



Gangmasters  
Licensing Authority

# GLA46/19 Stakeholder Engagement

15 July 2015

# Board Paper Reference – GLA46/19- Stakeholder Engagement

## 1. Purpose of the Report

- 1.1 To update the Board on the work of the Labour Provider and Labour User liaison group.

## 2. Recommendation

- 2.1 The Board is invited to note the draft minutes of the Labour User/Labour Provider Liaison Group meeting held on 3 June, 2015. The minutes are attached at Annex A.

### Annex A

## Minutes

<b>Title of meeting</b>	<b>Labour Provider and Labour User Liaison Group Meeting</b>		
<b>Date</b>	3 June 2015	<b>Time</b>	11am
<b>Venue</b>	GLA, Nottingham		
<b>Chair</b>	Margaret Beels, GLA	<b>Secretary</b>	Serena Barton GLA
<b>Attendees</b>	Margaret Beels, GLA Paul Broadbent, GLA Charlotte Wilson, GLA Serena Barton, GLA Baroness Hamwee David Camp David Segust Jane Fielden Jerry Camp Joanne Young Shayne Tyler	Tom Easson Terry Waite Gavin Dring Vicky O'Brian Cathy Lafferty Michaela Posnett Chris Hartfield Rob Orme Andrew Large Rosie Byrne Lorna Bramwell	
<b>Apologies</b>	Chris Gorton Colin Hall Sharon Cross Sian Thomas Tony Boorman Sue Johns Jane Bladon		

## 1. Introductions

Margaret Beels (MB) welcomed the group

## 2. Declarations of interest

Rob Orme, Jane Fielden, David Segust

## 3. Minutes of previous meeting

The minutes of the previous meeting were approved.

## 4. Action Schedule

Actions from 17 March 2015:

1. *Circulate the revised GLA complaints procedure:* IN PROGRESS. This will be posted to the website.
2. *FM to notify DD of his concerns regarding data sharing and DD to raise these with the Home Office:* CLOSED. DD has spoken to FM and asked him to speak to him so DD can raise any issues with the Home Office. DD is awaiting a response from FM.
3. *Any suggestions for the best model for consultative groups to support the new Board should be sent to MB who will use as part of the discussion at the Task & Finish Group:* CLOSED.
4. *Notify the Group once the quarterly performance report was available on the website and provide a link to it –* IN PROGRESS. A sanitised version of the Performance and Insight report was circulated to the group with the aim of being as open as possible; PB explained that the report was sanitised due to official sensitive material.

**New action 1:** - Paul Fearn to publish sanitised version of Performance and Insight report to website.

5. *Circulate Brief on inspecting overseas licence holders and applicants:* CLOSED. CW explained that as no comments had been received on the Brief that was circulated, we have now published the Brief on the GLA Website.
6. *PB to send an invitation to the whole group regarding setting up a meeting in respect of the communications group:* IN PROGRESS. A small group has been set up and we are looking to expand it. Brief Terms of Reference have been drafted which we would like to share with the group and then set up a further meeting in July/ August. PB reiterated the GLA policy on media: the GLA does not engage in fly-on-the-wall media however it is possible that we can get drawn in if we have been involved in an operation being reported on.

ST raised his concerns regarding potential exploitation issues in foreign countries which aren't controllable from the UK, specifically referring to issues such as the provision of accommodation to workers in Spain. PB informed the group that the GLA will be attending a meeting in June with Sainsburys regarding issues in Spain and PB is also in touch with the Spanish Authority's regarding regulations.

**New action 3:** PB to feedback to this group after meeting with Sainsbury's.

7. *NC to publish compliance trend data on the website:* CLOSED. Trend data published on website.

8. *NC to report on any trends found in new applications:* CLOSED.

9. *CW to provide update on Travel Time Brief and arrange a meeting to discuss draft of Brief:* IN PROGRESS.

## **5. Declaration of urgent business**

None raised.

## **6. Update from Chief Executive**

The Chief Executive's report had not been circulated to the group prior to the meeting.

**New action 4:** SB to circulate Chief Executive's report to the group.

The joint GLA, University of Derby and Ethical Trading Initiative ("ETI") training academy is proceeding. There will be a meeting held on 30 June 2015 with interested parties to discuss the prospectus for September. The GLA has been approached to deliver more specific training to assist the Anti-Slavery Commissioner tackle Modern Day Slavery. The GLA, working with the University of Derby and the ETI, has devised a training prospectus which will be launched on 30 June and will be rolled out in September. The aim is to develop key roles in the supply chain to assist the GLA to work more effectively, i.e. auditors within the supply chain. There will be training on Cognitive Interviewing – asking the right questions to get people to trust the GLA and come forward if and when they have any information which may help us do our job. There may be specific roles in the supply chain for LUs to assist the GLA in the cognitive interviewing process.

DC suggested that there has not been any LP engagement in this project including that of the ALP or REC and that this would be helpful. The ALP does not know the plans of this project, its objectives or how it seeks to integrate with Stronger Together initiative. He stated it would be useful to have more information regarding this. PB agreed that this was possible and stated that the GLA has responded to the needs of the industry. There will be a full briefing regarding this at the next meeting.

ST highlighted that Board Member Marshall Evens has been involved with the project from the beginning and as an ex-employee of an LP he is very aware of the industry needs.

ST and RO also commented that they had been involved in this project and they thought that it worked well so there had been some engagement.

VOB stated that REC fully supports the concept.

**New action 5:** PB to fully brief the group regarding the training prospectus at the next meeting.

PB then turned to the number of unlicensed gangmasters. The GLA is currently working on 300 separate investigations. There is still unlicensed activity in the sectors which isn't just honest triers. It is Organised Crime Groups ("OCGs") who have set out to infiltrate legitimate supply chains. The position differs to 10 years ago and the profile of these OCGs has changed. To tackle this we have grasped the PREVENT agenda and are delivering training to prevent workers being victims. It is now the case that if a LP or LU has an element in its supply chain about which it is concerned, it can come forward knowing that GLA will wherever possible, work with them to address the issue rather than taking formal action immediately. Intelligence sharing is a two way street.

Another aspect the GLA is working on is setting up 'Business Watch' A business alert to exchange information at the push of a button allowing dynamic exchange of information at a local level. Hopefully this will inspire LUs/ LPs to share information with GLA. Although the GLA is trying to create this alert, funding is a big issue; GLA is trying to review these.

ST commented that it was clear the GLA was working with other organisations and sharing data and asked if it were possible to share that information as it would be helpful to know what was happening in the local areas in which LPs/LUs are operating.

PB stated that there was a network of senior to middle ranking Police Officers dealing with OCGs. GLA has asked them to produce a trend sheet which GLA could circulate.

**New action 6:** PB to circulate OCG trend data once received

SG commented that it would be useful to have some indication of what area the OCGs are exploiting i.e. accommodation, NMW, etc.

DC stated that 300 separate investigations is a big figure and asked if the vast majority were OCGs.

PB stated that in his professional judgement he would say it was three quarters of the figure.

PB updated the group in regards to item 7.6 on the agenda regarding trend data. New applications are on the up and are a mix of new and existing businesses. With regards to holiday pay, this is still a major issue. Last years' figures show that the GLA undertook 30 Tier 1 resolutions, which resolve issues without recourse to formal action by GLA. This figure is increasing year on year which suggests the level of trust in GLA is higher.

As regards travel and subsistence ("T&S") schemes PB informed the group that ultimately the Revenue will make a decision in regards to the schemes being operated. GLA would like the Revenue to anonymise the lessons learned from

these schemes so that these can be shared however they are reluctant to do this due to tax payer confidentiality.

As regards issues surrounding accommodation, the GLA will investigate these cases itself or through local authorities.

DS asked what would warrant an inspector to carry out an unannounced visit to an LU.

PB stated he was unable to comment on specifics but that all visits were based on intelligence and there would have to be a concern about a serious issue as opposed to low level complaints.

JC commented that there is complications regarding where we stand in paying holiday pay and that clarity was needed on this issue. He asked what the GLA's position was regarding 'use it or lose it'.

CW stated that the legal position is 'use it or lose it' however a worker must be told what they are entitled to.

JC asked what if the annual leave was rolled over into the new year, would this be acceptable.

CW responded that this was fine as long as the worker could take the leave at some point. The LP would need to behave reasonably both as regards asking workers to forgo leave in the short term for operational reasons, while providing for leave to be taken later.

JC asked if the volume of licence applications led to delays in the time it takes to make a licence decision. CW said that where there were no issues as licence applications were processed relatively quickly; the delays were due to more complicated issues. DC asked if it was still 10 – 12 weeks. CW said she would check and let him know.

**New action 7:** CW to bring stats to next meeting re time to process applications.

VOB asked how quickly HMRC responded to requests from the GLA on T&S as the REC has found there to be delays in receiving guidance from HMRC on certain issues. PB advised that the GLA has the OGD process where HMRC has to respond within 10 working days however more complicated queries take longer.

DC commented that he was not aware of many schemes in the sector at the moment. CW stated that the GLA has not had many umbrella companies apply for licences for a while however the situation is very different outside the sector. DC stated that outside the sector, if you do not operate a T&S scheme you cannot compete.

DC asked how things were working now that the Pay and Work Rights Helpline has joined with ACAS. PB stated that this was a work in progress. CW commented that there is a process in place for calls to be transferred to us and vice versa but so far she wasn't sure if we had any calls from them.

**New action 8:** The GLA will feedback with official numbers on the number of calls transferred to and from this new helpline.

JC asked whether the GLA undertook inspections at random or whether they were all intelligence led as per PB's comment at the ALP Road Show. PB confirmed they were intelligence led. CW commented that we do undertake compliance new business inspections once a licence holder starts trading.

MP asked how long the compliance inspection ("CI") list was as Unique Employment had never had a CI. CW responded that there were over 100 companies on the CI list at the moment however the GLA will usually only undertake a CI on a company if Intel has been received which warrants an inspection of that company. Unique Employment will be prioritised when resources permit.

## **7.1 Update regarding PM and Queen's speech on Enforcement Taskforce**

MB read from an extract of the PM's speech regarding an enforcement taskforce. She explained that the new enforcement agency referred to will be formed 4 agencies being brought into 1. The Government intends to make it illegal to recruit solely from abroad without having adverts the jobs in the UK first.

This is the first formal notification from the Home office in this regard and MB/PB are trying to find out what it means. A consultation is expected later in the year. GLA wants to be influencing what happens and how it happens to ensure vulnerable workers continue to be protected. As the Government is intending on reviewing the role of the GLA in line with s55 of the Modern Slavery Act there has to be a consultation.

VOB enquired on the scope of the debate of the GLA. PB commented that we hope it will be as wide as possible.

MB explained that PB has put out a brief to all staff explaining that there is nothing to suggest that this is an austerity measure. There is scope for us to do more in terms of working closely with other agencies but mainly we are here to protect vulnerable workers.

**New Action 9:** GLA to circulate extract from PM's speech which MB read from at the meeting

## **7.2 Performance and Insight report**

The performance and insight report was circulated to the group prior to the meeting. PB stated hopefully the report shows how all departments within the GLA are inextricably linked. Last year the GLA protected 3064 workers through direct intervention. £3.5 million were recovered on behalf of workers and Proceeds of Crime identified. GLA identified and disrupted 32 OCG in the last year and there were 22 convictions. PB offered the opportunity for any feedback.

JC asked why the identification of OCGs hadn't led to criminal investigations. PB advised that in many cases GLA is not the lead agency to investigate these as the

OCGs operate in other areas. If and when they have purely been in the GLA sectors they have been convicted.

JY queried the quality of the intelligence received by the GLA and what proportion of operations tasked lead to convictions. CW replied that at the closing of each incident GLA identifies where remedial action was taken and the process is changed where necessary. PB also referred to the GLA reviewing its system to better identify whether resources are well targeted based on the Intel received.

ST commented that it was clear from the tier 1 resolutions and the letters for s12 and s13 offences that the GLA have a structure for escalation. He asked if the GLA had a list of LPs that would be willing to help take with taking on workers when their LP's licences are revoked. PB responded there was no such list because the GLA could not be seen to be promoting certain licence holders. ST said that LU's would be willing to assist in this. PB said this is something which could be looked into. CW informed the group that when the GLA looks to revoke a licence with immediate effect it undertakes a community impact assessment to ensure workers are not placed in a worse position by us taking action.

RO stated that Concordia would be happy to help with this as they place workers.

### **7.3 Stakeholder Engagement post appointment of new Board**

The new Board met in April for the first time and there was some discussion regarding stakeholder engagement. With regards to this group, the consensus is that it is a valuable group having useful discussions. The Board's view is that if it is working, keep it going.

The Board also discussed setting up a worker and victim liaison group and another involving retailers. The Board are taking a step-by-step approach and are getting to know the GLA and the industry.

ST commented that (i) he did not think this group was diverse enough and that key stakeholders were missing and (ii) asked how the new Board might become more visible.

JC asked if observers will be allowed at Board meetings. MB explained that if there was a genuine reason for coming to observe then yes they would be however observers with individual interests would not be permitted. JC asked if Board member's contact details would be available on the website for communication directly with the Board. MB said that any items of interest should be sent through MB and/or PB and they would ensure that they board received these communications.

### **7.4 ALP Roadshow**

PB thanked DC for the opportunity for GLA to attend the roadshows. The GLA presentation will be available on the ALP website once the roadshows were finished. Key areas discussed were the Licensing Standards. These are reviewed every 3 years and a review is due in 2015 which GLA intends to get out to consultation soon. The ALP has undertaken a survey and had 93% positive



feedback on the GLA. DC stated that they had undertaken a survey in 2011 and 2013 which showed 80% support for licensing. This year this has risen to 93% support. CW asked what the response rate had been to the recent survey. DC stated it had not been dissimilar to the response rate to the GLA's survey and that it was difficult to get above 15% unless you paid someone to carry out a survey.

**New Action 10:** DC to circulate GLAs ALP roadshow presentation to the group.

## **7.5 GLA Brief on Travel Time**

The draft Brief was circulated to the group prior to the meeting. CW explained that this had been drafted in consultation with NMW. DC commented that it was vague and does not address the issues; it is not clear for the industry. He stated he would feedback directly to CW. CW requested any comments to be forwarded to her by end of June. AL stated he will have a conference call with colleagues and then feedback to CW. CW suggested setting up a separate meeting to discuss this issue specifically however AL and DC said that this was not needed at this stage.

**New action 11:** Group members to feedback on the Brief to CW directly by the end of June.

## **7.6 Trends in new licence applications**

This was already covered under the Chief Executive's report.

CW expanded that of the new applications: 1/3 is from expanding business; 1/3 is from new businesses; 1/3 is from previous licence holders returning to the sector.

JF asked whether earned recognition was still being considered. CW explained that Darryl Dixon was working on this. GLA's IT systems did not allow for its implementation in the short term. GLA is in discussion with Home Office about upgrading its IT.

## **7.7 Terms of Reference**

These need to be updated as they refer to the 2005 regulations. A lot of the document is still valid however it can be improved. MB suggested the GLA draft a new version of the terms and circulates these for comments and/or approval.

**New action 12:** GLA to update the TOR and will circulate these for discussion at the next meeting.

## **8 Any Other Business**

None raised.

## **11. Date of Next Meeting**

Currently set for 3 September 2015 however this date is not convenient for members of the group due to the school holidays. 17 September was suggested

however this date is not convenient for the GLA. The date has now been confirmed as 9 September 2015 for the next meeting to be held in Nottingham.

The final meeting of the year has also been moved to 12 November 2015.