bodies, charities, labour providers, individuals and statutory organisations.

It sought views on four proposals to build on the effectiveness of the current regime.

These were:

- to establish a statutory Director of Labour Market Enforcement, who will set priorities for the enforcement bodies across the spectrum of non-compliance, from criminally-minded exploitation to payroll errors;
- to create a new offence of aggravated breach of labour market legislation;
- to increase intelligence and data sharing between the existing enforcement bodies and also other bodies to strengthen the targeting of enforcement; and
- to widen the remit, strengthen the powers and change the name of the Gangmasters Licensing Authority to enable it to tackle serious worker exploitation more effectively.

The majority of respondents agreed with the Government's position that more needed to be done to tackle the more serious cases of labour market exploitation so the next steps will be to introduce amendments to the Immigration Bill to enable it to legislate to:

- Introduce a new type of enforcement order, supported by a criminal offence for non-compliance. This will allow EAS/ HMRC/GLA to request a business, where there is reasonable belief that a labour market offence has been committed, to enter into an undertaking to take steps to prevent further offending. We would be able to apply to a court for an enforcement order where a business had refused to give or failed to comply with an undertaking.
- Create an intelligence hub and open up associated data sharing gateways. The most important set will be between the Director and the Intelligence Hub, EAS, HMRC's NMW team and the GLA. This will allow the Director to access much of the information he/she needs to help the Director to identify trends/patterns in areas

of the economy where workers are at risk of exploitation, and thus enable the Director to develop the annual labour market enforcement strategy. The Government is also looking at establishing a wider set of gateways with other partners to enable the Director's strategy to be as comprehensive and well informed as possible

- Reform the role of the GLA to enable it to tackle labour exploitation. Govt. has said it will reform its mission, functions and powers to ensure that the GLA can prevent, detect and investigate worker exploitation across all labour sectors, not only those in which it operates currently. In recognition of this, the government will change the name of the GLA to the Gangmasters and Labour Abuse Authority.

Alongside the legislative changes work has already started on implementation. The cross BIS and HO Programme Implementation Team has set up an Operational Subgroup, which brings together operational staff across all three enforcement bodies to help them shape how the new enforcement regime will work in practice.

The above proposals will be added to the Immigration Bill which will be back before the House of Lords on 18 January with Royal Assent expected later this year.

GLA Academy launches and sells out first programme of courses

The launch of the first-ever GLA-accredited training programme proved a great success with all places selling out within days of the launch. The authority joined forces with the University of Derby's International Policing and Justice Institute to create the courses under the banner of GLA Academy. The delivery of a 'Certificate in Professional Development: Investigating Modern Slavery' recently began and will assist labour providers, labour users and retailers in meeting their requirements in relation to transparency in the supply chain as contained within the Modern Slavery Act (section 54).

Modules delivered are based on the training provided for GLA Inspectors and draw on the GLA's extensive experience of dealing with all forms of labour exploitation. They provide delegates with the knowledge, skills and confidence to identify exploitative practice and form part of the university's Investigating Modern Slavery programme. Those who will benefit and who have registered include: compliance managers, contract managers, technical and field managers, labour co-ordinators, recruitment managers, ethical auditors, HR managers and training managers with responsibility for delivering training in relation to the recruitment and placement of workers.

The two-day sessions are planned roughly every fortnight at the GLA offices in Nottingham through to the end of May 2016. More will be added later in 2016.

National Conference 2016 – bookings now being taken

Following on from the hugely successful inaugural national conference in March 2015, the GLA returns to Derby in 2016 for what promises to be another fascinating event. The aim this time will be to break down perceived barriers that may exist between the organisation and those who work within or in partnership with the regulated sector.

The intention is to provide an exclusive insight into how the GLA operates and works with its licence holders to help them to be compliant and successful. Current trends employed by unscrupulous and criminal operators will also be examined at the event with explanations provided as to how the GLA works to stamp them out and tackle those who break the law. Already confirmed as keynote speakers are Independent Anti-Slavery

Commissioner Kevin Hyland and head of the Government's Modern Slavery Unit Offer Stern-Weiner. The latter will provide an update on the latest thinking with regards to the creation of the new Labour Market Enforcement Agency and the appointment of a Director to head it up.

Events

Trafficking conference - Kuala Lumpur

GLA Chief Executive Paul Broadbent visited Malaysia recently after being invited to deliver one of the keynote addresses at an international trafficking conference. Organised jointly by the International Policing and Justice Institute at the University of Derby and hosts the Royal Malaysian Police, the event in Kuala Lumpur went under the title of Effective Interventions in Transnational Human Trafficking. Using recent research, it concentrated on the global issue of trafficking and how governments must gain a better understanding of the issue while responding more effectively. How to prevent its future spread was also discussed, while effective and realistic solutions were shared.

Mr Broadbent also spoke at the latest meeting of the Santa Marta Group in Madrid in October. The alliance of international police chiefs and bishops from around the world works together with civil society in a process endorsed by Pope Francis to eradicate trafficking and modern slavery.

GLA models for Eastern European states

The GLA accepted another overseas invitation to share good practice and explain how it operates to delegates in Minsk, Belarus. A presentation on the GLA model for tackling worker exploitation through a regulatory approach was delivered by the GLA's Head of Business Change and Development, Mark Heath, at the International Workshop on Combatting Human Trafficking.

The event was hosted by the International Training Centre of the Belarus Ministry of Interior and drew together representatives of law enforcement bodies from across Belarus, the Russian Federation, Latvia, Lithuania, Poland and the UK.

There was also input from academics and the 'third sector' on topics including; the Belarus approach to tackling trafficking to include legislation, prosecution and training, the experience of neighbour states and the role of partners. The GLA also demonstrated how respective labour inspectorates could work together to detect, deter and disrupt trafficking.

Operations

Op Louisiana and Op Outrun

Officers from the GLA were praised for the assistance they provided in a recent Border Force operation in France. Three GLA staff took part in the intelligence-based initiative, which ran at the ports of Calais and Dunkerque on Anti-Slavery Day - 18 October.

Richard Bradley, of the Border Force's Intelligence Directorate hosted the officers and said in an email to the GLA: "I found the joint exercise very useful and it enhanced my knowledge of your work and the profiles that may be of interest to you. We also obtained some useful intelligence which, especially from my perspective, is always welcome."

Mr Bradley added that he hoped the Border Force would be able to work with the GLA again in the future.

The GLA also provided a number of officers recently to assist on the Border Force intelligence gathering initiative dubbed Op Outrun. This involved screening incoming passengers arriving at Liverpool John Lennon Airport mainly from Eastern European destinations - including Wroclaw, Bucharest, Berlin and Vilnius.

Op Trivium

Around half a dozen GLA officers assisted West Mercia Police in the latest week of action for this national campaign that targets foreign criminals on the roads of England and Wales. The GLA staff accompanied police and other partner agencies at vehicle stops that took place in November on the motorway network around Coventry and Warwickshire. Assistance was also provided by the intelligence unit who ran checks on licence plates provided from the roadside.

Licensing and Legal

Appeals won

The GLA's decision to revoke the licence of a Cambridgeshire gangmaster who paid workers below the legal minimum wage, housed them in unsafe accommodation and transported them in dangerous vehicles has been backed by an appeal court judge. Roberto Mac Ltd's offices and the home address of company director Roberto Divkovic – both in March, Cambridgeshire - were raided as part of the multi-agency Operation Endeavour in 2013. The GLA immediately suspended and subsequently revoked the licence of the company, which provided agricultural fieldworkers to pick flowers in Cornwall as well as harvest crops at Fenland farms.

Mr Divkovic appealed the revocation decision at a hearing in Bedford last year but Employment Judge Val Adamson dismissed the appeal. In his published decision he wrote: "All of the breaches found are serious. In considering the appeal, I have considered not only the position of the appellant but also that of the workers the respondent's licence conditions are designed to protect. Not only the number of breaches but the serious nature of all of those found means I must dismiss the appeal."

At the time of Operation Endeavour approximately 760 workers were registered at the company with around 400 working at any one time.

- The GLA enjoyed another appeal success recently when its decision to refuse to grant a licence to DJ Houghton Catching Services Ltd was upheld by an employment judge at the Croydon tribunals' court.

Media Coverage

Scottish gangmaster stripped of licence

A number of media outlets picked up the press release issued about the revocation of the licence of former headmistress turned gangmaster Sheila Wood. The story was covered extensively by the Aberdeen Press and Journal and various trade titles as well as being covered across three pages including the [front page of the Daily Record](#).

Investigation into exploitation at fruit farm in Kent

An exposé was run on two consecutive nights on Channel 4, highlighting the alleged mistreatment and exploitation of workers at a Kent fruit producer. The story – achieved through placing a camera on an undercover reporter – was followed up by a number of the trade press.

Week in the life of the GLA

This statistics based press release issued following Anti-Slavery Day, was picked up and run by a number of specialist titles, although some wrongly reported it was sent to deflect attention from the Kent fruit farm story above. The release was planned and the numbers collated from a period prior to the story above.

HMO visits in Northern Ireland

News of a joint operation by the GLA, HMRC, police and Northern Ireland Housing Executive to identify vulnerable workers in Homes of Multiple Occupancy received coverage in the local press.

GLA launches academy

The introduction of industry training courses designed to provide delegates with the skills and knowledge to identify indicators of worker exploitation received widespread coverage in the media – including regional BBC TV, national BBC news online and specialist trade press.

'Unlicensed gangmaster' exposé

BBC Look North (Eastern region) ran a lengthy piece after planting undercover reporters and claiming routine exploitation of workers was being carried out at GLA-licensed agency, Local Link Recruitment. There was also widespread coverage online.

Roberto Mac appeal rejected

Local and trade press covered the decision of an employment judge to uphold the GLA decision to revoke the licence of Roberto Mac. The story also featured in The Times.

GLA responds to early daffodil harvest

Trade media featured this press release – including - Fruitnet, Recruiter and Horticulture Week.

Operational Statistics

Risk

Workers within the GLA regulated sector continue to be at risk from exploitation. A recent trend has emerged where 'bogus' self-employed workers are being exploited across the entire labour market. Carers, cleaners and cooks are amongst the self-employed occupations that have been expanding since 2009 and bogus self-employment occurs when workers are told they are self-employed when the legal tests would likely define them as employees. Citizens Advice Bureau (CAB) have seen a steady increase in the numbers of people who are seeking advice because they have tried to take holiday, apply for benefits or vary their hours of work only to be told that they are not entitled to do any of these things as they are self-employed.

This appears to be a growing but mostly hidden problem that could affect as many as 460,000 people nationwide. There is also increasing evidence of 'rogue employers' intentionally exploiting the vagueness of the rules in order to take people on as self-employed when they should be employed. The outstanding pay due to the bogus self-employed workers may be as much as £592 million in unpaid holiday pay and equates to around £314 million in lost revenue to the Exchequer annually.

Response

Quarter Three totals from 1 October to 31 December 2015

- Applications inspections 22
- Compliance inspections 8
- Licence revocations 3

Financial year totals from 1 April to 31 December 2015

- Applications inspections 95
- Compliance inspections 46
- Licence revocations 11

Result

Quarter Three totals from 1 October to 31 December 2015

- Workers identified as exploited 1,193
- Workers protected by refusal/revocation 217
- Workers prevented from exploitation 4,356
- Proceeds of Crime identified £247,201
- Workers interacted with (inside & o/s sector) 26,180

Financial year totals from 1 April to 31 December 2015

- Workers identified as exploited: 4,477
- Workers protected by refusal/revocation 1,943
- Workers. prevented from exploitation 12,006
- Proceeds of Crime Identified £10,978,000
- Workers interacted with (inside & o/s sector) 74,352

Position as at 31 December 2015:

- Ongoing criminal investigations 61
- Offenders pending trial 16
- Indictments pending trial 76
- OCGs identified/disrupted 20
- Potential victims of trafficking rescued 24

Strategic Intelligence Assessment

This bi-annual document which contributes to the national UK threat assessment has again identified labour exploitation in all its forms as a significant issue.

Human Resources

Staff survey

The latest GLA staff survey was unveiled in December with employees asked to respond to a number of statements that relate to leadership and management, learning and development, engagement, internal communications and reward and recognition. Staff were encouraged to answer as honestly as possible to provide a basis for improving the way the organisation operates. All responses were completely anonymous and the results are to be shared at the Staff Seminar in February 2016.

Taking a rounded view of management

All members of the GLA's Senior Leadership Team have now completed a 360° feedback process in which their skills and leadership qualities were anonymously assessed by peers and those who report to them directly. Each SLT member has now been given an 'action plan' to target any areas that were identified as being in need of improvement.

Pay awards

In line with Civil Service Pay Guidance, the GLA staff received performance-related salary increases that equated to one per cent on average. The awards applied from 1 October 2015.

Financial Matters

Budget 2015-16

The budget position for the GLA in the next financial year remains unclear as confirmation of a settlement figure is yet to be received. Indications from the Home Office suggest that it may be February before any budget is confirmed. The added variable for 2016-17 is the government's proposal for labour market enforcement and what that might mean for the GLA should its remit be extended. If this is the case then additional resources would be required in order to cover the extra workload.

Parliamentary Questions

2014-15	PQ Totals	Subjects				
Quarter		Finance	Operational	Powers	Staffing	Board
Apr - Jun	1	1	0	0	0	0
Jul - Sep	3	0	2	0	1	0
Oct - Dec	4	2	2	0	0	0
Total (financial year to date)	8	3	4	0	1	0

Other News

BBC Look North exposes 'unlicensed' Lincolnshire gangmaster

An exposé run by the BBC in December claimed an unlicensed gangmaster had infiltrated the operations of Iwona Services t/a Local Link Recruitment. The journalist had liaised with the GLA at the start of July and was offered an opportunity to work exclusively and alongside the organisation provided all information gathered during the BBC investigation was provided. After consulting with lawyers, the BBC declined the offer and despite repeated requests insisted they would only hand over information once the programme had been broadcast.

There was a delay of five months before the piece was completed and though they were approached for any unused interview footage and other documentation soon after the broadcast date, nothing has been provided to date. However, the GLA contends that from the footage shown, there is nothing to support any claims of unlicensed supply of labour in this case.

The refusal of the BBC to hand over potential evidence of criminal activity and the amount of time it was continues to be withheld is a concern which has been raised.

GLA stands in for Anti-slavery Commissioner in Lithuania

The GLA sent a representative to a conference in Vilnius, Lithuania to assist the UK's Independent Anti-Slavery Commissioner, Kevin Hyland. Mr Hyland was unavailable and asked whether the Authority could deputise at the event aimed to describe labour rights violations to an audience of mainly Lithuanian delegates. Director of Strategy Darryl Dixon stepped in to address the EU funded conference of academics, government officials and industry representatives. The GLA presentation focused on how the GLA works to tackle labour exploitation.