

## **APPG on Human Trafficking and Modern Slavery Panel Event**

### **Local Government Licensing of High-Risk Industries**

**24<sup>th</sup> May 2022**

#### **Suzanne McCarthy, Gangmasters and Labour Abuse Authority (GLAA)**

The GLAA identifies and protect victims of exploitation and work to deter criminal activity in the labour market. In 2017 the GLAA's remit was expanded to investigate all labour offenses in England and Wales, however they only have powers of investigation where there is intelligence indicating there is forced labour. This was important in Leicester, without identification of forced labour they cannot investigate, a single enforcement body hopefully will have this power.

Hand car washes are not a regulated sector and between 2021 April – 2022 April 166 referrals (11% of all referrals) were about car washes. Although, the quantity of referrals doesn't always translate into forced labour and often referrals are about working conditions (workers not having PPE or payment of minimum wage)

The GLAA feels that tackling non-compliant car washes needs two things:

1. Multi agency approach
2. Education of consumers and industry on what constitutes compliance

The GLAA supports approach on self-regulation for example Unseen (Modern Slavery Helpline) and the Clewer Initiative App. Rights Lab research on the levels of hand cars put the figure at 7,000 in the UK. Work around carwashes include operating pilots funded by the Home Office and GLAA podcast on how to spot the signs of exploitation. GLAA raises compliance by working with the car wash association and supermarkets, where the GLAA identifies serious offences, they do act for example a risk order against the owner of a Lincolnshire car wash given. No evidence that there should be a complete ban on hand car washes.

Only 23 referrals for nail bars leading to 6 investigations were made between 2021 April – 2022 April following the example of textile industry it would help industry to create a voluntary code of practice.

Garment and Textile industry: GLAA is working with the industry to create a voluntary code of practice reflecting the responsible car wash code. GLAA have produced a workers' rights and labour exploitation qualification delivered to fashion technology academy and trained the Shama Women's Centre to deliver the qualification many of the women attending are vulnerable to labour exploitation due to the lack of understanding of employment rights and English being not their first language. Prevention is key.

#### **Cllr Alan Rhodes, LGA Lead on Modern Slavery LAB, LGA Board Nottinghamshire County Council**

Councillors have been forefront of tackling modern slavery through their statutory obligation as first responders for NRM referrals, seeking to eradicate modern slavery in their supply chains and

frontline regulatory officers in private housing are well places to spot the signs of modern slavery. Councils are already responsible for licensing. Subject to registration are nail bars. There are ongoing discussion on whether licensing should play a larger role in disruption of modern slavery in at-risk industries and the LGA is keen to ensure the most effective intervention is in place, while acknowledging new burdens and costs for business and overseeing bodies.

Licensing must be evidence led and produce a proportionate response to address the problems (data led to learn about the size of the problem). Modern slavery considerations could be incorporated into existing schemes, for example health and safety act clause on local licensing on non-cosmetic surgery treatments and there is scope for this to be reviewed. There is a need for this to be resourced and funded. Councils are facing capacity constraints in local licensing so for new sectors there is a question of capacity. Addressing these challenges must happen before councils take on additional responsibility. The LGA is committed to working across the sector to ensure modern slavery is tackled.

### **Lesley Blair, British Association of Beauty Therapy & Cosmetology**

BABTAC's involvement with modern slavery started in 2012, when they started a campaign with Unseen to raise awareness and a fundraising scheme as trafficking victims are not being regularly identified in the industry. For example, in 2019 of the 39 people found in the back of a lorry in Essex many were being brought over to work in nail bars.

There is non-regulation of the sector in both training and practice and without legislation in place this is this a critical issue facing the sector. BABTAC self-regulates members to qualify for insurance and believes that the only way to ensure change there is a need for mandatory registration, demonstrable in their make beauty safe campaign. They worked with the Met police's Modern Slavery Unit to see how they can assist to successfully combat modern slavery in the industry, but there is also a need for standard legislation to monitor businesses. It is both attractive and easy for trafficking to happen in this area, and as an industry there is a need to continue in self-regulation, and for consumers to know what they are looking for in a safe business.

BABTAC is launching a campaign in the Commons to raise awareness of the issues in the industry, stop people falling through the net (vat, tax etc) Section 54 Modern Slavery Act transparency measures.

### **Brian Madderson Car Wash Association**

It has been proposed by the DLME following a "Workshop" in February 2020 that a national licensing scheme is the only way forward overseen by local government. LGA produced a Report in April 2020 on tackling modern slavery in hand car washes.

The Car Was Association lobbied Government during the pandemic that automated car washes should remain open, but non-compliant hand car washes should be closed due to a lack of PPE and social distancing and steps were taken to close them down. The LGA were responsible for closing these hand car washes down, and in doing so there was a hope that local governments established a record of each hand car wash (where they are operating / number of staff) and produced a list of them to give to regulators.

Several initiatives have taken place which have led to operations which gives police intelligence and pointers to where there could be hand car washes that are high risk for exploitation. NCA are involved in this with their “Operation Ardent” running from 6 to 24 June. Trials for adopting the Responsible Car Wash Scheme only appears to work when inspectors for the scheme are accompanied by law enforcement. There needs to be a national licensing scheme that has teeth with law enforcement agencies onside. There is also the Clewer initiative app, which demonstrates the impact of consumer awareness.

Nottingham Trent University research will refine the likely areas and numbers for car washes with possible modern slavery. Concern that the single enforcement body might be left behind, as this was absent in the Queens Speech.

## Discussion

Andrew Selous noted that in constituency a prevalent form of modern slavery is through construction. Asked if there any initiatives that have been successful in identifying construction forced labour.

Alan Rhodes noted that environmental health inspectors, social workers, and local authority trading standards staff are all trained to look for conditions of modern slavery and flag concerns. Rouge building practices like door-to-door work are significant risk to both the public and workers. However, trading standards are overworked and underfunded.

Baroness Butler-Sloss noted that the new Modern Slavery Bill focus is on supply chains, question of whether licensing should be in primary legislation. These three areas are the issues needed to be raised in the Bill:

1. Registration
2. Licensing
3. Finance

There is always a push to extend the GLAA remit, but in practice it is a small organisation with a budget that the Home Office doesn't increase often. The GLAA doesn't get uplift in funding that it needs. The development of the single enforcement body could mean that a lot of the issues that GLAA cannot solve could be rectified as the body would have powers of entry and to investigate.

Alistair Redfern noted that while there is favour of stronger legislation and policing, but for those in Parliament, how do you have the right pitch of regulation? Balance important to get right, to operate in the political environment. Beside enforcement regulation, consumers have the power and drive this with the demand for cheap services. The police cannot act without evidence, but with the App the police can act and encourages general education around modern slavery.

The Clewer Initiative App will have a conversation with BABTAC around an App for nail bars mirroring that of car washes to concentrate on the role of consumers. However, consumer awareness at a time when budgets are stretched is an issue.

Andrew Selous raised whether there was a lot of contact with the NHS? Victims come into contact with health services and there has been initiatives in the past to train NHS staff to be alert to this. Training across the public sector is essential.

Hydrochloric acid is used in handwashes, heard that in 2020 there had been cases in the Midlands employees were only wearing flip flops, and acid had welded the soles of the feet. This would have been visible through A & E visits; proper PPE is needed.

Comparatively, in nail bars dangerous banned substances are used when working on nails which can cause lung problems with staff not wearing PPE. Also can look at this through a public safety perspective.

The Health Secretary accepted the amendment about the NHS not accepting modern slavery in their supply chains and there is a need to use the Modern Slavery act to follow up with these issues and the connection with the NHS.

Baroness Butler-Sloss closed the meeting by thanking the speakers for contributing to the knowledge of Parliamentarians in this area. This is an area where the consumer doesn't know enough, and it is of high importance that this is improved. The way forward seems to be the emphasis on prevention as much as prosecution and the importance of agencies and NGOs working together. Will go to the Secretary of State about connecting with the NHS who need a great deal of training on this. This meeting will be important when we consider registration and licensing in the House within the Modern Slavery Bill.