



# CEO's Quarterly Report

June – August 2013

## News

### **GLA Triennial Review**

The Triennial Review of the GLA is currently under way. As part of the government's rolling programme to examine public bodies, this exercise is to provide a robust challenge of the continuing need for a NDPB. It examines function and form and subsequently, where it is agreed that a public body should remain, the process reviews the control and governance arrangements.

The GLA's current review was announced on 10 September by the Minister of State for Agriculture and Food, David Heath MP. It was described as 'an opportunity to examine and confirm those conclusions where appropriate and to focus on ensuring that the governance arrangements of GLA are as effective as possible'. The GLA has only recently gone through the government's Red Tape Challenge and is now complying with its recommendations. The findings from the Triennial Review are scheduled to be published late in 2013 or early next year.

### **University of Derby Training Agreement**

GLA officers are set to receive additional training on constructing a legal case, gathering evidence and conducting interviews with suspects from criminology and law experts at the University of Derby. The programme commenced in late September and will boost the current investigative skills and legal knowledge of the GLA's entire team of investigators. Training will be delivered over three course modules by the university's Subject Head of Criminology, Dr David Walsh, Criminology Lecturer Mick King, and the Head of the School of Law and Criminology, Kevin Bampton.

Dr Walsh said: "We will be adding to the training the GLA's investigators already receive; covering areas such as investigative skills, the building up of case evidence and interview techniques. In addition, I will be using the opportunity of the training to conduct some research into the thinking of investigators and their decision-making process."

### **The 'quaintly named' Authority**

The GLA attracts its fair share of UK media coverage but was surprised when there was a mention recently in an article in the New York Times. The feature called 'Subcontractor Servitude' was about temporary workers from Jamaica, who were

working as cleaners in Florida's hotels, going on strike after being fleeced by ruthless employers. The author recommends that the US considers introducing penalties for labour contractors who flout the law, much like those imposed by 'the quaintly-named' GLA.

### **Defra Consultation Results Support Strategy**

The GLA has welcomed the formal response to Defra's public consultation on how the scope and governance of the authority could be improved in future. It was pleasing to note that the majority of opinions given in answer to Defra's consultation had backed proposals outlined in last year's Red Tape Challenge (RTC) review that are being implemented through the new strategy. The RTC had urged the GLA to concentrate more on serious and organised criminal labour providers, while removing the financial and administrative burden on compliant businesses.

Exactly 100 stakeholder views were collected by the authority's sponsor department earlier this year. The fact that the majority of respondents backed proposals to exclude certain low-risk activities from the regulatory remit was very good news. Most people also exhibited a belief that the current Board was too large and should be streamlined to improve governance efficiency – another measure that is also being examined.

### **No Extension To SAWS**

The government has confirmed there will be no extensions to the Season Agricultural Workers Scheme (SAWS), which will close at the end of this year. The scheme allows the GLA sector to take on up to 21,250 additional migrant workers a year for up to six-months at a time. Currently these places are taken up by Bulgarian and Romanian workers, as despite the two countries being EU members already, they do not yet have the freedom to work in the UK in line with other EU citizens. These restrictions will, however, lift at the end of this year so the scheme is no longer deemed necessary.

A Home Office statement said: "Our view is that, at a time of unemployment in the UK and the European Union, there should be sufficient workers from within those labour markets to meet the needs."

### **GLA assists HMRC in Scotland**

The GLA has been working with HMRC and Police Scotland as part of an investigation into potential widespread tax evasion connected with the fish processing industry in Peterhead. It has been estimated that tackling the issue has the potential to lead to the recovery of millions of pounds in lost revenue. The bulk of this amount is thought to relate to rent paid by migrant workers in the Scottish fishing port but not declared by landlords.

As part of the inquiry several processing plants using GLA-licensed labour were checked and a suspected unlicensed provider was identified. Further operations are now being planned and are scheduled to take place later this year.

### **Change Of Approach For Some Licence Application Site Visits**

Following GLA Board approval, it was decided that from October 2013, a discretionary approach to a physical site visit of certain licence applicants may be appropriate in certain circumstances. The fundamental difference to the previous approach is that instead of physically meeting all licence applicants, the GLA has the discretion to issue or refuse a licence at an earlier stage based on information, intelligence and evidence available at the time. Each individual application for a licence will be assessed on its own merits and the use of all available information from other government departments, law enforcement and key partners will be paramount in the decision-making process.

This new approach allows the GLA to use its professional discretion as to whether a physical site visit is required on each and every occasion or whether information exists to speed up that process and negate the need to carry out a site visit.

The **default position** will be that the GLA **will** physically inspect unless aspects exist, supported by other evidence, information and intelligence, which deem that a site visit is not necessary. Therefore all licence applications will continue to include a physical site visit of the premises unless it is deemed not necessary. A full explanation on the discretionary approach can be found by clicking [here](#).

### **Forestry**

The GLA's regulations relating to forestry have relaxed as a result of extensive public consultation. Under the government's Red Tape Challenge, the GLA has been reducing the bureaucratic burden on businesses. One of the proposed options was to exempt some areas of work in the forestry sector.

For example, labour contractors providing forestry services are now exempt from requiring a licence. However, agencies supplying workers for forestry projects are still included in the GLA sector. A full explanation of the changes to regulating forestry will be issued on a forthcoming GLA Brief.

### **Business Alert**

The GLA has responded to feedback from businesses by introducing Business Alert – an automatic messaging system that can send out information by email, text or voicemail to an audience segregated by geographical area or business sector. The alert system can also target specific categories such as; labour-users or providers, workers or interested parties with regular, real-time intelligence and information, provided they are registered. Final tests are being carried out and the launch will follow imminently.

In addition, two years external funding has been secured for a GLA analyst to be seconded to the National Business Crime and Resilience Centre, which sees public and private sector intelligence shared dynamically. This is where it is proposed the GLA's use of the Business Alert system would be administered from.

## Events

### **Westminster Briefing - Human Trafficking**

GLA Chief Executive Paul Broadbent was one of the key speakers recently at a Westminster Briefing on the subject of Human Trafficking: Working Together to Protect Victims and Tackle Perpetrators. These briefings are events aimed at providing a forum for practitioners, local policymakers and civil servants to debate key issues. Mr Broadbent was joined on the speaking panel by representatives from the UK Human Trafficking Centre, the Salvation Army RACE in Europe Project (an initiative run by Anti-Slavery International), Stop the Traffik, anti-trafficking organisation Unseen and counselling charity New Pathways.

### **Police Scotland Briefed**

Following the mergers of eight Scottish police forces into one earlier this year, the CEO took the opportunity to brief people with responsibility for serious/organised crime, intelligence, counter terrorism, proceeds of crime, human trafficking, analysis and local policing on the role of the GLA. Subjects covered included the specific challenges in Scotland and how the GLA wished to work in partnership to protect vulnerable and exploited workers. The presentation was very well received, building upon the excellent working relationship the GLA enjoys with law enforcement in Scotland. It is clear there are enduring challenges but there is a real appetite to address these collectively and effectively.

## Operations

**Atwood** - Seven people were arrested and 11 potential male victims of human trafficking identified when officers from the GLA took part in a joint operation with the local police and UKHTC in Derby. The arrests were made on suspicion of offences including conspiracy to commit human trafficking, money laundering and fraud. The potential trafficking victims, who were brought to the UK from Eastern Europe, were assisted during the operation by the Salvation Army. All suspects have been remanded in custody and will be back in court for a plea and case management hearing in November 2013.

**Even** - A man was arrested on suspicion of fraud as part of an ongoing multi-agency inquiry into the suspected exploitation of workers and other possible criminal activity of a gang in Norwich. The GLA teamed up with Norfolk Police, Norwich City Council and the UK Border Agency to execute warrants at three addresses in the city. The investigation centres on a Lithuanian gang operating in the north of the city, suspected of supplying workers for both agriculture and food processing without a licence. The 23-year-old was arrested and bailed to report back to Wymondham Police Station.

## Performance – Second Quarter 2013

July 1 to Sept 30

### Operational

- Application Inspections: 26
- Compliance Inspections: 26
- Licence Revocations: 7
- Workers identified as exploited: 127
- Ongoing Criminal Investigations: 57

**Licence Totals** - (taken at 1 October 2013)

Full: 1176  
With ALCs: 10

### Parliamentary Questions

2013-14	PQ Totals	Subjects				
Quarter		Finance	Operational	Powers	Staffing	Board
Apr - Jun	10	2	1	0	7	0
Jul - Sep	4	1	1	0	2	0
Total (financial year to date)	14	3	2	0	9	0

## Financial

The GLA, like other public sector bodies, has many and varied financial pressures. These are being worked through and discussions are ongoing with regard to the 2014-15 budget.

## Human Resources

### Staffing Restructure

The major restructure of the roles and responsibilities of the GLA's home-based staff came into effect on 9 September. The four former Heads of Operations have all begun re-defined roles with two assuming the title of Senior Investigating Officer and each heading up a syndicate of enforcement officers. Another has taken over a team of officers that will focus on compliance for the UK while the fourth is now in charge of business change and development with a team of two officers.

### **Staff Absences**

These have continued on the downward trend reported from the last quarter and are now even further below the national average for civil and public servants. In August, only four sickness days were recorded across the entire organisation.

### **Staff Survey**

A survey of all GLA staff was conducted in July allowing employees to provide anonymous feedback on a range of subjects including their views on leadership and management, learning and development, recognition and reward and internal communications. There was also an opportunity to provide general comments at the end of the survey to provide suggestions that might improve operations. Key findings were discussed at the Staff Seminar in September and an action plan is being drawn up based on the views and observations raised and improvements identified.

### **Policy Updates**

A review of all of the GLA's HR policies continues with a number of them already having been updated. More are on the agenda for the near future; including a Fitness to Work Policy for field-based staff to ensure the GLA meets its duties under health and safety legislation.

### **Secondment To UKHTC**

An officer has been selected to spend a period of secondment working with one of the GLA's key partner organisations, the UK Human Trafficking Centre (UKHTC). Based in Birmingham, this is part of the National Crime Agency and exists to provide a central point of expertise and coordination in relation to the UK's response to the trafficking of human beings for labour exploitation. The arrangement will begin early in October and run for a minimum of three months up to a maximum of six months.

### **Training Needs**

All employees are in the process of being asked to identify any training and development that they feel could benefit their performance at work. The results are being compiled and prioritised with funding being made available after staff indicated they would prefer the part of the budget allocated for staff bonus payments to be used instead to enhance the skills of employees.

## **Licensing and Legal News**

### **Unlicensed Lancashire Gangmaster Fined**

A Preston-based labour provider was fined £3,500 after ignoring repeated warnings from the GLA that her company was trading illegally. Tina Walker's unlicensed business, UR Workforce Solutions, continued to provide three workers to Preston Meats in spite of receiving five separate written warnings in May and June 2012. The company was clearly aware of its requirement for a GLA licence to supply labour for meat processing as Walker's previous company, Uplands Recruitment Agency Ltd, had held a GLA licence since June 2007.

### **Boston Company 'Front' Found Out**

Prompted by a case in which a vastly inexperienced person failed to gain a gangmaster's licence for a company in Lincolnshire, the GLA issued a warning to anyone planning to act as 'a front' for a business. In the case of DZK Ltd, the

appointed Principal Authority was a part-time cleaner called Luisa Braga. Ms Braga could give no explanation as to why she wanted to establish a business in the industry nor could she provide details on how she intended to run the business or find and service clients. She was also unsure about where her office would be based and was unable to estimate the turnover of her business. The application was rejected.

### **Irregular Operations Lead To Loss Of Licence In Lincs**

A Lincolnshire recruitment agency that made regular monthly payments to a 'mystery recipient' has had its licence revoked. Recruit Solutions (UK) Ltd, of Gainsborough, lost its licence when GLA officers unearthed concerns with its operations. An inspection identified issues with six separate licensing standards and a further concern came from no-one in the company being able to provide a satisfactory explanation for a monthly payment of £469.13 to a 'mystery' personal recipient.

### **Illegal Gangmaster Given Four Suspended Sentences**

The GLA publicly expressed its disappointment after an unlicensed Wiltshire-based gangmaster walked free despite admitting he had systematically exploited around 60 Filipino workers over a prolonged period. Christopher James Blakeney, of Conock, Devizes, illegally supplied the herdsmen to a large number of dairy farms across the UK. He was handed 12-month sentences, suspended for two years, for each of four counts of acting as an unlicensed gangmaster. He was also ordered to pay a total of £45,000 over the next three years in direct compensation to the workers he supplied illegally and was made the subject of a confiscation order for £12,801 under the Proceeds of Crime Act.

Blakeney had ignored advice and warnings from the GLA and supplied between 60 and 70 workers illegally over a period of more than three-and-a-half years. In summing up, the judge told the defendant: "You had persuaded yourself that you fell within the exclusion regulations, when it should have been obvious to you from the start that you did not. You were wrong and in my judgement, wilfully wrong!"

### **Second Success Against Illegitimate Travel And Subsistence Schemes**

The GLA notched up another significant victory against companies operating unlawful travel and subsistence tax avoidance schemes when it revoked the licence of Merseyside labour provider, UK Payroll Ltd. The company admitted operating a pay-day-by-pay-day expenses relief scheme. This was in breach of GLA and HMRC guidance, and constituted a critical breach of the GLA's licensing standards, specifically the requirement to pay PAYE tax and National Insurance contributions correctly. The scheme also resulted in wages being paid below the prescribed minimum and had breached another standard relating to withholding holiday pay. The company decided not to appeal the revocation of its licence, which came into effect on 2 August.

### **Aberdeenshire Farmer Fined**

An Inverbervie farming company was fined £2,000 for supplying temporary workers to a potato processing and packaging plant without a licence. Jacobsen GFM, trading as AM & AJ Jacobsen Ltd, from Grange of Kinneff, pled guilty to acting as an unlicensed gangmaster at Stonehaven Sheriff Court. GLA officers had discovered

the unlicensed Aberdeenshire business had been supplying workers to a labour user in Fettercairn.

## Other News

### **Jenny Marra MSP Launches Human Trafficking Consultation**

A consultation on a proposal for new anti-human trafficking legislation for Scotland has been lodged by Scottish Labour's Jenny Marra MSP. The move has the backing of Baroness Helena Kennedy, and world leading anti-trafficking expert Dr Anne T Gallagher. The consultation proposes a raft of measures to improve Scotland's anti-trafficking response, based on EU law that came into force in April this year and recommendations of the Equality and Human Rights Commission's Inquiry into Human Trafficking in Scotland. The consultation was launched on 11 September at a conference organised by Justice Scotland.

### **Farm Inspections**

Defra has now completed and published a new guide to farm inspections. The document has been created in response to the policy on simplifying farm regulations and sets out the rules on how and when government officials might visit a farm. It also explains who carries out inspections and what they are looking for. For more information, click [here](#).