



Department for
Business, Energy
& Industrial Strategy

Employment Agency Standards (EAS) Inspectorate

Annual Report 2020 – 2021

June 2022



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Foreword

This report covers the activity of EAS during the period 2020-21 which coincided with the Global Pandemic. The Pandemic saw significant disruption to both the recruitment sector and the work of EAS. Despite the challenges generated by the pandemic I can optimistically say that both the recruitment sector and EAS met those challenges head on.

I am proud of the fact that The Employment Agency Standards Inspectorate (EAS), continued to deliver for the public during the pandemic. EAS had to flex and adapt its delivery model to suit the evolving business and social landscape. During this period EAS strengthened its cross Whitehall partnerships to help ensure that the right support was provided to those working in the recruitment sector. However, I am keen to reflect upon some key achievements during the last reporting year. We have:

- Embedded our strategic vision of Advise, Protect and Enforce.
- Provided a high level of support for the recruitment sector during the Pandemic ensuring agency workers and business had access to the full range of Government support during the pandemic.
- Restructured and remodelled activity to reflect the regulatory needs in the sector.
- Continued to deliver strong outcomes in supporting the sector and those working within it, for example through prosecutions, Labour Market Enforcement Undertakings/Order's (LMEU/O's), recovered pay and visits.

As the regulator for the recruitment sector, we have continued to support all those operating in it, during a challenging year. This included supporting work seekers and businesses that need our support. In doing so I am proud of the way EAS worked with and supported businesses during this challenging period. Indeed, regardless of the challenges facing businesses our role remained to work with businesses to robustly deal with non-compliance of our legislation and this work continued. The sector's continued support in dealing with these matters in an efficient and co-operative manner is appreciated.

Ben Bruten
Head of EAS

Executive Summary

The Employment Agency Standards Inspectorate (EAS) is located within the Department for Business, Energy, and Industrial Strategy (BEIS). EAS is the government regulator for the private recruitment sector, regulating all employment agencies and employment businesses that provide work-finding services in Great Britain.

The reporting year has been challenging for all parts of the economy because of the COVID-19 Pandemic, and just like many other sectors, the recruitment sector saw supply and demand fluctuate significantly. Despite the challenge presented by the global pandemic it highlighted that the recruitment sector showed it at its best when it is called upon to be adaptive and flexible. Fluctuating supply and demand were particularly evident in the healthcare, distribution, warehousing, and retail sectors.

During the reporting year:

- EAS cleared 1800 complaints, broadly in line with 2019/20 and despite the challenging conditions.
- Completed 177 targeted inspections.
- Found 900 infringements and issued 267 warning letters.
- The total amount of money recovered for workers was £132,570, an increase of 122% on 2019/20. EAS also sought legal advice on 22 cases, resulting in 2 successful prosecutions, 3 prohibitions and 1 LMEO.
- Successfully secured a legal confirmation of the scale and scope of the Employment Agencies Act 1973 and the associated regulations at the Court of Appeal.
- Ensured the CJRS (Coronavirus Job Retention Scheme) was available for both Work Seekers and those employed via Umbrella companies.
- Supported the Recruitment Sector through the period of lockdown by offering advice, support, and guidance.
- Adapted from a face-to-face operational delivery model to a virtual delivery model.

As with the 2019/20 report, this report will focus on EAS's three core principles: Advise, Protect and Enforce and the report is structured to reflect these principles. Some of the activity undertaken by EAS during this reporting year is detailed below:

Advise

During this reporting year EAS continued to build on existing relationships with a wide range of trade bodies, sector representatives and charities who have an interest in EAS' ongoing work. We also developed relationships with the Home Office, DBS (Disclosure and Barring Scheme), Cabinet Office, HMT (Her Majesty's Treasury) and HMRC (Her Majesty's Revenue and Customs). We raised various concerns with the Home Office on behalf of the recruitment sector about Right to Work checks and continue to liaise with them as they look to introduce a permanent digital solution.

With HMRC, HMT and Cabinet Office we worked closely on the issue of umbrella companies, mini-umbrella companies, and the effect they are having in the labour market. Additional guidance has now been developed and published¹. Work was also undertaken with Crown Commercial Services on the revised Framework that covers supply teachers and ancillary staff and is due to be in place in late 2022. This will also incorporate additional questions in auditing process to better understand the use of umbrella companies and mini-umbrella companies in the supply chain.

Protect

EAS increased the number of frontline operational staff and restructured the support mechanisms to help them focus on delivering more outbound inspections. Operationally, most outbound inspections were carried out using video calls to ensure that they were conducted in a safe way for all parties. Early inspections helped identify that some inspections not only took longer but created additional work as access to records was often limited. These have now been built into the process and more information is being requested upfront to help speed up the process without compromising their effectiveness. The volume of complaints received by EAS in this fiscal year were comparable to 2019/20 and continued to make up much of our work.

During this period EAS continued to work in partnerships across Whitehall and with stakeholders on the potential regulation of the Umbrella company sector. This included work to further develop policy thinking on extending the remit of EAS to regulate this sector. EAS also collaborated with colleagues in HMRC to produce guidance for work-seekers.

Enforce

EAS continued to take a strong line with those employment agencies or employment businesses that are not compliant with the legislation. In the most serious cases of non-compliance, EAS will consider the full range of tools available to it to ensure that the agency is properly held to account for its actions. There were two successful prosecutions, and two LMEO's were issued as part of the sentencing of those cases. These are set out in more detail later in this report.

¹ <https://www.gov.uk/guidance/working-through-an-umbrella-company> and <https://www.gov.uk/guidance/mini-umbrella-company-fraud>

Visit EAS's website for more information about the organisation and its work:

<https://www.gov.uk/government/organisations/employment-agency-standards-inspectorate>.

Agency Workers and Enforcement Landscape

EAS Role and Responsibilities

The private recruitment sector has continued to play a crucial role in ensuring that the labour market works effectively, helping work-seekers to find temporary or permanent work that suits their needs.

The legislative basis for EAS and its work is set out in the Employment Agencies Act 1973 and the Conduct of Employment Agencies and Employment Businesses Regulations 2003 (both as amended) which applies across Great Britain. The Department for the Economy in Belfast is responsible for enforcing employment agency legislation in Northern Ireland.

EAS' aim is to work with private recruitment agencies, hirers, and work-seekers to ensure compliance with the regulatory framework. It also seeks to ensure that anyone who uses the services of an agency to find work is afforded statutory protection of their employment rights. The budget for 2020/21 was increased from £1.125m to £1.525m, an increase of approx. 36%, to allow for the recruitment of more frontline inspectors as recommended by the DLME (Director Labour Market Enforcement), and to prepare for the introduction of the 'Key Information Document', which came into force on 6th April 2020.

As a result of the growth of EAS, the inspectorate restructured to create a dedicated Operations Team of 18 frontline inspectors supported by colleagues on Intelligence, Risk, and IT (Information Technology).

Key Information Documents (KID) were introduced on 6th April 2020, and these must be given to work-seekers who engage with an employment business for the first time before agreeing terms with an employment business. The KID provides essential information to work-seekers, including an overview of how any fees and deductions will affect the worker's pay throughout a labour supply chain. This is a mandatory requirement whether the work seeker is paid through an agency, umbrella company or Personal Services Company (PSC) and needs to be reissued when there is a material change to the information.

EAS' Strategic Approach

EAS has two key strategic drivers:

- Ensuring effective compliance with the legislation and, where necessary, taking enforcement action against employment agencies and businesses;
- providing efficient customer service.

These sit alongside the established principles of:

- Advise - both work-seekers and businesses about current legislation to support and protect both parties in the employment relationship.
- Protect - vulnerable work-seekers where their employment rights may be denied.
- Enforce - legislation, where serious and/or repeated non-compliance is identified.

Advise

EAS provides a range of information, using different formats, to support both businesses working in the recruitment sector and work-seekers. This includes developing our own material, as well as helping other organisations such as the Arbitration, Conciliation and Advisory Service (Acas) develop or improve their information. Information specifically for employment businesses was launched during 2020/21, and similar guidance is being developed for work-seekers.

EAS introduced and remotely delivered a range of webinars to help support employment agencies and employment businesses. They cover a range of topics from what to expect on an inspection to Key Information Documents and usually last for approximately 1 hour. The former has been rolled out and is delivered before targeted inspections take place to try and give a better understanding of the process, why information is being requested and what happens at the end of the inspection. Feedback from attendees has been extremely positive and has made them more comfortable and confident in their ability to get the best from the inspection process.

EAS worked very closely with the Home Office (HO) and Trade Bodies to ensure that the HO considered the sectors need's when reviewing the temporary changes to Right to Work checks. The temporary changes put in place proved beneficial and helped the sector respond more quickly to requests to supply temporary staff across the economy. EAS also undertook twice daily calls with the Trade Bodies and other representatives of the sector, including the umbrella company Trade Bodies. These allowed them to express issues relating to the sector, the majority of which related to the use of the furlough scheme, Right to Work checks, security, and DBS checks.

EAS worked very closely with HM Treasury colleagues to ensure that the directions issued to HMRC on how to run the Furlough scheme took account of the needs of temporary workers, ensuring that they were treated in the same way as employees where their employer was able to make full use of the scheme. A small number of webinars were also attended by EAS staff to listen to the concerns of workers. The majority of these concerns related to either their agency or umbrella company not furloughing the worker, which was solely the decision of the agency or umbrella company based on the published Treasury Directions.

Work was also undertaken with the NCA (National Crime Agency) and others to raise awareness of the potential for increased exploitation during the pandemic. Drawing on experiences from several sources, a training package was pulled together and distributed to a small number of agencies and other parties for their feedback.

EAS also worked closely with the Department for Education during the development and launching of the National Tutoring Programme (NTP) to ensure full and careful consideration was given to the applicability of EAS legislation. As a result of this positive engagement, EAS was able to agree the inclusion of a mandatory check against EAS records on any person or business applying to be included in the NTP being referenced against EAS's records to identify

any instances of non-compliance. EAS were able to check all applicants against their records within a week and were able to positively report back.

EAS is committed to ensuring that temporary workers receive the relevant protections afforded by the legislation. Unfortunately for some, they do not receive the service that they are expecting from an Employment Agency or Employment Business and will make a complaint to EAS. There are several ways in which a complaint can be made but it is strongly recommended that, if a work-seeker needs advice and guidance, they contact Acas (0300 1231100 or www.acas.org.uk). If the caller wishes to speak with an Inspector, Acas can transfer the call for them to continue the conversation and then take details of any ensuing complaint. Other ways in which a complaint can be made to EAS are:

- Email: eas@beis.gov.uk
- Online, using the complaint form which can be found here: <https://www.gov.uk/government/publications/pay-and-work-rights-complaints>
- Phone: 020 7215 5000 (BEIS Enquiry Unit who will transfer the call)
- Post: EAS, Victoria 3, 4th Floor, 1 Victoria Street, London, SW1H 0ET

Protect

During the reporting year the recruitment sector, as with most of the economy saw notable change and the recruitment sector had to develop and evolve as demand changed for the supply of temporary workers throughout the year. This was particularly evident with more work-seekers being needed in distribution, warehousing, and healthcare with a lower demand for staff in education.

As the pandemic led to businesses furloughing their employees, this in turn drove increased demand for temporary staff in other sectors, such as teaching and warehousing. In contrast, other sectors, such as hospitality, saw a sharp drop in demand. This led to issues around the applicability of the Coronavirus Job Retention Scheme to temporary workers. Working closely with HM Treasury colleagues, EAS were able to obtain clarity on the position, which enabled the recruitment sector and umbrella companies to furlough their staff if they wished to do so.

EAS continued to deliver targeted operations, albeit virtually. These operations were based on information, intelligence, and risk profiling. This required adaptations to the way in which information was captured as well as provided. Where non-compliance was found, EAS engaged with the business and, where necessary, issued a warning letter, setting out the areas of non-compliance and the required corrective action. EAS requested evidence of the changes made by the business to ensure compliance had been achieved.

EAS will automatically conduct a re-visit of a business where significant non-compliance was established to ensure that the remedial steps taken remain in place. If the issues have not been rectified or the business has not maintained the changes, then enforcement action may be considered.

Alongside the investigation and enforcement activity, EAS continues to work with industry, trade associations and other organisations to support those operating in the sector to comply with its legislation. This work complements the publicity strand of delivery whilst also ensuring EAS can be proactive in identifying emerging trends, risks, and threats.

Enforce

EAS has a broad range of enforcement powers and although it aims to achieve compliance through support and education, there are instances that require a more robust response. In these instances where EAS has identified a small number of businesses that are deliberately or wilfully non-compliant, or where a business has failed to achieve compliance despite being given every opportunity to do so, a range of enforcement powers can and have been utilised. Enforcement Activity here is summarised below.

Labour Market Enforcement Undertakings and Labour Market Enforcement Orders

EAS has not issued any Labour Market Enforcement Undertakings (LMEU's) during this reporting year. This is because EAS has been successful in securing buy-in from businesses to make the necessary changes to their process. EAS did, however, have one outstanding LMEU which was discharged in May 2020. We worked with the business, that operates from multiple sites, to support them in becoming compliant with their statutory obligations. The support we provided included working with their Compliance Manager and holding a workshop on the obligations of the Employment Agencies Act 1973 with the branch managers.

Prosecutions

In this reporting year EAS has considered enforcement action, either prosecution or prohibition, by investigating 14 employment agencies or employment businesses. These cases have involved 22 individuals and companies, including multiple directors as well as the limited company that the relevant employment agency or employment business traded under, that EAS might bring proceedings against. After consideration and reviewing all the evidence, 5 cases have resulted in prosecution proceedings (against 9 individuals). In the next reporting period, there will be Court hearings in relation to 2 prosecutions, and evidence has been served against those persons.

Case study 1

In March 2020, former Directors of an employment agency, finding work for actors, extras, and other performers, pleaded guilty to three charges under the Conduct of Employment Agencies and Employment Businesses Regulations 2003.

The charges related to the withholding of money that the agency had received on behalf of three workers. The agency traded under a limited company, but the Directors ceased trading and relocated to Spain.

Prosecution proceedings commenced and Court papers were served on the two defendants. The hearing took place on 1 March 2021 at Dudley Magistrates Court and the defendants appeared by video-link and pleaded guilty. They were fined £250 on each charge (total £750 each) and ordered to pay costs. The limited company that they traded under was also sentenced to a fine of £750. Two workers received their outstanding money from the agency after proceedings had commenced. The Court issued a compensation order totalling £1,140 for the third worker. Both directors were disqualified from being company directors for a period of 3 years.

In two further prosecution cases (involving 4 persons), proceedings have commenced but the persons running the employment agencies have not yet attended court, as there are pending bail warrants that have not yet been executed.

EAS recognises the potential deterrent benefits of prosecutions and prohibitions. However, these types of enforcement responses need to be balanced against the evidence and potential outcome to ensure the best return on investment.

In any potential prosecution case, it is not always possible for EAS to gather the necessary evidence to meet the test in the Code for Crown Prosecutors. The decision to bring proceedings is a matter for the Department's lawyers.

Some cases are not progressed to full proceedings as they might not meet the required evidential standard. Such cases are now assessed to see whether there is scope to issue an LME (Labour Market Enforcement) undertaking and/or order.

There are other cases where investigations are continuing, and these are at various stages in the investigation process.

Prohibitions

No prohibition applications made by EAS have been concluded during the reporting year. After consideration and reviewing all the evidence, 2 cases have resulted in prohibition proceedings (against 2 individuals). In the next reporting period, there will be two Employment Tribunal hearings to consider the prohibition applications.

There are 2 further cases, involving 2 individuals, that are under consideration by EAS to be prohibited. Currently 4 individuals are prohibited, and the current list of prohibited persons is available through GOV.UK ².

² <https://www.gov.uk/government/publications/list-of-people-banned-from-running-an-employment-agency-or-business/employment-agency-standards-inspectorates-eas-people-prohibited-from-running-an-employment-agency-or-business>

Case study 2

In July 2020, EAS received a complaint from a hirer that an employment business had issued an invoice to them for around £9,000. This fee was a transfer fee (temporary to permanent) that the employment business was seeking after the hirer had employed a worker directly, who had previously been supplied to them by that employment business.

Although transfer fees are not illegal, regulation 10 of the Conduct of Employment Agencies and Employment Businesses Regulations 2003, provide specific conditions on such fees that can be charged by an “employment business”. The conditions include that the fees are unenforceable unless the hirer has the option of an extended period of hire of that worker by the employment business, rather than paying the fee. In addition, any such transfer fee can only be sought within the “relevant period” which is either 14 weeks from the first date of the temporary supply; or 8 weeks from the last date of temporary supply, whichever period ends later.

It is illegal for an employment business to seek to enforce an unenforceable term. The employment business sought a transfer fee in accordance with their terms. The terms set out that they operated as an “employment business” in supplying a temporary worker to a hirer but when the supply ended, they changed to operate as an “employment agency” in relation to that worker and hirer. Their view was that this meant regulation 10 did not apply to them if they were an “employment agency”.

Following an EAS investigation and Warning Letters of further action by EAS issued to the employment business, they decided to withdraw the invoice to the hirer. The employment business also agreed to review their terms of business with hirers so that there was greater transparency on the relationship between them and hirers as well as complying with the obligations under the Conduct Regulations. In the circumstances, EAS decided not to take any further enforcement action.

EAS Performance

A key strategic objective for EAS this reporting year was to utilise the increased resources to enable more risk and intelligence led operations and achieve greater balance between that and dealing with complaints. During this year EAS has increased the number of proactive visits in proportion to the rise in the number of complaints received. This is an important development as it supports businesses by combining information and guidance to help educate and support future compliance.

Number of complaints received

In 2020/21, EAS received 1827 complaints, compared to 1698 in 2019/20. This amounted to an approximate **increase of 9%** in the number of complaints received.

Over the course of 2020/21, EAS recovered approximately £132,500 for individuals who were not paid for reasons ranging from administrative error to deliberate non-payment. Most of the money recovered related to non-payment of wages to temporary workers, or where fees were being charged for work finding services. This is a **45% increase** in comparison to 2019/20 where £59,500 was recovered.

We have not yet established what has driven the increase in initial non-compliance with providing payment when challenged by EAS, but we are reviewing this to understand the data.

In 2020/21 EAS recovered
£132,500 for workers.

Since April 2008 Inspectors
have recovered over £1.6
million.

Further details and analysis of the data relating to 2020/21 can be found in the Annexes.

The largest volume of complaints made to EAS this year continues to be about the failure of an employment business/agency to pay a worker (wages or earnings). Where EAS have needed to contact an agency or Employment Business, the majority have responded quickly and positively, often resolving the issue within a few days. This swift resolution has made real differences in workers lives and is appreciated.

Where workers make a complaint to EAS it strengthens EAS' ability to identify those who are potentially being deliberately non-compliant versus those agencies where an administrative mistake has been made. Where multiple complaints have been received, each one is dealt with on its merits and all the information is assessed to check whether an inspection needs to be undertaken to look at the agency's practices and procedures.

EAS continues to receive referrals where individuals have paid fees to photographic studios and are seeking refunds. EAS does not regulate photographic studios, so the complaints were signposted to both Trading Standards and Action Fraud. EAS are keen to maintain and develop intelligence sharing with such partners.

Number and outcomes of EAS operations

During the reporting year, EAS undertook 6 targeted operations covering 150 inspections, all delivered remotely, covering a range of sectors and geographical locations. This was a decrease of 51% from the previous reporting year. It should be noted that the data below relates to the number of inspections undertaken, not closed, during the reporting year.

During these Operations, the focus was on ensuring that information around COVID-19 relating to Health or Safety information was being provided to work-seekers and that Key Information Documents were being issued to new work-seekers. The latter will continue to be a key focus for 2021/22.

When infringements were found, EAS issued a total of 147 warning letters to the relevant employment businesses and sought compliance with the relevant provisions of the legislation. This was a decrease of 58% from the previous reporting year.

Month	Type	Number of Visits	Infringements
August	National	31	170
September	Geographical – Midlands	29	142
October/November	Geographical – N. West England	17	66
January	Geographical – Sectoral	19	78
January	Geographical – Wales	24	78
February	Geographical – E. Midlands	30	107
Total		150	646

Freedom of Information Requests

EAS received 7 Freedom of Information requests during the reporting year and responded to 100% of requests within the deadline. There were also requests made for information about EAS investigations. However, EAS does not publish the detail of investigations, or reveal information captured during an inspection, unless it leads to a prosecution, prohibition, or the issue of a Labour Market Enforcement Order, which are a matter of public record. Section 9 of the Employment Agencies Act 1973, which sets out the inspectors' enforcement powers, makes it illegal for EAS inspectors to disclose any information to a third party that has been obtained during any EAS investigation, without the permission of the person providing the information.

Continuous Improvement

EAS has embedded its case working and management software and has deployed some upgrades to further enhance productivity. Further changes are planned for 2021/22 and these will be reflected in the next report.

Work on The Find-IT GIS (Geographic Information System) tool ended with the delivery of a product for testing. EAS have sourced a similar system and are looking for deployment in 2021/22.

Information on and contacting EAS

The EAS website can be found at:

<https://www.gov.uk/government/organisations/employment-agency-standards-inspectorate>

Further information about the legislation that agencies and employment businesses are obliged to comply with are on Gov.UK - <https://www.gov.uk/employment-agencies-and-businesses>

There is further information on Gov.UK about agency worker rights –

<https://www.gov.uk/agency-workers-your-rights>

Anyone who wishes to seek advice and guidance about issues with an employment agency or employment business should in the first instance contact Acas (0300 123 1100). If appropriate, Acas will offer to transfer the call to EAS so that EAS can determine if there is a complaint that should be handled by us.

To submit a complaint in writing, a complaint form is available on the Pay and Work Rights page on Gov.UK. Completed forms that relate to employment agencies or employment businesses will be forwarded to EAS for consideration - <https://www.gov.uk/pay-and-work-rights>.

EAS can also be contacted at eas@beis.gov.uk or by calling 020 7215 5000. Please provide a case reference number if you have previously been allocated one.

Annex A - EAS case statistics – 2015/16 to 2020/21 Financial Years

The statistics presented in the following tables are derived from a live case management system and so are based on a snapshot of a moment in time. Validation of the data and derived statistics has been undertaken, however there may be a degree of inherent inaccuracy as the data comes from an administrative database.

Cases	2015-16	2016-17	2017 - 18	2018-19	2019-20	2020-21
Complaints received	781	828	1261	1953	1698	1827
Complaints cleared	730	750	1267	1805	1836	1800
Targeted inspections	172	142	145	261	303	177
Infringements found (cleared cases and inspections)	782	782	1071	1242	1490	900
Total number of warning letters issued	275	387	321	415	382	267

Notes:

Complaints received late in the previous reporting year are not cleared until the current reporting year so can lead to a higher reported number of cleared cases when compared to those received.

Annex B - Complaints cleared, targeted inspections and analysis of infringements carried out (by sector) – 1 April 2020 to 31 March 2021

Types of agencies	Number of cases	% of total cases	Number of infringements*	% of total cases
Healthcare (carers/nurses/doctors)	160	9	236	26
Industrial	237	13	197	22
Drivers	68	4	57	6
Construction	73	4	63	7
Secretarial/Commercial/Admin (office workers)	59	3	33	4
Entertainment(actors/extras)	16	1	3	0
Models (promotional workers)	19	1	7	1
Nannies/Au Pairs/Childcare (domestic workers)	6	0	8	1
Hotel/Catering/Hospitality	47	3	25	3
IT/Online (including Job Boards)		1	15	2
Professional/Executive (engineering and technical)	31	2	46	5
Seafarers	1	0	0	0
Teachers/Tutors	60	3	121	13
Sectors not listed	1029	56	89	10
Total	1827	100%	900	100%

Note: All percentages are rounded to the nearest whole number

Glossary

Employment Agency: For the purposes of the Employment Agencies Act 1973, "employment agency" means the business (whether or not carried on with a view to profit and whether or not carried on in conjunction with any other business) of providing services (whether by the provision of information or otherwise) for the purpose of finding persons employment with employers or of supplying employers with persons for employment by them.

Employment Business: For the purposes of the Employment Agencies Act 1973, "employment business" means the business (whether or not carried on with a view to profit and whether or not carried on in conjunction with any other business) of supplying persons in the employment of the person carrying on the business, to act for, and under the control of, other persons in any capacity.

Labour Market Enforcement Undertakings and Orders: The Immigration Act 2016 introduced two new enforcement tools for EAS where trigger offences set out in the legislation are breached: Labour Market Enforcement Undertakings (LMEU) and Labour Market Enforcement Orders (LMEO). More information on these can be found in the Code of Practice on Labour Market Enforcement Undertakings and Orders.

Prohibition: EAS can also consider seeking to prohibit individuals from running, owning, or managing an employment agency/business because of their misconduct or unsuitability through an Employment Tribunal (ET). The maximum prohibition period is up to 10 years, and it is for the ET to determine a suitable length of time based on the information presented to it. It is possible for EAS to approach the original tribunal to seek a further order if it is deemed necessary due to the nature of the misconduct. It should also be noted that a prohibition can be sought against other persons to protect persons and prevent the misconduct that has resulted in an order being sought in the first place. Prohibitions may also be sought where individuals have been successfully prosecuted by another authority, and EAS consider that sanctions imposed make them unsuitable to run an employment business or agency.

Prosecutions: Where appropriate, EAS can consider prosecution for serious breaches of its legislation. Breaches of the legislation can be treated as 'either way' offences, which means that they could be tried in a Magistrates' or Crown Court. If convicted, in either Court, unlimited fines may be imposed against all defendants. As noted above, a court may also consider issuing a LMEO.

Umbrella Company: There is currently no legal definition of an Umbrella Company, but BEIS is working on a definition. For the purposes of this report, an Umbrella Company is the organisation that employs a work-seeker and is responsible for paying them, based on information and money passed to them by an employment business.

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