

**MINUTES OF THE FIFTH MEETING OF THE LABOUR PROVIDER LIAISON GROUP
 – 26 MAY 2010, 11AM, HELD AT ERGON HOUSE, ROOM 401, LONDON**

Present:

Paul Whitehouse	Chairman, GLA
Almut Gadow	GLA
Janette Bonham	GLA
Chris Gorton	Heads UK
Mark Boleat	ALP
David Camp	ALP
Claude Peters	Van Stomp
Marshall Evans	Staffline
Terry Godfrey	Gangmasters Alliance

Apologies:

Joanne Young	Right 4 Staff
Anne Fariweather	REC
Lewina Farrell	REC
Robert Vitols	A la Carte Recruitment
Julia Brereton	Sastak
Michael Bayne	Ringleader
Tracy Alyanai	Industrious People

1	Declarations of interest	Note: No declaration of interest.
2	Minutes of last meeting	Note: • Agreed
3	Update on actions	Note: <ul style="list-style-type: none"> • Action 1. GLA asked to consider whether it is possible to collate and publish data on response times following inspections – GLA have considered this but have decided not to do so at the moment as the resource implication is prohibitive. • AG advised that the response time should come down to within a month over next few weeks (problems due to staff illness and shortages, now addressed). Group asked to advise if after this time it takes more than a month. • PW advised that the resource difficulties related to the contract with IBM which is being reviewed. • Action 2. ALP to prepare a paper on transport deductions for the April Board – this was discussed at the April board. DC gave copy to the group. DC considers that HMRC is wrong and more work needs to be done. • Action 3. Guidance on overseas issues. GLA are currently dealing with this. DC advised that another issue had come up concerning tax havens. DC also stated that guidance would be very welcome but

		<p>difficult to write.</p> <ul style="list-style-type: none"> • Action 4. GLA to consider what guidance could be issued in relation to processing and packaging. Steve Moorcroft has replied that Defra will produce general guidance. PW advised that GLA would have to review the guidance. • Action 5 & 6. Employment Status. Paper went to April GLA Board meeting. There are still disagreements over what criteria are used and it will be reviewed with other departments. • Action 7. GLA to check how many licence holders are designated as "new businesses". 187 new licences. • Action 8. GLA to review active check process. • Proportionality: TG concerned that 20 days is not enough time to notify change in licence details and that the punishment does not meet the crime. He has no objection to some penalty and time limit but considers part of the process draconian. Could we look again at Fit and Proper. MB agrees with TG, people forget and revocations can be disproportionate. PW said point well taken, but each case had to be judged on its merits. • Group mentioned cash flow problems and HMRC. AG said advise the GLA before you fall into problems areas with tax so that a note can be put on the record (should be a matter of weeks for HMRC to sort out). DC said could we agree formal wording for this – DC to do a paper? • ME stated that banks are far more likely to close a business than HMRC; if you are 1 month behind paying HMRC this is not the same situation as being, for instance, three months behind. Wording needs to take this into account. • Action 9. The wording of active check notification letters now reads: "The labour provider ... has recently undergone an inspection. If you hold a current contract for the supply of labour from this labour provider you may wish to discuss with them what the findings of the inspection were." • Action 10. Group members should notify the GLA of any examples of inconsistencies in checking AWO by GLA Inspectors. No examples of inconsistencies have been advised to the GLA but any advised in the future will be reviewed. <p>Action</p> <ol style="list-style-type: none"> 1. Employment Status board paper to be sent out with these minutes.
4	ALP Campaigning update	<p>Note:</p> <ul style="list-style-type: none"> • MB advised that he had asked to speak to Jim Paice about the GLA's remit. Also to the Low Pay Commission about accommodation offset and transport deductions. MB stated that hopefully the Agricultural minimum wage will be abolished.
5	Fit and Proper	<p>Note:</p> <ul style="list-style-type: none"> • DC stated that decisions re GLA revocations taken seem disproportionate. Three recent cases lost at appeal. DC requested

		<p>that with licensing could more consideration be given to this particularly with the Fit and Proper bar – the perception by the industry is that the penalties are disproportionate to the crime.</p> <ul style="list-style-type: none"> • TG said he would like GLA to be able to verbally admonish people first in some instances and then come back in a couple of weeks to ensure situation is remedied. • CG said that there were a lot of cowboys about who close a business one week and then re start a business another week – he welcomes what the GLA do. • TG does not believe minimum charge rate is correct. Gangmasters are struggling to pay holiday pay because they do not get enough money from the farmer. • PW asked for TG to advise the Labour User who is going under the minimum charge rate (need evidence to prove rate is wrong). • TG says they need more support, MB stated that it is not the GLA’s job to support, just regulate. • CG stated that some of the larger companies make it very hard for people to claim holiday pay, for example, the process they have to go through is complicated and requires many telephone calls. • CP stated that his company gives a complete breakdown as to how much everything costs within the company and now does not receive complaints from customers for charges. CP still worried that despite openness GLA could find something to revoke him with due to disproportionate penalties. • MB agreed that the GLA proportionality issue needs to be addressed as there is unease within the industry concerning it. • CG discussed Travel & Subsistence schemes and would like to have an update. • DC does not think the HMRC solution is workable. PW stated that GLA will look at the situation and advise. DC said the breach of the minimum wage was difficult, experts consider HMRC are not correct. • PW stated that the NMW unit of HMRC operates a service for BIS, originally required only to respond to complaints, but in future they will be intelligence led. PW is optimistic that the situation will get better as the departments are talking to ensure that everyone works more efficiently together. • CG advised that this was a good thing as currently the situation made the GLA look impotent. • DC stated that HMRC need to make a clear and fair decision. <p>Action:</p> <ol style="list-style-type: none"> 2. GLA ensure Fit and Proper decisions are not disproportionate in line with recent appeals decisions. 3. Update from GLA to group regarding Travel & Subsistence schemes.
6	Licensing decision	Note:

	policy	<ul style="list-style-type: none"> Issues on proportionality (particularly point 2. C of paper issued by ALP). DC stated that originally it was discussed that "<i>GLA inspectors will normally discuss their findings as part of the inspection process where infringements of the standards are minor, are easily identifiable and rectified</i>" AG advised we no longer do this. DC said this was agreed in 2009 and paragraph in quotes does not reflect what is being done. Could GLA clarify why they do not do this anymore. <p>Action:</p> <p>4. GLA to report back to group why this is no longer done</p>
7	Future GLA Brief on A2 nationals	<p>Note:</p> <ul style="list-style-type: none"> There is to be a GLA Brief on A2 nationals. DC said this is a good thing, could they look through the draft document. PW advised that GLA are going to have a meeting with UKBA and will send a draft paper out to group after this. This has got to be addressed and may be quite difficult. TG stated that A2 nationals are being exploited every day. <p>Action:</p> <p>5. Draft paper on A2 nationals to be sent to group for comments.</p>
8	Any other business	<p>Note:</p> <ul style="list-style-type: none"> ME asked GLA to look at Agency workers directive as this is the single biggest item within the industry at present. PW advised will look at with the licensing standards consultation.
9	Next meeting	Tuesday 7 September 2010, 11am Ergon House, London