

**MINUTES OF THE SECOND MEETING OF THE LABOUR PROVIDER LIAISON GROUP
 – 7 JULY 2009, HELD AT DEFRA, NOBEL HOUSE, LONDON**

Present:

Paul Whitehouse	Chairman
Anne Fairweather	REC
Chris Gorton	Heads UK
Claude Peters	Van Stomp
David Camp	ALP
Lewina Farrell	REC
Mark Boléat	ALP
Mark Rye	DKM Labour
Marshall Evans	Staffline
Robert Vitols	À la Carte
Sarah Brooksbank	Industrious People
Darryl Dixon	Director of Strategy, GLA
David Nix	Head of Policy and Communications, GLA
Almut Gadow	Policy Officer, GLA

Apologies:

Joanne Young	ALP
Terry Godfrey	Gangmasters' Alliance

1	Declarations of interest	Note: <ul style="list-style-type: none"> CG, CP, MR, ME, RV and SB are current licence holders
2	Minutes of last meeting	Note: <ul style="list-style-type: none"> Agreed Action: <ul style="list-style-type: none"> DC to raise any actions outstanding from meetings of the old Labour Provider Group via email
3	BRE Hampton Implementation Review/ GLA Annual Review	Note: <ul style="list-style-type: none"> BRE report on Hampton Implementation Review of the GLA due to be published at the end of July. GLA is preparing action plan for the implementation of recommendations from Hampton Implementation Review and Annual Review, to be presented to October board meeting.
4	Right to respond to inspection findings	Note: <ul style="list-style-type: none"> It remains ALP's position that GLA should offer LPs opportunity to respond to inspection findings before decisions are formalised. BRE Hampton Implementation Review considered ALP's representations for introduction of a 'minded to revoke' stage, but concluded it was unnecessary. GLA inspectors normally discuss findings as part of inspection process, refer disputes up as necessary, and would normally record disputes in inspection reports.

		<ul style="list-style-type: none"> • Where a revoked LP writes in disagreeing with GLA Licensing decisions such correspondence is always reviewed. If it identifies a factual error a revised decision will be implemented, as has occurred in 4 cases. No process change is therefore required. • Inspectors' reports are now reviewed by their line managers before submission to licensing.
5	Travel schemes/ umbrella companies	<p>Note:</p> <ul style="list-style-type: none"> • ALP advised that the unlawful operation of travel and subsistence schemes is one of the main issues being raised by LPs. LPs who operate such unlawful schemes can undercut those who do not. ALP has raised this with HMRC, and argued that delay in response will be interpreted as tacit approval. • REC has written to Treasury Minister asking for further statement with reference to minimum wage/ expenses not actually incurred/ tax relief going to businesses rather than workers • GLA shares ALP's/ REC's concerns. GLA will continue to work with HRMC to resolve. HMRC due to provide training for GLA inspectors. • GLA has sent questionnaire to all licence holders to ascertain current use of travel and subsistence schemes / umbrella companies. • All umbrella companies operating in regulated sector must be licensed. Licence holders must pay minimum wage before payments on account of expenditure. <p>Action:</p> <ul style="list-style-type: none"> • GLA to confirm its position as soon as possible. • GLA to consider raising this matter with supermarkets • REC/ALP to forward copies of correspondence with HMRC to group.
6	REC/ALP approach to members subject to revocation, refusal, enforcement action or criminal charges	<p>Note:</p> <ul style="list-style-type: none"> • REC checks all GLA notices of revocation against member database. REC members whose GLA licence is revoked are referred to REC's Professional Standards Committee. Depending on nature of breach, Standards Committee may decide to work with member to resolve issues or expel member. • ALP membership ends when a member loses an appeal or ceases trading or depending on the circumstances they are highlighted on the ALP website as "not GLA registered". ALP membership is suspended at the point of revocation with immediate effect.
7	ALP Insurance and Legal Services	<p>Note:</p> <ul style="list-style-type: none"> • ALP now offers its members various insurance products, including legal expenses insurance, arranged through Locktons. All revenue generated goes towards member services, and the scheme will not affect advice ALP gives to its members.
8	Licensing Decisions	<p>Note:</p> <ul style="list-style-type: none"> • ALP concerned about consistency, i.e. different inspectors reaching different conclusions on same facts. • To ensure consistency, licensing decisions are made by GLA Licensing, not individual inspector, on evidence gathered by inspectors and checked by their supervisors. • ALP concerned about proportionality, i.e. GLA response not reflecting

		<p>seriousness of breach.</p> <ul style="list-style-type: none"> • GLA confident that past decisions have been proportionate. • Securing powers to impose Macrory penalties will allow GLA to choose from a wider range of sanctions the most appropriate for different circumstances. DD presented outline of proposed enforcement responses to be used once Macrory penalties are available to GLA (prosecution, monetary penalties, undertaking by LP, warning, refusal/revocation). <p>Action:</p> <ul style="list-style-type: none"> • GLA to consult on proposal in due course.
9	Targeting enforcement on major exploitation	<p>Note:</p> <ul style="list-style-type: none"> • REC/ALP concerned that GLA giving too much priority to relatively minor non-compliances by existing licence holders, rather than concentrating on unlicensed businesses or major exploitation. • GLA tasking now prioritises only cases of unlicensed operators and those likely to lead to revocation. • GLA not perceived to be communicating sufficiently what actions are taken against unlicensed operators. • Industry must continue to pass on to GLA information on any unlicensed operators of which LPs become aware. Industry would appreciate more feedback on outcomes where such information has been used. • GLA is exploring other sources of information on unlicensed operators. • REC/ALP concerned at delays in notifying LPs of inspection outcomes. <p>Action:</p> <ul style="list-style-type: none"> • REC/ ALP to send GLA details of cases of undue delays in notifying inspection outcomes. • GLA to consider introducing time targets for notifying LPs of inspection outcomes. GLA to chase response to CP.
10	Minimum wage	<p>Note:</p> <ul style="list-style-type: none"> • Transport deductions: ALP has evidence that HMRC has changed its stance and LPs are facing hefty repayments for past transport deductions as a result. ALP dissatisfied with the outcome of its discussions with BERR/BIS, HMRC, and due to meet Low Pay Commission next week. • Agricultural minimum wage: ALP is calling for AMW to be abolished • REC considers the payment of NMW rather than AMW a minor non-compliance, which GLA should not pursue. • Some ALP members who duly pay AMW are concerned that competitors who do not pay AMW rates can unfairly undercut them. <p>Action:</p> <ul style="list-style-type: none"> • GLA to raise transport deductions with HMRC, BIS and FEED • GLA to review tasking of AMW breaches
11	Worker Registration Scheme	<p>Note:</p> <ul style="list-style-type: none"> • ALP is campaigning against the continuation of WRS and the manner in which the scheme's extension was announced. • GLA inspections will not check if workers are registered under WRS.
12	Any other business	<p>Note:</p>

		<ul style="list-style-type: none"> • REC raised issue of licence transfers in cases of corporate restructures, mergers, acquisitions, etc. • REC questioned whether GLA inspectors have powers to determine workers' employment status. It is the GLA's position that GLA inspectors have that power, REC disagrees, GLA awaiting further advice from DEFRA legal. <p>Action:</p> <ul style="list-style-type: none"> • GLA to confirm position on both issues by end of August.
13	Date of next meeting	<p>Note:</p> <ul style="list-style-type: none"> • Next meeting 2 October 2009, 11.00am, London