



# Gangmasters Licensing Authority



## Strategy for Protecting Vulnerable And Exploited Workers 2013-2016



## Contents

1. Introduction.....	3
2. Background to the Gangmasters Licensing Authority .....	3
3. Remit, Resources .....	4
4. Governance and Scrutiny .....	5
5. Current Landscape .....	7
6. Strategic Aim, Priorities and Objectives .....	8
7. Delivering the Plan 2013 -16 .....	9
8. Risk Management.....	12
9. Summary .....	14
Appendix A: Strategy for Protecting Vulnerable and Exploited Workers 2013-16 ....	15

## **1. Introduction**

- 1.1 This strategy sets the direction for the Gangmasters Licensing Authority (GLA) and was developed after extensive consultation with key stakeholders, labour providers and users, retailers, law enforcement partners and workers themselves.
- 1.2 The strategy has been shaped by a number of key Governmental reports and reviews, ministerial statements, strategic and operational assessments both nationally and internationally all of which illustrate a constantly changing landscape within the sector that the GLA regulates.
- 1.3 This document sets out a clear single aim and three strategic priorities underpinned by six key objectives which will focus the efforts of the GLA over the next three years and build on successes thus far. This can be viewed on a single page at appendix A.
- 1.4 There will be a greater focus on preventing worker exploitation as the first pillar of success, with a distinct approach to early engagement with labour users and providers to protect workers by sharing information and intelligence at an early stage.
- 1.5 The way services are delivered will be restructured to facilitate an incremental approach to the GLA's engagement with the sector through the implementation of an Integrated Operating Model whereby, through a risk based approach including awareness, information sharing, education and greater communication, the burden will be eased on the vast majority of the sector and it is anticipated that enforcement, prosecution and executive action will be concentrated on the element discovered within the sector that seeks to exploit vulnerable people.
- 1.6 This Authority will improve communication at all levels and will provide timely and relevant information as well as harnessing new techniques for reaching a wide range of groups in our communities. The leadership skills of all our staff will continue to be developed to improve performance across all areas of our work.
- 1.7 This ambitious plan has been developed against challenging budget reductions but through a forensic approach and ongoing evaluation into how and where precious resources are used, the GLA will continually strive to meet and exceed its stated aim.
- 1.8 The aim of the GLA is to work in partnership to protect vulnerable and exploited workers – this strategy is the plan to achieve that aim.

## **2. Background to the Gangmasters Licensing Authority**

- 2.1 The Gangmasters (Licensing) Act 2004 (the Act) provides for a licensing scheme to regulate the supply of labour to the farming, food processing and shellfish gathering sectors and establishes a non-departmental public body, the Gangmasters Licensing Authority (GLA), to administer the scheme.
- 2.2 The 2004 Act was introduced into Parliament to tackle exploitation of workers in the agriculture sector. It was adopted by Government in the wake of the death of 23 cockle pickers in Morecambe Bay in February 2004. The Bill aimed to protect the most vulnerable workers employed in the regulated sectors by ensuring those

engaged in the supply of workers, or who use workers to provide a service, meet minimum employment and other standards.

2.3 Compliance with the legislation is assessed by information held by Government departments (e.g. UK Borders Agency (UKBA), HM Revenue and Customs (HMRC)) and from assessment made when a licence application is made. The GLA also carries out risk based inspections and responds to specific complaints of abuse that are raised. The 2004 Act created four criminal offences arising from the licensing scheme:

- Operating as an unlicensed gangmaster;
- Entering into arrangements with an unlicensed gangmaster;
- Obstructing GLA officers; and
- Having false documentation.

2.4 The GLA covers the whole of the UK carrying out intelligence led activity and inspection. Its staff works closely with other enforcement bodies such as the police, HMRC and UKBA. As an Arms Length Body, the GLA is sponsored by the Department for Environment, Food and Rural Affairs (Defra), but also work with other departments such as the Department for Business, Innovation and Skills (BIS), the Home Office and HM Treasury. Enforcement is carried out by the GLA on behalf of Defra.

### **3. Remit and Resources**

#### **Remit**

3.1 The GLA regulates the activities of gangmasters in the farming, food processing and shellfish gathering sectors across the whole of England, Scotland, Wales and Northern Ireland. For the purposes of the 2004 Act a gangmaster is a person who supplies a worker to do work covered by the Act; or who uses a worker to do work covered by the Act in the course of providing a service, or makes arrangements for that worker to do the work.

3.2 The GLA is based in Nottingham where currently 31 of its staff are based. They undertake core central functions including licensing, collating, analysing and managing intelligence, based on a threat and risk methodology, finance, IT and HR. A further 37 enforcement officers and regional managers are home based managing issues across the UK, covering a sector containing circa 400,000 farm workers, 500,000 food packing and processing workers and 10,000 employed in the shell fish industry, through the issue of over 1,100 gangmaster licences.

3.3 In addition to the regulatory aspect of the GLA, a key strand of activity is working with law enforcement partners to identify, disrupt and dismantle serious and organised criminality, people trafficking and other crimes whereby criminal 'entrepreneurs' seek to exploit human assets for profit. The GLA has a firm commitment to protect its 'front line' in times of austerity and this year is reviewing the way its services are delivered to maximise effectiveness and efficiency.

## Resources

- 3.4 The GLA is a small non departmental public body. Its head office is situated in shared Government owned accommodation, with half its staff being home based. Any future significant budget cuts will inevitably result in some reduction in headcount.
- 3.5 The GLA has, in line with all Defra agencies, seen funding reduce as a consequence of SR10 settlements. Over the life of SR10 the GLA's funding will have reduced from £4.7m in 2010 -11 (which included contributions from other Government departments) to £3.9m in 2014-15. A cash reduction of £0.8m or 17% over the period. Wherever possible the GLA has sought to protect front line services and consequently the vast majority of savings to date have been achieved as a result of reductions to back office staffing levels.
- 3.6 Currently the GLA operates within the budget criteria agreed with its sponsor team and balanced budget for 2013-14 is currently in place. However, for 2014-15 the situation is more challenging with an estimated £100,000 budget gap and further reductions in staffing being required.
- 3.7 The March 2013 Budget Announcement from the Chancellor may place further pressure on the financial situation of the GLA's limited assets from 2013-14 onwards.

## 4. Governance and Scrutiny

- 4.1 At this time the GLA is accountable to a Board which presently comprises 19 individuals nominated by 15 organisations with interests in the sectors. The composition of the Board is specified in secondary legislation. Appointments to the Board are made by the Secretary of State. Nine Government departments (including Defra and BIS) send representatives to the Board. The GLA also has a Finance & General Purposes Committee and Audit & Risk Committee both of which provide guidance and recommendations to the main Board thereby enabling it to concentrate on matters of most strategic importance.
- 4.2 The GLA is audited regularly through Government arrangements with RSM Tenon, the National Audit Office, Deloitte, and is accountable to Defra. The GLA has been the subject of various Government reviews over the recent past, Hampton Report, McCrory Report, Macdonald Report, Forestry Task Force, Review of Workplace Rights Compliance and Enforcement ("Davey"), Triennial Review due 2013-14, CSR 10/15 budget settlements and most recently under the employment theme of the Government's Red Tape Challenge.
- 4.3 In a written statement to Parliament issued on 24 May 2012 Jim Paice, Minister of State for Agriculture and food, set out the agenda for the future. In summary, the Government recognised the continuing need for the GLA to enforce protection for vulnerable workers in its sectors, but indicated that the GLA needed to become better at targeting non-compliant operators and reduce the burden on the compliant. This statement has articulated the following agenda:
- *Ensure the GLA targets suspected serious and organised crime by working more closely with the Serious Organised Crime Authority and other specialist law enforcement agencies;*

- *Ensure that evidence of worker exploitation by unlicensed gangmasters or licence holders will contribute effectively to continued successful investigation and prosecution of organised crime groups and assist in the earlier identification of the victims of human trafficking;*
- *Reduce the burden on compliant labour providers and labour users and focus forensically on gross abuse of workers by unscrupulous gangmasters – whose crimes include tax evasion, trafficking, health and safety negligence and other serious crimes;*
- *Streamline the process for issuing licences and remove the general requirement for an application inspection and associated fee, aim to reduce fees and charges and extend the licensing period from twelve months to two years or more for highly compliant businesses;*
- *Remove from the scope of the GLA, activities or sectors which are low risk, including:*
  - *Apprenticeships;*
  - *Forestry;*
  - *Cleaning contractors;*
  - *Land agents; and*
  - *Voluntary workers.*
- *Provide for those with exclusive rights to use the seashore for shellfish cultivation to be able to use their workers to grade and gather shellfish stock without needing to be licensed as a gangmaster. This measure would leave fully in scope of the Act activities such as the gathering of cockles from public shellfish beds;*
- *Introduce administrative fines and penalties for low-level and technical minor offences, including a measure similar to a Repayment Order to achieve paid reimbursement to an exploited worker of wages or other payment which has been removed;*
- *Adopt an approach in respect of a labour user who uses an unlicensed gangmaster proportionate to the circumstances of the offence, for example the financial advantage gained and whether or not there has been abuse of the workers; and*
- *Amend the structure of the Board of the GLA and introduce a smaller Board to provide clear strategic leadership and direction to the GLA.*

4.4 These matters form part of a public consultation procedure after which time further adjustments to the role and functions of the GLA may develop. It is suggested that the options and proposals for change will free up resources within the GLA to provide for greater effort to be focused on identifying and eliminating criminality in those sectors and activities covered by the Authority where exploitation of the most vulnerable workers is known to exist. In addition it will remove an estimated 150 current licence holders from the scope of the GLA.

4.5 Lastly, in recent releases, Defra identifies the following challenges going forward:

- Capacity and capability to deliver our regulatory reform commitments
- Focussing on the reforms that genuinely support growth
- Improving our understanding of what makes farmers and others tick
- Balancing economic and environmental interests
- Making greater use of alternatives to regulation
- Being more responsive to the needs of smaller businesses

## **5. Current Landscape**

5.1 The GLA has a dual role to discharge, that of reporting and measuring against civil regulations, 'the standards' and also preventing and detecting breaches of criminal law contained within 'The Act'. The Authority is an intelligence led organisation and much of its work is based on the information it receives from many and varied open and closed sources, how it risk assesses and develops that information and what action it then takes either as a single inspectorate or jointly with other agencies.

5.2 The GLA therefore continues to work closely with all partners in its regulated sector and is currently updating the 'supply chain protocol', exploring new and innovative methods to prevent exploitation, the creation of a GLA multi lingual hot line accessible for all workers in whatever environment they work and working more closely with other statutory partners including HM Revenue & Customs, Health and Safety Executive, Government Departments, Local Authorities and Police Forces across the UK. Most notably, the GLA has recently concluded a public consultation on key aspects of its service delivery, seeking views from key stakeholders as to how the sector can be best regulated in the future whilst reducing the burden on the compliant. The outcomes of this consultation is being analysed and will be published in the second quarter of 2013/14.

5.3 With regards to its regulatory function, as at 31 March 2013, there were 1,157 gangmaster licences in existence. For the financial year 2012-13 there were over 100 application inspections carried out with a further 82 compliance inspections conducted of existing licensees. In the same period 16 licences were revoked. Currently there are over 80 criminal investigations ongoing and at varying stages of resolution.

5.4 Contained within some of those criminal investigations there is evidence of organisation within and between organised crime groups, degrees of unlawful facilitation into the UK on the promise of work, decent wages and a better life. This can range from individuals who answer advertisements in their own country of offers of work, pay to enter the UK from EU or non-EU countries, which are then financially indebted to their 'master', through to the use or threats of physical or psychological violence, financial bondage, forced labour and, in extreme cases, human trafficking for the purposes of forced labour.

5.5 There have also been recent national cases of slavery and servitude and a report by the Centre for Social Justice includes forced labour in the term 'modern slavery'. The GLA works closely with the UK Human Trafficking Centre and will be seconding staff into that arena to enable a deeper understanding of the signs and symptoms of labour exploitation at an early stage. GLA staff are formally identified as Human Trafficking 'first responders' meaning they have the power to take action to remove

victims from that location immediately. All current reports and thinking on these matters suggest that human trafficking, for the purposes of forced labour, is a rapidly growing trend.

- 5.6 This year, Crimestoppers, the UK Human Trafficking Centre and the GLA created a joint appeal for information on forced labour and, to date, the site has received 50,000 hits. The appeal can be found on You Tube.
- 5.7 The GLA continues to work closely with the public, private and third sector, particularly charities such as the Salvation Army and Victim Support whose services have been utilised on a regular basis to assist with the protection of vulnerable people once they have been extracted from the forced labour environment.
- 5.8 GLA executive are members of the National Organised Immigration Crime Threat Reduction Board which contributes to the UK Threat Assessment overseen by the Home Secretary. Members of the GLA are also key contributors to other high level networks, locally, nationally and internationally.

## **6. Strategic Aim, Priorities and Objectives 2013 - 2016**

- 6.1 The GLA has a very clear aim:

‘Working in partnership to protect vulnerable and exploited workers’

- 6.2 This aim will be achieved through the delivery of three straightforward priorities:

- Preventing worker exploitation
- Protecting vulnerable people
- Tackling unlicensed/criminal activity and ensuring those licensed operate within the law.

- 6.3 To effectively measure success in these vital areas of activity there are six strategic objectives that all staff will contribute to, be assessed against and which will be continuously reviewed and evaluated to ensure the overarching aim is met.

- 6.4 These objectives are:

- ❖ Target, dismantle and disrupt serious and organised crime/early identification of human trafficking.
- ❖ Provide effective, meaningful engagement with stakeholders thereby enhancing reputation.
- ❖ Work with industry to recognise and address non-compliance without formal GLA intervention.
- ❖ Tackle tax evasion, health and safety negligence, fraud, breaches of employment and other law/regulations.
- ❖ Maintain credible licensing scheme creating level playing field and promoting growth.

- ❖ Identify and tackle forced/bonded labour by licensed and unlicensed gangmasters.

6.5 The above aims, priorities and objectives are also illustrated in Appendix A below.

### **Values**

6.6 The GLA strongly believe that providing a high quality of service to the public is not simply about what it does, it's equally about the way it's done. Its values are shared by all members of the organisation and are the foundations that underpin the delivery of the aim, priorities and objectives.

6.7 The GLA will, in everything it does, at all times, demonstrate its PROUD principles:

- P** Professional
- R** Respect
- O** One team
- U** Utmost integrity, trust, openness
- D** Doing it differently

6.8 In addition, staff will continue to hold each other to account to continually demonstrate their commitment to the principles, in order to maintain and enhance the strong reputation the GLA has gained over time. Should anyone in their contact with the GLA believe that the service provided has fallen short of these standards then the Chief Executive personally would like to hear about it.

## **7. Delivering the Plan 2013 - 16**

7.1 Working in partnership to protect vulnerable and exploited workers is dependent upon a clear framework for delivery underpinned by sustained performance under any climate. The framework will provide:

- Strong governance
- Effective performance 'grip' and accountability
- Robust financial management
- A professional workforce

7.2 The framework will enable the organisation to realise continuous improvement in service delivery and to meet the demands of the 21<sup>st</sup> century. Hence the GLA will deliver its aim through the framework of five strategic programmes, all led by an executive member, accountable to the Chair and GLA governance boards with specific, measurable, time limited, realistic yet stretching outcomes.

7.3 The five Strategic Programmes are listed below and will include, but not be limited to, the subjects within each heading. The subjects will obviously develop over the course of the plan, and upon completion no doubt new and emerging themes will take their place.

7.4 A number of the subjects are cross cutting both internally and for other agencies but by setting a clear path for delivery, the GLA has a desire to constantly improve, be transparent in what it does, how and why, and also provide the most effective and

efficient service possible by any non departmental public body/law enforcement agency.

- 7.5 The common theme running through these programmes is that the GLA will demonstrate in all it delivers that there is proportionate yet robust grip, relentless follow up to ensure delivery and a forensic attention to detail to reassure all whom come into contact with the GLA that it will deliver against its aim, priorities and objectives.

### **Partnerships**

- Prevent and Protect (strategies/activities to ensure workers needs are met)
- Law Enforcement – Labour Providers/Users, Retailers
- Government Departments
- Joint Tasking, Joint Threat/Intelligence Assessments
- SLA and information sharing protocols with all key agencies
- Academia – research, emerging trends, local, national, international
- Europol – speedier intelligence exchange
- Refresh supply chain protocol
- Forging new partnerships (e.g. London Fire Brigade - reducing risks to vulnerable persons through awareness raising)

### **Productivity**

- Value for Money – workforce planning, procurement, asset management
- Audit and Compliance – targeted to provide greater insight
- McDonald Review -
- Red Tape Challenge
- Compliance/Enforcement – individual, team, partnership
- Outcomes led – Not Target driven
- Threat and Risk based – development of improved structure, access,
- Intelligence led – National Intelligence Model (revised) compliance
- Income Generation – Proceeds of Crime, EU, Industry

### **People**

- Training, skills, career path, succession planning, secondments
- Leadership – Future, Engage, Deliver
- Change Management – transitional, transactional, transformational
- Senior leaders engage in operational work, visibility
- Continued professional development – competency based assessments
- Values, Communication

### **Public**

- Key stakeholders, Industry
- Workers, Communities
- Communication
- Community Intelligence
- Forced/Bonded Labour (Expansion)
- Awareness = Public Support
- Self & co-regulation by legitimate trade

## **Performance**

- Target non compliant – reduce the burden on the compliant
- Problem Profile – All Agencies
- Stifle unscrupulous labour users/providers
- OCG Mapping, disrupt, dismantle
- Tackle Criminality
- VFM Profiles – Comparisons, in sourcing, Business Partnering
- Outcomes and outputs
- Joint performance measures

## **Delivering the Plan 2013 – 2016 Key Performance Indicators**

- 7.6 The following performance indicators, targets and outcomes are designed to improve performance in relation to the issues which are of greatest concern. Each target will have an annual sub set of targets/indicators to ensure consistent and continuous monitoring and evaluation of activity and progress is maintained throughout the reporting period. The headline performance targets, supported by the specific indicators will then measure tangible progress against the six organisational objectives leading to demonstrating activity against the three strategic priorities and the single Aim.
- 7.7 Due to the current 'Inspection Consultation Document' and the Defra Consultation thereafter it is possible that some of these indicators may change however the principle of performance improvement measured against time, trends and peers (where applicable) will remain.
- 7.8 Improvements will be measured and evaluated year on year against the 2012-13 baseline. They will be analysed over a three year period to enable meaningful interpretation and will be based upon accurate data and analysis, supported by robust systems and structures, driven by staff with the necessary expertise and skill to maximise the function.
- 7.9 Performance against targets will be reported to each and every GLA full Board and Finance and General Purpose Committee to ensure oversight, scrutiny and governance.

## **Delivery Plan Targets 2013 - 16**

- ❖ Increase by 15% year on year the number of forced labour victims identified and removed from danger.
- ❖ Increase by 20% year on year the identification of and seizure of proceeds of crime through unlawful activity within the sector.
- ❖ Increase by 15% year on year the number of referrals made to the UK Human Trafficking Centre (NRM referrals).
- ❖ 15% increase year on year referrals of 'Organised Crime Group' identification and activity to Law Enforcement Regional Organised Crime Units (ROCU).

- ❖ Monitor and maintain the identification and enforcement of breaches of employment standards, National Minimum Wage and statutory employment rights.
- ❖ Increase by 20% year on year the assistance given to labour users/providers in the co-identification of and dealing with potential worker exploitation prior to formal regulatory engagement.
- ❖ To develop closer working relationships with HMRC, HSE, UKHTC and law enforcement agencies through 10 joint operations in year one rising by 25% year on year.
- ❖ Improve the satisfaction of licence holders with the service provided by the GLA by 10% year on year.
- ❖ Improve perception amongst all key stakeholders that the GLA is doing a good or very good job by 10% year on year.

#### 7.10 Within year 2013-14

- ❖ By March 2014 created and implemented a partnership GLA 'Worker Exploitation Prevention Strategy' which will include the joint agencies required to prevent worker exploitation.
- ❖ Effective communication and implementation of the outcomes of the GLA Inspection Process Consultation.
- ❖ Completion of the activities generated from the Government's Red Tape Challenge.
- ❖ Full and detailed preparation for the Government's Triennial Review including internal shadow reviews/inspections.

7.11 All GLA staff will have and own specific personal and professional objectives designed to meet the needs of vulnerable and exploited workers and inextricably linked to this delivery plan.

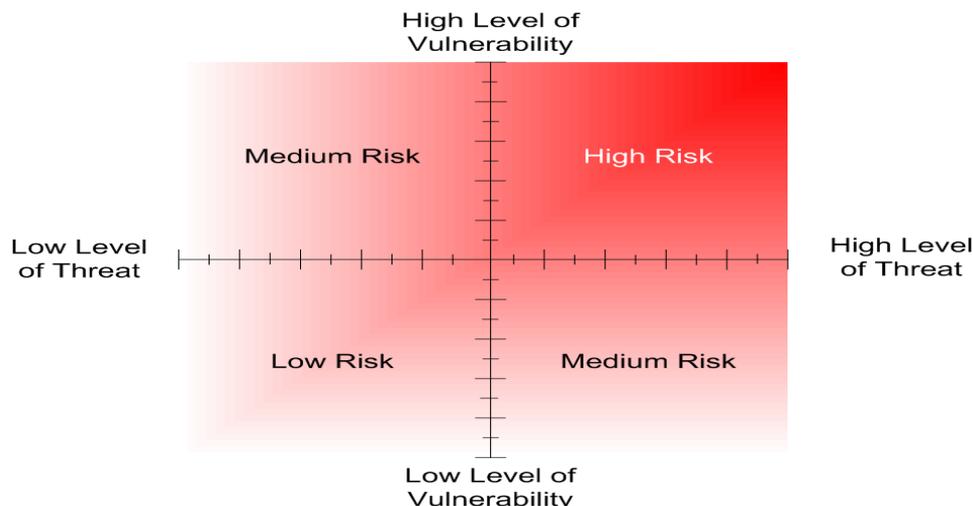
## **8. Risk Management**

8.1 Managing risk in all aspects of the work of the GLA is critical to ensuring that a consistently high level of service is delivered. Risk management is about identifying the risks to vulnerable and exploited workers within the GLA sector, evaluating those risks and deciding on the best course of action to address them. Therefore this organisation has a risk management strategy which is the framework for identifying and evaluating these risks.

8.2 By continuously reviewing and evaluating the information and intelligence that is gathered from a wide range of open and covert sources, assessing the likelihood, probability and impact of that information and the risks that are identified, the GLA is able to take effective and proportionate action to protect people from being vulnerable and exploited. This cannot and does not occur in isolation from other agencies, sectors and the industry itself and the GLA seeks at every opportunity to

engage with the labour user/provider and workers themselves to prevent exploitation in all its forms.

- 8.3 The risk assessment matrix includes all activity that the GLA undertakes from its regulatory role through to 'policing' of the Act. Consequently, a risk based approach to application and compliance inspections, adherence to the 'Standards' and the Act through to the early identification of unlicensed gangmasters and decisive action to prevent or protect vulnerable workers is an ongoing process in order to reduce the threat of harm to individuals working within the GLA regulated sector.
- 8.4 In addition, the GLA is also accountable to the Audit and Risk Committee which critically examines and holds the authority to account for the management of all organisational, operational, financial and associated risks, assessing each identified corporate risk against likelihood, impact and also volatility. Success of the GLA strategy is predicated on the effective management of corporate risks for example: ongoing strategic and operational interagency cooperation, the quality and quantity of intelligence and evidence of exploitation, the capacity and capability of the GLA and its leadership to effectively deliver the strategy.
- 8.5 The following diagram illustrates the basic principles of risk that the GLA applies and is overlaid with the information and intelligence it receives to produce a more detailed assessment.



## 9. Summary

- 9.1 This strategy for 'Protecting vulnerable and exploited workers 2013-16' seeks to illustrate a clear framework by which the GLA will improve its performance, enhance confidence and satisfaction and most importantly create a platform where the exploitation of workers can be identified at an early stage and prevented.
- 9.2 In so doing, the activity of the GLA will be harnessed through a simple delivery plan that is both transparent and open to scrutiny, will be continually reviewed, evaluated and assessed both internally and through the various governance structures and ultimately by the industry that the GLA regulates.
- 9.3 This strategy, aim, priorities and objectives will be formally reviewed bi-annually by the GLA main board which is comprised of the main stakeholder groups including Government Departments, Labour Providers and Users, Trade Unions and other interested parties to ensure worker exploitation is being prevented, they are being protected and that unlicensed activity is being addressed and those operating within the regulations continue to be compliant. This will be achieved whilst easing the burden on the compliant and enabling national economic growth.
- 9.4 Feedback is greatly appreciated and further explanation as to any aspect of this strategy can be given by contacting:

[enquiries@gla.gsi.gov.uk](mailto:enquiries@gla.gsi.gov.uk)

Tel: 0845 602 5020



Margaret McKinlay  
*Chair*



Paul Broadbent  
*Chief Executive*

# Strategy for Protecting Vulnerable and Exploited Workers 2013-16

