

December 2012

Future Focus of the Gangmasters Licensing Authority - Progress

The ALP published a policy paper, "[Future Focus of the Gangmasters Licensing Authority](#)" in January 2012 which proposed 20 areas that the GLA should address "to better target non-compliant operators and reduce burdens on the compliant". This document provides an update on progress.

A. Effective Policy & Strategy

<p>1. Publish a new strategy that concentrates enforcement activities on businesses engaged in wholesale abuse of workers or tax evasion. GLA should in consultation with others, identify and explain the principal risks against which they are acting. They should set, measure and publish clear standards and targets for their service and performance which include: regulatory outcomes (capturing the principal risks); costs to regulated entities of regulatory interventions; and perceptions of licence holders about the proportionality and effectiveness of regulatory approach and costs.</p>	<p>This was endorsed by the May 2012 Written Ministerial Statement (WMS) which detailed the outcome of the Red Tape Challenge Review. This has not been done as yet. In 2013 GLA need to effectively engage with supply chain to harness support. The ALP considers that this may be achieved by developing a new Supply Chain Protocol. ALP expects that the new CEO will review the existing Business Plan standards and targets to ensure clear performance measures are implemented.</p>
<p>2. With Defra, provide clear guidance on its scope across identified grey areas. Allow businesses who were reasonably unaware that they fell within the remit, time to be licensed. 3. Work with Defra to modify the Exclusion Regulations, to provide clarity on scope of licensing.</p>	<p>Endorsed by WMS. Following an initial working group meeting on this in January 2012 ALP has not seen further visible progress. Clarity on scope is however linked into the work. Defra are leading on the revision to the Exclusion Regulations and they were party to the January 2012 discussions.</p>
<p>4. In accordance with the Macrory characteristics, the GLA should measure and publish outcomes not just outputs.</p>	<p>Raised by ALP at Board and Liaison Group over many years. ALP expects that the new CEO will want to review the existing Business Plan standards and targets to ensure clear performance measures are implemented.</p>
<p>5. Review the scope of its sanctions and penalties policies and to modify these to be consistent with the Macrory principles.</p>	<p>One of the RTC outcomes contained within the WMS. Forms part of the GLA 2013-14 Business Plan. BIS 8/11 WMS may impact on this. Defra consultation to follow.</p>
<p>6. Allow microbusinesses to pay a lower licensing fee.</p>	<p>The GLA has previously stated that it does not intend to introduce a fifth licence band, but has continued to freeze the existing fee levels. ALP understands that the GLA's planned consultation on licence processes may include options that positively impact fees payable.</p>
<p>7. Allow licence holders who are making</p>	<p>The GLA's position remains not to allow</p>

VAT/business structure changes for legitimate business reasons to transfer their licence or to be able to acquire a new licence at minimal cost.	transfers. ALP has seen in a number of cases a willingness by GLA to take a proportionate approach.
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B. Fair Process

8. Introduce a stage in the licensing decision process to allow a licence holder to put their case before a final decision is taken, to be in line with the Regulators Compliance Code and natural justice.	The GLA has confirmed that inspectors will be expected to summarise their findings to ensure there are no surprises for the labour provider, giving licence holders the opportunity to present their arguments which will then be included in the evidence submitted for a licence decision.
9. Issue ALCs where more than 30 points are scored but breaches are of a relatively minor or technical nature.	GLA Licensing Standards now state that where an Inspection score is 30 points or more “the GLA may consider attaching ALCs where it is proportionate to do so after considering the extent and nature of the non-compliance.”
10. Issue licensing decisions within four weeks of an inspection or provide an interim notification.	GLA has stated it will “introduce an interim notification when it is unable to issue a licence decision within four weeks.” ALP is seeking confirmation whether this is now in place.
11. Review Active Check process so that it is not unfairly damaging to licence holders. At present the fact that an inspection has taken place is interpreted by some as there being a problem.	ALP and GLA have worked together to update the Active Check letters. ALP consider that GLA should issue a Brief to provide further clarity on how to register for Active Checks, to include when to expect a notification letter and what to do when one is received.
12. Provide appropriate means to ensure that regulated entities can reasonably seek and access advice without directly triggering an enforcement action. Such information requests to be logged and subject to a customer service level agreement.	GLA has stated it will “consider a standard approach and communication where clarified scope of licensing may bring new operators forward for licensing”. This has now been agreed and entered on GLA website.
13. Licensing Team to clarify their interpretation and application of certain licensing standards and decision processes to ensure that these are in line with law, GLA procedure and proportionality.	GLA Operating Processes have been reconfirmed for ALP Brief 111. The ALP has a different opinion to the GLA regarding non-payment of holidays. ALP considers BIS has adopted the wrong policy position on deductions for transport but understand that GLA follow BIS lead.

C. Constructive Stakeholder Engagement

14. Create effective consultation and feedback opportunities to enable continuing cooperative relationships with regulated entities and other interested parties. GLA should accord appropriate regard to the Liaison Group.	GLA Chair has demonstrated a commitment to stakeholder engagement. Liaison Group actions are now more actively addressed. The GLA Chair intends to review structure and effectiveness of Liaison Groups in 2013.
15. Implement a revised communication strategy which focuses on stakeholder information rather than media releases.	ALP has raised at Board and Liaison Group. Perception of GLA has suffered in 2011/12 through the absence of an effective communication strategy. GLA Communications & Media Officer role approved and recruitment ongoing.
16. Simplify relevant policies and procedures and consolidate online advice and guidance.	GLA website has been designed to meet the different requirements of different audiences,

	<p>and enable users to locate information from different entry points.</p> <p>ALP considers that the new GLA website can be confusing and that consolidation and simplification would be beneficial.</p>
<p>17. Review how it demonstrates that it responds to intelligence provided. Perception of failing to act on information provided.</p>	<p>ALP does not consider that the GLA has yet addressed this perception. GLA has agreed that there is a case for putting clear general guidance on how intelligence is used on the new website. ALP does not consider that this will be sufficient in itself. ALP considers this should be addressed in Supply Chain Protocol.</p>

D. Good Inspection Practices

<p>18. Inspectors to receive re-training to provide a less heavy handed and more supportive / advisory role to businesses who seek to comply.</p>	<p>There have been fewer reported complaints to ALP, but there have been fewer inspections. GLA has stated it will “consider reinforcing the style and behaviour expected i.e. a courteous, yet robust, and proportionate approach. The current compliance code of practice does cover officer conduct, but GLA to consider how this ought to be enhanced.” Revision of compliance /enforcement codes is scheduled for commencement mid-2013.</p>
<p>19. Inspectors to be re-trained on the limit of their responsibility and need for confidentiality.</p>	<p>ALP raised matter of confidentiality formally at Liaison Group. GLA has produced its new External Communications Policy. Inspectors should be adhering to the guidance on confidentiality in this document</p>
<p>20. Implement a feedback system to receive comments regarding the behaviour and activity of inspectors and other enforcement staff.</p>	<p>GLA has stated that it does “not think a survey would generally be beneficial but if there are grounds for a complaint in a particular situation, or which indicate a trend, it is important for such issues to be raised.” ALP considers that the GLA should go further than this and implement a separate confidential mechanism to receive feedback.</p>