

Issue 11 – 10 January 2011: Licence Renewal Process

This Brief explains the new licence renewal processes

Date effective : 17 January 2011

Introduction

This guidance explains the Gangmasters Licensing Authority (GLA) new renewals process and what happens if a licence holder does not renew in time. This guidance is in force from **17 January 2011** for licence holders with a renewal date on or after this date.

Failure to Renew

Licences are granted for a year and must be renewed before the expiry date. If a business fails to renew its licence it will be removed from the public register immediately. The business must apply for and be granted a new licence before they can trade legally in the GLA regulated sectors again, otherwise they risk prosecution. Any new application will be charged the appropriate licence and application inspection fee.

It is the responsibility of licence holders to renew their licences in sufficient time before the expiry date to avoid becoming unlicensed. Licence holders should make sure they are aware of their licence expiry date.

Renewal Process

Six weeks before a licence expires a renewal reminder is sent to the licence holder. This letter will provide an estimate of the renewal fee based on the licence holder's current fee band. It will also include a copy of the licence holder's details. Licence holders must:

- Check that the fee band is correct given their turnover in the GLA regulated sectors. If the fee is correct, the licence holder should follow the instructions in the letter on how to pay. If the fee needs changing, the licence holder must contact the GLA as soon as possible. The GLA will advise the licence holder on what fee should now be paid. Licence holders risk having their licence revoked if they deliberately under estimate turnover to benefit from a lower fee level.
- Check the licence record and contact us if any changes need to be made. If the licence holder does not notify the GLA of any changes, it will be taken that their details remain correct. Changes should be notified to the GLA within 20 working days of the change happening. Not informing the GLA when the change happens could be a breach of Licensing Standard 1.4.

If the licence holder does not respond to the first reminder letter, a second reminder will be sent three weeks before the expiry date. This is a final reminder. No further attempt to

remind the licence holder will be made, either by letter, email or phone. If expiry occurs the GLA will send a letter to the licence holder to notify them.

A licence will be renewed if the fee has been paid before the expiry date. Cleared funds for the full renewal amount must be received by the expiry date or the licence will expire. Licence holders wishing to pay by cheque must ensure that the GLA receive the cheque at least five working days before the licence expiry date to allow enough time for the cheque to clear.

Once the licence holder pays the fee and renews in time, the renewal fee is non-refundable.

Labour Users

Any labour user continuing to use a gangmaster after its licence has expired will also be committing a criminal offence and risk prosecution. It is recommended that labour users follow Defra's Reasonable Steps guidance. This explains the steps that can be taken to make sure a gangmaster is licensed. The GLA also has a free "Active Check" where labour users can receive alerts on the status of a licence holder, including if the licence expires after they have failed to renew. Labour users will have a defence against prosecution if they can show they have:

- taken all reasonable steps to ascertain if a labour provider has a valid licence, and
- did not know, and had no reasonable grounds to suspect, that the labour provider was not licensed.

Following Defra's guidance or registering for an Active Check will give a labour user such a defence. More information is available on the GLA website (www.gla.gov.uk). Labour users can check when their labour provider's licence is due to expire by checking the GLA Public Register or asking their licence holder.

Complaints

The GLA has received complaints from labour providers who have failed to renew, requesting late renewal, and therefore avoiding the costs and inspection associated with a new application. Such complaints are unlikely to be allowed if the GLA has followed the procedure set out in this guidance. Businesses whose renewal application is rejected are entitled to submit a formal complaint by writing to Complaints, Gangmasters Licensing Authority, PO Box 8538, Nottingham, NG8 9AF or emailing complaints@gla.gsi.gov.uk

The GLA will consider each case but unless there are exceptional reasons, the business will need to apply for a new licence.

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If this change presents a difficulty for you please contact us on 0845 602 50 20.