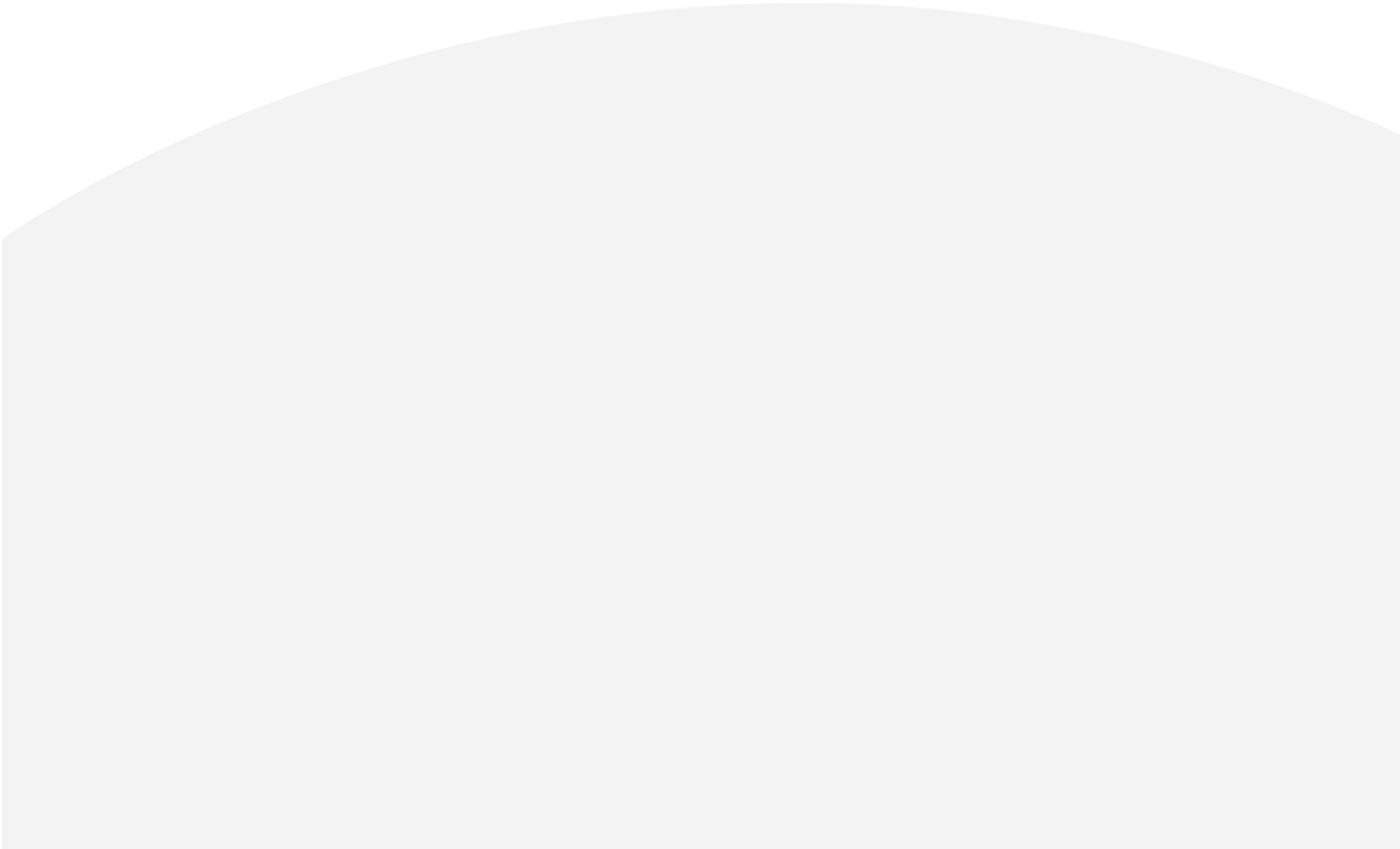




GLA Verification Process

January 2006



Issues

This paper is to advise the board of the approach the GLA will take to maximise the number of Labour Providers who can be considered "TLWG successful". This approach will enable "successful" LPs to obtain the discount of £250 off their licence fee if they apply early.

Recommendation

The board are asked to note the GLA verification approach which forms part of the transition work from voluntary to statutory process. The TLWG will also be advised of the details of the final approach on 16th January.

Background

1. The primary objective of the GLA Mission statement requires the GLA to ensure that Gangmasters (i.e. Labour Providers – LPs) are fully compliant with the legislation that covers the environment in which they operate. The GLA must therefore satisfy itself that each LP is compliant when applying for a licence, and subsequently throughout the lifespan of a licence. In supporting this approach the GLA has developed its Licensing Standards.
2. The Licensing Standards have now been finalised following the public consultation exercise, and presented to the Board in paper 8/9.3. It will be against these standards that the GLA will assess whether a LP is compliant and eligible to receive a licence to operate.
3. Currently, and until the GLA "opens for business", LPs are encouraged to be independently audited against a voluntary code of practice introduced by the Temporary Labour Working Group (TLWG). These audits identify existing areas of non-compliance, but cover areas outside of the GLA's Licensing Standards. The GLA has made a statement setting out its position on TLWG and other approved audits.
4. In advance of opening for business, the GLA will commence a programme to verify that audited companies have addressed identified non-compliance from the TLWG/REC approved audit. The Licensing Standards will be used to confirm compliance in the same way as will occur in Application Inspection. This approach is consistent with section 1(3) of the Act which states that: "The Authority may do anything that it considers is calculated to facilitate, or is incidental or conducive to, the carrying out of any of its functions".

Why is verification occurring?

In due course TLWG audits will cease and it is important therefore for the GLA to establish a seamless transition from voluntary to statutory process. An integral part of this process requires a shift of focus from TLWG audit completion to accepted verification, to allow the GLA to identify successful audits. This will be achieved using the GLA verification process.

5. Those Labour Providers whose compliance is successfully verified by this process. will not be subject to any Application Inspection (unless warranted by OGD responses and the "minded to refuse" decision based on the OGD responses).

6. Now that the consultation exercise has been completed GLA verification will commence on 23rd January 2006. Only TLWG/REC approved audits will be accepted by the GLA for consideration of verification, irrespective of age.

What has been done?

7. The GLA wrote to each Labour Provider, (by e-mail or letter) currently, or previously, listed on the TLWG web site (794 businesses) on 20th December 2005. This letter advised them of the benefits of taking up a TLWG audit prior to licence application.
8. Labour Providers were advised that taking up a TLWG audit would help identify, at an early stage, any non-compliances requiring attention prior to licence application. They were also advised that a successful audit would remove the need for an application inspection
9. As part of the Transition work programme, agreed between the GLA and ETI/Impactt Ltd (who manage the TLWG audit programme) batches of TLWG Audit Data are being converted from TLWG to GLA Standards and sent to the GLA* in accordance with agreed dates. These are as follows:

Number Expected	Date	Total
50	18/11/2005	50
50	30/11/2005	100
125	09/01/2006	225
35	31/01/2006	260
40	28/02/2006	300
32	31/03/2006	332
49	21/04/2006	381

**(Terms and conditions of the TLWG Audit process advise each LP that the result of their audit may be sent to the GLA)*

How will verification be undertaken?

10. The GLA "proportionality" scoring system will be applied to each TLWG audit result, to convert it into an indicative "pass" or risk of failure level. This level is the score derived from the relevant non-compliances identified at the audit, which may still exist. Those LPs posing the highest risk will be contacted to arrange a verification visit by GLA staff. The visit will aim to establish if the LP has resolved the identified, and relevant, non-compliances. If so, the LP will be classed as "successful" and invited to apply for their licence in April 2006.

When will verification commence?

11. Verification visits, where required, will take place between January and May 2006. Initial contact to arrange verification visits will commence from 16th January 2006

How will the verification results be used?

- 12 At the conclusion of the verification visit, and based on the evidence of compliance the GLA will determine the success or failure of each TLWG Audited LP. Successful LPs, , will be more likely to be granted a licence on application, subject to checks by other government departments.
- 13 In all low risk cases where non-compliances still remain the GLA will advise the business of the need to provide evidence where necessary of the correction of any remaining issues, prior to licence application, in order to raise compliance standards.
- 14 Where issues remain at the application stage, but are not sufficiently serious to refuse a licence, then the LP will be advised that conditions will be attached by the GLA for correction within a set time period.
- 15 Those LPs remaining in the high risk area, and classed as "unsuccessful", will be advised that when they apply they will be subject to an application inspection. (all dates are subject to the rules being laid before parliament)

What are the benefits of this approach?

- 16 A programme of verification will:
 - Demonstrate the benefits of the TLWG audit, by providing the GLA with data on which to assist LPs in improving compliance
 - Demonstrate the GLA's commitment to education and compliance, indicating a proportionate approach to regulation and enforcement
 - Assist LPs in resolving non-compliances, so that they are more likely to pass the GLA's application process and Licensing Standards
 - Increase the visibility of the GLA
 - Increase awareness of the requirements of the licensing regime
 - Encourage LPs to apply for licensing

When will the GLA continue to accept TLWG audits until?

17. The GLA will continue to accept TLWG audits until transition ceases in June 2006 (NB: discounts are only available for applications received before 31/05/06).