

# Framework Document: Gangmasters and Labour Abuse Authority

A non-departmental public body of the Home Office

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February 2026

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# Introduction and background

## 1. Purpose of document

- 1.1. This framework agreement (the “framework agreement”) has been agreed between Home Office and the Gangmasters and Labour Abuse Authority (“GLAA”) in accordance with HM Treasury's handbook Managing Public Money<sup>1</sup> (“MPM”) (as updated from time to time) and has been approved by HM Treasury.
- 1.2. The framework agreement reflects the principles and standards set out in the Cabinet Office Arm's Length Body's Sponsorship Code of Good Practice, published on 23<sup>rd</sup> March 2022. The agreement sets out the broad governance framework within which GLAA, and the Home Office operate. It sets out the GLAA core responsibilities, describes the governance and accountability framework that applies between the roles of the Home Office and GLAA and sets out how the day-to-day relationship works in practice, including in relation to governance and financial matters. This agreement has been shared with the Department for Business and Trade (DBT).
- 1.3. The agreement is made on the mutual understanding that the relationship between the Department and GLAA will be based on trust and mutual respect. They will conduct their partnership relationship in accordance with the principles of purpose, assurance, value and engagement as set out in “Partnerships between departments and arm's-length bodies: Code of Practice”<sup>2</sup>. The joint aim of the partnership is to develop and operate an effective working relationship that enables both parties to fulfil their roles and responsibilities, whilst maintaining the lines of accountability and independence. Partnership working should include, but is not limited to, seeking opportunities for collaboration, collectively identifying efficiencies and improving effectiveness, proactively sharing information, managing contentious matters through dialogue and negotiation and agreeing mechanisms for joint working to resolve issues (on a case-by-case basis).
- 1.4. The document does not convey any legal powers or responsibilities but both parties agree to operate within its terms.
- 1.5. References to the GLAA include all its subsidiaries and joint ventures that are classified to the public sector and central government for national accounts purposes. If the GLAA establishes a subsidiary or joint venture, there shall be a document setting out the arrangements between it and the GLAA agreed with the Home Office.
- 1.6. Copies of the document and any subsequent amendments have been placed in the libraries of both Houses of Parliament and made available to members of the public on the gov.uk. website.
- 1.7. This framework document should be reviewed and updated at least every 3 years unless there are exceptional reasons that render this inappropriate that have been

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<sup>1</sup>[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1000670/MPM\\_Spring\\_21\\_with\\_annexes\\_080721.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1000670/MPM_Spring_21_with_annexes_080721.pdf)

<sup>2</sup> <https://www.gov.uk/government/publications/partnerships-with-arms-length-bodies-code-of-good-practice/partnerships-between-departments-and-arms-length-bodies-code-of-good-practice>

agreed with HM Treasury and the Principal Accounting Officer of the sponsor department. The latest date for review and updating of this document is July 2028.

## 2. Objectives

- 2.1. The Home Office and GLAA share the common objective of protecting vulnerable and exploited workers across the UK labour market and regulating labour providers operating in the fresh produce supply chain and horticulture industry to ensure they operate within the law. To achieve this the GLAA and the Home Office will work together in recognition of each other's roles and areas of expertise, providing an effective environment for the GLAA to achieve its objectives through the promotion of partnership and trust and ensuring that the GLAA also supports the strategic aims and objective of the department and wider government as a whole.

## 3. Classification

- 3.1. GLAA is classified as a central government organisation by the ONS/HM Treasury Classifications Team.
- 3.2. It has been administratively classified by the Cabinet Office as a non-departmental public body (NDPB).

# Purposes, aims and duties

## 4. Purposes

- 4.1. The Gangmasters Licensing Authority (GLA) was established under the Gangmasters (Licensing) Act 2004 to protect vulnerable workers and prevent worker exploitation in the agriculture, shellfish gathering and food and drink processing and packaging sectors. Responsibility for the GLA transferred from Department for Environment Food and Rural Affairs (DEFRA) to the Home Office in 2014.
- 4.2. The GLA's remit was extended under provisions in the Immigration Act 2016 giving the Authority a new mission to prevent, detect and investigate worker exploitation across the entire economy in support of the new Director of Labour Market Enforcement's annual strategy. The GLA was renamed the Gangmasters and Labour Abuse Authority ('GLAA') to reflect its broader functions.
- 4.3. The Immigration Act 2016 introduced powers under the Police and Criminal Evidence Act 1984 (PACE) to enable officers of the GLAA to investigate serious cases of labour market abuse, including offences under national minimum wage, employment agencies and modern slavery legislation as well as offences under its own legislation.
- 4.4. The GLAA licenses labour providers (also known as gangmasters) and aims to ensure that those licenses operate within the law. It works to tackle those engaging in unlicensed or criminal activity. The governance arrangements for the Authority's licensing remit are set out in the Gangmasters (Licensing Authority) Regulations 2015.

## 5. Powers and duties

- 5.1. In addition to the powers conferred by the Gangmasters (Licensing) Act 2004, the Home Secretary has authorised officers of the GLAA to act as labour abuse prevention officers (LAPOs) under Section 114B of the Police and Criminal Evidence Act (PACE) 1984 and exercise powers under PACE 1984 to investigate labour market offences.
- 5.2. Functions of the GLAA under the Gangmasters (Licensing) Act 2004:
  - To carry out the functions relating to licensing that are conferred on it by the Act;
  - To ensure the carrying out of such inspections as it considers necessary of persons holding licenses under the Act;
  - To keep under review generally the activities of persons acting as gangmasters;
  - To supply information held by it to specified persons in accordance with the provisions of these Acts;
  - To keep under review the operation of the Act;
  - Such other functions as may be prescribed in regulations made by the Secretary of State.
- 5.3. Functions of the GLAA Under the Immigration Act 2016
  - To utilise new sanctions of Labour Market Enforcement Undertakings (LMEUs) and Labour Market Enforcement Orders (LMEOs)

- To work in accordance with the Director of Labour Market Enforcement's annual strategy

5.4. Functions in relation to the Labour Market are set out in Scheduled 2 of Immigration Act 2016.

5.5. The Secretary of State for Business and Trade (DBT) has made arrangements pursuant to Section 13(1)(b) of the National Minimum Wage Act 1998 and Section 8A(1)(b) of the Employment Agencies Act 1973 ("the Acts") for LAPOs to act for the purposes of those Acts in England and Wales. This includes for the use of the Labour Market Enforcement (LME) Undertakings and Orders regime in the Immigration Act 2016 (see Sections 14 to 30).

5.6. The arrangements have been made subject to the following restrictions. A LAPO may not:

- a) Issues Notices of Underpayment under the National Minimum Wage Act 1998 (sections 19 to 19H), or;
- b) Apply for prohibition orders under the Employment Agencies Act 1973 (sections 3A to 3D)

Any other officer of the Authority may only act for the purposes of the Acts in relation to using the LME undertakings and Orders regime. A copy of the letter setting out those arrangements is attached at Annex B.

## 6. Aims

6.1. The strategic goals of the GLAA are set out in the three-year strategic plan. The GLAA business plans set out more detailed plans for the relevant year.

6.2. The goals, strategic plan and business plan may be influenced during the life of this document by a letter of direction from a Home Office Minister or by the strategy of the Director of Labour Market Enforcement (DLME) and will be signed off by the GLAA Board. Such letters should be added as further annexes to this agreement.

# Governance and accountability

## 7. Governance and accountability

7.1. The GLAA shall operate according to corporate governance arrangements that, so far as practicable and in the light of the other provisions of this framework agreement or as otherwise may be mutually agreed, accord with good corporate governance practice and applicable regulatory requirements and expectations.

7.2. In particular (but without limitation), GLAA should:

- comply with the principles and provisions of the Corporate Governance in Central Government Departments Code of Good Practice<sup>3</sup> (as amended and updated from time to time) to the extent appropriate and in line with their statutory duties or specify and explain any non-compliance in its annual report.
- comply with MPM.
- in line with MPM have regard to the relevant Functional Standards<sup>4</sup> as appropriate and in particular those concerning Finance, Commercial and Counter Fraud.
- take into account the codes of good practice and guidance set out in Annex A of this framework agreement, as they apply to ALBs.

7.3. In line with MPM Annex 3.1 the GLAA shall provide an account of corporate governance in its annual governance statement including the Board's assessment of its compliance with the Code with explanations of any material departures. To the extent that the GLAA does intend to materially depart from the Code, the sponsor team should be notified in advance.

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<sup>3</sup> <https://www.gov.uk/government/publications/corporate-governance-code-for-central-government-departments-2017>

<sup>4</sup> <https://www.gov.uk/government/collections/functional-standards>

# Role of the department

## 8. The responsible Minister

- 8.1. The Secretary of State for the Home Department holds overall responsibility for the Home Office and its agencies and will account for the GLAA's business in Parliament.
- 8.2. The Ministers' statutory powers in respect of the GLAA are set out in Gangmasters (Licensing) Act 2004.
- 8.3. These are:
- Laying the GLAA's Annual Report and Accounts (ARA) with agreement from National Audit Office;
  - Keeping Parliament informed on GLAA's performance; approving the amount of grant-in-aid/ other funds to be paid to the GLAA and securing Parliamentary approval;
  - Making timely appointments to the GLAA Board and approving the terms and conditions of GLAA Board Members;
  - Approving the appointment and terms and conditions of the GLAA Chief Executive;
  - Approving proposals to amend the rules (Section 8 Gangmasters (Licensing) Act 2004);
- 8.4. The Parliamentary Under Secretary of State for Safeguarding, has specific responsibility for the GLAA within the Home Office Ministerial Team. At least once a year the Minister will meet with the Chair/and or Chief Executive of the GLAA
- 8.5. In carrying out its functions, the GLAA must comply with any general or specific direction given to it in writing by the Minister. Any such direction is subject to prior consultation with the GLAA (and the Director of Labour Market Enforcement) (Section 2 of the Gangmasters (Licensing) Act 2004). This can be used in the event of substantial changes in policy or operating environment of the GLAA, should the responsible Minister consider that the GLAA will not conduct its operations in line with those policy or operational changes. This power can be used at any time subject to the requirement for consultation.
- 8.6. The Secretary of State for Business and Trade has Ministerial responsibility for enforcement of the National Minimum Wage Act 1998 and the Employment Agencies Act 1973 and will account to Parliament for the enforcement of those Acts by the GLAA.

## Appointments to the Board

- 8.7. The Chief Executive of GLAA is appointed by the GLAA Board, subject to Secretary of State of the Home Department's consent to the appointment under Section 6 (2)(a) of the Gangmasters (Licensing Authority) Regulations 2015.
- 8.8. The Minister shall have the following appointment and approval rights in relation to the GLAA Board:
- The Chairperson is appointed by the Secretary of State in consultation with the Minister of Agriculture and Rural Development in Northern Ireland under

Regulation 4(2) of the Gangmasters (Licensing Authority) Regulations 2015. The Chair appointment is also subject to pre-appointment scrutiny by the Home Affairs Select Committee, and Ministers must carefully consider the views of the committee before making an appointment decision. This appointment is subject to the Public Appointments Order in Council and as such must comply with the Governance Code on Public Appointments.

- GLAA's Non-executive members are appointed by Secretary of State under Section Regulation 4(3) of the Gangmasters (Licensing Authority) Regulations 2015. These appointments are subject to the Public Appointments Order in Council and the Governance Code on Public Appointments.
- The Chair and non-executive members are appointed for a fixed term not exceeding three years. They may be eligible for re-appointment at the end of the three-year term, at the discretion of Ministers. Such appointments shall comply with the Sponsorship Code of Good Practice.
- Regulation 5(2) of the Gangmasters (Licensing Authority) Regulations 2015 states that at the end of their period of appointment, each member of the Board continues to hold office until the appointment of their successor takes effect. In such circumstances HOSU will ensure affected board members are fully appraised of the expected recruitment timelines and implications these may have.
- All such appointments should have regard to the principle that appointments should reflect the diversity of the society in which we live, and appointments should be made taking account of the need to appoint boards which include a balance of skills and backgrounds.
- Regulation 3(5) explains that a vacancy among members of the Board (or its committees) will not affect the validity of any proceedings of the Board.

## Other Ministerial powers and responsibilities

8.9. The Minister is also responsible for:

- the policy framework within which [ALB] operates
- setting the performance framework within which [ALB] will operate including approving [ALB's] Strategy and Annual Plan
- matters regarding spending approvals, acquisitions, disposals, and joint ventures in line with delegations as set out in the delegation letter
- such other matters as may be appropriate and proportionate

## 9. The Principal Accounting Officer

9.1. The Principal Accounting Officer (PAO) is the Permanent Secretary of the Department.

### PAO's specific accountabilities and responsibilities

9.2. The PAO of the Home Office designates the GLAA Chief Executive as the GLAA's Accounting Officer (AO) and ensures that they are fully aware of their responsibilities. The PAO issues a letter appointing the AO, setting out their responsibilities and delegated authorities.

9.3. The respective responsibilities of the PAO and AOs for ALBs are set out in Chapter 3 of MPM.

9.4. The PAO is accountable to Parliament for the issue of any grant-in-aid funding to the GLAA.

- 9.5. The PAO is also responsible, usually via the sponsorship team, for advising the responsible Minister on:
- an appropriate framework of objectives and targets for the GLAA in the light of the Department's wider strategic aims and priorities
  - an appropriate budget for the GLAA in the light of the sponsor Department's overall public expenditure priorities
  - how well the ALB is achieving its strategic objectives and whether it is delivering value for money
  - the exercise of the Ministers' statutory responsibilities concerning the GLAA as outlined above
- 9.6. The PAO via the sponsorship team is also responsible for ensuring arrangements are in place in order to:
- monitor the GLAA's activities and performance
  - periodically and at such frequency as is proportionate to the level of risk, carry out an assessment of the risks both to the Department and the GLAA's objectives and activities in line with the wider departmental risk assessment process
  - inform the GLAA of relevant government policy in a timely manner
  - bring ministerial or departmental concerns about the activities of the GLAA to the full GLAA Board, and, as appropriate to the departmental Board, requiring explanations and assurances that appropriate action has been taken

## 10. The role of the Sponsorship Team

- 10.1. HO Sponsorship Unit in the Home Office is the primary day-to-day contact for the GLAA. The Modern Slavery Unit (MSU) is the lead policy team and owns the primary relationship with the GLAA. Both teams will work in partnership. The Deputy Director of MSU is the Senior Sponsor. They are the main source of advice to the responsible Minister on the discharge of their responsibilities in respect of the GLAA. They also support the PAO on their responsibilities toward the GLAA.
- 10.2. The Senior Sponsor will:
- 10.3. Ensure the GLAA has the appropriate delegations and authorities necessary for effective and robust delivery of its role and is updated in a timely fashion regarding developing Home Office and Government policy that may impact on its functions.
- Advise the Secretary of State on the role, performance and resourcing of the GLAA in the context of the wider Home Office or governmental objectives.
  - Support the PAO in the discharge of their responsibilities.
  - Ensure that the HO is appropriately represented at meetings of the GLAA Board and its Audit and Risk Assurance Committee.
  - Hold quarterly meetings with the Chief Executive to discuss performance against objectives and corporate measures (e.g. finance and risk issues), including financial outturn as well as risks and issues the organisation is facing.
  - Ensure the GLAA and Home Office regularly and at least annually review their working relationship in the light of principles and standards of the Cabinet Office Code of Good Practice.
  - Play an active role in annual appraisal of the Chair of the GLAA, which is either conducted by them or the Director(s) of the Tackling Exploitation and Abuse directorate.



- Have the discretion to delegate part of their role to another official at Director or Deputy Director Level.

10.4. The HO Sponsorship Unit will lead on corporate and non-policy issues. Together with the Finance Business Partner, these teams will be the main source of advice to the Secretary of State on the discharge of their responsibilities in relation to the GLAA. The team will also support the Home Office PAO and Senior Sponsor in their responsibilities towards the GLAA. They will:

- Facilitate the GLAA's relationship with colleagues across government by making the appropriate introductions;
- Provide advice to the PAO and Senior Sponsor to enable them to discharge their functions; and
- Where appropriate, discharge responsibilities on behalf of the PAO and Senior Sponsor.

### **Modern Slavery Unit**

10.5. The Modern Slavery Unit is the HO Policy team with lead responsibility for the GLAA and will hold the primary relationship. They will ensure that:

- The GLAA is briefed on relevant ministerial priorities, Home Office initiatives and significant developments in the wider policing or public sector landscape that may be relevant to the GLAA or the delivery of functions;
- The GLAA is provided with as much notice as reasonably practicable of machinery of Government changes affecting the GLAA, such as change of Sponsor Department;
- Request for information, answers to PQs, advice or input are put to the GLAA in a timely fashion in accordance with the Public Body Protocol;

10.6. Requests made by GLAA for policy advice or about a decision made from the Home Office are dealt with expeditiously and in the event of delays a revised timeframe and regular updates are provided;

- There is effective planning and delivery of those matters that fall within the Home Office or Secretary of States' remit for which the GLAA is reliant.

10.7. The HO Sponsorship Unit will lead on corporate and non-policy issues. Together with the Finance Business Partner, these teams will be the main source of advice to the Secretary of State on the discharge of their responsibilities in relation to the GLAA. The team will also support the Home Office PAO and Senior Sponsor in their responsibilities towards the GLAA. They will:

- Facilitate the GLAA's relationship with colleagues across government by making the appropriate introductions;
- Provide advice to the PAO and Senior Sponsor to enable them to discharge their functions; and
- Where appropriate, discharge responsibilities on behalf of the PAO and Senior Sponsor.

10.8. The PAO, Senior Sponsor, MSU and HOSU will be mindful of the GLAA's operational independence as a non-Departmental Executive Body.

## **11. Resolution of disputes between the GLAA and Department**

11.1. Any disputes between the Department and the GLAA will be resolved in as timely a manner as possible. The Department and the GLAA will seek to resolve any

disputes through an informal process in the first instance. If this is not possible, then formal process, overseen by the Senior Sponsor, will be used to resolve the issue. Failing this, the Senior Sponsor will ask the relevant policy Director General to oversee the dispute. They may then choose to ask the Permanent Secretary to nominate a non-executive member of the Department's Board to review the dispute, mediate with both sides and reach an outcome, in consultation with the Secretary of State.

## 12. Freedom of Information requests

- 12.1. Where a request for information is received by either party under the Freedom of Information Act 2000, or the Data Protection Act 1998 or 2018, the party receiving the request will consult with the other party prior to any disclosure of information that may affect the other party's responsibilities.

## 13. Reporting on legal risk and litigation

- 13.1. The GLAA shall provide a quarterly update to the senior sponsor and the Home Office Sponsorship Unit on the existence of any active litigation and any threatened or reasonably anticipated litigation. The parties acknowledge the importance of ensuring that legal risks are communicated appropriately to the senior sponsor and HOSU in a timely manner.
- 13.2. In respect of each substantial piece of litigation involving the GLAA, the parties will agree a litigation protocol which will include specific provisions to ensure appropriate and timely reporting on the status of the litigation and the protection of legally privileged information transmitted to the senior sponsor and HOSU to facilitate this. Until such time as a protocol is agreed, the parties will ensure that:
- material developments in the litigation are communicated to the senior sponsor and HOSU in an appropriate and timely manner
  - legally privileged documents and information are clearly marked as such
  - individual employees handling the legally privileged documents are familiar with principles to which they must adhere to protect legal privilege
  - circulation of privileged information within government occurs only as necessary

# GLAA's governance structure

## 14. The Chief Executive

### Responsibilities of the GLAA's Chief Executive as Accounting Officer

- 14.1. The Chief Executive as AO is personally responsible for safeguarding the public funds for which they have charge; for ensuring propriety, regularity, value for money and feasibility in the handling of those public funds; and for the day-to-day operations and management of the GLAA. In addition, they should ensure that the GLAA as a whole is run on the basis of the standards, in terms of governance, decision-making and financial management, that are set out in Box 3.1 of MPM. These responsibilities include the below and those that are set in the AO's appointment letter issued by the PAO of the sponsor department.

### Responsibilities for accounting to Parliament and the public

- 14.2. Responsibilities to Parliament and the public include:
- signing the accounts and ensuring that proper records are kept relating to the accounts and that the accounts are properly prepared and presented in accordance with any directions issued by the Secretary of State
  - preparing and signing a Governance Statement covering corporate governance, risk management and oversight of any local responsibilities, for inclusion in the annual report and accounts
  - ensuring that effective procedures for handling complaints about the GLAA in accordance with Parliamentary and Health Service Ombudsman's Principles of Good Complaint Handling are established and made widely known within the GLAA and published on GOV.UK.
  - ensuring that the requirements and duties for investigating complaints, conduct matters and death and serious injury (DSI) matters about the conduct of officers of the GLAA who are authorised to act as LAPOs as set out in the Gangmasters and Labour Abuse Authority (Complaints and Misconduct) Regulations 2017 ("the IOPC Regulations") are met:-  
[.http://www.legislation.gov.uk/ukxi/2017/521/made;](http://www.legislation.gov.uk/ukxi/2017/521/made)
  - acting in accordance with the terms of MPM and other instructions and guidance issued from time to time by the department, the Treasury and the Cabinet Office
  - ensuring that as part of the above compliance they are familiar with and act in accordance with:
    - any governing legislation
    - this framework document
    - any delegation letter issued to body as set out in paragraph 16
    - any elements of any settlement letter issued to the sponsor department that is relevant to the operation of the GLAA
    - any separate settlement letter that is issued to the GLAA from the sponsor's department
  - ensuring they have appropriate internal mechanisms for monitoring, governance and external reporting regarding non-compliance with any conditions arising from the above documents
  - giving evidence, normally with the PAO, when summoned before the Public Account Committee (PAC) on the GLAA's stewardship of public funds

## **Responsibilities to the Home Office**

- 14.3. Responsibilities to Home Office include:
- establishing, in agreement with the Department, the GLAA's corporate and business plans in the light of the Department's wider strategic aims and agreed priorities, and with regard to the annual labour market enforcement strategy produced by the Director of Labour Market Enforcement (once approved by Ministers)
  - informing the department of progress in helping to achieve the department's policy objectives and in demonstrating how resources are being used to achieve those objectives
  - supporting the Home Office in carrying out its oversight role in relation to change programmes
  - informing the Home Office of the GLAA's strategic and business planning and seeking ministerial approval prior to the publication of such plans, and updating the Home Office on any significant risks to delivery
  - ensuring that timely forecasts and monitoring information on performance and finance are provided to the department; that the department is notified promptly if over or under spends are likely and that corrective action is taken; and that any significant problems whether financial or otherwise, and whether detected by internal audit or by other means, are notified to the department in a timely fashion
  - Complying with the duty to co-operate with the Independent Anti-Slavery Commissioner as under Section 43 of the Modern Slavery Act 2015.
  - Ensuring that the requirements and duties for investigating complaints, conduct matters of death and serious injury (DSI) about the conduct of officers of the GLAA who are authorised to act as LAPOs as set out in the Gangmasters and Labour Abuse Authority (Complaints and Misconduct) Regulations 2017 ("the IOPC Regulations") are met.
  - Informing the Home Office in advance of any media and/or communication activity the GLAA plans to undertake with other countries, including with Europol and other protocols.
  - Co-operating with the DLME and implementing recommendations from their strategy as agreed with the Home Office.

## **Responsibilities to the Board**

- 14.4. The Chief Executive is responsible for:
- advising the Board on the discharge of their responsibilities as set out in this document, in the founding legislation and in any other relevant instructions and guidance that may be issued from time to time
  - advising the Board on the GLAA's performance compared with its aims and objectives
  - ensuring that financial considerations are taken fully into account by the Board at all stages in reaching and executing its decisions, and that financial appraisal techniques are followed

## **Responsibilities to the Department for Business and Trade (DBT)**

- 14.5. The Chief Executive is responsible for ensuring that the Authority's officers who are appointed under Section 13 (1)(b) of the National Minimum Wage Act 1998 and Section 8A(1)(b) of the Employment Agencies Act 1973 act in accordance with the instructions set out in the letter of arrangements issued by DBT, which is included at Annex B of this document, and any other guidance issued by DBT.

- 14.6. This includes in exercising powers under the Acts that LAPOs will have regard to the published enforcement policies which are set out in published documents at Annex B. The GLAA should update its public enforcement information to make reference to these policies.

### **Responsibilities to the Director of Labour Market Enforcement (DLME)**

- 14.7. It is a requirement under Section 2(6) of the Immigration Act 2016 for the GLAA to carry out its functions in accordance with the Director's strategy once it is approved by Ministers and laid before Parliament. In particular, this will include providing management and other information to inform the Director's future strategies, on such frequencies and granularities as agreed by the GLAA and Director.

### **Responsibilities to His Majesty's Inspectorate of Constabulary, Fire and Rescue Services (HMICFRS)**

- 14.8. The Chief Executive has agreed to voluntary inspections by HMICFRS on the use of GLAA LAPOs investigatory powers set out in PACE regulations. The Chief Executive is responsible for:
- Agreeing the terms of reference for inspections with HMICFRS
  - Ensuring relevant documents and data are made available to HMICFRS in order to carry out the inspection;
  - Ensuring relevant officers are made available for interview by HMICFRS
  - Ensuring all costs are met for inspections.

### **Responsibilities in relation to the Independent Office for Police Conduct (IOPC)**

- 14.9. When the IOPC makes a recommendation to the Chief Executive, in addition to complying with their obligations under regulation 77 of the GLAA (Complaints and Misconduct) Regulations 2017, they should:
- Ensure the Home Office is copied into the Authority's response to the IOPC's recommendation in parallel. In Fulfilling this requirement, the Chief Executive is responsible for ensuring that the timescale set under regulation 77 is met.
  - In cases where the Home Office has not received a copy of the IOPC's response, the Chief Executive will provide a copy of any response from the IOPC (following the response to the recommendation) to the Home Office.
  - Where the Chief Executive believes the response to a recommendation should not be published in whole, and representations to the IOPC have been rejected, they will make representations to the Home Office (in a timely manner before the end of the 21- day requirement to publish period).
  - Ensure the response to the IOPC recommendation is published within 21 days of responding. Any decision not to publish within the timescale should be communication with the Home Office on a case-by-case basis.

### **Managing conflicts**

- 14.10. The Chief Executive should follow the advice and direction of the Board, except in very exceptional circumstances with a clear cut and transparent rationale for not doing so.

- 14.11. If the Board, or the Chair, is contemplating a course of action involving a transaction which the Chief Executive considers would infringe the requirements of propriety or regularity or does not represent prudent or economical administration, efficiency or effectiveness, is of questionable feasibility, or is unethical, the Chief Executive in their role as AO should reject that course of action and ensure that the Board have a full opportunity to discuss the rationale for that rejection.
- 14.12. Such conflicts should be brought to the attention of the PAO and the responsible Minister as soon as possible.
- 14.13. Furthermore, and if agreed with the responsible Minister, the AO must write a letter of justification to the Chair of the Board setting out the rationale for not following the advice and recommendation of the Board and copy that letter to the Treasury Officer of Accounts.
- 14.14. If the responsible Minister agrees with the proposed course of action of the Board, it may be appropriate for the Minister to direct the AO in the manner as set out in MPM paragraph 3.6.6 onwards.
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## 15. The Board

### Composition of the Board

- 15.1. The GLAA will have a Board in line with good standards of corporate governance and as set out in its establishing statute and in guidance (Annex A). The role of the Board shall be to run the GLAA, and to deliver the objectives, in accordance with the purposes as set out above, their statutory, regulatory, common-law duties and their responsibilities under this framework document. Detailed responsibilities of the Board shall be set out in the Board's Terms of Reference. Remuneration of the Board will be disclosed in line with the guidance in the Government Financial Reporting manual (FReM).
- 15.2. The Board will consist of a Chair, together with the Chief Executive and eight of executive members that have a balance of skills and experience appropriate to directing the GLAA's business. For the GLAA, there should be members who have experience of its business, operational delivery, corporate services such as HR, technology, communications and performance management. This will include as an executive and voting Board member an appropriately qualified finance director as described in Annex 4.1 of MPM. The Board should include a majority of independent non-executive members to ensure that executive members are supported and constructively challenged in their role.

### Board Committees

- 15.3. The Board may set up such committees as necessary for it to fulfil its functions. As is detailed below at a minimum this should include an Audit and Risk Committee chaired by an independent and appropriately qualified non-executive member of the Board.
- 15.4. While the Board may make use of Committees to assist its consideration of appointments, succession, audit, risk and remuneration it retains responsibility for, and endorses, final decisions in all of these areas. The Chair should ensure that

sufficient time is allowed at the Board for Committees to report on the nature and content of discussion, on recommendations, and on actions to be taken.

- 15.5. Where there is disagreement between the relevant Committee and the Board, adequate time should be made available for discussion of the issue with a view to resolving the disagreement. Where any such disagreement cannot be resolved, the Committee concerned should have the right to report the issue to the Sponsor team, PAO and responsible Minister. They may also seek to ensure the disagreement or concern is reflected as part of the report on its activities in the annual report.
- 15.6. The Chair should ensure Board Committees are properly structured with appropriate terms of reference. The terms of each Committee should set out its responsibilities and the authority delegated to it by the Board. The Chair should ensure that Committee membership is periodically refreshed and that individual independent non-executive directors are not over-burdened when deciding the Chairs and membership of Committees.

### Duties of the Board

- 15.7. The Board is specifically responsible for:
- establishing and taking forward the strategic aims and objectives of the GLAA, consistent with its overall strategic direction and within the policy and resources framework determined by the Secretary of State
  - providing effective leadership of the GLAA within a framework of prudent and effective controls which enables risk to be assessed and managed
  - ensuring the financial and human resources are in place for the GLAA to meet its objectives
  - reviewing management performance of GLAA employees
  - ensuring that the Board receives and reviews regular financial and management information concerning the management of the GLAA
  - ensuring that it is kept informed of any changes which are likely to impact on the strategic direction of the GLAA Board or on the attainability of its targets, and determining the steps needed to deal with such changes and where appropriate bringing such matters to the attention of the responsible Minister and PAO via the executive team, sponsorship team or directly
  - ensuring that any statutory or administrative requirements for the use of public funds are complied with; that the Board operates within the limits of its statutory authority and any delegated authority agreed with the sponsor department, and in accordance with any other conditions relating to the use of public funds
  - ensuring that in reaching decisions, the Board takes into account guidance issued by the sponsor department
  - ensuring that as part of the above compliance they are familiar with:
    - this framework document,
    - any delegation letter issued to body as set out in paragraph 16.
    - any elements of any settlement letter issued to the sponsor department that is relevant to the operation of the GLAA
    - any separate settlement letter that is issued to the GLAA from the sponsor department
    - that they have appropriate internal mechanisms for the monitoring, governance and external reporting regarding any conditions arising from



the above documents and ensure that the chief executive and the GLAA as a whole act in accordance with their obligations under the above documents

- demonstrating high standards of corporate governance at all times, including by using the independent audit committee to help the board to address key financial and other risks
- appointing [with the responsible Minister's consent] a Chief Executive and, in consultation with the department, set performance objectives and remuneration terms linked to these objectives for the Chief Executive which give due weight to the proper management and use and utilization of public resources
- determining all such other things which the Board considers ancillary or conducive to the attainment or fulfilment by the GLAA of its objectives

15.8. The Board should ensure that effective arrangements are in place to provide assurance on risk management, governance and internal control.

15.9. The Board should make a strategic choice about the style, shape and quality of risk management and should lead the assessment and management of opportunity and risk. The Board should ensure that effective arrangements are in place to provide assurance over the design and operation of risk management, governance and internal control in line with the Management of Risk – Principles and Concepts (The Orange Book)<sup>5</sup>. The Board must [set up an Audit and Risk Assurance Committee chaired by an independent and appropriately qualified non-executive member to provide independent advice and ensure that the department's Audit and Risk Assurance Committee are provided with routine assurances with escalation of any significant limitations or concerns]. The Board is expected to assure itself of the adequacy and effectiveness of the risk management framework and the operation of internal control.

## 16. The Chair's role and responsibilities

16.1. The Chair is responsible for leading the Board in the delivery of its responsibilities. Such responsibility should be exercised in the light of their duties and responsibilities as set out in their contract of employment/appointment letter, the priorities in the Chair's letter issued to them by the Sponsor team, the statutory authority governing the GLAA, this document and the documents and guidance referred to within this document.

16.2. Communications between the GLAA's Board and the responsible Minister should normally be through the Chair.

16.3. The Chair is bound by the Code of Conduct for Board Members of Public Bodies<sup>6</sup>, which covers conduct in the role and includes the Nolan Principles of Public Life<sup>7</sup>.

16.4. In addition, the Chair is responsible for:

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<sup>5</sup> <https://www.gov.uk/government/publications/orange-book>

<sup>6</sup> <https://www.gov.uk/government/publications/code-of-conduct-for-board-members-of-public-bodies>

<sup>7</sup> <https://www.gov.uk/government/publications/the-7-principles-of-public-life>



- ensuring including by monitoring and engaging with appropriate governance arrangements that the GLAA's affairs are conducted with probity
- ensuring that policies and actions support the responsible Minister's [and where relevant other Ministers'] wider strategic policies and where appropriate, these policies and actions should be clearly communicated and disseminated throughout the ALB.

16.5. The Chair has the following leadership responsibilities:

- formulating the Board's strategy
- ensuring that the Board, in reaching decisions, takes proper account of guidance provided by the responsible Minister or the Department
- promoting the efficient and effective use of staff and other resources
- delivering high standards of regularity and propriety
- representing the views of the Board to the general public
- monitoring and engaging with appropriate governance arrangements that the GLAA's affairs are conducted with probity
- ensuring that policies and actions support the responsible Minister's wider strategic policies and where appropriate, these should be clearly communicated and disseminated throughout the GLAA.

16.6. The Chair also has an obligation to ensure that:

- the work of the Board and its members are reviewed and are working effectively including ongoing assessment of the performance of individual Board members with a formal annual evaluation and more in-depth assessments of the performance of individual board members when being considered for re-appointment
- that in conducting assessments that the view of relevant stakeholders including employees and the sponsorship team are sought and considered
- that the Board has a balance of skills appropriate to directing the GLAA's business, and that all directors including the Chair and Chief Executive continually update their skills, knowledge and familiarity with the GLAA to fulfil their role both on the Board and committees. This will include but not be limited to skills and training in relation to financial management and reporting requirements, risk management and the requirements of board membership within the public sector
- Board members are fully briefed on terms of appointment, duties, rights and responsibilities
- they, together with the other Board members, receives appropriate training on financial management and reporting requirements and on any differences that may exist between private and public sector practice
- the responsible Minister is advised of the GLAA's needs when Board vacancies arise
- there is a Corporate Governance Framework in place setting out the role and responsibilities of the board consistent with the Government Code of Good Practice for Corporate Governance
- there is a code of practice for Board members in place, consistent with the Cabinet Office Code of Conduct for Board Members of Public Bodies

## 17. Individual Board members' responsibilities

17.1. Individual Board members should:

- comply at all times with the Code of Conduct for Board Members of Public Bodies, which covers conduct in the role and includes the Nolan Principles of Public Life as well as rules relating to the use of public funds and to conflicts of interest
- demonstrate adherence to the 12 Principles of Governance for all Public Body Non-Executive Directors as appropriate<sup>8</sup>
- not misuse information gained in the course of their public service for personal gain or for political profit, nor seek to use the opportunity of public service to promote their private interests or those of connected persons or organisations
- comply with the Board's rules on the acceptance of gifts and hospitality, and of business appointments
- act in good faith and in the best interests of the GLAA
- ensure they are familiar with any applicable guidance on the role of public sector non-executive directors and boards that may be issued from time to time by the Cabinet Office, HM Treasury or wider government

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<sup>8</sup> <https://www.gov.uk/government/publications/public-bodies-non-executive-director-principles/12-principles-of-governance-for-all-public-body-neds>

# Management and financial responsibilities and controls

## 18. Delegated authorities

- 18.1. The GLAA's delegated authorities are set out in the delegation letter. This delegation letter may be updated and superseded by later versions which may be issued by the sponsor department in agreement with HM Treasury.
- 18.2. The GLAA AO has limited delegated authority for making special payments as set out in the annual delegation letter.
- 18.3. In line with MPM Annex 2.2 these delegations will be reviewed on an annual basis.
- 18.4. The ALB shall obtain the Department's and where appropriate HM Treasury's prior written approval before:
- entering into any undertaking to incur any expenditure that falls outside the delegations or which is not provided for in the GLAA's annual budget as approved by the department
  - incurring expenditure for any purpose that is or might be considered novel or contentious, or which has or could have significant future cost implications
  - making any significant change in the scale of operation or funding of any initiative or particular scheme previously approved by the department
  - making any change of policy or practice which has wider financial implications that might prove repercussive or which might significantly affect the future level of resources required
  - carrying out policies that go against the principles, rules, guidance and advice in MPM

## 19. Spending authority

- 19.1. Once the budget has been approved by the Home Office, the GLAA shall have authority to incur expenditure approved in the budget without further reference to the sponsor department, on the following conditions:
- The GLAA shall comply with the delegations set out in the delegation letter. These delegations shall not be altered without the prior agreement of the sponsor department and as agreed by HM Treasury and Cabinet Office as appropriate
  - the ALB shall comply with MPM regarding novel, contentious or repercussive proposals
  - inclusion of any planned and approved expenditure in the budget shall not remove the need to seek formal departmental approval where any proposed expenditure is outside the delegated limits or is for new schemes not previously agreed
  - The GLAA shall provide the sponsor department with such information about its operations, performance, individual projects or other expenditure as the sponsor department may reasonably require.

## 20. Banking and managing cash

- 20.1. The GLAA must maximise the use of publicly procured banking services (accounts with central government commercial banks managed centrally by Government Banking).
- 20.2. The GLAA should only hold money outside Government Banking Service accounts where a good business case can be made for doing so and HM Treasury consent is required for each account to be established. Only commercial banks which are members of relevant UK clearing bodies may be considered for this purpose.
- 20.3. Commercial accounts where approved should be operated in line with the principles as set out in MPM.
- 20.4. The AO is responsible for ensuring the GLAA has a banking policy as set out in MPM and ensuring that policy is complied with.

## 21. Procurement

- 21.1. The GLAA shall ensure that its procurement policies are aligned with and comply with any relevant UK or other international procurement rules and in particular the Public Contracts Regulations 2015.
- 21.2. The GLAA shall establish its procurement policies and document these in a Procurement Policy and Procedures Manual.
- 21.3. In procurement cases where the GLAA is likely to exceed its delegated authority limit, procurement strategy approval for the specific planned purchase must be sought from the department's sponsor team.
- 21.4. Goods, services, and works should be acquired by competition. Proposals to let single-tender or restricted contracts shall be limited and exceptional, and a quarterly report explaining those exceptions should be sent to the department.
- 21.5. Procurement by the GLAA of works, equipment, goods, and services shall be based on, a full option appraisal and value for money (VfM), i.e. the optimum combination and whole life costs and quality (fitness for purpose).
- 21.6. The GLAA shall:
- engage fully with department and government wide procurement initiatives that seek to achieve VfM from collaborative projects
  - comply with all relevant Procurement Policy Notes issued by Cabinet Office
  - co-operate fully with initiatives to improve the availability of procurement data to facilitate the achievement of VfM
- 21.7. The GLAA shall comply with the commercial<sup>9</sup> and grants standards<sup>10</sup>. These standards apply to the planning, delivery, and management of government commercial activity, including management of grants in all departments and ALBs,

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<sup>9</sup> <https://www.gov.uk/government/publications/commercial-operating-standards-for-government>

<sup>10</sup> <https://www.gov.uk/government/publications/grants-standards>

regardless of commercial approach used and form part of a suite of functional standards that set expectations for management within government.

## 22. Risk management

- 22.1. The GLAA shall ensure that the risks that it faces are dealt with in an appropriate manner, in accordance with relevant aspects of best practice in corporate governance, and develop a risk management strategy, in accordance with the Treasury guidance Management of Risk: Principles and Concepts<sup>11</sup>.
- 22.2. Where GLAA identifies a new risk which they feel cannot be managed within their organisation, or where the impact or likelihood profile of an existing risk is increasing and mitigation or contingency plans require engagement of the Home Office, these should be escalated by the GLAA to the Home Office Sponsorship Unit (HOSU).

## 23. Counter fraud and theft

- 23.1. The GLAA should adopt and implement policies and practices to safeguard itself against fraud and theft.
- 23.2. The GLAA should act in line with guidance as issued by the Counter Fraud Function and in compliance with the procedures and considerations as set in in MPM Annex 4.9 and the Counter Fraud Functional Standard<sup>12</sup>. It should also take all reasonable steps to appraise the financial standing of any firm or other body with which it intends to enter a contract or to provide grant or grant-in-aid.
- 23.3. The GLAA should keep records of and prepare and forward to the department an annual report on fraud and theft suffered by the GLAA and notify the sponsor department of any unusual or major incidents as soon as possible. The GLAA should also report detected loss from fraud, bribery, corruption and error, alongside associated recoveries and prevented losses, to the counter fraud centre of expertise in line with the agreed government definitions as set out in Counter Fraud Functional Standard.

## 24. Staff

### Broad responsibilities for staff

- 24.1. Within the arrangements approved by the responsible Minister [and the Treasury] the GLAA will have responsibility for the recruitment, retention and motivation of its staff. The Board's responsibilities toward its staff are to ensure that:
- the rules for recruitment and management of staff create an inclusive culture in which diversity is fully valued; appointment and advancement is based on merit; there is no discrimination against employees with protected characteristics under the Equality Act 2010
  - the level and structure of its staffing, including grading and staff numbers, are appropriate to its functions and the requirements of economy, efficiency and effectiveness
  - the performance of its staff at all levels is satisfactorily appraised and the ALB performance measurement systems are reviewed from time to time

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<sup>11</sup> [http://www.hm-treasury.gov.uk/orange\\_book.htm](http://www.hm-treasury.gov.uk/orange_book.htm)

<sup>12</sup> <https://www.gov.uk/government/publications/government-functional-standard-govs-013-counter-fraud>

- its staff are encouraged to acquire the appropriate professional, management and other expertise necessary to achieve the GLAA's objectives
- proper consultation with staff takes place on key issues affecting them
- adequate grievance and disciplinary procedures are in place
- whistle-blowing procedures consistent with the Public Interest Disclosure Act are in place
- a code of conduct for staff is in place based on the Cabinet Office's Model Code for Staff of Executive Non-departmental Public Bodies<sup>13</sup>.

### Staff costs

- 24.2. Subject to its delegated authorities, the GLAA shall ensure that the creation of any additional posts does not incur forward commitments that will exceed its ability to pay for them.

### Pay and conditions of service

- 24.3. The GLAA's staff are subject to levels of remuneration and terms and conditions of service (including pensions) within the general pay structure approved by the sponsor department [and the Treasury]. The GLAA has no delegated power to amend these terms and conditions.
- 24.4. If civil service terms and conditions of service apply to the rates of pay and non-pay allowances paid to the staff and to any other party entitled to payment in respect of travel expenses or other allowances, payment shall be made in accordance with the Civil Service Management Code<sup>14</sup> and the annual Civil Service Pay Remit Guidance, except where prior approval has been given by the department to vary such rates.
- 24.5. Staff terms and conditions should be set out in an Employee Handbook, which should be provided to the department together with subsequent amendments.
- 24.6. The GLAA shall abide by public sector pay controls, including the relevant approvals process dependent on the organisations classification as detailed in the Senior Pay Guidance<sup>15</sup> and the Public Sector Pay and Terms Guidance<sup>16</sup>.
- 24.7. The GLAA shall operate a performance-related pay scheme [that shall form part of the annual aggregate pay budget approved by the department], [general pay structure approved by the department and the Treasury], where relevant with due regard to the Senior Pay Guidance.
- 24.8. The travel expenses of Board members shall be tied to the rates allowed to senior staff of the GLAA and Home Office rates. Reasonable actual costs shall be reimbursed.

### Pensions, redundancy and compensation

- 24.9. Compensation scheme rules and pension scheme rules should reflect legislative and HM Treasury guidance requirements regarding exit payments.

<sup>13</sup>[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/80082/PublicBodiesGuide2006\\_5\\_public\\_body\\_staffv2\\_0.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/80082/PublicBodiesGuide2006_5_public_body_staffv2_0.pdf)

<sup>14</sup> <https://www.gov.uk/government/publications/civil-servants-terms-and-conditions>

<sup>15</sup> <https://www.gov.uk/government/publications/senior-civil-service-pay-and-reward>

<sup>16</sup> <https://www.gov.uk/government/publications/public-sector-pay-and-terms-guidance-note>

- 24.10. The GLAA staff shall normally be eligible for a pension provided Civil Service Pension Scheme under Schedule 1 of the Superannuation Act 1972. As such, the GLAA will comply with all aspects of pension administration for its staff set out in the participation agreement issues by Cabinet Office at the time of admission into the scheme.
- 24.11. Any proposal by the GLAA to move from the existing pension arrangements, or to pay any redundancy or compensation for loss of office, requires the prior approval of the department. Proposals on severance must comply with the rules in chapter 4 of MPM.

# Business plans, financial reporting and management information

## 25. Corporate and business plans

- 25.1. The GLAA shall submit annually to the Sponsor Department a draft of the corporate plan covering three years ahead. The GLAA shall agree with the Department the issues to be addressed in the plan and the timetable for its preparation. The plan shall reflect the GLAA's statutory and/or other duties and, within those duties, the priorities set from time to time by the responsible Minister (including decisions taken on policy and resources in the light of wider public expenditure decisions). The plan shall demonstrate how the GLAA's contributes to the achievement of the Department's medium-term plan and priorities and aligned performance metrics and milestones.
- 25.2. The first year of the corporate plan, amplified as necessary, shall form the business plan. The business plan shall be updated to include key targets and milestones for the year immediately ahead and shall be linked to budgeting information so that resources allocated to achieve specific objectives can readily be identified by the department. Subject to any commercial considerations, [a digest of] the corporate and business plans should be published by the GLAA on its website and separately be made available to staff.
- 25.3. The following key matters should be included in the plans:
- key objectives and associated key performance targets for the forward years, and the strategy for achieving those objectives
  - key non-financial performance targets
  - a review of performance in the preceding financial year, together with comparable outturns for the previous [2-5] years, and an estimate of performance in the current year (Strategy Plan)
  - alternative scenarios and an assessment of the risk factors that may significantly affect the execution of the plan but that cannot be accurately forecast
  - other matters as agreed between the department and the GLAA.

## 26. Budgeting procedures

- 26.1. Each year, in the light of decisions by the Department on the updated draft corporate plan, the department will send to the GLAA:
- a formal statement of the annual budgetary provision allocated by the department in the light of competing priorities across the department and of any forecast income approved by the Department
  - a statement of any planned change in policies affecting the GLAA
- 26.2. The approved annual business plan will take account both of approved funding provision AND any forecast receipts. It will include a budget of estimated payments and receipts together with a profile of expected expenditure and of draw-down of any departmental funding and/or other income over the year. These elements form part of the approved business plan for the year in question.



- 26.3. The Sponsor Department will ensure timely and constructive feedback is provided back to the GLAA on the plans, to aid the smooth submission to the Minister for approval. Where HO delays are expected the GLAA will be informed as early as possible.

## 27. Grant-in-aid and any ring-fenced grants

- 27.1. Any grant-in-aid provided by the department for the year in question will be voted in the department's Supply Estimate and be subject to parliamentary control.
- 27.2. The grant-in-aid will normally be paid in monthly instalments on the basis of written applications showing evidence of need. The GLAA will comply with the general principle, that there is no payment in advance of need. Cash balances accumulated during the course of the year from grant-in-aid or other Exchequer funds shall be kept to a minimum level consistent with the efficient operation of the GLAA. Grant-in-aid not drawn down by the end of the financial year shall lapse. Subject to approval by Parliament of the relevant Estimates provision, where grant-in-aid is delayed to avoid excess cash balances at the year-end, the Department will make available in the next financial year any such grant-in-aid that is required to meet any liabilities at the year end, such as creditors.
- 27.3. In the event that the Department provides the ALB separate grants for specific (ring-fenced) purposes, it would issue the grant as and when the GLAA needed it on the basis of a written request. The GLAA would provide evidence that the grant was used for the purposes authorised by the department. The GLAA shall not have uncommitted grant funds in hand, nor carry grant funds over to another financial year.

## 28. Annual report and accounts

- 28.1. The GLAA Board must publish an annual report of its activities together with its audited accounts after the end of each financial year. The GLAA shall provide the department its finalised (audited) accounts by 31<sup>st</sup> December each year in order for the accounts to be consolidated within the Home Office. A draft of the report should be submitted to the department ahead of the proposed publication date. The accounts should be prepared in accordance with the relevant statutes and specific accounts direction issued by the department as well as the Treasury's Financial Reporting Manual (FReM).
- 28.2. The annual report must:
- cover any corporate, subsidiary or joint ventures under its control
  - comply with the FReM and in particular have regard to the illustrative statements for an NDPB<sup>17</sup>
  - outline main activities and performance during the previous financial year and set out in summary form forward plans.
- 28.3. Information on performance against key financial targets is included within the annual report and subject to the auditor's consistency opinion. The report and accounts shall be laid in Parliament and made available on the GLAA website, in accordance with the guidance in the FReM.

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<sup>17</sup> <https://www.gov.uk/government/publications/government-financial-reporting-manual-2020-21>.

- 28.4. The Sponsor Department will ensure timely and constructive feedback is provided to the GLAA to aid the smooth submission to the Minister for approval. Where HO delays are expected the GLAA will be informed as early as possible.

## 29. Reporting performance to the department

- 29.1. The GLAA shall operate management, information and accounting systems that enable it to review in a timely and effective manner its financial and non-financial performance against the budgets and targets set out in the corporate and business plans.
- 29.2. The GLAA shall inform the Sponsor Department of any changes that make achievement of objectives more or less difficult. It shall report financial and non-financial performance, including performance in helping to deliver Ministers' policies, and the achievement of key objectives regularly.
- 29.3. The GLAA's performance shall be formally reviewed by the Department quarterly at Senior Sponsor Meetings.
- 29.4. The responsible Minister will meet the Chair and Chief Executive at least once a year.
- 29.5. The PAO will meet the Chief Executive at least once a year.

## 30. Information sharing

- 30.1. The Department has the right of access to all the GLAA records and personnel for any purpose including, for example, sponsorship audits and operational investigations.
- 30.2. The GLAA shall provide the Sponsor Department with such information about its operations, performance, individual projects or other expenditure on a monthly basis.
- 30.3. The Department and HM Treasury may request the sharing of data held by the GLAA in such a manner as set out in central guidance except insofar as it is prohibited by law. This may include requiring the appointment of a senior official to be responsible for the data sharing relationship.
- 30.4. As a minimum, the GLAA shall provide the Department with information monthly that will enable the department satisfactorily to monitor:
- The GLAA's cash management
  - its draw-down of grant-in-aid
  - forecast outturn by resource headings
  - other data required for the Online System for Central Accounting and Reporting (OSCAR)
  - data as required in respect of its compliance with any Cabinet Office Controls pipelines or required in order to meet any condition as set out in any settlement letter

# Audit

## 31. Internal audit

- 31.1. The GLAA shall:
- Establish and maintain arrangements for internal audit
  - Ensure that any arrangements for internal audit are in accordance with the Public Sector Internal Audit Standards (PSIAS) as adopted by HM Treasury<sup>18</sup>.
  - Maintain an Audit and Risk Assurance Committee in accordance with the Cabinet Office's Guidance on Code of Practice for Public Bodies and the Audit Committee Handbook.
  - Forward the audit strategy, periodic audit plans and annual audit report, including the GLAA Head of Internal Audit opinion on risk management, control and governance as soon as possible to the Sponsor Department
  - Keep records of and prepare and forward to the department an annual report on fraud and theft suffered by the GLAA and notify the sponsor department of any unusual or major incidents as soon as possible
  - Will share with the sponsor department information identified during the audit process and the Annual Audit Opinion Report (together with any other outputs) at the end of the audit, in particular on issues impacting on the department's responsibilities in relation to financial systems within the GLAA.

## 32. External audit

- 32.1. The Comptroller & Auditor General (C&AG) audits the GLAA' annual accounts. The C&AG passes the audited accounts to the Secretary of State who will lay the accounts together with the C&AG's report before parliament.
- 32.2. In the event that the GLAA has set up and controls subsidiary companies, the GLAA will [in the light of the provisions in the Companies Act 2006] ensure that the C&AG has the option to be appointed auditor of those company subsidiaries that it controls and/or whose accounts are consolidated within its own accounts. The GLAA shall discuss with the sponsor department the procedures for appointing the C&AG as auditor of the companies.
- 32.3. The C&AG:
- will consult the department and the ALB on whom – the NAO or a commercial auditor – shall undertake the audit(s) on his behalf, though the final decision rests with the C&AG
  - has a statutory right of access to relevant documents, including by virtue of Section 25(8) of the Government Resources and Accounts Act 2000, held by another party in receipt of payments or grants from the GLAA
  - will share with the sponsor department information identified during the audit process and the audit report (together with any other outputs) at the end of the audit, in particular on issues impacting on the Department's responsibilities in relation to financial systems within the GLAA.
  - will consider requests from departments and other relevant bodies to provide regulatory compliance reports and other similar reports at the commencement of the audit. Consistent with the C&AG's independent status, the provision of such reports is entirely at the C&AG's discretion

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<sup>18</sup> <https://www.gov.uk/government/publications/public-sector-internal-audit-standards>

32.4. The C&AG may carry out examinations into the economy, efficiency and effectiveness with which the ALB has used its resources in discharging its functions. For the purpose of these examinations the C&AG has statutory access to documents as provided for under Section 8 of the National Audit Act 1983. In addition, the GLAA shall provide, in conditions to grants and contracts, for the C&AG to exercise such access to documents held by grant recipients and contractors and sub-contractors as may be required for these examinations; and shall use its best endeavours to secure access for the C&AG to any other documents required by the C&AG which are held by other bodies.

# Reviews and winding up arrangements

## 33. Review of GLAA's status

- 33.1. The GLAA may be reviewed as part of the wider Public Bodies Reviews programme, at a time determined by the department's ministers and their PAO.

## 34. Arrangements in the event that the GLAA is wound up

- 34.1. The Sponsor Department shall put in place arrangements to ensure the orderly winding up of the GLAA. In particular it should ensure that the assets and liabilities of the GLAA are passed to any successor organisation and accounted for properly. (In the event that there is no successor organisation, the assets and liabilities should revert to the sponsor department.) To this end, the Department shall:
- have regard to Cabinet Office guidance on winding up of ALBs<sup>19</sup>
  - ensure that procedures are in place in the GLAA to gain independent assurance on key transactions, financial commitments, cash flows and other information needed to handle the wind-up effectively and to maintain the momentum of work inherited by any residuary body
  - specify the basis for the valuation and accounting treatment of the GLAA's assets and liabilities
  - ensure that arrangements are in place to prepare closing accounts and pass to the C&AG for external audit, and that, for non-Crown bodies funds are in place to pay for such audits. It shall be for the C&AG to lay the final accounts in Parliament, together with his report on the accounts
  - arrange for the most appropriate person to sign the closing accounts. In the event that another ALB takes on the role, responsibilities, assets and liabilities, the succeeding ALB AO should sign the closing accounts. In the event that the department inherits the role, responsibilities, assets and liabilities, the sponsor department's AO should sign
- 34.2. The GLAA shall provide the Department with full details of all agreements where the GLAA or its successors have a right to share in the financial gains of developers. It should also pass to the Department details of any other forms of claw-back due to the GLAA.

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<sup>19</sup>[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/690952/Public\\_Bodies\\_-\\_a\\_guide\\_for\\_departments\\_-\\_chapter\\_10.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/690952/Public_Bodies_-_a_guide_for_departments_-_chapter_10.pdf)

# Annex A: Guidance

The GLAA shall comply with the following guidance, documents and instructions:

## Corporate governance

- This framework document
- Corporate Governance Code for Central Government Departments (relevant to Arm's Length Bodies) and supporting guidance:  
<https://www.gov.uk/government/publications/corporate-governance-code-for-central-government-departments-2017>
- Code of conduct for Board members of Public Bodies:  
<https://www.gov.uk/government/publications/code-of-conduct-for-board-members-of-public-bodies>
- Code of practice for partnerships between Departments and Arm's Length Bodies:  
<https://www.gov.uk/government/publications/partnerships-with-arms-length-bodies-code-of-good-practice#:~:text=This%20code%20of%20good%20practice,partnership%20approach%20to%20shaping%20relationships>.

## Financial management and reporting

- Managing Public Money (MPM):  
<https://www.gov.uk/government/publications/managing-public-money>
- Government Financial Reporting Manual (FReM):  
[www.gov.uk/government/collections/government-financial-reporting-manual-frem](http://www.gov.uk/government/collections/government-financial-reporting-manual-frem)
- Relevant Dear Accounting Officer (DAO) letters:  
[www.gov.uk/government/collections/dao-letters](http://www.gov.uk/government/collections/dao-letters)
- Relevant guidance and instructions issued by the Treasury in respect of Whole of Government Accounts: <https://www.gov.uk/government/collections/whole-of-government-accounts>
- The most recent letter setting out the delegated authorities, issued by the parent department.

## Management of risk

- Management of Risk: [www.gov.uk/government/publications/orange-book](http://www.gov.uk/government/publications/orange-book) and <https://www.gov.uk/government/publications/management-of-risk-in-government-framework>
- Public Sector Internal Audit Standards:  
[www.gov.uk/government/publications/public-sector-internal-audit-standards](http://www.gov.uk/government/publications/public-sector-internal-audit-standards)

- HM Treasury approval processes for Major Projects above delegated limits:  
<https://www.gov.uk/government/publications/treasury-approvals-process-for-programmes-and-projects>
- The Government cyber-security strategy and cyber security guidance:  
<https://www.gov.uk/government/publications/national-cyber-strategy-2022/national-cyber-security-strategy-2022> and  
<https://www.gov.uk/government/collections/cyber-security-guidance-for-business>

## Commercial management

- Procurement Policy Notes:  
<https://www.gov.uk/government/collections/procurement-policy-notes>
- Cabinet Office spending controls:  
<https://www.gov.uk/government/collections/cabinet-office-controls>
- Transparency in supply chains - a practical guide:  
[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1040283/Transparency\\_in\\_Supply\\_Chains\\_A\\_Practical\\_Guide\\_2017\\_final.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1040283/Transparency_in_Supply_Chains_A_Practical_Guide_2017_final.pdf)

## Public appointments

The following are relevant where public bodies participate in public appointments processes.

- Guidance from the Commissioner for Public Appointments:  
<https://publicappointmentscommissioner.independent.gov.uk/>
- Governance Code on Public Appointments:  
[www.gov.uk/government/publications/governance-code-for-public-appointments](http://www.gov.uk/government/publications/governance-code-for-public-appointments)
- Procurement Policy Note 08/15 – Tax Arrangements of Public Appointees:  
<https://www.gov.uk/government/publications/procurement-policy-note-0815-tax-arrangements-of-appointees>

## Staff and remuneration

- HM Treasury guidance on senior pay and reward:  
[www.gov.uk/government/publications/senior-civil-service-pay-and-reward](http://www.gov.uk/government/publications/senior-civil-service-pay-and-reward)
- Civil Service pay guidance (updated annually):  
[www.gov.uk/government/collections/civil-service-pay-guidance](http://www.gov.uk/government/collections/civil-service-pay-guidance)
- Public sector pay and terms: <https://www.gov.uk/government/publications/public-sector-pay-and-terms-guidance-note>
- Whistleblowing Guidance and Code of Practice:  
<https://www.gov.uk/government/publications/whistleblowing-guidance-and-code-of-practice-for-employers>

- The Equalities Act 2010: [www.gov.uk/guidance/equality-act-2010-guidance](http://www.gov.uk/guidance/equality-act-2010-guidance)

## General

- Freedom of Information Act guidance and instructions: [www.legislation.gov.uk/ukpga/2000/36/contents](http://www.legislation.gov.uk/ukpga/2000/36/contents) and <https://ico.org.uk/for-organisations/guide-to-freedom-of-information/>
- The Parliamentary and Health Service Ombudsman's Principles of Good Administration: <https://www.ombudsman.org.uk/about-us/our-principles>
- Other relevant instructions and guidance issued by the central Departments (Cabinet Office and HM Treasury)
- Recommendations made by the Public Accounts Committee, or by other Parliamentary authority, that have been accepted by the Government and are relevant to [the ALB].
- Guidance from the Public Bodies team in Cabinet Office: [www.gov.uk/government/publications/public-bodies-information-and-guidance](http://www.gov.uk/government/publications/public-bodies-information-and-guidance)
- The Civil Service diversity and inclusion strategy (outlines the ambition, to which Arm's Length Bodies can contribute): <https://www.gov.uk/government/publications/civil-service-diversity-and-inclusion-strategy-2022-to-2025>
- Guidance produced by the Infrastructure and Projects Authority (IPA) on management of major projects: [www.gov.uk/government/organisations/infrastructure-and-projects-authority](http://www.gov.uk/government/organisations/infrastructure-and-projects-authority)
- The Government Digital Service: [www.gov.uk/government/organisations/government-digital-service](http://www.gov.uk/government/organisations/government-digital-service)
- The Government Fraud, Error, Debt and Grant Efficiency function; [www.gov.uk/government/collections/fraud-error-debt-and-grants-function](http://www.gov.uk/government/collections/fraud-error-debt-and-grants-function) and [www.gov.uk/government/publications/grants-standards](http://www.gov.uk/government/publications/grants-standards)
- Code of Practice for Official Statistics: <https://code.statisticsauthority.gov.uk/#:~:text=The%20Code%20of%20Practice%20for%20Statistics%20sets%20the,produced%20by%20people%20and%20organisation%20that%20are%20trustworthy.>
- Accounting Officer System Statements (AOSS are produced by departments with input from ALBs): [www.gov.uk/government/publications/accounting-officer-system-statements](http://www.gov.uk/government/publications/accounting-officer-system-statements)



## Annex B: LAPO Letter



**Gangmasters &  
Labour Abuse Authority**

Loxley House, Station  
Street  
Nottingham, NG2 3NG  
[www.gla.gov.uk](http://www.gla.gov.uk)

DATE

Dear,

### **Authority to act under section 114B Police and Criminal Evidence Act 1984**

This letter provides your authority to act in accordance with section 114B of the Police and Criminal Evidence Act 1984, to investigate labour market offences, as defined by section 3(3) of the Immigration Act 2016.

This authority is vested in me by authorities granted by the Home Secretary and the Secretary of State for Business, Energy and Industrial Strategy.

The authority provided will continue subject to satisfactory exercise of the powers, continued fitness to perform that duty, and the successful completion of any further training or testing that may be required.

At all times you will be expected to:

- continue to meet the standards of conduct and behaviour expected of all staff,
- follow the Standard Operating Procedures covering the use of PACE powers, and
- follow the direction of the Senior Investigation Officer on any investigation of a labour market offence you are tasked to conduct.

You are reminded that misconduct including the misuse of PACE powers may result in investigation by the IPCC.

The attached authority should be carried with you on duty at all times. Whilst your identity card refers to the additional powers you are authorised to use, you may produce the full authority, if challenged, as evidence of your powers.

A copy of this letter will also be placed on your personnel file.

Yours sincerely

**Name**

*Chief Executive*

*Attached Authority:*



**Gangmasters &  
Labour Abuse Authority**

### **Enforcement Powers of Authorised Investigators**

..... is an officer of the Gangmasters and Labour Abuse Authority (GLAA) who is authorised to conduct investigations in accordance with section 114B of the Police and Criminal Evidence Act (PACE) 1984. That authority provides the officer with wider policing powers including entry under a court warrant, arrest, and search and seizure of evidence.

The authority to conduct investigations under section 114B PACE is in relation to labour market offences, as defined by section 3(3) of the Immigration Act 2016. A list of those labour market offences is reproduced on the reverse of this authorisation. The authority to undertake investigations into labour market offences has been vested in the GLAA by the Home Secretary, and by the Secretary of State for Business, Energy and Industrial Strategy in accordance with section 8A(1)(b) of the Employment Agencies Act 1973 and section 13(1)(b) of the National Minimum Wage Act 1998. Obstruction of an Authority officer of the GLAA undertaking investigations into labour market offences constitutes a criminal offence contrary to section 18 of the Gangmasters (Licensing) Act 2004 (as amended by section 114B (2) PACE 1984.

**Signed:**

**Chief Executive, GLAA**

**Dated: Day Month YEAR**

### **Labour Market Offences (section 3(3) Immigration Act 2016)**

**The following offences may be investigated by authorised investigators of the GLAA using powers provided by section 114B PACE 1984:**

- (a) an offence under the Employment Agencies Act 1973 other than one under section 9(4)(b) of that Act;
- (b) an offence under the National Minimum Wage Act 1998;
- (c) an offence under the Gangmasters (Licensing) Act 2004;
- (d) an offence under section 1 of the Modern Slavery Act 2015;
- (e) an offence under section 2 or 4 of that Act—
  - (i) which is committed in relation to a worker or a person seeking work, or
  - (ii) which is otherwise committed in circumstances where subsection (2) of section 3 of that Act applies;
- (f) an offence under section 30(1) or (2) of that Act which is committed in relation to—
  - (i) an order which was made on the application of the Gangmasters and Labour Abuse Authority, or
  - (ii) an order which was made under section 14 of that Act, and which falls within subsection (4) below;
- (g) an offence under section 27 Immigration Act 2016 (breach of a Labour Market Enforcement Order);
- (h) any other offence prescribed by regulations made by the Secretary of State;
- (i) an offence of attempting or conspiring to commit an offence mentioned in paragraphs (a) to (h);
- (j) an offence under Part 2 of the Serious Crime Act 2007 in relation to an offence so mentioned;
- (k) an offence of inciting a person to commit an offence so mentioned;
- (l) an offence of aiding, abetting, counselling or procuring the commission of an offence so mentioned.

### **HM Treasury contacts**

This document can be downloaded from [www.gov.uk](http://www.gov.uk)

If you require this information in an alternative format or have general enquiries about HM Treasury and its work, contact:

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Email: [public.enquiries@hmtreasury.gov.uk](mailto:public.enquiries@hmtreasury.gov.uk)