

Understanding the Potential of Licensing Frameworks and Teams to **Tackle Modern Slavery in the UK**



Section 1

How national licensing guidance can be strengthened to tackle modern slavery across the UK

Section 1

How national licensing guidance can be strengthened to tackle modern slavery across the UK

Summary of Recommendations	3
1. National Policy and Legislation	4
1.1 The Licensing Act 2003	5
1.2 Statutory Guidance	6
1.3 Licence Application Forms	8



Summary of Recommendations

Addressing the lack of modern slavery provisions in licensing legislation requires a multi-faceted approach. While the following recommendations focus mainly on the Licensing Act 2003, a similar approach may be considered when addressing the lack of adequate modern slavery provisions across other legal frameworks used by licensing and enforcement teams.

Rather than creating a new licensing objective, statutory guidance could incorporate specific reference to modern slavery risks and provide practical steps for licensing teams to consider. This would enable a consistent approach in addressing modern slavery and also provide a degree of flexibility, given that statutory guidance can be updated more easily than primary legislation.

✔ Recommendation 1:

Add modern slavery and human trafficking to the list of serious crimes (paragraph 11.27 of the 'Revised Guidance issued under section 182 of the Licensing Act 2003') where revocation of a licence should be considered in the first instance.

✔ Recommendation 2:

Amend the Section 182 Guidance which accompanies the Licensing Act 2003 to clarify that prevention of modern slavery is a valid consideration under the 'prevention of crime and disorder' licensing objective.

✔ Recommendation 3:

Embed modern slavery questions, wording, and/or declarations into the standard licensing application process in order to draw attention to modern slavery and produce consistent data on individual business activities addressing it.

✔ Recommendation*

National government should update the Licensing Act 2003 Statutory Guidance to include **signposting to good practice examples of appropriate modern slavery conditions** that licensing officers can include in licences.

*To learn more about this recommendation, view Recommendation 6 in Section 2: How councils can update local licensing policies to directly address modern slavery

1. National Policy and Legislation

In the U.K., national policy and its associated guidance sets out the standards for how legislation and regulations passed by the government should be implemented locally. The Modern Slavery Act 2015 consolidated all pre-existing legislation related to modern slavery and human trafficking, making it easier for both statutory and non-statutory organisations to access and understand.

In line with the Modern Slavery Act 2015, amendments relating to modern slavery have been made to various parts of existing national legislation and statutory guidance. This includes areas such as adult social care, homelessness, and labour regulation.¹ However, there remains a lack of explicit guidance on how to prevent modern slavery across various other licensing legislation. See table below:

Legislation/Guidance	Covering	Responsible Organisation(s)
Licensing Act 2003	All premises that require a licence	Local Authorities and other recognised regulatory authorities (e.g. police, Fire and Rescue Service (FRS))
Food Safety Act 1990 and Food Safety & Hygiene (England) Regulations 2013	All Food Establishments and Businesses	Food Standards Agency (FSA) and Local Authorities
Public Health (Control of Disease) Act 1984	All commercial premises	Local Authorities
Health and Safety at Work Act 1974	All commercial premises	Health and Safety Executive (HSE) and Local Authorities
Environmental Protection Act 1990	All commercial premises	Environment Agency (EA)
Gambling Act 2005	All premises used for gambling	Local Authorities
Local Government (Miscellaneous Provisions) Act 1976	E.g. covers all taxi and private hire vehicle operators and all venues carrying out body piercing	Local Authorities
Housing Act 2004	All residential premises	Local Authorities
Animal Welfare Act 2006	All premises where animals are kept	Local Authorities
Statutory Taxi & Private Hire Vehicle Standards 2020	All taxi and private hire vehicle operators and drivers	Local Authorities
The Caravan Sites and Control of Development Act 1960 and Mobile Homes Act 2013	All Mobile Homes and Caravan Sites	Local Authorities

¹ For example, the GLAA were given additional powers and responsibilities, in the Immigration Act 2016 section 3(3), to investigate a range of labour market offences which correspond to the offences in Sections 1, 2, 4 and 30 of the Modern Slavery Act 2015. Modern slavery was also added as a category of abuse under adult safeguarding procedures, as set out in the Care Act 2014: Statutory Guidance (Section 14), and as a specific chapter (Chapter 25) to the Homeless Code of Guidance 2018 for Local Authorities (updated June 2022).

Legislation/Guidance	Covering	Responsible Organisation(s)
Consumer Rights Act 2015	Any premises used in cause of a trade or business.	Local Authorities
Environment Act 2021	Majority of commercial premises	Environment Agency
Fire and Rescue Services Act 2004 and Regulatory Reform (Fire Safety) Order 2005	All commercial and residential premises	Local FRS
Business and Planning Act 2020	All commercial premises	Local Authorities

Given the breadth of scope of the legislation and guidance, it is out of the scope of this report to review each area piece of legislation and guidance in detail. The Licensing Act 2003 and associated statutory guidance, covering alcohol and entertainment licensing, is used as a case study to demonstrate how amendments to these frameworks may work.

This section of the report focuses specifically on licensing statutory guidance, which covers a large cohort of businesses. It includes requirements to apply for a licence as well as outlining the ability of local authorities to inspect or conduct audits of licence holders, to review and add conditions to licences and ultimately revoke licences in the case of serious breaches. A section on licensing application forms is also included, along with recommended modern slavery wording and declaration.

While still requiring additional capacity, the benefit of these recommendations lies in the use of pre-existing channels and tools (communications, guidance, visits, inspections, audits and sanctions) to engage with businesses and work towards compliance.

Incorporating some less extensive amendments would have a considerable impact when it comes to tackling modern slavery in the UK and encourage licensing enforcement authorities to engage more consistently with the issue and empower them to act where needed.

1.1 The Licensing Act 2003

The Licensing Act 2003 makes provision for licensing premises that sell or supply alcohol, provide regulated entertainment, or provide late night refreshment. The Licensing Act 2003 gives licensing authorities (district, unitary and metropolitan borough councils) powers over licensed premises, as well as giving local people more of a say in licensing decisions.

There are four licensing objectives which underpin the Licensing Act 2003 that need to be considered and promoted throughout the licensing process. Each of these objectives is of equal weight. These objectives are: 1) The prevention of crime and disorder; 2) Public safety; 3) The prevention of public nuisance; and 4) The protection of children from harm. Regulatory authorities have statutory responsibilities to ensure that licence holders are conducting activities in line with these objectives. As modern slavery is a serious crime, it should be within the scope of the licensing objectives.

1.2 Statutory Guidance

A more achievable approach is to incorporate modern slavery requirements into the Licensing Act 2003 Statutory Guidance, which local authorities must pay due regard to. The guidance was last revised in 2022. Amended guidance would act as a powerful tool to support licensing authorities to incorporate modern slavery prevention into their work in a consistent way.

The Licensing Act 2003 Statutory Guidance provides detailed information on the different crime types that fit within the various licensing objectives. Paragraph 11.27 also provides a list of serious criminal offences. The Home Office expects that where review arises and the licensing authority has determined that a license holder has undermined the crime prevention objective, revocation of the license should be seriously considered, even in the first instance. Crimes under this category range from the sale and distribution of drugs to the sale or unlawful pornography and grooming of children.

Modern slavery is a serious crime with a possible punishment of life imprisonment. However, it is not explicitly mentioned alongside other serious crime types in paragraph 11.27. It was noted by some stakeholders as a barrier to licensing officers being able to revoke a licence at the first review on the basis of identifying modern slavery/human trafficking at a licensed premise. One local authority licensing officer emphasised that it would be easier to make a compelling and defensible case for revocation if modern slavery is explicitly referenced as a “serious offence” under paragraph 11.27.

“Section 182 of the Licensing Act 2003 does not currently include / refer to modern slavery offences specifically (it does cover under licensing objectives the prevention of crime & disorder broadly) [however] the main focus [has been] on the protection of children from harm. What about the protection of vulnerable exploited adults on these premises? [Guidance] should be revised for modern slavery to be [specifically] included for licensed premises.”

Case Study (Barnet): Immigration Enforcement received intelligence that there were people working at a local Chinese restaurant in Barnet that didn't have a right to work in the UK. Immigration Enforcement officers visited the premises, and then undertook a subsequent visit with the London Borough of Barnet Council Licensing Team. They identified that several people working at the premises did not have the right to work in the UK, were living in the attic space above the restaurant with buckets for toilets and were only being compensated with food rather than monetarily. As a result of these issues, a licence review hearing was organised. The London Borough of Barnet Council's licensing team argued that the licence should be revoked based on the issues identified.

However, the licensing committee decided that the licence holder would pay a fine of £10,000 per worker but retain their licence. Due to gaps in knowledge at the time, the licensing team did not argue that these issues were indicative of modern slavery offences.

Reflecting on this case during interview, the local authority licensing officer said: “If that [type of case came] back across my table, and I was doing the review again from the start, I would [argue that] not only do we have immigration offences, but we have modern slavery offences[...] and ultimately, at that point, I would hope the committee would side with me and revoke the licence”.

A third of stakeholders (n=8 out of 28) that contributed to this research highlighted a need to embed clearer modern slavery content into Licensing Act 2003 Statutory Guidance. **Stakeholders noted that this content should include:**

- ➔ Adding modern slavery to Paragraph 11.27 (list of serious criminal offences)
- ➔ A requirement that all licensing officers, must complete modern slavery training.²
- ➔ Guidance on how prevention of modern slavery fits explicitly within the core licensing objectives, particularly prevention of crime and disorder, in Section 2.
- ➔ Clear guidance on regulatory statutory responsibilities, what should be considered in relevant cases, and enforcement capabilities in this area.

Stakeholders agreed that these additions would: 1) encourage local teams to address modern slavery directly in their policies or at least have due regard to it; 2) enable licensing officers to review licences on a first offence with little obstruction or protest; and 3) support knowledge building around modern slavery in line with its updated priority status.

✔ Recommendation 1:

Add modern slavery and human trafficking to the list of serious crimes (paragraph 11.27 of the ‘Revised Guidance issued under section 182 of the Licensing Act 2003’) where revocation of a licence should be considered in the first instance.

✔ Recommendation 2:

Amend the Section 182 Guidance which accompanies the Licensing Act 2003 to clarify that prevention of modern slavery is a valid consideration under the ‘prevention of crime and disorder’ licensing objective.

✔ Recommendation*

National government should update the Licensing Act 2003 Statutory Guidance to include **signposting to good practice examples of appropriate modern slavery conditions** that licensing officers can include in licences.

*To learn more about this recommendation, view Recommendation 6 in Section 2: How councils can update local licensing policies to directly address modern slavery

2 Funding and guidance concerns regarding modern slavery training for licensing officers were noted during the research, partially addressed in Section 3 of this report, with a need for further extensive research due to scope limitations.

1.3 Licence Application Forms

A premises licence is a permanent licence granted in respect of a specific location. It authorises the licence holder to carry out a combination of licensable activities. All businesses requiring a licence must make a formal application to the relevant licensing authority (typically, the local authority). All licence forms have been produced as standardised government forms and are set out in legislation. Therefore, any amendment to the form requires legislative change.



To receive approval for a licence, the applicant needs to demonstrate within their operation schedule and to the local authority's satisfaction, that there will be no negative cumulative impact on the licensing objectives outlined in the Licensing Act 2003. Licence holders must provide specific comments on how they plan to promote each of the licensing objectives.

Adding specific questions on labour standards and modern slavery to the licence application form would encourage interest in and increase learning around modern slavery by local businesses. It would also provide an opportunity for the national government to collate a list of activities being undertaken by licence holders to tackle and prevent modern slavery. This would support the government to better capture information on the modern slavery prevention activities of a large cohort of local businesses that currently do not meet the reporting threshold outlined in Section 54 of the Modern Slavery Act 2015.

Examples of possible questions or requests for proof of evidence that could be added include:

- Do you have a modern slavery statement for your business? Please see here for information on modern slavery statements. (Response: Y/N) If yes, please attach it.
- Do you use (or will you use) third party agencies or subcontractors for any part of the business? (Response: Y/N) If you answered yes, please provide basic details.
- Do you (or will you) pay your employees at least national minimum wage in line with UK law? (Response: Y/N)
- Do you (or will you) provide your employees with working contracts in line with UK law? (Response: Y/N)
- What steps have you taken (or will you take) to prevent exploitation of your employees? (1) In house and 2) third party) (Response: Comment Box)

Another option is to require applicants to state their commitment to tackling modern slavery by requiring them to sign a declaration that they will not knowingly engage in modern slavery and if they are found to be guilty of such, their licence will become immediately invalid.

A declaration of this kind could be in a similar format to the immigration declaration in Part 4 (pp.18-19) of the current licence application form. This declaration outlines several offences under the Immigration Act 1971 and requires confirmation by the licence holder of their 'entitlement to live and work in the UK', as well as there being no condition preventing them from undertaking 'a licensable activity'.

"...the form itself provides opportunities to educate licence holders on modern slavery risks and can potentially act as a deterrent..."

Based on the existing immigration declaration, an example of information and declaration on modern slavery that could be embedded within a premises licence application form under the Licensing Act 2003 is: It is an offence under Section 1 of the Modern Slavery Act 2015 for a person to hold another person in slavery or servitude and the circumstances are such that the person knows or ought to know that the other person is held in slavery or servitude, or the person requires another person to perform forced or compulsory labour and the circumstances are such that the person knows or ought to know that the other person is being required to perform forced or compulsory labour. It is also an offence under Section 2 of the Modern Slavery Act 2015 for a person to arrange or facilitate the travel of another person ("V") with a view to V being exploited. Those who engage in any of these activities will be liable to a criminal penalty under Section 5 of the Modern Slavery Act 2015.

Declaration

I understand I am not entitled to be issued with a licence if as an employer, any employees are subjected to exploitative practices that amount to slavery or servitude and that my licence will become invalid if I am found to be responsible for such activities.

Every business that engages in any form of licensable activity under Licensing Act 2003 must complete a licence application form. As such, there is a substantial opportunity to utilise licence application forms to bring modern slavery to the attention of thousands of local businesses across the UK. This would encourage knowledge building; demonstrate the importance of this issue to local authorities; build up data on the modern slavery practices of businesses that do not meet the reporting threshold; and communicate to local businesses that modern slavery will not be tolerated, with licence holders risking licence revocation and criminal conviction if identified as engaging in this crime.



✔ Recommendation 3:

Embed modern slavery questions, wording, and/or declarations into the standard licensing application process in order to draw attention to modern slavery and produce consistent data on individual business activities addressing it.

Section 1: Summary

Robust and up-to-date national policy and guidance on modern slavery is essential to ensuring that statutory and non-statutory stakeholders have sufficient tools to proactively prevent and tackle modern slavery in the UK.

While this section looked closely at The Licensing Act 2003 the wider regulatory regimes around licensing and environmental health present an excellent opportunity to utilise existing frameworks to support anti-modern slavery efforts in line with the day-to-day roles of licensing authorities. To achieve this, national government should look into amending relevant legislation and statutory guidance to enable that change.