



Gangmasters & Labour Abuse Authority

Minutes

Title of meeting	76th GLAA Board meeting		
Date	22/02/2022	Time	11:30 – 17:00
Venue	Apex Court, Nottingham		
Chair	Julia Mulligan	Secretary	Michael Sewell
Attendees	Julia Mulligan (JM) GLAA Board Chair Suzanne McCarthy (SM) GLAA Board Member Pippa Greenslade (PG) GLAA Board Member Deep Sagar (DAS) GLAA Board Member Dr David Snowball (DJS) GLAA Board Member		
In attendance	Elysia McCaffrey (EM) CEO Daniel Scully (DS) Director of Resources Darryl Dixon (DD) Head of the Single Enforcement Body (SEB) Programme Emma Coxon (EC) Head of People and Change Frank Hanson (FH) Head of Prevention Ian Walker (ISW) Head of Intelligence Ian Waterfield (IW) Head of Enforcement Justin Rumball (JJR) Head of Finance Michael Sewell (MS) Secretariat Officer Paul Coffey (PC) Head of Communications Samantha Ireland (SM) Head of Governance		
Home Office attendees	Elinor Howard (EH) Home Office Sponsorship Unit (HOSU) Simon Hookins (SH) Modern Slavery Policy Lead, Home Office		
Apologies	Damian Johnson (DJ) Home Office Ian Jordan (IJ) BEIS James Stevens (JS) BEIS Mary Halle (MH) Home Office Nicola Ray (NR) Head of Regulation Simon Allbutt (SA) GLAA Board member		

1.	Introductions <ul style="list-style-type: none">JM welcomed all attendees to the meeting.
2.	Apologies <ul style="list-style-type: none">Noted as above.
3.	Minutes of the previous meeting held on November 3rd, 2021 <ul style="list-style-type: none">The minutes of the previous meeting, November 3rd, 2021, were agreed as an accurate record.

4.	<p>Declaration of interests</p> <ul style="list-style-type: none"> • SM has been appointed to the Board of the College of Policing and will chair its audit committee.
5.	<p>Action Points</p> <p>Action points closed at 22 February 2022 Board meeting</p> <ul style="list-style-type: none"> • BM54(6), BM73(10), BM74(8), BM75(4), BM75(6), BM75(8), BM75(11), BM75(15), BM75(16), BM75(17) BM73(19), BM74(2), BM75(1), BM75(3), BM75(9), BM75(10) <p>Outstanding actions</p> <ul style="list-style-type: none"> • BM73(8) JJR will do a survey of best practices and share with the Board. This should improve future reports, making it more tailored to the Board's needs. JJR aims to complete this by May. He will pick this up with SM in due course. • BM73(9) This action links with BM73(8). • BM73(18) The People Survey is live – some of the actions relate to last year's survey. The results will be released in March 2022. • BM74(4) Risk sessions will fit into SI's Governance plan. SI will circulate the Governance Plan with high level points before the end of February 2022. • BM74(11) JM will check that she can share her information from the Parole Board with SI. • BM74(13) Remco dates have been set. • BM75(13) SI requested that Board members notify her of specific items that would be of use in an open NED induction. This will be an ELT agenda item. • BM75(14) The Board effectiveness review should be postponed to Autumn, giving time assess the effectiveness of processes. • BM75(18) The performance dates are included in the Board workplan, showing the range of each performance date. An interim update will be provided where a lag between performance and meetings occurs.

6.

CEO update, Elysia McCaffrey

- EM thanked the Home Office Sponsorship Unit (HOSU) for their help in underwriting the overspend of the financial year. The spending review (SR) outcome is a flat cash settlement, meaning a significant cut to the resource budget. EM stressed that this would underpin all decision making going forwards. As a result, robust decisions will be made regarding recruitment. Development spending was prioritised and will be an ongoing expense. The Travel and Subsistence Policy is currently being reviewed. Additional capital is required to deliver the programme of new IT systems.
- The GLAA secured their first conviction under Modern Slavery laws. EM thanked IW, ISW & Comms for their work on this operation and for providing a positive victim outcome. Discussions are being held with the Crown Prosecution Service and the Attorney General to reassess the potentially overly lenient sentence.
- Internal governance has been reviewed. The first meeting of the Programme Board was held on 10th February 2022. The first Extended Leadership Team Meeting (ELT) was held on 21st February 2022. ELT is attended by Leadership Team (LT) and other line managers. The aim of ELT is to involve all the organisation's leaders in key decision making and to raise LT visibility.
- The group discussed capital expenditure allocation. Capital expenditure is not allocated to specific projects. It is provided by the HO with quarterly opportunities to review. It is the GLAA's responsibility to prioritise how funding is spent throughout the year. The Programme Board will play a key role in making these decisions. The level at which the Board is involved with capital expenditure has not yet been set. SM asked LT to clarify where Board accountability sits.
- Given the relatively small size of the GLAA, a flat cash settlement will have a significant impact on the organisation. Board members and LT questioned if HO colleagues had considered how this decision will affect GLAA services. It could mean a reduction in compliance inspections (CIs), reputational damage and poor victim outcomes. EH stressed that the HO considered the potential outcomes and that detailed discussions have taken place. No Arm's Length Body (ALB) received better than a flat cash settlement.
- Although SM was pleased that HO is assigning a continuous improvement officer, she requested secondees or experts from different areas that could offer the HO's expertise.
- EH would like to know the GLAA's capital needs to plan for the likelihood of capital for years two and three of the SR.
- DAS asked if GLAA was subject to HO guidelines on staff pay.

Actions

BM75(1) Bring a recommendations paper to the next meeting outlining where accountability for capital expenditure rests and where the Board fits in, including capital plan needs. **(JJR)**

BM76(2) Discuss options for providing expertise to GLAA from HO at the next HOSU meeting. **(EH)**

7.	<p>SEB Update, Darryl Dixon</p> <ul style="list-style-type: none"> • Technical discussion meetings are due to take place soon. Authority has been given to provide council support to draft clauses to explore the content of the legislation. Discussions are currently taking place with National Minimum Wage (NMW) around this. • A business case is being developed to assess the potential risks. Although there has been no confirmation of what type of ALB the SEB will be, the case will consider the implications of different options and the structure. The Employment Bill will further clarify what kind of body the SEB will be. • The mission of the SEB is to provide protection for workers and within that the GLAA will act as a first responder. SM asked for the consultation and minutes of previous Board meetings to be shared with new NEDS to provide the necessary background context of the SEB. JM shared her concern that the discourse has shifted towards financial savings when the purpose was not to save money but to protect workers. SH stressed that the formation of the SEB is not an exercise in efficiency and trimming down. • Beyond the immediate consultation, the SEB is still somewhat undefined. The statutory powers of leadership will remain unclear until the draft legislation has been published. • Attendees agreed that the organisation's focus should remain on delivery within current financial resources. However, staff uncertainty concerning the SEB cannot be underestimated – EC regards it as one of the GLAA's biggest risks. A Comms strategy will be put in place to tackle SEB uncertainty. <p>Actions BM76(3) Send the SEB consultation and minutes of SEB updates to new NEDS. (DD/MS) BM76(4) Explore internal communications around SEB uncertainty once the People Survey results have been received. (PC) BM76(5) Add SEB risks onto the Strategic Risk Register. (DD/JW) BM76(6) BEIS will provide further updates at a future Board meeting. (BEIS/DD)</p>
8.	<p>Home Office Update</p> <ul style="list-style-type: none"> • Two new NED appointments have been approved and will be advertised within a day of this meeting. EH believes that successful candidates will be in post by the Summer. EH reassured the Board that the process will take significantly less time than previously. • The Modern Slavery Strategy is currently being drafted. It will be published in the Spring. SH thanked all for their input.

9.

Financial position 2021-22 and budget 2022-23, Justin Rumball

- Overspend has been underwritten for the financial year, but underspend remains. There have been difficulties in spending the capital allocation last year. There is a significant gap in the resource budget and difficult decisions will have to be made. The organisation needs firm support from the HOSU to deliver its aspirations.
- When staff leave the organisation, robust conversations will take place to determine if their post needs to be refilled.
- Regarding the SEB, JJR noted that there was a significant financial drain when the GLAA was transferred from DEFRA to HO.
- There is a £550,000 deficit in the budget. All resources are over committed, and additional funding has not been forecasted. This reopens the discussion of the organisation's risk appetite.
- JJR requested that any additional money should come alongside the resources to spend it efficiently. Discussions with the HO are ongoing. HOSU have challenged costs associated with people and ICT.
- EM and DS agreed that it will probably be necessary to cut back services. EM noted that not doing so could affect numbers, delivery and how staff feel about working for GLAA.
- There was a pay freeze last year. JJR is working on the assumption that a pay award will have to be paid this year. Unions have requested a 10% increase to match the rise in the cost of living. JJR has budgeted an increase of 2%. PG doesn't feel the recommendation for a pay increase will be under 3%.
- When asked if a radical approach might deliver priorities more effectively, JJR replied that even with continuous improvement measures, the challenge of balancing the budget remains.
- DJS felt that the conversation should be altered to show the bigger picture of what additional money would be used for. EM is excited for the opportunity to exercise continuous improvement. FH feels more work needs to be done articulating this year's GLAA work and the impact it has had. He argued that there is a good story to tell, although more money is needed.
- The Board discussed the need to reassess the license fee. PG argued that the GLAA must either get smaller and do less or become more focussed. JJR explained that the fee would need to be doubled to match the cost need. The GLAA needs to seek confirmation that any additional funds may be kept. The last fee increase was in 2010. The group questioned if ministers should be asked if they are happy for the organisation to run its licensing scheme at a deficit.
- NR's Compliance Strategy paper acknowledges that other models could be ran. The paper was due to be published the week following this meeting, but as NR is on leave this deadline may not be met.
- SM experience of working with other ALBs leads her to believe that treasury legislation will prevent the GLAA from providing itself with additional remuneration activities. EH is happy to work with GLAA on work around this.
- The last time that there was an attempt to raise fees there was a firm push back from the regulated sector. Increasing inflation pressure makes it a tough environment to request a higher licence fee.
- JM said people would need to see that they are getting something for their money. Continuous improvement is important but given the scale of the challenge it is unlikely to be sufficient. It adds pressure onto additional resources and undermines services delivered. Recent critical pressures will be compounded with the introduction of the SEB. This is an opportunity to design the organisation for optimal operational effectiveness.

Actions

BM76(7) Extend the paper on licensing fees to include other areas where the organisation might find remuneration. **(NR/JJR)**

BM76(8) Pick up new models of remuneration. **(JM/EM)**

The meeting paused for LUNCH.

10.

Performance:

a) Q3 performance summary (Oct-Dec), *Sam Ireland*

- In response to Board member feedback that the performance report was difficult to read, SI presented the Q3 performance summary in a Word document format. The Governance team have discussed changes to Board performance reporting. SI welcomed feedback.
- **Objective 1 – ‘Identify and support victims of exploitation’ & Objective 2 – ‘Have a fair, robust and customer responsive regulatory regime’:**
 - These targets are unlikely to be met and it is likely that the GIAA will provide a ‘limited’ assurance opinion at the end of the year.
 - Regulation performance timeliness targets have been worked on. Limited resources and an increase in demand have contributed to poor performance.
 - The operational hours of the helpdesk have been restricted to 9AM to 1PM to free up licensing decisions.
 - Application inspections (AIs) and compliance inspections (CIs) have performed well in the current month. SI indicated that in the January performance report, the number of AIs and CIs have risen again. Resignations in the Licensing team will continue to negatively impact performance in this area.
- LT members expressed that more resource is needed to improve Regulation’s performance. A reduction in the number of CIs negatively impacts the number of victims identified. NR’s Compliance Plan demonstrates that some progress has been made. Compliance inspectors took part in an audit training course and scored highly. The Compliance team are currently assessing processes. The Enforcement team have temporarily provided resources to the Compliance team.
- Board members discussed how to balance the need for an adequate number of CIs with limited resources. DAS asked if a small survey of the marketplace might indicate the number of CIs needed. SI highlighted that as the new 22/23 performance framework will be outcome focused, finding potential victim numbers may create the wrong outcome. DJS highlighted the need to point out the number of victims identified without allowing it to become a perverse incentive. It might favour certain victim profiles over others.
- Feedback from the Intelligence team has been positive on types of victims. Limited resources have negatively affected its analytical capability. There needs to be longer term strategic planning. IW explained that it is difficult to relocate most enforcement officers as they are home based. In future, the organisation will look to hire candidates who are capable of enforcement and compliance activities.
- ISW would be surprised if Intelligence could do more with current capacity.
- The organisation is currently lacking at least three more compliance officers. Other models are being looked at – IW is currently writing up a multi-functional model.
- The group discussed the methodology for benchmarking targets. Current targets were built on the previous year’s data. Benchmarks need to be stress tested to indicate if they correctly demonstrate effectiveness.
- FH raised that the ambition must be long term. He asked what the next generation of workforce should be equipped with to make them more resilient to the threat of labour exploitation. Further work is needed to analyse the data. For example, if Prevention work is effective victim numbers should reduce.
- The People Survey data indicated that 61.5% of staff do not think that LT set a positive example.

	<ul style="list-style-type: none"> • SI highlighted positive GLAA activity. Prevention work with external stakeholders is raising worker welfare as a significant consideration for businesses. Recent convictions and the organisation’s response to COVID-19 are a testament to positive work being done. Progress has been made through Governance projects and GIAA have acknowledged the positive improvements that have been made. • Board members expressed concern about the time taken for licensing and victim numbers being supported. <p>b) GLAA approach to victims and performance compared to national NRM picture, <i>Ian Waterfield</i></p> <ul style="list-style-type: none"> • IW’s paper considered the issues faced when the GLAA interacts with victims. Performance around engagement with NRM has been positive. • The GLAA and Justice and Care successfully made a joint bid to the Home Office to receive funding for a Victim Navigator role. The role is the first of its kind to cover the entirety of the UK and will be embedded into the GLAA. It aims to generate significant efficiencies, bridge trust between victims and law enforcement and provide better victim outcomes. It will allow the GLAA to better understand the patchwork of support offered across the UK. Financial risks are attached to it – all funding needs to be spent before the end of March 2022. GLAA and Justice and Care are exploring how to fund the role beyond this point. • IW suggested that the methodology for collecting data makes it difficult to identify labour exploitation on its own. The central data does not allow victim types to be differentiated. Where a victim of modern slavery is identified, there is a legal duty to engage with the National Referral Mechanism. • Justice and Care previously ran a programme to evaluate the Victim Navigator role – IW suggested there may be an opportunity to link into this. <p>Actions BM76(9) Pick up Victim Navigator role/ NRM with DJS. (IW)</p>
11.	<p>Update on improvement activities for Strategic Objective 2, <i>Nicola Ray</i></p> <ul style="list-style-type: none"> • DS provided a verbal update in NR’s absence. • NR’s paper updated Board members on the progress of various audit actions. • SM requested that an annex of timelines be included in future papers to provide additional clarity. • David Camp’s (DC) points in the previous Board meeting have been responded to by EM. DC and NR have outlined the terms of reference (TOR) for the Compliance Strategy Stakeholder Group. A delay between performance being uploaded onto the website has now been rectified. • JM had a constructive and candid meeting with the ALP Chair. It was agreed that EM, JM, DC and the ALP Chair will meet to reset the relationship going forwards. • DAS suggested data on appeals of licence, the number of victims, and the potential for that reducing and being minimised. <p>Actions BM76(10) Provide an annex of the timeline in papers. (LT)</p>

12.

Risk Management update, Jane Walker

- The paper provides Board members with the context of risk and how it links with current performance measures. It includes the previous GLAA risk appetite and explores high and low risk elements. JW analysed risk tolerance and found that health and safety, finance and technology were all themes.
- SM raised that it is difficult to read the risk matrix.
- SI felt that there is more work to be done collectively. She suggested that once the financial risk is added to the risk register, it might be tested against Board members. Risk appetite should impact all GLAA activity and decisions. DJS expressed that it will be difficult for Board members to objectively assess risk appetite, particularly regarding financial considerations, but he will happily take part.
- The risk register is for all staff. It began as an internal document as a way for the GLAA to manage its risks but is now shared with HO to mitigate risks. It has been broadened to a separate IT risk register. It provides assurance to HO and Board and helps to identify which risks the GLAA should direct its resources towards.
- FH suggested that there may be various risks associated with the wrong model of delivery. Risks need to match the organisation's ambitions. This will become apparent when the Board can see how it is being used.
- DAS asked why there was appetite for more than marginal risk with regard to legal obligations. This was a legacy entry and needed to be revised.

Actions

BM76(11) Board members to test risk appetite levels. (DJS/JW)

13.

GLAA Business Plan 2022-23 and Performance Framework, *Samantha Ireland*

- SI outlined the key threats facing the organisation. The GLAA is struggling to afford its delivery operating as a small organisation with a national remit. The strategic assessment is dictated by growing demand and there are key gaps in governance and IT.
- There are three overarching aims:
 1. “Maximise our knowledge, information and expertise to make sound decisions and be positioned as experts who can influence positive change to reduce the risk of vulnerable workers from being exploited.” This aim places intel processes at the heart of the organisation. It ensures that information GLAA receive is maximised to create positive outcomes.
 2. “Redefine our priorities and reset them in line with our capacity, resources and within the budget we have been set.” This aim aligns GLAA activity with current resources.
 3. “Deliver a responsive and proactive licensing scheme to protect vulnerable workers from being exploited.” This aim ensures that the GLAA operates a credible and victim focussed licensing system.
- There was significant consultation with LT, managers and HO to define the high-level aims. SI wanted to determine what is deliverable and realistic.
- The group discussed what “maximise our knowledge” meant in this context. The wording was chosen in response to a concern that the aim would exclude staff who do not work in Intelligence. As they are linked in with staff objectivities, the aims must be relevant for all.
- SI explained that “Responsive and proactive licensing scheme” relates to how customers feel about the service provided to them. SM felt the use of “licensing scheme” is incorrect, as the aim is about a proactive relationship with licensees. JM agrees with SI – the deliverables are about providers.
- The group discussed the interdependencies of the three aims. The Board agreed that it needs to be clear that they relate to specific areas of performance and operations that need development.
- EC and PG suggested that there should be a people/culture related aim.
- Board members will be consulted to help communicate the Business Plan to the wider organisation.
- An upcoming LT session will focus on the key deliverables. Current resources and finances will dictate what can be delivered and the Board will be consulted appropriately.
- The number of targets has been reduced to ten, and Board members questioned the aim to meet 80% of targets. JM argued that the aim is to meet targets, with any that are missed being examined further.
- It was suggested that “Colleagues reporting overall satisfaction” might be changed to “engagement score”. PG suggested the addition of a leadership score.
- The performance measure “deliver service within 2% of the budget” is also the aim of the HO. SM asked JJR to provide a monetary value to this figure.
- The target numbers that were included in the performance framework are examples and need to be adjusted and finalised.
- The group discussed this year’s reduction in victims. DAS believes that it is important for the organisation to gain a better understanding of why this happened, if it is to retain its victim focus. The group agreed that counting intelligence impact could be an effective outcome measure. JM raised that another tangible outcome is the number of prosecutions.

	<ul style="list-style-type: none"> • SI will circulate the final deliverables and aims to Board members in early March 2022. <p>Decision</p> <ul style="list-style-type: none"> • The Board agreed for JM and DS to work with SI to finalise the plan and sign off out of committee. <p>Actions</p> <p>BM76(12) Include context of budget in the Business Plan. (SI)</p> <p>BM76(13) Make Aim 2 of Business Plan Aim 3. (SI)</p> <p>BM76(14) Include an engagement score and a leadership score. (SI)</p> <p>BM76(15) Provide the monetary value of “deliver service within 2% of the budget”. (JJR)</p> <p>BM76(16) Do a base analysis on return of intelligence. Discuss national activity impact. (SI/DJS/IW)</p>
14.	<p>Business Continuity Management Framework, <i>Jane Walker</i></p> <ul style="list-style-type: none"> • A number of actions in the last GIAA audit related to business continuity. JW has developed a detailed business impact assessment for each key area. Audit recommendations have been built in and JW requested the Board sign them off. • The framework defines where key decisions are made. • To run a test plan, each area will be given desktop exercises to provide assurance of the critical functions. • The Board thanked JW for her work in this key area. <p>Decision</p> <ul style="list-style-type: none"> • The Board approved the BC documents.

15.	<p>6-month People Update, Emma Coxon</p> <ul style="list-style-type: none"> • The paper provides highlights of the last 6 months of work done by People and Change. A significant portion of HR's work is policy related. EC asked Board to consider what they would like to go to Board meetings or Remco. • Equality, Diversity and Inclusion (ED&I) workshops were facilitated for all staff and feedback indicated that it was received positively. A small number of staff that could not attend watched a recorded video of the session. • Senior HR Officer Katherine Curtis is leading the work to lower stigma around mental health. • Learning and development (L&D) spend is much higher than in previous years, even when taking COVID-19 into account. In some cases this is several thousand pounds. In future there will be a minimum of one weeks' time per employee, per year, dedicated to L&D. Finance have committed to invest in this. • Many critical HR processes are being assessed to ensure that they are fit for purpose. • Staff turnover is increasing. EC views attrition as a key performance indicator and that it has been affected by a combination of internal and external factors. There are hotspots of areas that have experienced higher levels of attrition. PG commended the exit interviews and noted that career pathing was a common cause to leave. If staff leave before the end of their 6-month probation, attrition must be looked at. • Home working provided abnormal working data, however absence levels are not concerning. It is estimated that around 40-50% of absences were COVID-19 related. • There were seven grievances currently. DAS suggested clarifying what holds staff back from delivery. <p>Actions BM76(17) Attrition – provide Board with data around time served when leaving. (EC)</p>
16.	<p>Stakeholder update, Frank Hanson</p> <ul style="list-style-type: none"> • Prevention's aim is to amplify the GLAA mission to enhance awareness of exploitation, looking at activities to influence behaviour and drive change. • The Responsible Car Wash Scheme has been extended. • Focus on Labour Exploitation (FLEX) is an NGO charity that specialises in preventing exploitation in the cleaning sector. GLAA intelligence does not indicate that this as a high-risk sector. To identify if their threat assessment is correct, conversations are being held to open channels and communicate the GLAA's constraints and powers with Flex. • An upcoming stakeholder workshop will be held with Nottingham Trent University. FH would like to develop stakeholder management at the senior level. • Gaps must be identified to build awareness and understanding in different communities and sectors. Building an alliance will be a theme of the upcoming joint liaison webinar. • Community engagement work has taken place in Leicester on the back of Operation Tacit. The long-term ambition is to build resilience so that the next generation do not experience exploitation and know how to protect themselves from it. • JM and EM thanked FH and the Prevention team for their work.

17.	<p>Approval of Board membership for subcommittees</p> <ul style="list-style-type: none"> • A formal agreement on the membership of committees is needed. SM, DJS and DAS will sit on ARC. PG will chair Remco with JM as an observer. This will be reassessed when the new non-executive directors (NEDs) are in post. • SM raised current ARC membership. SM believes that the participation of an ARC member with an accountancy background would be beneficial. A job description was included in this meeting's Board papers. The NED will be paid £270 per meeting. This will reduce the pressure on the committees' quorum. It was clarified to EC that this can be referred to internal recruitment. DAS requested that the job description lists accountancy as an essential requirement, with other experience listed as desirable. It was agreed that if this does not work, it can be reassessed. <p>Decision</p> <ul style="list-style-type: none"> • The Board agreed to the proposed job description for a NED to sit on the ARC. <p>Actions BM76(18) Explore DAS's comments around the desirable experience section of the NED job description. (EC/SM)</p>
18.	<p>ARC Chair's Report, <i>Suzanne McCarthy</i></p> <ul style="list-style-type: none"> • In other Boards that SM attends, the minutes of committee meetings are included with Board papers instead of a Chair's report. She is unsure if the ARC Chair's report is necessary. JM supports this under the proviso that if anything comes out of the ARC, it is reported to Board. The Board agreed to this. <p>Decisions</p> <ul style="list-style-type: none"> • In future meetings there will be no Chair's report and the minutes will be included for noting.
19.	<p>Remco Chair's Report, <i>Pippa Greenslade</i></p> <ul style="list-style-type: none"> • Remco dates have been set. PG wants to broaden the remit of REMCO to become a more strategic forum for consultation and discussion. For example, when the People Survey is returned, Remco would look at key areas for improvement. This will require a change to the Remco TOR. • PG proposed Remco be renamed to the People and Culture Committee. SI suggested tying in the key deliverables. <p>Actions BM76(19) Revise Remco TOR and circulate via email. (PG/EC)</p>
20.	<p>AOB</p> <ul style="list-style-type: none"> • SM requested that LT consider how Board members will be involved and used at events, noting that this is an ongoing issue.