



HM Government

# **United Kingdom Labour Market Enforcement Strategy 2025 to 2026**

Director of Labour Market Enforcement

Margaret Beels

July 2025





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of the Immigration Act 2016

July 2025



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# Section 1: introduction

The role of Director of Labour Market Enforcement (DLME) was created in 2017 with the aim to bring together a coherent assessment of the extent of labour market exploitation, to identify routes to tackle exploitation and to harness the strength of 3 enforcement bodies:

- HMRC National Minimum Wage (HMRC NMW)
- the Gangmasters and Labour Abuse Authority (GLAA)
- the Employment Agency Standards Inspectorate (EAS)

I took on the role of DLME in November 2021 and since that time I have produced four strategies. This is likely to be the final DLME strategy. Following the commencement of the Employment Rights Bill (the bill), the Fair Work Agency (FWA) will be established, bringing together the work of the 3 enforcement bodies and my team.

I welcome the government's commitment to creating this agency, which, if done properly, should significantly improve collaboration and coordinated activity within labour market enforcement. I see the FWA as a great opportunity to support the government's growth agenda through the promotion and enforcement of workplace rights for workers as well as creating a level playing field for good businesses. The bill is going through parliament as I write this strategy, and the Department for Business

and Trade (DBT) has established a project team tasked with setting up the FWA.

Mindful of these changes, this strategy sets out a number of recommendations to help to ensure that an effective single enforcement body is created. I am keen to ensure the new agency is a success. In the meantime, it is also vital that the important work of the enforcement bodies continues. I therefore also include recommendations aimed at priority sectors and issues. I am encouraged by the 3 enforcement bodies' commitment to continuing to deliver on their current priorities.

The publication of my 24/25 strategy was delayed to November 2024 due to the general election and a need to pause to understand the new policy direction. Some of the recommendations contained within that strategy have not yet been completed due to limited capacity but remain important. Therefore, my office and the enforcement bodies will continue to advance these in 25/26. For that reason, I have reduced the number of recommendations in this strategy.

My strategy retains the four themes I have presented in all my previous strategies, but with the addition of a new section focused on the FWA.

## **Evidence gathering**

As in previous years, my strategy has been informed by considerable stakeholder engagement. This includes regular meetings with the enforcement bodies under my



remit, government departments, the devolved governments, and a range of other external stakeholders. In addition, the office's annual call for evidence, published in November 2024, focused on what the enforcement bodies need to be doing to prepare for the transition to the FWA, and how to ensure that this transition is a success.

We received 60 responses to the call for evidence from a wide range of interested parties. My office also hosted and attended 12 roundtables which provided stakeholders with an opportunity to raise issues in relation to worker exploitation and modern slavery with me, as well as their priorities for the FWA.

Annex A of this strategy provides an overview of the findings from the roundtables and the call for evidence. Annex B sets out my labour market and non-compliance risk analysis. Both documents help to inform this strategy.

I would like to thank everyone who has engaged in these processes and attended various meetings and events. I would also like to thank my colleagues in the Office of the Director of Labour Market Enforcement (ODLME) for their hard work and tolerance working with me to produce this strategy: Doris Allende, Mark Birch, Michael Flynn, Tim Harrison, Laura Matthews, Alison Smith and James Wignall.

# Section 2: economic and policy context

## Economy and labour market developments

Due to a number of domestic and international factors the Office for Budget Responsibility (OBR) has halved the forecast growth rate for the UK to 1 per cent in 2025. This is only marginally higher than growth achieved a year earlier. The OBR has, however, upgraded its growth forecasts for the following years closer to 2 per cent in 2026 and 2027. Both inflation and unemployment are forecast to rise slightly this year, before falling back again from 2026 onwards.

Despite this loosening in the labour market, the OBR still expects total employment to grow by 0.4 million this year. They also note however that “the rise in employer NICs (National Insurance Contributions) is also likely contributing to falling recruitment and rising redundancies”<sup>1</sup>. The rise in the national living wage (NLW), from £11.44 to £12.21<sup>2</sup> in April 2025, may add to this. Nevertheless, the national minimum wage increase will deliver a significant benefit for low paid workers. It

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1 OBR, Economic and Fiscal Outlook, March 2025, p.33 available at: <https://obr.uk/economic-and-fiscal-outlooks/>

2 National Minimum Wage and National Living Wage rates – GOV.UK Available at: [www.gov.uk/national-minimum-wage-rates](http://www.gov.uk/national-minimum-wage-rates)

should be noted these OBR forecasts do not include any estimated impacts arising from policy changes related to the Employment Rights Bill.

## Policy developments

### Make Work Pay and the Fair Work Agency

This is a time of great change within the labour market. Following the general election on 4 July 2024, the government is progressing their ‘Plan to Make Work Pay’ which it has indicated is a core part of its mission. Make Work Pay is intended to boost fairness in the workplace, support workers in balancing their responsibilities outside work, support low paid workers, strengthen workers’ rights and address fragmentation in labour market enforcement. It states:

“A Single Enforcement Body for workers’ rights would better support businesses who want to comply with the rules, create a strong, recognisable single brand so individuals know where to go for help and lead to a more effective use of resources and coordinate enforcement action”<sup>3</sup>.

### Employment Rights Bill<sup>4</sup>

The Employment Rights Bill was introduced to parliament on 10 October 2024, including clauses that lay the

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3 Labour’s Plan to Make Work Pay, 2024, available at: <https://labour.org.uk/change/manifesto-accessibility/>

4 Employment Rights Bill – Parliamentary Bills – UK Parliament available at: <https://bills.parliament.uk/bills/3737>

foundation for the creation of what is now referred to as the Fair Work Agency (FWA). The legislation brings together the 3 enforcement bodies that I oversee – EAS, GLAA and HMRC NMW. It will also bring in enforcement functions relating to holiday pay and statutory sick pay. In addition, the bill includes a power for the Secretary of State to expand the remit of the state enforcement functions to include other employment legislation through affirmative regulations. The bill will abolish my role but transfers its functions, along with those of the GLAA, to the Secretary of State. The Secretary of State will have an overarching role to enforce specific labour market legislation that will, in practice, be delivered through the FWA. As NMW enforcement and EAS responsibilities already fall to the Secretary of State, the bill does not need to change these areas to bring them into the FWA.

The bill provides a single set of powers based on those of the existing enforcement bodies, to investigate and take action against employers that do not comply with the law. In terms of governance, the Secretary of State is required to create an advisory board. This board will advise the Secretary of State on labour market enforcement. The bill also requires the Secretary of State to consult the advisory board when producing the enforcement strategy and annual reports. The advisory board must have equal representation from trade unions, employers and independent experts.

The government introduced additional amendments at Commons Report Stage. These add powers to issue civil

penalties and to order employers to compensate workers, based on existing powers in the National Minimum Wage Act 1998. The FWA will have the ability to bring proceedings to an employment tribunal where workers are unwilling or unable to do so themselves, and to provide some assistance to people who might be party to cases concerning employment law or industrial relations.

The government has also made amendments to address two gaps in enforcement. FWA officers will be able to issue 'special warnings', telling suspects that if they refuse to answer questions about certain items or their whereabouts, this could be used against them in court. In addition, the FWA will have powers to investigate cases where exploitation does not meet the threshold of a modern slavery offence but may be considered under Section 4 of the Fraud Act 2006. This provision will enable the FWA to investigate cases where employers have misrepresented terms and conditions of employment, including pay, to cause financial loss to workers or for their own financial gain.

The Employment Rights Bill will bring forward a number of measures which will:

- end exploitative zero hours contracts by introducing rights to guaranteed hours, reasonable notice of shifts and compensation for short-notice cancellation of shifts. Agency workers will also be able to access a contract which reflects the hours they regularly work
- end the use of unscrupulous fire and rehire practices

- give a day 1 right to protection from unfair dismissal
- strengthen collective redundancy rights and ensure maritime operators providing regular services from the UK cannot avoid the collective redundancy notification requirement
- extend family leave rights including making existing entitlements to paternity leave and unpaid parental leave and pay available from day 1 of employment
- introduce a fair pay agreement in adult social care
- remove the lower earnings limit and waiting period for statutory sick pay
- make flexible working the default
- strengthen trade unions' ability to organise, represent and negotiate through a range of measures
- strengthen employers' duty to prevent sexual harassment of their employees by requiring them to take all reasonable preventative steps and introduce an obligation on employers to not permit harassment of their employees by third parties
- re-instate the School Support Staff Negotiating Body to improve terms and conditions for school support staff
- strengthen existing tipping law, ensuring workers receive their tips in full, by requiring employers to



consult with workers when developing or revising their tipping policies

- re-introduce the two-tier code on procurement ensuring that employees working on outsourced contracts will be offered terms and conditions broadly equivalent to those transferred from the public sector
- define umbrella companies to allow for their regulation and bring them within the scope of EAS, and subsequently, the FWA

## Other policy developments

The government describes the Employment Rights Bill as the first phase in delivering their plan to Make Work Pay. A number of other commitments are also being taken forward.

In July 2024 the government published an updated remit for the Low Pay Commission (LPC)<sup>5</sup>. This asked the LPC to recommend an increased National Living Wage (NLW) rate which considers the cost of living, as well as effects on employment and developments in the wider economy. The age bands have also been condensed, with the NLW now applying to those aged 21 and over, down from 23 and over. The government also asked the LPC to take further steps to reach a single rate.

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5 National Minimum Wage and National Living Wage: updated Low Pay Commission remit 2024, available at: <https://www.gov.uk/government/publications/national-minimum-wage-and-national-living-wage-updated-low-pay-commission-remit-2024>

Following the “Fixing Social Care” commitment in Make Work Pay, the government has announced an independent commission into social care. This will be chaired by Baroness Casey of Blackstock “to make clear recommendations for how to rebuild the adult social care system to meet the current and future needs of the population”<sup>6</sup>. I discuss my concerns in relation to adult social care in the ‘Engage and Support’ section.

The government has updated its Transparency in Supply Chains Statutory Guidance<sup>7</sup>. The guidance provides businesses with advice on how to tackle modern slavery in their operations and global supply chains and report on this work in their annual modern slavery statements. I welcome the focus on encouraging businesses to go further with their due diligence in supply chains and ensure remediation when issues are identified.

Responsibility for GLAA’s functions around tackling serious labour exploitation will transfer from Home Office to the FWA from 2026/27. It will be important though that the FWA continues to engage with Home Office leading work across government and with enforcement agencies, business and civil society to combat forced labour and serious labour exploitation in the UK.

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6 New reforms and independent commission to transform social care 2025, available at: <https://www.gov.uk/government/news/new-reforms-and-independent-commission-to-transform-social-care>

7 Transparency in supply chains updated 2025, available at: <https://www.gov.uk/government/publications/transparency-in-supply-chains-a-practical-guide>



The Independent Anti-Slavery Commissioner (IASC) has published her 2024-26 Strategy<sup>8</sup>. This draws attention to serious labour exploitation and the risks of modern slavery, notably in relation to overseas workers with visas working in the UK. She proposes joint working with my office, GLAA and in due course FWA to ensure migrant workers are informed of and can exercise their rights. I welcome this and other opportunities to work with IASC.

Make Work Pay included a commitment to move towards a single status of worker and transition towards a simpler two-part framework for employment status<sup>9</sup>. It undertook to consult on a simpler framework that differentiates between workers and the genuinely self-employed. I would welcome this. The government has not yet announced the timetable for this consultation.

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8 Independent Anti- Slavery Commissioner Strategic Plan 2024-26, available at: [www.antislaverycommissioner.co.uk/reports-by-the-independent-anti-slavery-commissioner/](http://www.antislaverycommissioner.co.uk/reports-by-the-independent-anti-slavery-commissioner/)

9 Labour's Plan to Make Work Pay, 2024, p4 available at: [//labour.org.uk/change/manifesto-accessibility/](http://labour.org.uk/change/manifesto-accessibility/)

## Section 3: scale and nature of non-compliance

The ODLME assessment of risk is based primarily upon the collective view of the 3 enforcement bodies in my remit. In addition, we also consider the assessment of other stakeholders with statutory remits that relate to labour market non-compliance and exploitation. My assessment of risk is also informed by information provided through my call for evidence and published data.

The ODLME risk model shows the sectors and areas with the greatest non-compliance risk, with similar scoring to previous years. The enforcement bodies remain active in these sectors but some of the underlying problems are complex to resolve.

Generic factors which point to greater risk of non-compliance are (examples of relevant sectors are given in brackets):

- low margin businesses where increases in employment costs (including NMW and national insurance) are harder to absorb (adult social care, garment industry, agriculture)
- low pay sectors experiencing labour supply shortages (retail, adult social care)

- physically demanding working conditions – both outside (agriculture, construction) and inside (warehousing), noting concerns that climate change could make conditions more challenging
- lack of certainty of work – use of zero hours contracts, lack of guaranteed hours and uncertain shift patterns (adult social care, hospitality)
- absence of arrangements for collective representation of workers – for example through unions or effective workers' councils (hospitality, garment industry and construction)
- visa arrangements which unintentionally facilitate exploitation, including:
  - visas tied to a sponsor making it difficult for the worker to change roles or challenge poor behaviour by the employer (agriculture, adult social care, overseas domestic workers)
  - in extreme circumstances, debt bondage mostly associated with work-related debt in the country of origin (agriculture, adult social care)
- informal recruitment and cash-based working (recruitment, nail bars, hand car washes)
- workplaces where workers are less visible or may be isolated – rural (agriculture), urban (construction, cleaning, domestic workers)

- payslips which are hard to understand, potentially not capturing hours worked, for example, travel time or deductions (agriculture, adult social care)
- barriers to reporting, with not all workers willing to engage with enforcement bodies or not understanding to whom they should go (cleaning, car washes, nail bars)
- jobs where housing is linked to employment (both formally and informally) (agriculture, food processing, hospitality, construction and social care)
- false self-employment – workers may be misclassified or unaware of their employment status – depriving them of rights to which they are entitled and potentially exposing workers to unexpected tax bills (construction, retail, equestrian)

The high priority sectors include agriculture, hand car washes, construction and adult social care, which are specifically mentioned in this strategy (see table 1) and discussed in more detail in Annex B.

In agriculture the scoring reflects the risk of high-end non-compliance. Recruitment processes for seasonal workers have stabilised since the invasion of Ukraine. However, the scheme is recruiting from countries that have a more limited history of providing workers to the UK and therefore have less experience of UK working practices compared to other groups. We are working to understand

the range and evolving pattern of risks faced by this group and other workers in agriculture.

For hand car washes the ODLME risk model highlights the continuing high risk, in particular, for non-payment of the minimum wage. Illegal workers have historically formed part of the workforce, and this continues to be the case.

Construction is an industry with limited activity on the part of the 3 enforcement bodies, in part due to resource pressures. But their assessment alongside that of other stakeholders demonstrates significant indicators of risk.

In the adult social care sector, there has been a reduction in the number of visas issued to the sector. However, despite greater controls being in place for sponsorship licence holders, cases involving international recruits continue to emerge. Some of the exploitative conditions, though serious, fall below the threshold of modern slavery legislation. More generally, the care sector is one where funding issues have contributed to poor employment practices and responsible employers find it hard to compete. Additionally for care workers, whose employer's sponsorship has been revoked, there can be difficulty for the worker in accessing other roles in the care sector.

Further information on the risks and threats on this priority and other selected sectors is found in Annex B.

**Table 1: Sectors/areas at highest risk of labour market non-compliance**

Sector SIC <sup>10</sup>	Description	2024 Impact of non-compliance	2023 Impact of non-compliance
01 Crop and animal production, hunting and related service activities	Agriculture	A	A
41-43 Construction	Construction	A	A
81299 Cleaning services (other than disinfecting and extermination services) n.e.c.	Hand car washes	A	A
86-88 Care sector	Adult care sector	B	B
Models		B	B
Online recruitment fraud		B	B
10 Manufacture of food products	Food processing & packaging	B/C	B/C
96020 Nail bars		B/C/D	B/C/D
Source: ODLME analysis. Notes: The list presents the highest risk in terms of the impact of non-compliance which ranges from A (includes a proportion of Modern Slavery), B (Deliberate Non-compliance), C (Serious Non-compliance), D (Interpretation, non-compliance) to E (Error).			

## Enforcement resources

Government funding for the 3 enforcement bodies and my office currently amounts to around £40 million (Table 2). Combined they employ 560 staff, measured on a full-time equivalent (FTE) basis (Table 3). As in previous years, budgetary pressures remain, placing pressure on the ability of the enforcement bodies to carry out their enforcement work alongside the preparation for the FWA.

<sup>10</sup> SIC codes are used to align management information with official statistics however this does not provide a full picture. Large industries such as construction are represented by multiple SIC codes with further granularity, while smaller industry sectors such as hand car washes do not have a specific SIC code but 81299 is used to capture management information.

## Table 2: Funding of the enforcement bodies and ODLME (£ million)

	2020/21	2021/22	2022/23	2023/24	2024/25
HMRC NMW	£26.4	£26.4	£27.8	£31.20	£31.50
GLAA <sup>11</sup>	£6.75	£7.12	£6.62	£7.77 <sup>12</sup>	£6.26
EAS	£1.53	£1.53	£1.53	£1.52	£1.53
ODLME	£0.65	£0.65	£0.65	£0.65	£0.65
<b>Total</b>	<b>£35.33</b>	<b>£35.7</b>	<b>£36.6</b>	<b>£41.14</b>	<b>£39.94</b>

## Table 3: Number of full time equivalent (FTE) staff averaged over the financial year

Number FTE staff	2020/21	2021/22	2022/23	2023/24	2024/25
HMRC NMW	420	390	447	436	427
GLAA	111.3	117.6	113.3	112.5	105.4
EAS	17.5	22.3	24.4	17	22
ODLME	7.6	7	6.5	6	6
<b>Total</b>	<b>556.4</b>	<b>536.9</b>	<b>591.2</b>	<b>571.5</b>	<b>560.4</b>

11 To note, GLAA also raises money from the licence fees – GLAA annual report available at: <https://www.gov.uk/government/publications/gangmasters-and-labour-abuse-authority-annual-report-and-accounts-2023-to-2024>

12 Additional funding was provided to GLAA in 23/24 to cover restructuring costs



## **Section 4: the Fair Work Agency (FWA)**

I, along with most other stakeholders, welcome the commitment to a Fair Work Agency, part of the Plan to Make Work Pay. The FWA has the potential to be a step change in the enforcement of employment rights. There are, rightly, high expectations about what it can achieve but it needs substantial funding and innovative, collaborative thinking to be successful.

### **Compliance v enforcement**

Compliance work focuses on helping employers to understand and follow the law and includes helping workers understand their rights. Enforcement focuses more on addressing and punishing failure to follow the law, including deliberate and serious non-compliance. During the call for evidence, I received a mixture of views on the extent to which the FWA should focus on compliance or enforcement, although most agreed there needs to be a mix to be effective.

The FWA will have an important role in supporting compliance both through what it does and by supporting other bodies whose reach may be even more effective (see recommendation 6). But enforcement powers rest with the FWA and the enforcement action that it takes will be vital to tackle non-compliant employers and support workers who are victims of non-compliance.



In general, businesses argued for a proportionate approach to enforcement, with a stronger focus on compliance and education, targeting of high-risk sectors and penalties for the worst offenders. Alongside the ‘name and shame’ scheme, the FWA could recognise good business practice.

An increase in the visibility of the work of the FWA could be achieved through increasing both planned and unannounced inspections which stakeholders suggested could be particularly useful in low-paid, precarious sectors where workers may feel less able to complain.

## Resources

I would like to see the enforcement of National Minimum Wage brought within the FWA, rather than continuing to be contracted out to HMRC. As can be seen in tables 2 and 3 above, the HMRC NMW team is by far the largest in terms of numbers of staff and funding. Without this function being integrated into the FWA, it is unlikely that the FWA can see the benefits of a fully streamlined organisation. However, it is important that the FWA continues to have access to HMRC data that will enable it to identify risks and manage enforcement. I welcome the work that is already underway to support this aim, and I hope this continues to be prioritised.

In recommendation 1 I set out the priorities for stakeholders and myself, particularly in terms of the core central functions for the FWA.

Stakeholders have raised concerns with me about the resourcing of the current enforcement bodies and the risk to the success of the FWA if sufficient resources are not provided. The Business and Trade Committee highlighted their concerns that insufficient resources will be allocated to the FWA in their report on ‘Make Work Pay: Employment Rights Bill’<sup>13</sup>.

Substantial resources are needed to create the new agency – it will not be sufficient simply to bring the organisations’ budgets together. Equally, new ways of working need to be identified and implemented to reap the benefits of a single, streamlined and coordinated organisation and take advantage of new technologies. This requires time, effort and investment and I am pleased to see the substantial resources DBT has marshalled to drive forward the programme to create the FWA.

It is important that, from the outset, all those delivering FWA functions have clear identification with the FWA brand and with the values and culture of the organisation. In the short term there may be operational reasons why operational functions remain distinct. In that context, external stakeholders have emphasised the importance of retaining expertise from the enforcement bodies within FWA. However, delivery of the government’s ambition to have a single “go to” place for workers and businesses

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13 Business and Trade Committee – Publications – Committees – UK Parliament available at: <https://committees.parliament.uk/committee/365/business-and-trade-committee/publications/>

requires a strong recognisable FWA brand. Staff from all 3 enforcement bodies and my office should be engaged to work together on branding, values and culture and should visibly project it from Day 1 of FWA. This ambition will be assisted by early identification of the FWA leadership team.

A substantial budget must be allocated for delivering communications. Funding is needed to establish a strong brand, accessible website and clear guidance, as well as to set up a new framework for workers, victims and employers to access support and report concerns. Clear processes for stakeholder engagement should be a priority as well as raising awareness of the changes to employment rights following the enactment of the bill.

The labour market is continually evolving, and it is important that the FWA has the capability and capacity to keep track and adapt to this shifting environment. Any change brings with it new risks for the exploitation of workers. For example, the development of digital platforms and the increasing use of AI creates benefits and risks for workers and employers which need to be properly understood. Changes in government policy can also influence exploitation risks such as changes to tax or immigration law. A strong analytical core function is therefore required to enable the FWA to horizon scan, track trends and work with government on prevention and solutions to new exploitation risks.

In addition, respondents to the call for evidence highlighted the need for a research function to help fill gaps that exist in traditional intelligence assessment. This includes building on the innovative research sponsored by my office to explore the scale and nature of labour market compliance as well as further developing relationships that my office has established with universities, charities, NGOs and others. This is critical to building our knowledge and evidence base of exploitation in the labour market.

## **Recommendation 1: resources**

**I recommend government ensures that the FWA has resources commensurate with its task and the Make Work Pay ambition – both on the front line and as regards strong core functions to support its work.**

This should include:

- (a) a substantial communications budget to enable the development of a strong, recognisable brand and ongoing proactive external communications.
- (b) a team with strong analytical functions to understand labour market trends and risks, with responsibility for horizon scanning to monitor labour market developments and identify emerging threats to employment rights and enforcement.
- (c) a research budget to fill gaps in evidence to inform priorities. This should build on the outputs and learnings from the research project, ‘the scale and nature of labour market non-compliance’.

**Timeframe for delivery:** April 2026

**Lead:** DBT

**Supporting:** Home Office

# Governance and reporting

The FWA will be an Executive Agency which means that the enforcement will be carried out on behalf of the Secretary of State, rather than independently. I anticipate that safeguards will be put in place to ensure FWA operations are not subject to political interference.

Transparency as to what the FWA does is a priority for external stakeholders. The Employment Rights Bill establishes a good framework to support transparency, with a requirement for the Secretary of State to publish an annual report and a strategy every 3 years, as well as more extensive information sharing powers.

It will be important that the FWA annual report is published in a timely fashion, which has not always been the case in relation to the existing enforcement bodies. The fact that the FWA accounts are within the departmental accounts may create a challenge, but it is important that parliament and external stakeholders receive the FWA annual reports in a timely and sufficiently detailed manner.

Extensive and helpful government guidance on the creation and operation of Executive Agencies already exists, which should go a long way to help ensuring there is a transparent governance structure for the FWA<sup>14</sup>. DBT

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14 The Government produces clear guidelines on the structures and principal characteristics of Executive Agencies. Available at: <https://www.gov.uk/government/publications/executive-agencies-characteristics-and-governance>



is required to put in place and publish a framework agreement with the FWA, including the role of the proposed FWA Advisory Board. Detailed guidance<sup>15</sup> and a model template for such an agreement is included with Managing Public Money.

I would expect the FWA Advisory Board, on behalf of the Secretary of State, to be tasked to provide advice, challenge and support to the FWA's executive team on the development and delivery of the FWA's priorities, and for this obligation to be set out in the framework agreement.

Stakeholders made several suggestions in relation to the advisory board. For example, they supported establishing the board prior to the FWA being established, similar to the Skills England Board, enabling the board to input into the development of the organisation.

Given its remit, stakeholders argue the board would benefit from a range of skills and understanding of different sectors, and of how processes within the labour market (for example, recruitment) work. They ask how the external perspective will be delivered through the proposed tri-partite model. This should be addressed by the DBT Public Appointments process.

The Public Bodies Handbook (Part 3) advocates the principle that Executive Agencies should operate, "in an open and transparent manner, providing clarity about

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<sup>15</sup> See Annex 7.2 of Managing Public Money 2023, available at: <https://www.gov.uk/government/publications/managing-public-money>

service provision and expenditure, as well as how it conducts its business.” It also advocates that agencies should proactively publish performance data. Adherence to this guidance should build confidence in the FWA’s work among stakeholders.

The FWA will need measures to assess the impact of what it does. I recognise this can be challenging. The creation of a new organisation provides an opportunity to draw on existing initiatives, learnings and evaluations to form a base line for work going forward to be assessed. It also provides an opportunity to look for new ideas and draw on the experience of others. This will help to demonstrate to the advisory board and to the Secretary of State the effectiveness of the FWA’s use of resources and will support strategy development based on what works.

Part of building confidence in the FWA will be achieved by being as transparent as it can be about the outcomes of its activities. Stakeholders have expressed concern about a lack of transparency about how the current enforcement bodies are performing and the delays in publishing reports which detail performance metrics and outcomes of enforcement. As a publicly funded body FWA has a duty to account publicly for how its budget has been spent, notably when there are so many competing demands on the public purse.

Transparent demonstration of FWA activities, should include meaningful key performance indicators (KPIs).



This might be the number of inspections resulting in enforcement action, the number of victims supported, money returned to the individuals, penalties issued as well as the measures of reach and effectiveness of compliance activity. A published dashboard could be one mechanism to demonstrate progress, including targets and best practice. Annex A provides a summary of stakeholder suggestions for what to measure and report on, which I encourage DBT to consider.

## **Recommendation 2: transparent governance**

**I recommend the Framework Agreement required between DBT and the FWA is in line with best practice.**

This should include:

- (a) ensuring the Framework Agreement between DBT and the FWA includes sufficient focus on transparency.
- (b) identifying metrics that assess impact and creating a baseline for reporting to the FWA Advisory Board.
- (c) developing a system of regular performance reporting on efficiency and cost-effectiveness through quarterly reports to the FWA Advisory Board.
- (d) promoting transparency of the FWA by developing a clear mechanism, such as a dashboard, that internal and external stakeholders can access.

**Timeframe for delivery:** By April 2026

**Lead:** DBT

**Supporting:** EAS, GLAA, HMRC NMW and ODLME

## **Stakeholder engagement**

DBT should consider how the FWA engages with a wide range of organisations and develop a clear and transparent engagement framework. This includes how to work with partner organisations such as the police,

National Crime Agency and local authorities to gather and share intelligence. Consideration should also be given to how to engage with advisory organisations and NGOs who can support with educating and engaging with workers and victims.

Strong relationships with third party organisations can also help the FWA to identify priorities, particularly as it takes on new areas of state enforcement. For example, in their response to my call for evidence, Citizens Advice explained that statutory sick pay is the largest single employment issue on which they provide advice.

## **Building on experience**

The enforcement bodies have a huge amount of knowledge and experience within the labour market and of engagement with stakeholders. My office has also developed a strong strategic understanding of the labour market landscape, in part through the calls for evidence and stakeholder roundtables that have informed this strategy. It is important that these learnings are identified and built upon to inform the development of the FWA. I have therefore developed a recommendation for DBT to undertake mapping and identify learnings in relation to 3 priority functions:

1. Communications
2. Gathering, processing and coordination of intelligence
3. Enforcement mechanisms and investigation methods.

At present these functions are undertaken in a range of different ways by each organisation. To build a single enforcement body it is important to develop an understanding of how the existing system works before developing a new framework for how these should operate going forward. Applying these learnings will help to reduce siloed working, creating an organisation with a common purpose rather than several organisations that have been merged but retain separate identities and ways of working.

## **Communications**

Communications is a function that affects individuals and organisations interacting with the FWA, whether reporting a complaint, supplying intelligence, or seeking information and support. This needs to be mapped. The mapping should look at a wide range of communications including with workers, modern slavery victims, business, government, partners and stakeholders, as well as communication methods, format and frequency (for example of newsletters), helplines and websites. DBT plans should build on initiatives that are most successful, including those where the enforcement bodies presently support external organisations to undertake delivery.

## **Gathering, processing and coordination of intelligence**

Intelligence is vital to the enforcement work of the FWA. A benefit of a single enforcement body should be a combined intelligence function, building a strategic risk

picture across the whole landscape. It is necessary to understand how the gathering and processing of intelligence currently works so that these functions can be brought together in a cohesive way. A review should therefore be conducted into how the enforcement bodies currently work together and with other partner organisations. This should include intelligence sharing, joint operations, and the role of the Strategic Coordination Group, run by my office.

## **Enforcement mechanisms and investigation methods**

Enforcement is a core purpose of the FWA, and like communications and intelligence, the 3 enforcement bodies undertake investigations and inspections in very different ways. In part this reflects differences in what they enforce, but understanding these methods and identifying what works in different situations can be used to help develop a stronger function in the FWA.

Stakeholders continue to raise concerns about the cultural awareness of those in enforcement and suggest more training on cultural diversity may help build trust amongst harder to reach communities. The development of a new enforcement body is an opportunity to review and understand how the FWA should engage with victims, such as looking at the work GLAA has done within this space to provide training to its inspectors and enforcement officers.

### **Recommendation 3: building on experience**

**I recommend DBT lead a project to identify the learnings from the enforcement bodies as well as my office in terms of what works and doesn't work on the following priority areas.**

- 1. Communications** – an effective communications strategy will be key to ensuring the FWA achieves its objectives, setting out how the FWA will engage with workers, modern slavery victims and survivors, employers, stakeholders (such as NGOs, trade unions, academics) and partners (such as the Advisory, Conciliation and Arbitration Service (Acas), police, NCA, local authorities). To inform this I recommend:
  - (a) Mapping the stakeholders for the 3 enforcement bodies and the ODLME.
  - (b) Identify learnings from the four organisations on what engagement works (including method, timing, format) and what doesn't work, to inform next steps for the FWA.

## 2. Gathering, processing and coordination of intelligence

- (c) Mapping the intelligence stakeholders (including responsibilities) and processes for the 3 enforcement bodies and the ODLME.
- (d) Identify learnings on what works and doesn't work for the 3 enforcement bodies and ODLME and their relationships with their law enforcement partners to inform the development of the FWA.

## 3. Enforcement mechanisms/ investigation methods – the 3 enforcement bodies employ different methods to enforce and investigate exploitation. I recommend:

- (e) Mapping the enforcement mechanisms/ investigation methods for each of the 3 enforcement bodies
- (f) Identifying learnings on what works and doesn't work.
- (g) Looking specifically at engagement with hard-to-reach groups and different cultures, including training for staff.

**Timeframe:** The FWA strategy, due April 2026, to indicate how this recommendation was actioned.

**Lead:** DBT

**Supporting:** EAS, GLAA, HMRC NMW and ODLME



## Section 5: improving the radar picture

Improving the information that the enforcement bodies and my office hold about the scale and nature of risk remains a priority and should be a priority for the FWA going forward. This supports better decision making and prioritisation of resources. My office has identified several gaps in data and knowledge including:

- detailed sectoral information, particularly on hand car washes, construction and industries where modern slavery victims are found. This would greatly enhance risk assessments, particularly for regional breakdowns
- agency workers – data on the supply chain of workers, including umbrella companies, would help improve the assessment of risk for agency workers in the labour market
- precarious workers – research highlights that precarious workers may be at greater risk of non-compliance; however, we need more data on the gig economy and digital recruitment platforms to build a more detailed picture
- seasonal workers – within the agricultural sector, the Department for Environment, Food and Rural Affairs' (Defra) annual survey<sup>16</sup> of Seasonal Worker Visa

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<sup>16</sup> Seasonal Workers Survey Results 2023 available at: <https://www.gov.uk/government/publications/seasonal-workers-pilot-review/seasonal-workers-survey-results-2023>



Scheme (SWVS) workers is helpful to understand their experience. We would welcome engagement with Defra on constructing additional questions on the type of non-compliance workers on the seasonal worker visa scheme experience

## Emerging threats

The ODLME Risk Model draws on historic data, but the labour market is continually evolving. It is important that ODLME and FWA keeps track and adapts to the shifting environment (for example the development of new employment models, the move towards digital platforms, changes in legislation and tax). Any change brings with it new risks for the exploitation of workers.

### **Recommendation 4: emerging threats**

**I recommend the ODLME prepares a report for the LME Board<sup>17</sup> on methods, additional data sources, research outputs and forecasting techniques the enforcement bodies/FWA might embrace to better identify and monitor emerging risks to the labour market.**

**Timeframe for delivery:** December 2025

**Lead:** ODLME

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<sup>17</sup> Details of the LME Board are in Section 9: DLME Work Plan

# Payslips

ODLME continues to receive representations that workers are not receiving payslips, or that the payslips they receive are inadequate and inaccurate. If a worker does not have a payslip or does not understand it, this makes it harder to identify and take action when there is a problem. This can be a particular issue in agriculture, where often pay is based on piece rates, making it more challenging for a worker to understand their pay.

Currently, a worker can only enforce their rights to have a payslip through an employment tribunal, which is a burdensome and slow process. More work is needed to establish the extent of payslip issues and, if appropriate, remedies, such as whether the FWA should have a role. There is no intent to increase the burden on employers record keeping or expectation that this would be the case. Compliant employers should have this in hand already.

Recommendation 5 is intended to build on the information identified from recommendation 8 of the 2024/25 Strategy<sup>18</sup>, to build a stronger evidence base to determine the extent of provision of comprehensive and accessible payslips.

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18 Labour Market Enforcement Strategy 2024 to 2025 published 2024 available at: <https://www.gov.uk/government/publications/labour-market-enforcement-strategy-2024-to-2025>

## **Recommendation 5: payslips**

**I recommend ODLME collates evidence on the provision of payslips and presents a paper to the LME Board making recommendations on what further measures might strengthen compliance with the Employment Rights Act 1996 in relation to the provision of payslips.**

**Timeframe for delivery:** March 2026

**Lead:** ODLME

## Section 6: improving focus and effectiveness

The creation of a new organisation provides an opportunity for new thinking to be applied about how stakeholders can best be utilised to maximise the use of resources. Acas recommends using the creation of the FWA as “an opportunity to clarify and unify the way in which workplace rights and responsibilities are communicated, understood and enforced – particularly through the use of advice services, strategically aligned communications, support for businesses and the efficient use of shared intelligence, alongside targeting non-compliance.” (Acas response to ODLME call for evidence 25/26).

Utilising a wide network can help the FWA amplify its message and make efficient use of resources. I encourage DBT to consider whether the FWA should provide all services directly, or whether some services could be best provided by trusted stakeholders, who already have strong links with their communities, for example, identifying best partners who can educate and provide advice to workers and employers. This could include organisations such as Acas, Citizens Advice, Health and Safety Executive (HSE), Care Quality Commission (CQC) and local authorities. This would enable the FWA to leverage the trust and relationships that these organisations already have. This could be

particularly helpful in the early stages of the FWA. I return to this at Recommendation 6.

## **Enforcement gaps**

There are two important areas where the enforcement bodies within my remit can see worker exploitation but lack the powers to intervene. It is important that government understand the causes of exploitation, what works to prevent it and builds on this to tackle labour market exploitation in the most efficient way.

## **Exploitation overseas**

I encourage the Home Office to identify and understand the learnings from the adult social care sector.

Exploitation of international recruits occurs before their arrival in the UK, for example through paying substantial work finding fees. However, the enforcement bodies under my remit have limited levers to tackle this issue. One option that could be explored is placing a formal obligation on sponsors of international recruits to undertake due diligence in their recruitment chains as a condition of obtaining a sponsorship licence. Or the sponsors could have an obligation to demonstrate the worker has been accurately briefed and understands terms and conditions of their employment in the UK. If a worker had been exploited prior to their arrival action could be taken against the UK based sponsor.

## **Violations below modern slavery threshold**

Stakeholders have raised concerns with me about an enforcement gap in relation to offences below the modern slavery threshold. The threshold to meet the definition of modern slavery under the Modern Slavery Act 2015 is necessarily high as it is a very serious offence. This means that currently, where GLAA has investigated a case of exploitation but cannot meet the threshold of modern slavery, they are not able to take enforcement action. Examples of the exploitation include excessive hours, misrepresentation of the work, misleading contracts, withholding documentation and poor treatment of the worker.

Not addressing these poor behaviours is both unacceptable and may lead to more serious violations. I therefore welcome the government amendment to the Employment Rights Bill to address aspects of this gap. This gives the FWA the power to enforce offences of fraud by abuse of position. This will enable the FWA to continue some of its investigations where the definition of modern slavery has not been met. However, further steps may be required to create a labour market criminal offence in this space.

## **Artificial intelligence**

Recommendation 5 in my 2024/25 strategy related to the use of Artificial Intelligence (AI). I noted that AI poses both opportunities and threats across the labour market.

Within public services, and in the labour market enforcement space specifically, I highlighted 3 areas that I felt merited particular attention by the enforcement bodies:

- enhanced provision of services using artificial intelligence
- being alert to the threat of AI in the labour compliance space
- maximising the power of AI to improve enforcement

I believe this remains a priority area for improving effectiveness and efficiency, particularly now there are increasing pressures on public spending. Concerns have been expressed about the significant work still needed to boost AI capability and usage in the public sector<sup>19</sup>. I therefore welcome the government's recent announcement to seek to plug this gap<sup>20</sup>.

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19 Uphill struggle ahead for government's use of AI as PAC report reveals the scale of the challenge 2025 available at: <https://committees.parliament.uk/committee/127/public-accounts-committee/news/206078/uphill-struggle-ahead-for-govts-use-of-ai-as-pac-report-reveals-the-scale-of-the-challenge/>

20 HM Treasury Spring Statement 2025 available at: <https://www.gov.uk/government/topical-events/spring-statement-2025>



## Section 7: engage and support

Tackling labour market exploitation is not the job for only one organisation. It is vital that the enforcement bodies continue to work together, and with partners and stakeholders to support this goal.

In my 2024/25 Strategy I discussed the important role of local community groups and NGOs who help to channel information and support for particularly the hard-to-reach groups. Recommendation 9 in that strategy advocated my office engaging with Greater Manchester Combined Authority and the Scottish Government to explore how existing initiatives increasing prominence and support for community organisations improve business compliance and prevent labour exploitation. ODLME has not managed to progress this, but I believe my office now has the capacity to do so, and it remains a priority for me.

Although the FWA has been created to be a single point of contact for workers and employers, it should not act in isolation as regards the promotion of compliance and understanding of workers' rights. As mentioned above, there is considerable scope for the FWA to use other organisations, notably Acas and Citizens Advice, to inform employers and worker organisations about employment rights and to promote compliance. These organisations already have communication routes to areas that the FWA will want to reach. Given the need to

deliver value for money, using external agencies – including the possibility of seed funding – should be part of the FWA agenda.

I am also interested to explore how initiatives such as the Good Business Charter<sup>21</sup>, Just Good Work<sup>22</sup>, and, in the recruitment space, JobsAware<sup>23</sup> and the Better Hiring Charter<sup>24</sup> – all excellent – are making a difference in delivering compliance. Well run accreditation schemes do not remove the need for regulation but can reduce accidental non-compliance. There have been initiatives in the past branded ‘co-compliance’, ‘co-regulation’ and ‘co-collaboration.’ I believe that good employers know best how to make compliance work and therefore well-structured industry run schemes with oversight have merit. Recommendation 6 is aimed at exploring these possibilities for the FWA.

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21 Home page the Good Business Charter available at: <https://goodbusinesscharter.com/>

22 Just Good Work available at: <https://justgood.work/>

23 JobsAware Protecting Worker Rights – available at: <https://www.jobsaware.co.uk/>

24 The Better Hiring Charter available at: <https://bhi-charter.webflow.io/>

## **Recommendation 6: achieving compliance and providing support through others**

**I recommend DBT considers how the FWA can make best use of other agencies, community groups, NGOs and industry led initiatives to both support and encourage compliance.**

**Timeframe for delivery:** The FWA strategy, due April 2026, to indicate how this recommendation was actioned.

**Lead:** DBT

## **Safe reporting mechanisms**

Stakeholders are calling for safer reporting mechanisms to protect those who have a fear of adverse consequences for themselves or others from reporting non-compliance in their workplace. Respondents say even when workers have a legitimate visa, they can often be reluctant to raise issues for fear of losing their job, losing tied accommodation or being deported. We encourage DBT and Home Office to investigate a suitable solution to this while developing the FWA. We understand other countries have also experienced issues in this area and so we suggest looking at international initiatives in this space, for example in Australia (see Annex A for further information).

## Section 8: better joined-up thinking

Labour market exploitation spans numerous sectors, and reaches across government departments' remits.

Improving joined up thinking and working together to address risks is vital.

Where a policy change is likely to affect workers, we urge the relevant department to engage with my office, or, going forward, with the FWA, to explore and understand the risks in relation to exploitation. We considered recommending that impact assessments, which are required across government prior to any policy change, should have a section devoted to impact on workers. This would encourage actions to be developed to minimise risks prior to any policy change. But building in a review of the risks to workers, for example in relation to changes in visa arrangements, needs more than just a section on a form. The FWA will have a role in raising the prominence of minimising worker exploitation risk such that it is built into policy thinking at an early stage.

### Adult social care

The adult social care landscape continues to evolve as policy develops across government. However, as discussed in Annex B, exploitation within this sector remains a concern. I am aware the Minister for Employment Rights wrote to HMRC NMW to make clear

his priorities for tackling underpayment in the social care sector, including travel time. I welcome HMRC NMW engagement in this matter, including a focus on education materials on travel time. Similarly, the Minister for Safeguarding and Violence Against Women and Girls wrote to the GLAA highlighting the importance of continuing to work across government to strengthen efforts to tackle exploitation in the social care sector.

I am encouraged by the engagement of both Ministers in this issue and I look forward to hearing more about the impact of the enforcement bodies' work in this area. Further work needs to be done to encourage employers to pay for all working time, including travel time as required.

The Employment Rights Bill sets up an Adult Social Care Negotiating Body. This will enable the Government to set up sectoral agreements within the sector. This of course needs to be joined up with the wider work around funding and commissioning of adult social care.

In my 2024/25 Strategy I set out a recommendation to assess the joint working approach among the 3 enforcement bodies towards tackling exploitation in this sector (recommendation 11). This recommendation will be carried forward into 2025/26 as this sector remains a high priority.

The independent commission into social care, chaired by Baroness Casey of Blackstock, will, I am sure, provide much needed recommendations for improvements.

However, they will take time to emerge and further time to deliver. I am concerned that ongoing delays to resolve the issues within social care will only postpone tackling the issues with labour exploitation in this sector.

Going forwards, the FWA needs to consider where it can add value, including engagement with the Casey review, but also promoting the necessary joined up thinking that is needed between the many enforcement agencies involved in adult social care (see Figure 2 in Annex B). In the meantime, ODLME stands ready to share its insights and promote quality work in this sector.

## Hand car washes

Another area where joined up thinking is needed between law enforcement bodies is hand car washes. Hand car washes have historically been assessed by ODLME as a high priority sector for national minimum wage non-compliance and to a lesser extent, modern slavery risks. Additionally, Immigration Enforcement identify illegal working in the sector. The Car Wash Association estimate that 80 per cent of hand car washes operate outside the law creating poor conditions for workers in the sector and unfair advantage by non-compliance<sup>25</sup>. Having tested a voluntary pilot scheme, the Responsible Care Wash Scheme in 2021/22 which did not prove effective in raising standards, stakeholders suggest a national scheme licensing hand car washes.

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25 Non compliant hand car washes available at: <https://www.carwashassociation.co.uk/en/about/non-compliant-hand-car-washes>



Recommendation 7 provides support to a regional pilot exercise proposed by GLAA to identify non-compliance and exploitation. Additionally, HMRC NMW have proceeded with an exercise to increase compliance in the sector. We seek an evaluation of these approaches to assess compliance across the whole sector, building on the learnings from the evaluation of the Responsible Car Wash Scheme.

### **Recommendation 7: hand car washes**

**ODLME supports the planned regional pilot into the compliance of hand car washes, and I recommend the evaluation of the pilot is combined with an evaluation of the activities undertaken by HMRC NMW and other stakeholders. This joint evaluation should be used by the FWA to determine what solutions are required to mitigate the risks in the sector.**

**Timeframe for delivery:** Evaluation by April 2026

**Lead:** GLAA (with other stakeholders)

**Joint evaluation lead:** DLME/ Strategic Coordination Group (SCG)<sup>26</sup>

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<sup>26</sup> A description of the Strategic Coordination Group is in Section 9: DLME Workplan



# Construction

The DLME Risk Model continues to highlight the construction industry as a high priority sector in which various law enforcement bodies take an interest. With the existing shortage of workers in the industry, the planned government push for more house building will compound the need for additional workers. Recognising this, the government has recently announced increased investment to train up to 60,000 more skilled construction workers<sup>27</sup>. However, there may also be a need to recruit internationally to meet these building targets.

I would like preventative action to be taken to reduce the risk of exploitation in this growing sector. Some engagement between stakeholders is already happening, however I would like to see a more structured plan in place to reduce the risks for all forms of labour exploitation around the housebuilding programme. As part of this it is important to review the evidence. ODLME has been working with the Modern Slavery and Policy Evidence Centre to review existing literature on the supply chains in housebuilding sectors.

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27 Government unleashes next generation of construction workers to build 1.5m homes 2025 available at:  
<https://www.gov.uk/government/news/government-unleashes-next-generation-of-construction-workers-to-build-15m-homes>

## **Recommendation 8: construction**

**I recommend that in advance of the government's proposed housebuilding programme, law enforcement stakeholders produce an engagement, coordination and action plan with central government, local authorities and industry, expanding on current initiatives to mitigate the risks of exploitation.**

**Timeframe for delivery:** Review engagement plan by October 2025 with a report to LME Board

**Lead:** Enforcement bodies, coordinated through the ODLME Strategic Coordination Group (SCG)

## **Employment status**

Stakeholders continue to raise their concerns with me in relation to employment status. This includes a lack of clarity for individuals as to what their status is, which also makes it challenging for advisory services to provide support. I am also concerned by bogus self-employment to avoid paying tax and seek to discharge businesses from providing rights, for example through work providing platforms. With the increase to employer National

Insurance announced in the November 2024 budget<sup>28</sup> to come into effect in April 2025, unethical employers will continue to see this as an attractive option.

Concerns about employment status crosses sectors, including in modelling and entertainment, the equestrian sector, hospitality, delivery services and construction.

It is therefore important that the government makes progress on addressing the labour market exploitation risks associated with employment status. Labour's 'Plan to Make Work Pay' made several commitments in relation to employment status. I remain of the view that simplifying the system would provide welcome clarity, could reduce tax avoidance and that this is a pressing issue.

The government may wish to consider other options for reforming employment status such as reversing the burden of proof for employment status onto the employer. It would be interesting to understand the experience in the EU of implementing a presumption of worker status for platform workers.

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28 Changes to the Class 1 National Insurance Contributions Secondary Threshold, the Secondary Class 1 National Insurance contributions rate, and the Employment Allowance, all from 6 April 2025 available at: <https://www.gov.uk/government/publications/changes-to-the-class-1-national-insurance-contributions-secondary-threshold-the-secondary-class-1-national-insurance-contributions-rate-and-the-empl/changes-to-the-class-1-national-insurance-contributions-secondary-threshold-the-secondary-class-1-national-insurance-contributions-rate-and-the-empl>

# Section 9: DLME Work plan

## Fair Work Agency

The DLME has a vital role to play in the development of the FWA. This work will therefore be the priority for my office. I will continue to bring together the views of a wide range of stakeholders to influence and, I hope, improve the formation of the FWA.

## DLME Annual report covering 2023/24 and 2024/25 LME Strategy recommendations

I intend to publish an annual report in autumn 2025. This will report on the 12 recommendations from 2023/24 LME Strategy published in October 2023 and 12 recommendations from the 2024/25 LME Strategy published in November 2024.

## Assessing the scale and nature of labour market non-compliance

In 2022 I commissioned research to improve our understanding of the scale and nature of non-compliance in the UK. An interim report<sup>29</sup> has now been published.

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<sup>29</sup> <https://www.gov.uk/government/publications/assessment-of-the-scale-and-nature-of-labour-market-non-compliance-in-the-uk-interim-report>

The research identified 5 distinct groups of workers and showed that some groups tend to age into more secure employment, others become increasingly precarious over time, and others dip into and out of precarious work.

The main findings are that around 10 per cent of the workforce could be classified as precarious, and this is a remarkably stable figure. The project has concluded its pilot study to test the method,<sup>30</sup> with the main data collection being undertaken from March 2025. A final report is expected to be published in late 2025.

## Ongoing engagement

My team and I are supported by a wide cast who are very important to informing my thinking. These fora will continue throughout 2025/26:

- regular engagement with the 3 enforcement bodies
- LME Board – which includes senior representatives from the two sponsor departments as well the 3 enforcement bodies. This group will continue to meet quarterly to set direction until my office is abolished
- Strategic Coordination Group (SCG) – This monthly meeting involving ODLME, the 3 enforcement bodies and other statutory agencies will continue to be an important means of sharing information and intelligence and developing joint enforcement activity.

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30 Respondent Driven Sampling available at: <https://www.publichealth.columbia.edu/research/population-health-methods/respondent-driven-sampling>

I am keen to ensure that the lessons learned over the years by the SCG are fed into the development of the FWA

- Analysis and Research Group (ARG) – this valuable group of labour market analysts from across government share knowledge and evidence about sectors.
- I look forward to continuing to work with the Independent Anti-Slavery Commissioner on areas of overlap with our respective strategies
- I have regular meetings with the Low Pay Commission, Migration Advisory Committee and Acas as well as TUC and business representatives, including trade associations
- stakeholder engagement events – My office has built relationships with a wide range of stakeholders, including NGOs, charities, trade unions and other worker representative groups, think tanks and academics

I would like to thank all who contribute to supporting the work of ODLME. As highlighted in recommendation 3, I will endeavour to ensure that this is built upon as my office passes on the baton to the FWA.

# Appendix 1: abbreviations and acronyms

**Acas** – Advisory, Conciliation and Arbitration Service

**ARG** – Analysis and Research Group

**DBT** – Department for Business and Trade

**Defra** – Department for Environment, Food and Rural Affairs

**DLME** – Director of Labour Market Enforcement

**EAS** – Employment Agency Standards Inspectorate

**GDP** – Gross Domestic Product

**GLAA** – Gangmasters and Labour Abuse Authority

**HMRC NMW** – HM Revenue and Customs National Minimum Wage

**IASC** – Independent Anti-Slavery Commissioner

**LME** – Labour Market Enforcement

**LPC** – Low Pay Commission

**NGO** – Non-government Organisation

**NICs** – National insurance contributions

**NMW** – National Minimum Wage

**NLW** – National Living Wage



**OBR** – Office for Budget Responsibility

**ODLME** – Office of the Director of Labour Market Enforcement

**ONS** – Office of National Statistics

**SCG** – Strategic Coordination Group

**SWVS** – Seasonal Worker Visa Scheme

**The bill** – The Employment Rights Bill

## Appendix 2: references

Business and Trade Committee – Publications – Committees – UK Parliament available at: [committees.parliament.uk/committee/365/business-and-trade-committee/publications/](https://committees.parliament.uk/committee/365/business-and-trade-committee/publications/)

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GLAA annual report 2025 available at: <https://www.gov.uk/government/publications/gangmasters-and-labour-abuse-authority-annual-report-and-accounts-2023-to-2024>

Government unleashes next generation of construction workers to build 1.5m homes 2025 available at: <https://www.gov.uk/government/news/government-unleashes-next-generation-of-construction-workers-to-build-15m-homes>

Hand Care Wash Association research – available at: [Non Compliant Hand Car Washes | Car Wash Association](#)

HM Treasury Spring Statement 2025 available at: <https://www.gov.uk/government/topical-events/spring-statement-2025>

Home page the Good Business Charter available at: <https://goodbusinesscharter.com/>

Independent Anti-Slavery Commissioner: strategic plan 2024 to 2026 available at: [www.antislaverycommissioner.co.uk/reports-by-the-independent-anti-slavery-commissioner/](http://www.antislaverycommissioner.co.uk/reports-by-the-independent-anti-slavery-commissioner/)

JobsAware Protecting Worker Rights – available at: <https://www.jobsaware.co.uk/>

Just Good Work available at: <https://justgood.work/>

Labour Market Enforcement Strategy 2024 to 2025 published 2024 available at: <https://www.gov.uk/government/publications/labour-market-enforcement-strategy-2024-to-2025>

Labour's Plan to Make Work Pay 2024 available at: <https://labour.org.uk/change/manifesto-accessibility/>

Managing Public Money 2023, available at:

<https://www.gov.uk/government/publications/managing-public-money>

National Minimum Wage and National Living Wage rates – GOV.UK Available at:

[www.gov.uk/national-minimum-wage-rates](https://www.gov.uk/national-minimum-wage-rates)

National Minimum Wage and National Living Wage: updated Low Pay Commission remit 2024 available at: <https://www.gov.uk/government/publications/national-minimum-wage-and-national-living-wage-updated-low-pay-commission-remit-2024>

New reforms and independent commission to transform social care 2025 available at:

<https://www.gov.uk/government/news/new-reforms-and-independent-commission-to-transform-social-care>

Non-compliant hand car washes available at:

<https://www.carwashassociation.co.uk/en/about/non-compliant-hand-car-washes>

Office for Budget Responsibility (OBR), Economic and Fiscal Outlook, March 2025 available at: <https://obr.uk/download/economic-and-fiscal-outlook-march-2025/?tmstv=1743188550Respo>

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<https://www.gov.uk/government/publications/transparency-in-supply-chains-a-practical-guide>

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