



# CEO's Quarterly Report

## October – December 2014

### News

#### **Governance changes get under way**

The recruitment process for the new streamlined GLA Board is now well under way. Prospective candidates have been shortlisted and selection interviews are scheduled to take place shortly. The plan is for the new board to be inducted and in place in time for the spring meeting towards the end of April.

The decision to streamline the governance of the authority was taken after a recent Triennial Review. Its recommendation was to reduce the board from 28 members (plus a chair) to eight members (plus a chair) with the intention of making the decision-making processes more efficient.

Applications were invited from people with expertise in labour regulation, enforcement, victim support, finance, commerce and human resources.

Chair Margaret Beels has been instrumental in the entire recruitment process and Chief Executive Paul Broadbent said: "While I welcome this move and look forward to getting to know and working productively with all those people who take up position in the new governance structure I think it's right that we recognise the commitment of the current members. Many have contributed to the organisation for a number of years and helped shape the GLA into the effective and widely-respected body that it is today and for that I am extremely grateful."

#### **Working together ...**

The GLA is to host a first ever national conference in Derby this year, specifically tailored for licence holders. The event will be hosted at Derby County FC's iPro Stadium (formerly Pride Park) on 2 March and bookings are now being taken. All current licence holders, applicants and board members have been invited.

Already confirmed to address delegates on the day will be: Modern Slavery Minister Karen Bradley MP, Anti-Slavery Commissioner Kevin Hyland, GLA Chief Executive Paul Broadbent and Chair Margaret Beels plus GLA board member Marshall Evans, of one of the UK's biggest licensed gangmasters, Staffline.

The event has been priced on a cost recovery basis and places are £75 including lunch and refreshments. Bookings should be made online at

[www.regonline.com/glaconference2015](http://www.regonline.com/glaconference2015). For further information email [conference@gla.gsi.gov.uk](mailto:conference@gla.gsi.gov.uk).

## **Supply Chain Training**

The GLA has developed a pilot programme with Sainsbury's with the ultimate aim of delivering training to frontline staff involved in the labour supply chain. The module will be developed and delivered with help from staff at the University of Derby and Ethical Trading Initiative. It focuses on assisting Sainsbury's suppliers in identifying whether hidden exploitative practices exist at farms, pack houses, processing plants and factories where it sources products.

The pilot programme provides a package that has been developed to meet the specific requirements of Sainsbury's and is being offered to other major retailers.

GLA Chief Executive Paul Broadbent said: "We are delighted to have forged this industry leading agreement and to work alongside Sainsbury's in this way. There is a real commitment and desire on both sides to identify any practice that subjects workers to exploitation."

The new arrangement builds upon the GLA's Supplier/Retail Protocol, launched in October 2013 by Home Secretary Theresa May. The protocol was a commitment from major retailers and suppliers to share information and intelligence about suspicions and wrongdoings with the authority with confidence.

Judith Batchelar, Director of Sainsbury's Brand adds: "We're proud to have carried out the first pilot training for our suppliers in partnership with GLA, we hope this takes us a step further in tackling hidden labour exploitation. Modern slavery within global supply chains is a serious issue and it is a priority of ours to work with our suppliers to address it."

## **Minister drops in for Derby day**

The GLA and the University of Derby joined forces recently to play hosts to a visit by Minister for Modern Slavery Karen Bradley. The Staffordshire MP was welcomed to discuss matters including Operation Atwood – an excellent recent example of the GLA working in partnership with the police – which resulted in prison sentences for two couples who trafficked workers into the city.

GLA Chief Executive Paul Broadbent also used the opportunity to talk the minister through the new joint training initiative developed with Sainsbury's (see above), before she was introduced to labour providers and had a chance to chat with some victims of exploitation. The minister has since stated that she recommends all major retailers sign up and get involved in the training project. The GLA has received enquiries from a number of supermarkets and will look to explore these options once the pilot project has been completed, reviewed and assessed.

## **Modern Slavery Bill**

The GLA continues to receive strong support in Parliament as the new Modern Slavery Bill progresses through the houses. MPs proposed amendments for the authority's remit and powers to be reviewed and extended during the debates in the Commons. And though these were voted down, more similar amendments and more support for the GLA has followed since the bill has moved to the House of Lords, where it has now reached 'committee stage'.

## **Events**

### **Employment regulation conference – Birmingham**

GLA Head of Business Change and Development Mark Heath was one of the key speakers at a recent conference at Birmingham University that highlighted the recent changes and future prospects for labour regulation. As well as delivering a presentation on

the 'Challenges for Compliance', he also took part in a round table discussion on the role of employment regulation in establishing conditions for high quality employment. Other organisations addressing the delegates included: TUC, Department for Business, Innovation and Skills, the International Labour Organisation and the Chartered Institute for Professional Development.

### **Irish issues aired**

Chief Executive Paul Broadbent took a couple of trips across the Irish Sea recently to assist in tackling current issues. He travelled to Dublin to speak with the Bishop of Dublin, Assistant Commissioner of the Garda, the Justice Minister and others to advise with regard to problems with the Irish fishing industry.

North of the border, Mr Broadbent met with senior representatives of the Prosecution Service of Northern Ireland to discuss the way the prosecution was brought against illegal Lurgan gangmaster Gheorghe Ionas (see Op Gallop below).

### **Cheshire Conference**

A panel of experts on human trafficking and how it is investigated and handled in the UK were assembled for a November conference in Crewe. GLA Chief Executive Paul Broadbent was one of those who addressed delegates at the event under the banner – *Trafficking and Modern Slavery – in Cheshire?* He was joined on the bill by acknowledged trafficking expert Nick Kinsella, Jen Baker from the charity City Hearts and the Salvation Army's anti-trafficking response coordinator, Major Anne Read, among others.

### **Santa Marta Group**

This global group - which is supported by The Holy Father Pope Francis - met last month for a two day conference in London, where GLA Chief Executive Paul Broadbent took his place among an impressive list of speakers. Santa Marta Group is an alliance of police chiefs, bishops and representatives from other relevant organisations from around the world, who are committed to eradicating human trafficking and modern day slavery. Representatives from more than 25 countries attended to hear addresses from the GLA as well as Home Secretary Theresa May MP, national policing lead on modern slavery Shaun Sawyer, Modern Slavery Minister Karen Bradley and the new UK Anti-Slavery Commissioner, Kevin Hyland.

## **Operations**

### **Op Calculate – Arrests in South Yorks**

Two men were arrested by South Yorkshire Police in raids relating to suspected human trafficking and 'modern day slavery'. A 28-year-old man from Barnsley, and a 46-year-old from Rotherham, were released on bail following a joint operation into adult labour exploitation carried out by police and the GLA.

Detective Sergeant Jamie Henderson, from the South Yorkshire force, said: "We are focused on identifying victims of suspected trafficking and ensuring they are protected and cared for as a matter of priority. This is one of the first operations of its kind here in South Yorkshire. It has been a complex and difficult investigation and police have worked closely with a range of partner agencies to share information, expertise, and intelligence."

The investigation started in July after potential instances of forced labour, trafficking, and unlicensed gangmaster activity were identified.

### **Op Endeavour - Need for sentencing guidelines highlighted**

Two men who exploited migrant workers by acting as unlicensed gangmasters in Fenland have been jailed. But GLA Chief Executive Paul Broadbent said he was disgusted with the lenient sentences dished out to Latvians Juris Valujevs and Ivars Mezals. Valujevs, 36, of Kings Lynn, was sentenced to a year and four months while Mezals, 28, from Wisbech, was given an 18 month sentence.

The pair were found guilty of acting as unlicensed gangmasters in December following a nine-week trial at Blackfriars Crown Court in London. During the hearing the court heard that Valujevs and Mezals were 'business partners', supplying companies with migrant workers from Latvia and Lithuania between 2009 and 2013. Workers told the court how they were promised plentiful and well-paid employment. In reality, they were rarely given work straight away and then work was tightly controlled, placing and keeping them in a state of 'debt bondage'. When they were found work, Valujevs and Mezals would intercept their wages and make unwarranted deductions for rent, debt, transport and fines, in some cases leaving them with £20 or less a week to live on.

The court heard how one female witness was told by Valujevs that she would "end up like Alisa", which she took to be a reference to a woman whose body was found on the Sandringham Estate in Norfolk in January 2012. A further female witness told the court how Mezals had suggested paying back debt by selling her organs because she did not drink or smoke.

Mr Broadbent said he felt the punishment in this case had not come close to fitting the gravity of the crimes committed and said he would once again push at Ministerial Board meetings for sentencing guidelines to be introduced for slavery related offences.

### **Operation Gallop – GLA appeal bid fails**

An illegal gangmaster who kept Romanian workers in an unheated outbuilding in Northern Ireland and forced them to scavenge for out-of-date food from supermarket bins was fined £500. GLA Chief Executive Paul Broadbent said he was both 'shocked and appalled' by the sentence imposed on 35-year-old Gheorghe Ionas by Craigavon Magistrates Court and would seek to appeal.

However, because the judge involved had chosen to hear the case in the magistrates' court, it was not possible to pursue an appeal.

Greg Peacock, prosecuting, had told the court how officers from the GLA and the police had searched the home of Ionas in Lurgan, early on the morning of 2 October 2013.

Behind the terraced house they discovered three Romanian men sleeping in an outbuilding built from bare breeze blocks with no heating and limited electricity. After the workers were removed from the building it was inspected by a Craigavon Borough Council environmental health officer and declared 'unfit for human habitation'.

Ionas pled guilty to a single charge of acting as a gangmaster without a licence. The offence carries a maximum penalty of 10 years imprisonment. As well as the £500 fine, he was ordered to pay £46 towards court costs and a £15 offender's levy.

## **Licensing and Legal**

### **Further successes against “payday by payday” models - appeal withdrawn**

Two Lancashire businesses that were found not 'fit and proper' have been forced to cease trading in the GLA sector for operating a “payday by payday” tax relief model. Apus Contracting Ltd and Vela Contracting Ltd - both based in Rawtenstall and operating under the Zeva brand – classified amounts of their workers' wages as unsubstantiated and inflated 'expenses' to make them exempt from tax.

Workers were supplied to carry out roles in factories producing cheese and other dairy products and were automatically enrolled onto the scheme. Their 'expenses' were then sent to another company called UKPA 'for verification'. However, the GLA investigation found no expenses were ever checked or verified by UKPA and no evidence was provided by Apus or Vela to support their case.

It was also discovered that Vela had withheld wages from its workers by failing to pay holiday pay after workers left the company, which constitutes another critical breach of GLA Licensing Standards.

The GLA revoked the licences of both companies 'without immediate effect' in August 2013. Zeva subsequently lodged an appeal against the decision, which allowed them to continue to trade until their case was concluded. The appeals were withdrawn in December just prior to the scheduled hearing, which triggered both revocations.

## Media Coverage

### Modern Slavery Bill

Reports appeared in the more left-wing press criticising a failure to use the opportunity to expand the GLA's role and enhance its powers once proposed amendments from opposition MPs were voted down. The Guardian called it 'missed opportunity' and urged the Government to think again as the bill was passed over for further debate in the House of Lords.

### Morkunas

Reports appeared in the press in Norfolk after illegal gangmaster Audrius Morkunas – the first person to be jailed for an offence under the Gangmasters (Licensing) Act – lost his appeal against the seven year sentence he is currently serving.

### Ionas case (Northern Ireland)

This case was covered extensively by the media in the province with around 25 different outlets – TV, radio and print media – contacting the press office for further information and interview requests. It also gained some national UK newspaper coverage.

### Apus and Vela

Gained limited coverage in recruitment trade titles – both print and online.

### Operation Calculate

The arrests (above) were covered in regional Yorkshire media, including a piece in the Sheffield Star.

### Operation Endeavour

The trial and subsequent sentencing of two Latvian men (Mezals and Valujevs – see above) convicted and jailed for unlicensed provision of labour in the GLA sector attracted much media interest. The case was covered comprehensively by the Guardian and there was widespread coverage - including local and regional BBC TV and radio - in all media outlets based in and around the Fenland area.

### Lincolnshire

An interview with Chief Executive Paul Broadbent was broadcast on BBC Look North (East) about current issues and ongoing work being carried out by the GLA in Lincolnshire and its surrounding area.

## Statistics

### Summary - 2014 in numbers

Application Inspections	111
Compliance Inspections	119
Licences granted	76
Revocations/suspensions	20
Refusals	28
Enforcement/other taskings	107
Intelligence reports processed	4,100
Referrals 'out'	529
Referrals 'in'	1,100
Number of interviews under caution	29
Number of prosecutions	17
Number of exploited workers prevented from further exploitation	5,502
Number of exploited workers unable to protect as o/s GLA sector*	31,627

\*Relates to action we have taken against the labour provider who continues to supply labour into the non-regulated sector using an operating model that would fail our standards.

### Quarter three 2014/15 – 1 October to 31 December 2014

#### Operational

• Application Inspections:	29
• Compliance Inspections:	27
• Licence Revocations:	5
• Workers identified as exploited:	395
• Ongoing Criminal Investigations:	53

#### Licence Totals -

Full:	965
With ALCs:	3
<b>Total:</b>	<b>968</b>

## Human Resources

### Farewell to familiar faces

The GLA recently said a reluctant farewell to two very familiar faces who have been with the organisation since its very early days. Ian Japp and Peter Yensen both decided to retire towards the end of 2014 and have now left the authority.

Ian was one of the GLA's Senior Investigating Officers and his tirelessly tenacious approach will be sorely missed. He will perhaps be best remembered for his work in 'cleaning up' the UK shellfish industry by ensuring labour providers operating in this area became licensed and compliant.

Peter was an enforcement officer and led on the investigation of illegal gangmaster Christopher Blakeney of Marden Management. He secured his conviction along with

around 20 of the dairy farmers who employed his services. More recently he had switched to a role in learning and development.

## Parliamentary Questions

2014-15	PQ Totals	Subjects				
Quarter		Finance	Operational	Powers	Staffing	Board
Oct - Dec	10	1	6	3	0	0
Jul – Sep	1	0	1	0	0	0
Apr - Jun	1	0	0	1	0	0
<b>Total (financial year to date)</b>	<b>12</b>	<b>1</b>	<b>7</b>	<b>4</b>	<b>0</b>	<b>0</b>

## Other News

### Helping to shape UK policy on modern slavery

The GLA was called upon by Westminster to assist with a discussion on policy options, implementation issues and best practice regarding the proposed Modern Slavery Bill. Chief Executive Paul Broadbent attended a keynote seminar hosted by the Westminster Legal Policy Forum in London last month. He provided evidence in a section of the event devoted to Transparent Supply Chains, Ethical Sourcing and Staff Training.

### Improving partnership working

In an effort to improve the flow of intelligence from the South East, the GLA has arranged a placement for one of its officers in the Force Intelligence Bureau at Kent Police. The intention is to strengthen links in the region where many migrant workers enter the UK as well as in the neighbouring county of Essex and beyond.

### Migrant Help Line

The GLA is also looking to enhance its working relationship with Migrant Help Line and now engages in a monthly placement at the charity's offices once a month. This development arose after it was discovered that there was a limited flow of information to the GLA from the charity, which provides advice and support for asylum seekers and refugees in the South East of England.