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Dear ODLME,

## **Labour Market Enforcement Strategy 2025 to 2026: call for evidence**

### **Section 1: About the Work Informalisation and Place Research Centre (WIP)**

The Work, Informalisation and Place Research Centre (WIP) at Nottingham Trent University is one of the UK's foremost research centres that examines labour market non-compliance, workplace coercion and exploitation, and the associated potential for modern slavery. WIP has undertaken research funded by The Arts and Humanities Research Council, Department of Business, Energy and Industrial Strategy, the Home Office, the TUC and the National Crime Agency. We have also worked with multiple police forces, sector bodies such as the GLAA and ODLME, and charity groups.

WIP provides methodologically innovative interdisciplinary studies with a specific focus upon the spatial dimensions of contemporary work and employment in sectors such as hand car washes, nail bars, and small-scale garment manufacturing. Work in these sectors tends towards casualisation and informalisation where workers operate under business models that embed patterns of labour market exploitation. Exploitation includes wage theft, under payment of the national minimum wage through to modern slavery where employer coercion centres on work for favours, labour bondage and tied labour in unsafe workplaces.

Our research expertise enables us to study contemporary patterns of work in many sectors of employment, determine the extent to which informalisation is a feature and examine a sector through a place-based methodology centred on a city, a county or region, a district or a suburb. We present our research at world-leading conferences such as European Group for Organizational Studies, and the International Labour Process Conference. We publish our research in world-leading and internationally recognised journals and provide bespoke confidential research intelligence led reports and presentations for regulators and other stakeholders.

Our work is currently themed into three strands exploring informalised labour and work, regulation and enforcement and spatial analysis of informalised work opportunities which are developed by the creation of empirical research and policy and practitioner engagement.

We have an active interest in the progress and content of the Employment Rights Bill and the development of the Fair Work Agency; how it may improve regulation of the informal economy and help to reduce the incidence and risk of forced labour.

This submission has been written by Professor Ian Clark, Darryl Dixon and Rich Pickford.

## **Section 2: Responses relating to the four themes of the evidence call**

### **Employment rights enforcement priorities and governance**

*1. Briefly, and in no more than 100 words, what do you believe should be the priorities for employment rights enforcement as we transition to the FWA?*

The priority must be enforcement not regulation of non-compliance. Sectoral priorities for non-compliance risk, and activities that mask labour exploitation, must continue to be intelligence-led. Whilst gig economy activities should be priority, a more strategic, and preparatory approach should be adopted by the Enforcement bodies in the manner in which they inter-operate, to create a proto-FWA, that can further test collaborative ways of working. This should include the development of a joint strategic analysis of the labour market landscape, and consideration of co-location of staff on a regular basis, to build closer working and planning between the bodies. (98)

*2. The FWA will take some time to be set up. What should priorities be for the enforcement bodies before then? What should be FWA medium to longer-term priorities and why?*

In the final stage impact assessment – Fair Work Agency on page 7, it states “a robust, proactive and joined up enforcement body should increase compliance across all businesses and thereby reduce the risk of unfair competition driven by businesses avoiding full compliance with labour market regulations” and “the Fair Work Agency seeks to create an enforcement and compliance environment where all businesses are treated equally”. Further analysis is needed on this topic, but it is possible that certain sectors, which are more likely to be non-compliant, will be disproportionately affected”.

Where, and how, the FWA focuses its enforcement activity will also impact its resources. Whilst the FWA should be expected to drive up compliance across the board and level the playing field for business, there needs to be a focus on current and emerging areas of non-compliance such as car washes, nail bars, hairdressers, platform working (deliveroo etc), care, construction and food production.

To summarise in preparation for transition into a FWA enforcement bodies must focus more clearly on enforcement of non-compliance both in terms of practicalities of doing so and in terms of sectoral risk and reducing current levels of non-compliant permissiveness in at-risk sectors. This approach will necessarily encourage enforcement actors to look at what they do and what they will need to do differently

following on from a change of rubric towards enforcement not regulation of non-compliance (which has been restricted by better regulation philosophy).

*3. The FWA will have a statutory duty to publish annual reports and a triannual strategy, overseen by a social partnership board with tripartite representation from business representatives, trade unions and independent experts.*

*What data and reporting should the FWA publish to ensure good accountability and transparency, via these publications or otherwise?*

Performance material, which should be published, should include:

- Levels of intelligence received, by source, sector, type, including by offender profile.
- Levels of cases referred for investigation by
  - (a) civil inspection powers;
  - (b) criminal investigation powers in England & Wales (E&W);
  - (c) criminal investigation into gangmaster offences under powers for Scotland or Northern Ireland (NI);
- EAS type criminal investigations in Scotland;
- NMW criminal investigations that may be undertaken by HMRC, in any of the UK jurisdictions, broken down by those jurisdictions
- Levels of Director disqualifications;
- Labour Market Employment Undertakings (LMEUs); Labour Market Employment Orders (LMEOs), and combined LMEU or LMEOs that cover compliance with more than one regulatory area within the future remit of the FWA;
- Slavery Trafficking Prevention Orders (STPOs) and Slavery and Trafficking Risk Orders;
- NMW naming and shaming;
- number of cases for which NMW underpayments are issued, and the collated quantum of the underpayment for any given period;
- other sanctions that may be enabled in future;
- prosecution outcomes;
- licence refusals, revocations, and appeal outcomes (with anonymised analytical information provided on the reason for refusal/revocation or the addition of "additional licence conditions" to a licence
- Time taken to undertake licence applications and compliance inspections.
- Time taken to complete criminal investigations.
- Number of victims identified in labour exploitation cases in E&W
- Number referred to the National Referral Mechanism
- Number of cases reported under the "duty to notify" in E&W
- Similar information for S and NI, whether mandated by legislation or not
- Levels of Freedom of Information requests received, answered, or refused, and publication of those that will be of public interest in the performance of the FWA.
- MPs enquiry for similar reasons to FOIs (but limited to number and subject matter)

For each area of performance data, whether for part of full year's performance, the comparative position for the preceding year should be given, together with a narrative explanation for any significant differences, positively or negatively.

It would be expected that the tripartite advisory body would also have an interest in HR matters that impact the operation of the FWA, specifically, number of vacancies, joiners, and leavers.

Moreover, FWA's horizon scanning, to assess likely trends, and impacts on performance ought to include the independent analysis that is available from academia, in particular academics focused on at risk sectors in the informal economy that leads to forced labour, such as the Rights Lab at Nottingham, the WIP Research Centre at Nottingham Trent University and other experts at the Universities of Sheffield and Liverpool. Analysis and performance could then be supported by the formation of an academic advisory panel that might act as a sub-group to the proposed advisory board. See also the comment below regarding "Areas of Research Interest"

## Communication and engagement

*1. How do you expect stakeholders to be engaged by the FWA and what do you see as the benefits?*

It will be some time before there is further information clarifying what the FWA structures will be, and in particular its governance structures. Nonetheless, whilst the advisory body will be tripartite it would not be expected that the FWA limited its engagement only to this body. One option might be that the tripartite bodies themselves act as hubs for special interest stakeholder groups to gather information on concerns, trends, and performance, coupled with the growing use of webinars as a method of raising education and awareness of changes in regulations and their application. As suggested above, this could include an academic panel, through which other work might be commissioned, if required.

In the case of academic stakeholders citation of and commissioning of research to assist the make-up of the FWA and approaches to enforcement in at-risk sectors can only improve the enforcement landscape. As a minimum we would call for a FWA [Areas for Research Interest](#) document to clarify evidence gaps.

We would also hope to see both national and local citizen and business engagement to promote wider engagement with FWA goals and strategy. This will also ensure stakeholders are engaged in strategy and communications planning and listening.

*2. By which channels might awareness of the FWA be increased before and once it is established and why do you recommend them?*

A web based single source of guidance is essential to the development and understanding of the FWA brand. Paragraph 43 of the Final stage impact assessment – Fair Work Agency paper states:

"Bringing state enforcement together and creating the FWA will: ...

- Increase accessibility by providing a single point of contact, thereby making it easier for individuals to raise complaints and tackle issues that cut across remits of the existing bodies.
- Provide a strong recognisable brand so individuals and business know where to go for help, improving the user journey.
- Better support for business who comply with the rules and coordinated guidance and communications.”

Currently, EAS and NMW information is available within the amorphous mass of information on GOV.UK. The GLAA, as a NDPB, was able to secure independence from inclusion within GOV.UK, and maintain its own website, to enhance brand recognition, and access to information, and performance data. This was recognised as particularly important after it was rebranded from GLA to GLAA. Conversely, the Security Industry Authority, also a NDPB that similarly reported to the Home Office, was not able to sustain its independent website. Whilst the FWA will be an executive agency, rather than a NDPB, the development of its brand, consolidation and ease of access to its guidance, would be enhanced by building on the GLAA's independent website approach, rather than that being scrapped in favour of inclusion in GOV.UK.

Communication channels and publicity materials should be diffused in education institutions – colleges and Universities. FWA material should appear on social media sites. Additionally, employers should be encouraged to post material in workplaces, using the model of the Health and Safety at Work Act 1974 notices as a model. Campaigns should also target notice boards where workers are likely to see them away from the workplace, for example, in supermarkets, bus and railway stations etc, and potentially also where they may attend faith groups.

In summary a multi-channel approach model is required to ensure the issues under FWA responsibility are highlighted and shared with a broad cross-section of society so those who are exploited, and those who can support them, are engaged and aware of what can be done. Our work continually identifies examples of exploited workers being unaware of their rights and of citizens assuming businesses operating unlawfully must be ok if they have not been closed. Alternatively legitimate businesses may enable or tolerate exploitation of undocumented or documented workers (see recent McDonalds case). Within our research we call this permissive visibility. See detailed examples from the literature:

Clark, I., Collins, A., Fearnall-Williams, H., Pickford, R., Hunter, J. (2023) [Persistently non-compliant employment practice in the informal economy: permissive visibility in a multiple regulator setting](#). *Cambridge Journal of Economics*, 47 (3), pp. 611-632. ISSN 0309-166X

Mendonca, P., Kougiannou, N. and Clark, I. (2022). [Informalization in gig food delivery in the UK: the case of hyper-flexible and precarious work](#). *Industrial Relations: A Theory of Economy and Society*. ISSN 0019-8676

3. *Where can communications around compliance and enforcement be improved such that workers are aware of their rights and their obligations? What evidence do you have that they work?*

Previous incarnations of the Department for Business and Trade operated the trades union modernisation programme, including a series of workshops for TU representatives on labour market enforcement issues. Even though the FWA will combine three bodies it will still have limited resources to deliver its remit. It therefore requires more “eyes and ears” to act as a “force multiplier” to assist the FWA’s targeting of its resources. Wider powers for trades unions in the employment rights bill should enable those bodies greater workplace access, and consequently provide another communications channel to the FWA. The FWA should also utilise the channel to enhance the dissemination of material to inform workers of their rights, for example, hard copy FWA materials should be passed to documented and undocumented migrant workers in the UK. As occurs currently, the English version of guidance material should be translated into the languages of those most at risk.

The traditional route to worker representation in the UK is via trade union recognition and collective bargaining. Since the 1970s individual employment protections against discrimination that are enforced by application to an employment tribunal supplement this route. However, protection from coercion, exploitation and the potential for modern slavery in the contemporary period often occurs in sectors where collective bargaining and recognition is not common practice. We also see employers that use non-compliance and associated coercion and exploitation, in what are known as at-risk sectors, as a form of competitive advantage. The FWA should encourage trade unions to recognise this and organise and or mobilise in and around at-risk sectors, as we saw across the Leicester’s garment sector during and after Operation Tacit. Publicity and mobilisation strategies are a route for unions to secure greater influence, in the longer term for example, through the fair pay agreements in the care sector as outlined in the Employment Bill. That is expected to effectively extend collective bargaining and associated pay and conditions agreements to workers in the care sector (in-care homes and those who visit clients in domestic homes) many of whom are exploited in-terms of unpaid labour time associated with travel.

Our engagement with material from NCA, GLAA and others highlights a lack of “lived experience voice” in its creation and in its publication reach and dissemination strategies. Further research and evaluations need to be conducted into the most viable ways to engage exploited and at-risk of exploitation individuals and groups. The launch of the FWA will provide a key timepoint to education and inform those working in the UK of their rights and responsibilities.

*4. Who do you see as the key partners for the FWA thinking both of other agencies or wider stakeholders (for example, by sector) and why?*

Key operational partners, in relation to investigation of forced labour offences will remain NCA and police forces throughout the UK. Inevitably, whilst noting the concerns frequently raised by NGOs (and the March 2024 MSPEC report, which said: “we recommend that the UK Government and relevant agencies urgently establish a firewall to separate the police and labour inspectorates from immigration enforcement and create secure reporting and inspection pathways”), there will need to be a continuing inter-agency cooperation with immigration authorities. However, ground rules should be developed, to ensure that victim referral is prioritised, and information exchange is focused on the offending organisers of immigration offences.



Existing amendments to the Employment Agencies Act 1973 created through the Immigration act 2016, enabled the legal gateway for information exchange between EAS with the Pensions Regulator and the Care Quality Commission respectively. To this should be added bodies such as the Security Industry Authority and the Sports Grounds Safety Authority, both of which, in terms of security provision, or sports grounds stewardship, employ casual labour where exploitation and NMW non-compliance is considered to be prevalent. This assessment is supported by the SIA's recent [Operation Empower](#), examining labour exploitation in the security sector, and working with Immigration and the National Minimum Wages team.

Alongside governmental partners, as outlined above, there is a need to also engage a wider stakeholder base which includes workers bodies, employment sector representatives and related academic experts across these areas.

## Resourcing and prioritisation

### *1. What should the 3 enforcement bodies be doing now to ensure the FWA achieves sustained and lasting improvements in employer compliance?*

They should be modelling how their approaches must change to focus on enforcement of employment rights rather than regulation of non-compliance in relation to employment rights. Within this resource constraints and limitations should be identified so that effective business cases can be developed to demonstrate to ministers that without greater resources this government will not be able to differentiate its approach from that of the previous government's approach and focus on growth, rather than worker rights and protections. What must be avoided is the continuation of an environment of permissiveness, that does not improve protections, which will only lead to continued criticism. That is, we use the term enforcement to mean the enforcement of employment rights in the workplace not necessarily enforcement action against errant employers.

Each body should begin to consider how they share data between the bodies in a more concerted manner in preparation for the FWAs development. A formal process of review, evaluation and monitoring should help to effectively chart current practice, synergies and differences which can support evidence informed change to be made during this transition. Further joint-organisational working should be prioritised including secondments and teach-ins so that the combining of the bodies is smoother in the short to long term. Work undertaken by HMRC during their regional office transition and their use of team-based maturity modelling could be used to support this requirement.

### *2. (a) How should the FWA prioritise its resource between compliance measures (helping employers) and enforcement measures (punishing poor practice, deliberate and serious non-compliance)?*

It should be the case that illegal and dangerous practice should be identified and stopped at the soonest possible opportunity to ensure risk to life is minimal to avoid similar situation to the Morecombe Bay tragedy. Enforcement bodies should always focus resource to act to curtail unlawful and serious non-compliance first. If non-compliance is evidentially serious, criminal in nature, and with a risk of forced labour

or threat to life, closure should be immediate; the FWA should have a clear power to issue “Stop notices”. In other situations, with less severe risks, an employer should be given a short time-bound notice to become compliant within a set time period, and granted re-opening privileges by the enforcement agency concerned; if these are not met within the timescales set, they should become absolute. Similar provisions to this proposal are currently under consideration in the Terrorism (Protection of Premises) Bill (“Martyn’s law”), see clauses 13-15.

Without clear guidance on the operational budget of the new FWA it is difficult to assess what proportion should be ring fenced for preventative or education activity. We also recognise that prevention and education also plays a crucial role. Interviews and engagement with former senior leaders highlight that the stick has often been too short and ineffective (length of time to investigate and prosecute all NMW failures into the 100s years but we also recognise that prevention, when delivered well has a serious role to play but there is limited evidence on leading practice in this area.

*(b) How might its success in both areas be assessed?*

The FWA should roll-out a tighter focus on enforcement across the core cities in England and Wales. This could be undertaken in conjunction with local authority licensing capabilities and a determination to ‘make work pay’ and make so-called fair work cities, such as Manchester and Nottingham, actually deliver this policy intention. Furthermore, it is our view that Local Authorities should not be allowed to state they are fair work cities if the evidence illustrates that they are not taking concrete actions to reduce risks to workers to demonstrate delivery.

The unknown level of total non-compliance in the labour market makes assessing the impact of effective education and compliance checks difficult to gauge. This is a problem experienced by DWP when assessing the level of fraud in the social security system to assess its effectiveness in bringing down the levels against public sector targets. Lessons should be learnt from that process, and the development of a sampling exercise to provide an assessed level of businesses believed to be non-compliant. This should provide an indicative percentage of the level of non-compliance within the labour market. Intelligence-led investigations based on reliable referrals may not be a good test of whether this indicative percentage is reliable because it will be expected that there would be a higher level of non-compliance in such cases. Consequently, there needs to be a level of random, non-intelligence-led, inspections, which should test whether more or less non-compliance is identified. If, reliably, less non-compliance is identified over time then this could be an indicator of the effect of effective education, and the deterrent effect of other successful enforcement outcomes.

If machine learning tools, together with longitudinal reviews of outcomes of all cases can develop this may enhance the ability to create a reliable risk profile that can be used to direct, targeting of non-referral based cases. The reliability of the model over time would inform changes in the volumes of non-compliance within the labour market. Whilst the creation of a reliable risk profile to direct activity has been elusive for the GLAA in the past, analytical developments, and other studies may enable this area to be re-visited (see Q4 under resources and prioritisation below).



3. (a) *What are the key labour market non-compliance risks for which the FWA needs to be ready?*

Risks include those that are already well documented, for example: avoidance of NMW; worker status; substitution of legitimate workers by undocumented workers who work at cut-price (that is a form of internal putting-out and sub-contracting); an understanding of worker complicity and how to combat this as suggested in previous sections. Analysis of effective forms of coercion on workers that directly influence their propensity to accept exploitation e.g. accommodation, peer pressure, criminal exploitation etc, must also be an area of focus. However, the changing nature of the labour market, and how recruitment can occur, resulting in exploitative contracts, agreements effectively made outside the UK through online contact, and, at worst used to perpetrate fraud against vulnerable, often migrant workers, outside the jurisdiction of law enforcement are emerging threat areas requiring further consideration.

(b) *What is the evidence for this?*

The following academic analysis provide the basis for the preceding opinion:

Clark, I., Collins, A., Fearnall-Williams, H., Pickford, R., Hunter, J. (2023) *Persistently non-compliant employment practice in the informal economy: permissive visibility in a multiple regulator setting*. Cambridge Journal of Economics, 47 (3), pp. 611-632. ISSN 0309-166X

Mendonca, P., Kougiannou, N. and Clark, I. (2022). *Informalization in gig food delivery in the UK: the case of hyper-flexible and precarious work*. *Industrial Relations: A Theory of Economy and Society*. ISSN 0019-8676

Cioce, G., Clark, I. and Hunter, J., (2022). *How does informalisation encourage or inhibit collective action by migrant workers? A comparative analysis of logistics warehouses in Italy and hand car washes in Britain*. *Industrial Relations Journal*. ISSN 0019-8692

Clark, I., Fearnall-Williams, H., Hunter, J., Pickford, R. (2022) *How Licensing regimes can displace trade unions? Evidence from informal employment in Britain* *Economic and Industrial Democracy* 43(1) 431-449 <https://doi.org/10.1177/0143831X20903095>

*Car Wash Code of Practice Project Report for the Home Office Modern Slavery Prevention Fund* (Sayers, Barratt, Sharma, Pickford, Clark) December 2022, The Home Office.: <https://bit.ly/RCWSWIPreporHOMSF> & the summary report is also here: <https://bit.ly/RCWSWIPsumReport> - This report found relatively swift impact and was featured in a full article in the Guardian newspaper on December 27th: <https://www.theguardian.com/uk-news/2022/dec/26/more-than-90-of-hand-carwashes-in-uk-employing-workers-illegally-study-finds>

*Can hand car washes be improved? An Intervention Evaluation with the Gangmaster and Labour Abuse Authority and Responsible Car Wash Scheme* (Pickford, Barratt, Sharma, Clark, Hunter), November 2022, NTU/GLAA/RCWSGLAA/RCWS evaluation report: <https://bit.ly/GLAARCWSevalSummary>

*4. Holiday pay will be a new area of enforcement for the FWA. Where are the key priority areas as regards holiday pay non-compliance (for example, by employment model or by sector) and how might these risks be tackled?*

In the most at-risk sectors, car washes, nail bars, garment sub-contract workshops etc. employers are strategising exploitation and coercion as a form of competitive advantage. Therefore, they are unlikely to pay holiday pay. Accordingly action to expose coercion and exploitation in the most at risk sectors is likely to push employers out or make them comply; either would be a positive outcome. An example of this is illustrated by the experience at Boo Hoo in Leicester, where running the fully compliant model factory was a considered to be a stunt to avoid scrutiny and highlight changes in practice through the lens of Operation Tacit but it proved too expensive to run. Consequently, in Leicester, the market for non-compliant and compliant textile working is less than it was. That is, as legitimate employers reduce the supply of work in Leicester, the market for labour has tightened both at legitimate and non-compliant employers in unauthorised workshops.

## **Moving towards a FWA**

*1. What do you value about the present practices of the 3 employment bodies that you want to see continued by the FWA and why?*

This question is perhaps better responded to by those who have experienced the regulatory action of each body. However, it is important that there is a strong, proactive inspection presence, utilising unannounced visits, where appropriate, and not rely on compliance by letter, which can occur, and if compliance checks are required, such an approach is no substitute for being able to look a potential offender in the eye. Unfortunately, we do not consider that compliance by letter is a strong deterrent, and is one that can be manipulated by the subject of the checks. Our work [studying hand car wash compliance for the Home Office MSPF](#) showcased the weakness of pre-announced visits and engagement with limited form of punishment.

*2. What would you like to see done differently?*

We would like to see a stronger strategic focus on of employment rights not the regulation of non-compliance in business practice and then by association employment rights, as noted in [our paper for the TUC on the FWA](#).

Clearly, the UK cannot expect 100% compliance from all employers. However, it is necessary to demonstrate that all regulators and enforcement actors are on the same page of enforcement priorities – which is not always the case currently. The FWA should ensure a single set of priorities that therefore improves the enforcement landscape.

Our work has also highlighted the value of taking a place based quantitative approach (see WIP work to provide the most accurate estimate of hand car washes and associated risk – used by the NCA in Operation Aidant as an example) and to also [highlight a fetishisation of modern slavery](#) risks and occurrences which often overwhelm the debate about less newsworthy but equally unlawful practice which impacts a greater proportion of individuals.

*3. The enforcement bodies currently use different approaches for compliance and enforcement – which of these do you think are most effective and should therefore be preferred for the FWA and why?*

There has to be a balance between civil sanctions to create a pressure for compliance, whilst not removing businesses from the economy, but ensuring they grow lawfully, and prosecution where necessary. Prosecution is necessary to increase the likelihood of the effective removal of those individuals and businesses that clearly will not be compliant, and particularly those whose business model is forced labour. However, for less severe offending prosecution does not always result in a proportionate sanction, and can be too lenient, which does not disincentivise offending, and may result in increased recidivism. Furthermore, pursuing a case to prosecution, may cost the enforcement bodies more than is achieved in the impact of the sanction, or can be quantified financially, or non-financially. A mixed economy of education, civil sanction, and criminal investigation and prosecution is therefore necessary. Nonetheless, even where LMEUs may be used it does not have the “punch” that a financial sanction can deliver. Additionally, financial sanctions delivered through a civil sanction regime may have a more immediate, and proportionate impact than a weak court financial penalty. The FWA also needs to consider how to best overcome the practice of phoenixing of businesses where an owner resigns and leaves a business often passing it to an associate to continue which often disrupts or ceases investigation.

In creating the FWA the current enforcement policies of the three bodies should be examined, and a single prosecution policy developed that sets out how different levels of non-compliance be dealt with. It should set out what powers and sanctions will be deployed in specific scenarios, as a guide. Whilst it is not possible to provide a definitive framework, as there will always be differing levels of aggravating and mitigating factors, the guide would provide a benchmark against which to gauge situations. It would also act as a deterrent to operators in the labour market who may otherwise consider some form of non-compliance. As each body currently has its own enforcement policies a “quick win” in the development of a shadow FWA would be to create a single enforcement policy statement now.

*4. In establishing the FWA is there any good practice you would like to highlight from other UK and/or international regulators/enforcement bodies, either in the labour market enforcement space or beyond?*

The labour government has signalled its intention to work more closely with the EU. The departure of the UK from the EU occurred at a point in time before the EU made decisions to create the European Labour Authority (ELA). This removed the UK’s ability to take part in the work programmes of the ELA, and consequently benchmark its approaches against its European counterparts, and access ELA’s labour market analysis, as well as its project reports on compliance initiatives and risk modelling. One such example is ELA’s support to the Maltese labour inspectorate, Job plus, which, with support from a Slovakian University has developed a risk model to assist prioritisation of appropriate cases against a set of risk factors.

Calls for the extension of licensing periodically arise. Effectively the role of the ODLME’s strategies should also provide a view on whether extension of licensing is

required, and would be effective. The GLAA considers that extension of licensing to the care sector would be beneficial but there are other sectors, and other approaches, potentially supported by Local Authorities, which ought to be examined to assess their potential utility. WIPs hand car wash licensing feasibility study is one such example of an academic study that may support leading practice in the future. Other licensing regimes in other countries also ought to be examined as a litmus test of their effectiveness in other industry sectors. In Australia Victoria and Queensland States introduced labour hire licensing (as it is termed there), and which are acknowledged to have considered the GLAA model in their development. Now Australia is considering the role out of [national licensing scheme](#), where the Victoria State model will be used as the model for national licensing. This may provide an interesting comparator as the supporting legislation is developed in Australia.

### Section 3: Other issues

In order for the FWA to be effective it needs to be effectively resourced, and empowered to operate consistently across the jurisdictions of the devolved administrations. This requires authorisation of other powers and sanctions. If the UK's ambition is to improve labour market compliance the FWA must be more than the sum of its parts, and there must be an ambition to address issued or devolved and reserved powers to enable the FWA to deliver the same service wherever it operates. These are some of the issues that WIP was commissioned to consider for the TUC. A copy of its findings and recommendations can be found [here](#).

WIP would be happy to meet to discuss any aspect of this response if that would be helpful.

Yours sincerely,

Prof. Ian Clark, Rich Pickford and Darryl Dixon

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