

The Code of Practice for Labour Providers to the Agriculture and Fresh Produce Industry: *What does it mean for me?*

An information leaflet for labour providers and labour users

What is the Code and why is it needed?

The Code is a voluntary measure, supported by the industry, that aims to improve the business practices of labour providers and labour users before compulsory licensing takes effect. It sets out clearly the standards that labour providers must meet to comply with the law and accepted good practice. The standards set a benchmark for independently assessing the employment practices of labour providers.

Who developed it?

It was developed by a group of major retailers, growers, packhouses, labour providers, trade unions and government departments which was set up in September 2002 to press for change in the situation of temporary workers. The group is now known as the Temporary Labour Working Group (TLWG).

Does it apply to me?

The Code applies to labour providers that supply labour to other businesses (labour users) such as growers, packers and food manufacturers involved in agricultural and shell fishing industries and produce derived from them. Some provisions of the Code also apply directly to labour users.

Why should I bother implementing it?

- **The Code sets out your legal obligations.**
These represent the minimum standards you must meet in relation to the way you operate your business. The Code also contains good practice standards that have been agreed by the TLWG
- **It will become a condition of doing business.**
Eight supermarkets are encouraging their suppliers to use only labour providers that are registered and working to comply with the Code. Should you want to become a member of the Association of Labour Providers, membership is conditional on compliance with the Code. The Fresh Produce Consortium and the National Farmers Union are urging their members to use only labour providers that comply with the Code.

It is now confirmed that it will be illegal and hence an offence for a labour provider to operate without a licence or for a Labour User to use an unlicensed Labour Provider by mid 2006.

Why should I act now?

The Gangmasters Licensing Authority was established on 1 April 2005. The latest statement from Mike Wilson (Chief Executive of the GLA) states that:

Labour providers will not be subjected to a GLA Application Inspection if they have been successfully audited against the TLWG or other GLA approved code of practice. All Labour Providers will be subject to other Government Department checks.

However, the GLA reserves the right to require an Application Inspection depending on:

- The completeness of the original audit against the TLWG or other GLA approved Code
- The nature and degree of any unresolved non-compliances from the original audit

or exceptionally if there remain serious unresolved issues from the Government Department checks, which may throw doubt on the suitability of the applicant to hold a licence.

If a labour provider is not recognised by the GLA as having successfully passed an audit against the TLWG or other GLA approved code of practice, they will be subject to a GLA Application Inspection.

This policy will apply until the GLA moves to a risk based approach

This means that for the foreseeable future, in order to obtain your licence, you will require an audit. As the GLA will only accept successful audits ie an audit with any identified non-compliances resolved, it is in Labour Provider's best interests to act now and get an audit, to give themselves the time to identify what the issues are and time to resolve these before having to apply for a licence.

Any LP applying for a licence in 2006 will also be subjected to Government Department checks.

continued overleaf

What can I do now?

1 **Register on the TLWG website** (www.lpcode.co.uk). This costs nothing and will signal to potential users of your services that you intend to comply with the Code.

2 **Get audited.** Choose either of the following two options:

Option A: Audit. Book an audit within two months of registering. Approved auditors will identify any problem areas you need to address in order to implement the Code. Find out more at www.lpcode.co.uk/auditors.asp

or:

Option B: Advice + audit. If you think you may need assistance in meeting the provisions of the Code, or simply want a review before your audit, you can arrange for consultants to assess your business and advise you on potential problem areas. If you choose to have this assistance you must book it within two months of registering and at the same time pre-book an audit to remain listed. Find out more at www.lpcode.co.uk/consultants.asp

3 **Address problem areas.** After being audited you will receive an audit report. This will highlight any issues you need to address in order to comply with the Code. You must then develop a plan for corrective action and send this to the auditor for agreement within seven days. If there are no critical problems, and you prepare an acceptable action plan, your business will be listed on the TLWG website as having had an audit and committed to improvement. If there are critical issues to be addressed, you will need to deal with these to the satisfaction of the auditor before your business can be listed as audited and committed to improvement.

Will I get a certificate to say I have passed the audit?

We do not issue certificates or approval notices. You will get an audit report and an agreed action plan for your business to implement. However, if you do not book an audit, your details will be taken off the TLWG website.

Will I need another audit when licensing is introduced?

The GLA will accept the TLWG audit if it meets the requirements outlined above as part of your licence application. It is anticipated that a discount will be available for those that are able to demonstrate a successful TLWG audit. However the GLA will need

to carry out further Government checks before they can issue you with a licence. You will also need to demonstrate that any non-compliances raised within your original audit have been addressed.

What can I do if I am a labour user?

You may as a result of an inspection be required to make changes to your workplace relating to certain aspects of the Code.

- 1 **Find out whether your existing labour providers have registered their intention to comply with the Code**, and if so, when they will be audited or whether they have already been audited. If they have been audited, encourage them to close off the non-compliances raised in the audit.
- 2 **If your labour providers are to be audited, check whether they need your site to be part of their audit.**
- 3 **Visit the TLWG website** to find out which labour providers have registered their intention to comply with the Code and which have been audited. As more and more labour providers register and are audited, it should be easier for you to use only those that have completed an audit. This will encourage reputable labour providers to register and be audited.

For all enquiries, go to www.lpcode.org.uk or call the TLWG Secretariat on 020 7242 6777.

Who belongs to the Temporary Labour Working Group?

Retailers:

ASDA, The Co-operative Group (CWS) Ltd, Marks & Spencer, Morrisons, J Sainsbury Ltd, Somerfield Stores Ltd, Tesco, Waitrose

Food manufacturing:

Premier Foods, Mack Multiples

Packers, wholesalers, importers, retailers:

Fresh Produce Consortium

Growers:

National Farmers' Union

Trade unions, agricultural workers:

Trades Union Congress

Transport and General Workers' Union

Labour providers:

Association of Labour Providers

Group coordination and expertise in codes of labour practice:

Ethical Trading Initiative

Government departments:

Department for Environment, Food and Rural Affairs, Department for Work and Pensions, Home Office, Health and Safety Executive