

# Worker Exploitation Scrutiny

## Summary of meeting with Margaret Beels

### Attendance:

Leicester City Council - Councillors Waddington, Aldred, Bajaj. Peter Chandler, Ed Brown, Julie Bryant.

University of Leicester – Nik Hammer, Joseph Choonra, Chandrima Roy.

Margaret Beels.

### Margaret Beels made the following points:

- Her role had been laid down as part of the Immigration Act 2016. It had been created to try and pull together the work of three different bodies: The National Minimum Wage Team, the Employment Agency Standards Inspectorate, and the Gangmasters and Labour Abuse Authority.
- An overarching strategy was set for the three bodies to encourage collaborative working and to minimize exploitation. It is aimed to do this by presenting a strategy with recommendations to the government aimed at reducing the scale and nature of exploitation.
- Each year an assessment is made on the nature and scale of exploitation by consulting the three bodies to discover what they are seeing and drawing risk models based on the information from the bodies and assessing the risk. Additionally, each year she issued a call for evidence, both through written evidence and through a series of round-table events whereby stakeholders are invited to share their findings and intelligence in terms of labour exploitation.
- The strategy is required to be submitted before the end of March 2025. 60 written responses had been received from a wide range of organisations, including businesses, trade unions, NGOs and academics. Additionally, around ten round-table sessions had been held, some of these were based around certain sectors such as agriculture, construction and adult social care (ASC) as these were seen as sectors with a high risk of worker exploitation. There had also been further sessions for representations from other sectors. Various organisations had contacted Margaret Beels to ask her to speak at round-table events to help them gather evidence.
- The government are putting through legislation to increase worker rights in a number of areas. As part of this, the Fair Work Agency would be set up, which would amalgamate the aforementioned three bodies. As such, it is important to establish what people were looking for from the Fair Work Agency and what work from the three bodies they wanted continued. The Strategy would include this.
- The Strategy which will include a series of recommendations has to be presented to Ministers from the Home Office and also the Business Department.
- Ministerial approval is needed to publish the strategy.
- The 2024/25 strategy originally presented in March 2024 had been slightly altered and represented in August to fit with the context of the new government following the election. However, the recommendations had remained the same.

- Clearance to publish was received in October and the strategy was then published in November 2024.
- Additionally, an annual report is published. This is an assessment of what has been achieved as a result of recommendations in previous strategies. Sometimes these reports covered more than one year.
- A joint report covering 2023/24 and 2024/25 may be produced prior to Margaret Beels' position being abolished.
- The government had not yet announced when the Fair Work agency would commence. The legislation had completed its second reading in the Commons and the committee stage. The next stage will be the report stage before it goes to the Lords. It is uncertain if it will reach this stage by the time of the summer recess. It is thought that the implementation of provisions within the bill would be phased.

Questions were asked to Margaret Beels and responses given:

- In response to a question about what local authorities can do to address the issue, Margaret Beels suggested the following (working on the premise that funding would not necessarily be forthcoming):
  - Workers could be educated on their rights, for example through adult education programmes, and encouraged to go to their employers to say what they are entitled to.
  - Young people can also be educated at school on their rights to be empowered going to the world of work. Further Education Colleges can help young people understand what to expect from a workplace.
  - People can be educated about the potential downsides for themselves of self-employment.
  - Local authorities have good local knowledge that they can share with enforcement bodies. This information can help enforcement bodies to discharge their responsibilities.
  - Signposting regarding where workers should go for help and support when things go wrong can be upheld in businesses.
  - Local authorities can have a facilitating role in driving up standards. For example, the Council could act as a broker between UK brands and suppliers to develop a new and more thriving garment industry based around higher-value garments. This could benefit the workers and the city. The training of garment workers by the Leicester Fashion Academy would be important to this.
- It had been frustrating that the Op Tacit report had not yet been published. It had been presented to the previous government, but they had not been enthusiastic about publishing it. It is her intention to re-present it.
- The recommendations for the Op Tacit report are in two blocks, the first block is specifically aimed at enforcement. This looked at the operation as it took place and what lessons could be learned. Only one piece of enforcement work had been undertaken on the back of modern slavery legislation. A lot of work had gone into identifying exploitation.
- It is correct to say that what Op Tacit found in Leicester in terms of National Minimum Wage compliance was not atypical compared to other manufacturing. However, work done via the Nottingham Rights Lab had reached different conclusions in terms of whether there was worker exploitation. Therefore, questions are raised about how information is gathered and how best can an accurate picture be obtained. It is

necessary to think about with whom enforcement works to get an accurate picture. The Op Tacit report does not make any recommendations in this area.

- It is necessary to identify workers at risk of precarious work and the DLME Office has commissioned research in this area. Its initial report found that workers in hospitality, retail and construction are most liable to be at risk. Additionally, women were more likely to be at risk than men and younger and working-class people were also at risk.
- With regard to the garment industry, the purchasing power of brands and forced conditions of manufacturers made it difficult for businesses to be compliant.
- Leicester was not flagged as a 'hot' area for non-compliance in the garment industry compared to other countries. It would be desirable to encourage brands selling in the UK to source more from the UK.
- It is necessary to think about how the local authority gives confidence to retailers to source garments from Leicester.
- In response to queries about intelligence gathering, it was suggested that it is necessary to think about who workers trust in order to report violations of rights or non-compliance. Highfields Centre and Wesley Hall could be conduits for this. It is necessary to think about how we build on their insights to build on the position of workers.