



# CEO's Quarterly Report

## January to March 2016

### News

#### **Immigration Bill latest - new name ... new powers ... new role?**

The GLA looks set to evolve into an organisation with much more scope to protect vulnerable workers if current proposals of the Immigration Bill become law. The Bill is reaching its final stages having been debated in the Houses of Commons and Lords for a number of months as the Government tries to secure the introduction of the new legislation.

As it stands, the proposals that affect labour market exploitation include:

- extending the GLA's powers to allow investigation of labour exploitation in additional high risk areas including
- creating the role of specialist GLA investigative staff – Labour Abuse Prevention Officers
- changing the name of the GLA to the Gangmasters and Labour Abuse Authority (GLAA).
- creating a new post of Director of Labour Market Enforcement to provide strategic direction for the GLA, the National Minimum Wage Unit and the Employment Agency Standards Inspectorate.

Other provisions within the bill are that the current licensing scheme should remain intact but incorporate a 'dial-up, dial down' capability that allows identified high risk areas to be added to the scheme and lower risk areas to be dropped.

The Bill is scheduled for a third and final reading in the House of Lords on 12 April before any additional amendments will be considered and debated. The only remaining stages will be Royal Assent and then enactment, some of which is expected to be in the autumn.

## Irish agreement sealed

The GLA has signed a landmark formal agreement with the Workplace Relations Commission (WRC) in an effort to beef up the protection for workers who suffer from exploitation in Northern Ireland and the Irish Republic. Chief Executive Paul Broadbent (pictured left) and WRC Chief Labour Inspector Padraig Dooley (right) put pen to paper on a Memorandum of Understanding to formalise and facilitate closer working between the two organisations. The GLA's remit is to prevent worker exploitation in England, Wales, Scotland and Northern Ireland, while the WRC performs a similar role in Ireland.

The GLA has come across a number of issues involving agencies supplying workers across the border – into a jurisdiction where each respective organisation has no power to act. The new agreement establishes a formal intelligence sharing gateway and allows officers from both organisations to work together more closely by attending operations together when there are cross border implications.



It also includes a provision for officers to be seconded to the other partner so they can become familiar with powers and working practices.

Mr Dooley said: “This new agreement represents a significant step forward and we intend to make use of the new arrangements at the earliest available opportunity and look forward to sharing best practice between our two teams.”

The Northern Ireland Minister of Justice, David Ford, added: “This agreement is a positive step forward in tackling forced labour on the island of Ireland. By working together, and sharing information and expertise, these agencies are better equipped to disrupt criminals who seek to exploit vulnerable workers.”

## Landmark judgement secured in GLA case

The first Slavery and Trafficking Prevention Orders (STPOs) for labour exploitation have been secured following an investigation by the GLA working with the police in Norfolk and Suffolk. A judge at Kings Lynn Crown Court imposed the ground-breaking orders on Lithuanian nationals Konstantin Sasmurin and Linus Ratautas. The duo had admitted transporting two male twins to Norfolk and subjecting them to forced labour in food factories in Suffolk – **see Operation Badsworth report below**.

STPOs were introduced in the UK as part of the Modern Slavery Act of 2015 and first became available to the courts from 31 July 2015. The first ever order issued was for sexual exploitation in October last year.

GLA Chief Executive Paul Broadbent said: “I’m very proud and feel it is fitting that the first order to prevent future labour exploitation issued by a UK court has resulted from a joint

investigation involving the police and the GLA. These orders were designed as an additional legal option to control the behaviour of individuals who may cause harm through committing slavery and human trafficking offences. “

### **GLA National Conference 2016**

More than 300 delegates packed the conference facilities at Derby County’s iPro Stadium on 8 March for the second national GLA conference. In spite of allowing for substantially increased capacity compared with the inaugural 2015 event, it was once again a sell-out as labour providers, labour users, law enforcement agencies, academic institutions, retailers and others enjoyed a fascinating and varied programme.

Keynote speakers were the UK’s Independent Anti-Slavery Commissioner, Kevin Hyland OBE plus the head of the Home Office’s Modern Slavery Unit , Offer Stern-Weiner.

There were also presentations of case studies by police officers from Greater Manchester and West Yorkshire, a licensed labour provider and GLA staff as well as updates from the GLA Chair and Chief Executive (right).



The presentations were interspersed with five GLA videos, which were all produced in-house and are intended to illustrate how the authority operates, while giving an insight into the kind of issues we face through the use of actual and anonymised case studies.

These can be streamed on the [GLA Youtube Channel](#) or information on how to get hold of the video files is available from [communications@gla.gsi.gov.uk](mailto:communications@gla.gsi.gov.uk).

## **Events**

### **Dubai Police training**

The GLA were asked to send two representatives to contribute to a training programme run by the Dubai Judicial Institute in March. The four-week course covered identifying and tackling human trafficking and slavery. Input from the UK was requested for the final week of the programme and involved informing delegates about various aspects of our national approach to these issues. As well as the presentations from GLA representatives, there were also contributions from the National Crime Agency, the UK Human Trafficking Centre and a prosecutor who had dealt with a case successfully in court.

The theme through the whole week was the benefit of partnership working and as a result of the lessons learned; changes have already been introduced to the approach in Dubai. The recent trip consolidated the input from Chief Executive Paul Broadbent during a

previous visit and the Dubai government has indicated this will now become an annual event covering the entire United Arab Emirates.

## Operations

### Op Badsworth

Two men were jailed for a total of seven years for trafficking two brothers from Lithuania and forcing them to work whilst living in poor conditions. Konstantin Sasmurin, aged 34 and Linus Ratautas, aged 31, both Lithuanian nationals living in Caister-on-Sea, were sentenced at Kings Lynn Crown Court in January. They each received three-and-a-half years in prison after admitting trafficking people into the UK for the purposes of labour exploitation, as well as money laundering offences. They were both also issued a Slavery and Trafficking Prevention Order.

The court heard how the male twins, aged 29, were brought to Great Yarmouth from Lithuania in a mini bus in July 2013 after being promised work, accommodation and food. This was arranged by Sasmurin with his contacts in Lithuania. On arrival they were met by Sasmurin and Ratautas and taken to their accommodation, which was in very poor condition with mould on the walls. They had no beds and were given small amounts of food each week that would often run out causing them to go hungry for days. After two weeks, Sasmurin and Ratautas took them to a food processing factory in Suffolk for work.

Sasmurin made them give his bank details to the company for their wages. The victims worked long hours but never received any payment. After four weeks they were then taken to a different factory in Suffolk and copied forms filled in by Ratautas, including Ratautas's bank details. The victims received a total sum of £20 for all their work between July and October 2013.

They were discovered during enquiries by the Gangmasters Licensing Authority who identified them as potential victims of trafficking and referred them into the National Referral Mechanism. When rescued the brothers were wearing the same clothes they had worn for the previous four months. The victims had been threatened not to tell anyone about their situation and feared being 'fed to the crabs'.

### Op Endeavour

Four people have been convicted of offences relating to the exploitation of migrant workers in Fenland following a joint police and GLA enquiry. Two men and two women were found guilty of conspiracy to acquire criminal property following a trial at Huntingdon Crown Court.

They were:

- **Juris Valujevs, 37, of Turbus Road, King's Lynn.**
- **Lauma Vankova, 27, of Creswell Street, King's Lynn.**
- **Oksana Valujeva, 35, of Turbus Road, King's Lynn.**
- **Ivars Mezals, 30, of St Bartholomew's Road, Reading.**

Vankova, Valujeva and Valujevs were also found guilty of assisting an immigration offence, namely arranging sham marriages. The case has now been adjourned for sentencing to take place at a later date.

The convictions are the latest to result from Operation Endeavour, a joint police and GLA investigation to tackle the large-scale exploitation of workers. Detectives working on Endeavour discovered all four defendants were using the bank accounts of victims to commit offences.



**Police force Mezals' front door prior to his arrest during Operation Endeavour.**

Victims would be brought to the UK, housed in accommodation controlled by the defendants and placed in debt bondage through the withholding of work and overcharging for transport and rent.

They would be taken to banks to open accounts in their own names but using the contact details of either Vankova, Valujeva or Mezals so they could control the accounts.

The jury also found that Vankova, Valujeva and Valujevs had either offered or forced three women to go through with sham marriages in order to repay debt.

Operation Endeavour was launched as a result of a joint agency campaign called Operation Pheasant which began in early 2013 with the aim of tackling homes of multiple occupancy and poor living standards affecting economic migrants, mainly from Latvia and Lithuania, in the Wisbech area.

## Licensing and Legal

### Licences stripped from Boston Company with criminal links

A judge has backed the GLA's decision to revoke the licences held by a Lincolnshire couple after they failed to account for repeated financial dealings with a known criminal gangmaster. Natalija and Janis Vincukova, of Boston, were also investigated as part of Operation Endeavour (see above).

As a result of that operation, Ivars Mezals, of Wisbech (see above), was jailed for 18 months for operating as a gangmaster without a licence. He had housed and subjected a number of field workers to forced labour, typically paying them less than £20 per week.

Subsequent enquiries connected workers staying in Mezals' properties to NV Gangwork, based in Boston. A number of payments from the appellants into Mezals bank account were also unearthed as part of the investigation.

The licences for companies NV Gangwork and JN Gangwork – businesses belonging to the Vincukovas – were revoked in October 2014 on the grounds the couple were not considered 'fit and proper' to hold them.

Both revocation decisions were appealed along with another to refuse a licence application for a separate company called NV Gangwork Ltd, which had been set up just prior to the revocations. However, Employment Judge Peter Britton upheld all three of the GLA's licensing decisions and ordered that both NV Gangwork and JN Gangwork cease trading.

Having heard all the evidence, the judge described the Vincukovas' dealings with Mezals as 'very smelly' and said Mrs Vicukova should consider herself lucky that she too had not been prosecuted.

## **Media Coverage**

### **Immigration Bill – possible change of name, role and remit for GLA**

A number of trade media outlets continue to report on the proposed changes in the fourth draft of the Immigration Bill. These included mention of the change of name to the GLAA and the introduction of the new criminal offence of aggravated breach of labour market legislation. There has also been speculation from the construction trade media about whether the GLAA would be given an extended remit to cover their industry. In a first for the GLA the proposals also got a mention in the Bahamas Weekly, courtesy of a visit and speech from Karen Bradley, the Minister for Preventing Abuse, Exploitation and Crime.

### **Op Badsworth – court result**

The story of the illegal Lithuanian gangmasters who were jailed for a total of seven years (see page four) received widespread regional and trade media coverage and a report in the Guardian (newspaper and online).

### **GLA/Irish agreement**

The announcement of the agreement signed with the WRC was picked up widely by the national media in Ireland – including the Irish Times - and by UK trade titles including Recruitment International.

### **NV Gangwork appeal result**

This press release from the GLA was picked up widely by the local media in Lincolnshire and recruitment trade titles.

### **Op Endeavour re-trial**

Resulted in a substantial piece in the Guardian. There was also a follow-up story on the victims taking legal action over the lack of support provided once their 45-day reflection period under the National Referral Mechanism had expired, leaving them both homeless and living on the streets.

## Operational Statistics

### Risk

For the full year 2015/16 applications initiated for licences rose by 21%. This demonstrates a growth in the industry with the 'new' applications being a mix of new starters, changes of legal entity or existing recruitment agencies venturing into the food sector.

The current status of labour exploitation in the GLA regulated sector remains that the overwhelming majority of licence holders are compliant and in many cases aspire to go beyond that level. The 'Transparency in the Supply Chain' clause of the Modern Slavery Act 2015 has had some impact but most labour providers were motivated to increase vigilance and report matters of concern to the GLA prior to this important piece of legislation. Intelligence shared by gangmasters remains of a high quality but as the recent national conference underlined, there is no room for complacency and always more capacity to tell GLA what worries them about their supply chain.

Work continues relentlessly on a daily basis with the National Crime Agency, policing, HMRC and other partners to identify any form of criminality that seeks to infiltrate legitimate supply chains, disrupt said abuse and hit perpetrators hard. Hence, there has been a growth in information received about exploitation in the non-GLA sector and until such time as the necessary powers are in place, the GLA will handover these enquiries to other bodies.

### Response

Quarter Four totals from 1 January to 31 March 2016

- Applications inspections 23
- Compliance inspections 7
- Licence revocations 1

Financial year totals from 1 April 2015 to 31 March 2016

- Applications inspections 126
- Compliance inspections 65
- Licence revocations 12

## Result

Quarter Four totals from 1 January to 31 March 2016

• Workers identified as exploited	2,188
• Workers protected by refusal/revocation	336
• Workers prevented from exploitation	13,786
• Proceeds of Crime identified	£1,494,451
• Workers interacted with (inside & o/s sector)	5,902

Financial year totals from 1 April 2015 to 31 March 2016

• Workers identified as exploited:	10,421
• Workers protected by refusal/revocation	2,279
• Workers prevented from exploitation	13,786
• Proceeds of Crime Identified	£12,472,931
• Workers interacted with (inside & o/s sector)	80,313

Position as at 31 March 2016:

• OCGs identified	36
• Ongoing criminal investigations	62
• Offenders pending trial	22
• Indictments pending trial	86

## Human Resources

The GLA continues to operate with 69 staff across four countries and three separate jurisdictions, ensuring applications for licences, Compliance Inspections and enforcement/criminal enquiries are maintained.

## Financial Matters

### Budget 2015-16

At the time of writing, the budget for 2016/17 has not been confirmed.

## Parliamentary Questions

2015-16	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
Jan – Mar	1	1	0	0	0	0
<b>Total</b>	<b>9</b>	<b>4</b>	<b>4</b>	<b>0</b>	<b>1</b>	<b>0</b>

## Other News

### CIPS supports Immigration Bill proposals for GLA

The possible extension of the GLA remit under the new Immigration Bill has been met with firm support from the Chartered Institute of Procurement and Supply (CIPS). Group CEO David Noble said the proposals were a ‘significant recognition of the vital role the GLA has played in raising standards and protecting the rights of vulnerable individuals’. Following meetings with GLA Chief Executive Paul Broadbent and the UK’s Independent Anti-Slavery Commissioner, Kevin Hyland, Mr Noble added that he would be aiming to improve accountability, transparency and professional procurement practice by aligning the CIPS’s standards with those of the GLA. CIPS is a global organisation serving the procurement and supply profession and is dedicated to promoting best practice.