

GLA 24/7.1

Conduct Regulations review

7 October 2009

BOARD PAPER REFERENCE – GLA 24/7.1 – Conduct Regulations review

Issue

1. To update the Board on the BIS review of the Conduct of Employment Agencies and Employment Businesses Regulations 2003 (“the Conduct regulations”) and its implications for the GLA.

Recommendation

2. The Board is invited to decide whether the Gangmasters (Licensing Conditions) Rules 2009 (“the Gangmasters Rules”) should be amended to mirror specific amendments which BIS proposes to make to the Conduct regulations.

Background

3. BIS is currently reviewing the Conduct regulations. BIS’ public consultation on proposed changes closed on 11 June.
4. By virtue of section 27 of the Gangmasters (Licensing) Act 2004, the Conduct regulations do not apply to GLA regulated sectors. To ensure consistency across all sectors, the GLA has previously replicated the provisions of the Conduct regulations in the Gangmasters Rules.
5. Despite the fact that proposed changes will therefore affect GLA regulation, the GLA has not been involved in BIS’ review of the Conduct regulations. The GLA is now assessing the impact of BIS’ proposals on GLA regulation.
6. The GLA understands that there are two proposed changes in the BIS consultation which will affect GLA regulations:

Suitability checks for permanent recruitment

7. Under the current Conduct regulations (and current Gangmasters Rules), labour providers must check the suitability of workers supplied for permanent and temporary recruitment. This includes checking identity, experience, training and qualifications.
8. BIS now proposes to ease this requirement in relation to the supply of workers for permanent employment. It is argued that this change will remove unnecessary administrative burdens on labour providers because suitability checks will be duplicated by the labour user.
9. If these proposals are implemented and mirrored in GLA regulation, labour providers, including overseas agents, would no longer be required to check workers’ suitability and right to work in the UK. This may increase the risk of illegal migrants being provided.

10. Mirroring BIS' proposed changes would furthermore make it more difficult to prove a labour provider's involvement in supply chains as labour providers would no longer be required to retain records which document their involvement.

Requirements to agree terms with workers and labour users

11. Labour providers supplying permanent workers are currently required to agree terms with the candidates before providing them to clients. BIS is now proposing to simplify or remove this requirement in relation to the recruitment of permanent employees as it is considered unnecessary and burdensome, duplicating labour users' responsibilities.