Director of labour market enforcement 2020 / 2021 Strategy:

Call for Evidence

Closing date: 24 January 2020



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# General information

## Call for Evidence details

Issued: 16 December 2019

Respond by: 24 January 2020

Enquiries to: LMEDirectorsoffice@beis.gov.uk

## How to respond

Email to: LMEDirectorsoffice@beis.gov.uk

## Confidentiality and data protection

Information you provide in response to this consultation, including personal information, may be disclosed in accordance with UK legislation (the Freedom of Information Act 2000, the Data Protection Act 2018 and the Environmental Information Regulations 2004).

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We will process your personal data in accordance with all applicable UK and EU data protection laws. See our [privacy policy](https://www.gov.uk/government/organisations/department-for-business-energy-and-industrial-strategy/about/personal-information-charter).

## Quality assurance

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If you have any complaints about the way this consultation has been conducted, please email: beis.bru@beis.gov.uk.

# Introduction

This call for evidence sets out the issues on which Matthew Taylor, the interim Director of Labour Market Enforcement, seeks evidence to inform his Strategy for 2020/21.

The Labour Market Enforcement Strategy for 2020/21 is due to be delivered to Government at the end of March 2020. In order to meet our statutory requirements, the available window to gather your views and evidence is unfortunately narrower than in previous years and the call for evidence will have to take place over a truncated period, namely 16 December 2019 to 24 January 2020.

The Director would welcome evidence from stakeholders via:

* written feedback on these questions and any relevant evidence that you may wish to bring to our attention; and/ or
* round table meetings to hear views and evidence from stakeholders directly.

Three stakeholder events have been organised for the beginning of January (in London): one on the 6th of January and two on the 9th of January and we invite you to sign up to these by contacting the office at LMEDirectorsoffice@beis.gov.uk. If you wish to host a roundtable to discuss any of these issues this would also be welcomed, particularly out of London, and the Director or a representative from his Office would try to attend, or you could feed back as a group.

# Background

The role of Director of Labour Market Enforcement was created under the Immigration Act 2016 (the Act), jointly sponsored by Home Office (HO) and Department for Business, Energy and Industrial Strategy (BEIS), to bring better focus and co-ordination to the enforcement of labour market legislation. The Director has overarching responsibility for setting the strategic direction of the three labour market enforcement bodies: HMRC National Minimum Wage/National Living Wage (NMW/NLW), Gangmasters and Labour Abuse Authority (GLAA), and Employment Agency Standards (EAS).

Sir David Metcalf was the first Director of LME and retired in June 2019. Matthew Taylor was appointed interim Director in late summer 2019.

The first two Strategies from the Director can be found here: <https://www.gov.uk/government/people/matthew-taylor>

The Government has yet to respond to the recommendations in the 2019/20 Strategy.

One of the main requirements of the Act is for the Director to produce an annual Strategy to set the strategic direction of the enforcement bodies. This is to be submitted to Government before the end of the financial year (i.e. the 2020/21 Strategy is due by the end of March 2020).

The call for evidence is integral to informing the Strategy and helping the Director shape his recommendations to Government. The Director and his team are very keen to hear your views, concerns, ideas and evidence to supplement the analysis, research and inter-departmental discussions that also feed into the development of the Strategy.

This year, the appointment of a new Director, the consultation on the Single Enforcement Body (SEB) and the General Election have meant that the stakeholder engagement is happening much later in the year than for previous Strategies. Consequently, we unfortunately have a much-compressed timetable in which to seek your views. We hope to still speak to as many of you as possible and encourage you to provide your evidence.

## Structure of call for evidence

This call for evidence is structured in four sections:

Section 1: About you

Section 2: Questions on four high-risk sectors: hand car washes, agriculture, social care and construction.

Section 3: Questions on non-compliance in other sectors

Section 4: Cross cutting issues – looking for evidence and views on non-sector specific issues.

The Director is not seeking views at this stage on the Single Enforcement Body (SEB) and will not cover this in any detail in this Strategy. The Director has already provided his initial views to the Government on this issue (available [here](https://www.thersa.org/discover/publications-and-articles/matthew-taylor-blog/2019/11/good-work-plan)) and is now awaiting the results from the BEIS consultation to be published and for clarity of political direction before developing these ideas further. The Director may therefore wish to make further submissions to Government on the SEB in due course and would want to elicit views and evidence from stakeholders at that time.

It is not expected that you answer every section, or every question. Please skip Section 2 if you do not have evidence specific to those high-risk sectors. You are of course welcome to submit any documents (e.g. research, reports or media articles) to which you refer in your evidence.

We may wish to quote evidence received in the published Strategy to support its conclusions and recommendations and will attribute these to the individual or organisation that supplied it, unless we are explicitly asked not to do so. Accordingly, please highlight whether any of the information you submit is of a sensitive nature or if you wish to remain anonymous.

Please send your evidence to: LMEDirectorsoffice@beis.gov.uk by Friday 24th January 2020 and feel free to contact the Office at the same address if you have any questions.

# Call for Evidence Questions

## Section 1 – About you

1.1 Please briefly tell us about you / your organisation and your interest in enforcement of labour market regulations.

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## Section 2 – Four High-Risk Sectors

In previous Labour Market Enforcement Strategies, assessments have been made using the available intelligence and wider evidence to identify those sectors that are at risk of labour exploitation. We focused on three of these priority sectors (warehousing, restaurants, hotels) in our 2019/20 Strategy. For this current Strategy (2020/21) we are focusing primarily on non-compliance and enforcement in the following four sectors:

* Hand car washes
* Agriculture
* Social care
* Construction

The Strategy will go into detail on each of these, looking at what is known about the scale and nature of non-compliance, what is currently being done to enforce labour rights and what options there are for improvements going forward. In this section, we therefore ask for evidence that is specific to these sectors.

We recognise that risks are seen in other sectors beyond the listed above and these continue to be monitored. If you do not have evidence specific to the four sectors listed above, please go straight to Section 3.

### A. Sector Specific Questions – Hand Car Washes

2.1 What are the issues of non-compliance in hand car washes? Have there been any changes in the past 12 months?

* What evidence do you have on the nature of the issues?
* What evidence do you have on the scale of the issues in this sector?

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2.2 What enforcement or worker rights protection activity are you aware of in hand car washes? Has there been any change/ developments in the past 12 months?

* By the three enforcement bodies (GLAA, EAS, HMRC NMW)
* By other government bodies (e.g. Health and Safety Executive, Local Authorities)
* By non-government bodies (e.g. by sector bodies, charities, campaigning groups, etc.)

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2.3 What impact do you think these interventions have had? i.e. are they effective? Why? What would make them more effective?

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2.4 What three changes to enforcement do you think would have the most impact on workers at risk of exploitation in hand car washes?

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### B. Sector Specific Questions – Agriculture

2.5 What are the issues of non-compliance in agriculture? Have there been any changes in the past 12 months?

* What evidence do you have on the nature of these issues?
* What evidence do you have on the scale of these issues in this sector?

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2.6 What enforcement or worker rights protection activity are you aware of in agriculture? Has there been any change/ developments in the past 12 months?

* By the three enforcement bodies (GLAA, EAS, HMRC NMW)
* By other government bodies (e.g. Health and Safety Executive, Local Authorities)
* By non-government bodies (e.g. by sector bodies, charities, campaigning groups, etc.)

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2.7 What impact do you think these interventions have had? i.e. are they effective? Why? What would make them more effective?

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2.8 What three changes to enforcement do you think would have the most impact on workers at risk of exploitation in agriculture?

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### C. Sector Specific Questions – Social Care

2.9 What are the issues of non-compliance in the social care sector? Have there been any changes in the past 12 months?

* What evidence do you have on the nature of the issues?
* What evidence do you have on the scale of the issues in this sector?

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2.10 What enforcement or worker rights protection activity are you aware of in the social care sector? Has there been any change/ developments in the past 12 months?

* By the three enforcement bodies (GLAA, EAS, HMRC NMW)
* By other government bodies (e.g. Health and Safety Executive, Local Authorities)
* By non-government bodies (e.g. by sector bodies, charities, campaigning groups, etc.)

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2.11 What impact do you think these interventions have had? i.e. are they effective? Why? What would make them more effective?

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2.12 What three changes to enforcement do you think would have the most impact on workers at risk of exploitation in the social care sector?

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### D. Sector Specific Questions – Construction

2.13 What are the issues of non-compliance in the construction sector? Have there been any changes in the past 12 months?

* What evidence do you have on the nature of the issues?
* What evidence do you have on the scale of the issues in this sector?

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2.14 What enforcement or worker rights protection activity are you aware of in the construction sector? Has there been any change/ developments in the past 12 months?

* By the three enforcement bodies (GLAA, EAS, HMRC NMW)
* By other government bodies (e.g. Health and Safety Executive, Local Authorities)
* By non-government bodies (e.g. by sector bodies, charities, campaigning groups, etc.)

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2.15 What impact do you think these interventions have had? i.e. are they effective? Why? What would make them more effective?

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2.16 What three changes to enforcement do you think would have the most impact on workers at risk of exploitation in the construction sector?

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## Section 3 – Non-compliance in other sectors

In this section, we are seeking evidence and views about sectors other than those covered above. We have asked the same questions to understand the scale and nature of the issues, what enforcement activity is already taking place and what could be done to improve the situation going forward.

3.1 Which sector/sectors are you concerned about and providing evidence on?

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3.2 What are the issues of non-compliance in the sector? Have there been any changes in the past 12 months?

* What evidence do you have on the nature of the issues?
* What evidence do you have on the scale of the issues in this sector?

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3.3 What enforcement or worker rights protection activity are you aware of in the sector? Has there been any change/ developments in the past 12 months?

* By the three enforcement bodies (GLAA, EAS, HMRC NMW)
* By other government bodies (e.g. Health and Safety Executive, Local Authorities)
* By non-government bodies (e.g. by sector bodies, charities, campaigning groups, etc.)

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3.4 What impact do you think these interventions have had? i.e. are they effective? Why? What would make them more effective?

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3.5 What three changes to enforcement do you think would have the most impact on workers at risk of exploitation in the sector?

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## Section 4 – Cross-cutting issues

The Director is also interested in non-sector specific issues that affect labour market non-compliance and pose a risk to workers’ rights and work conditions. In this section, we are seeking evidence and views on cross-cutting issues that fall under the remit of the three enforcement bodies that you think are important as risks or opportunities to improve labour market conditions for vulnerable workers. Issues that we are likely to cover in the Strategy include IR35, the growth of online apps for recruitment, umbrella companies and supply chains.

4.1 What are the three most important emerging trends, risks or issues in labour market exploitation / non-compliance that you have seen in the past 12 months, other than those you have covered above? What issues should the Director of Labour Market Enforcement be prioritising?

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4.2 What three changes do you think would most impact on labour market enforcement? Or what are the three greatest opportunities for improving enforcement?

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4.3 Please let us know about any other issues you would like to bring to the attention of the Director.

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Thank you for providing your views and evidence to the Director of Labour Market Enforcement. Please send this to LMEDirectorsoffice@beis.gov.uk

This consultation is available from: [www.gov.uk/government/consultations/labour-market-enforcement-strategy-2020-to-2021-call-for-evidence](https://www.gov.uk/government/consultations/labour-market-enforcement-strategy-2020-to-2021-call-for-evidence)

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