

---

## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations make provision for the constitution, structure and other matters relating to the operation of the Gangmasters Licensing Authority. The Authority was established by section 1 of the Gangmasters (Licensing) Act 2004 (the 2004 Act), which came into force on 1<sup>st</sup> December 2004, and will commence operations on 1<sup>st</sup> April 2005 (the date of entry into force of these Regulations).

Regulation 2 provides for the Authority to be a body corporate.

Regulation 3 provides for the Authority to have a Board, and for the role of the Board.

Regulation 4 provides for membership of the Board. There are to be nineteen “representative members” nominated for appointment by the various organizations specified in column 1 of Schedule 1 and nine *ex officio* members appointed by the Minister, Secretary of State, Director General or Commissioner responsible for the various government departments and bodies specified in column 1 of Schedule 2, the Scottish Ministers and National Assembly for Wales. It also makes provision for the appointment of the chairman and deputy chairman.

Regulation 5 makes provision for the tenure of office of Board members, including the chairman, and the grounds on which the chairman or a representative member can be removed from office. The organization which nominated the representative member must be informed of the removal of its nominated member. Regulation 5(7) provides for the payment of remuneration and allowances to members of the Board and persons invited to Board meetings, subject to the Secretary of State’s approval.

Regulation 6 enables the Board to establish committees and makes provision for the payment of remuneration and allowances to committee members and persons invited to attend committee meetings.

Regulation 7 enables the Board to establish liaison groups, to advise and assist the Board and enables the Authority to pay remuneration and allowances to members of liaison groups.

Regulations 8 and 9 make provision in relation to the procedure of the Board and records of its proceedings.

Regulation 10 provides for the employment of a chief executive and other staff and gives the Authority discretion regarding the terms and conditions of their employment of staff, subject to the Secretary of State’s approval.

Regulation 11 provides for the payment of remuneration and allowances to employees, agents and consultants of the Authority.

Regulation 12(1) establishes a general principle governing the determination of criteria for assessing the fitness of applicants for licences and others and the terms of licence conditions. Regulation 12(3) provides for requirements under the Employment Agencies Act 1973 (the 1973 Act) to be reflected in licence conditions, in so far as they would apply were it not for section 27 of the 2004 Act, which excludes the provisions of the 1973 Act relating to employment agencies and business as far as they relate to activities which must be licensed under the 2004 Act. Regulation 12(4) requires the Authority, in considering an application for a licence to be granted on a provisional basis, to assume the fitness of the applicant to hold a licence unless the Authority has reasonable grounds to believe the applicant is not fit.

**Draft Legislation:** This is a draft item of legislation. This draft has since been made as a UK Statutory Instrument: *The Gangmasters (Licensing Authority) Regulations 2005 No. 448*

Regulation 13 provides for accounts of the Authority and auditing arrangements. Regulation 14 deals with publication of the accounts and annual report. Regulation 15 gives the Authority power to prepare other reports and a duty to do so if so directed by the Secretary of State.

A Regulatory Impact Assessment has been prepared and placed in the library of each House of Parliament. Copies can be obtained from the Agricultural Resources Team at the Department for Environment, Food and Rural Affairs, Ergon House, Horseferry Road, London SW1P 2AL.