



# THE FAIR WORK AGENCY

What needs to be true for it to work for everyone?

A briefing from the Centre for London and the Trust for London

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# ABOUT THIS BRIEFING

The Centre for London, London's independent think tank, and Trust for London, one of the city's largest philanthropic funders, are working in partnership to bring together perspectives from across London's civil society, public and private sectors to discuss the biggest issues facing London and the wider UK today.

This briefing was developed as part of this work and would not have been possible without the support of our partners who have provided input and expertise to the development of this briefing, including the Centre for Progressive Change, Employment Legal Advice Network, Focus on Labour Exploitation, Latin American Women's Rights Service, and Work Rights Centre.

This briefing sets out the key themes and areas of consensus from discussion, and as such should not be treated as reflective of the view of any specific organisation or individuals in attendance. Any errors and omissions remain the responsibility of the author.

## About the author

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# EXECUTIVE SUMMARY

## The Fair Work Agency – a vital opportunity

The United Kingdom is at a critical juncture in the protection of workers' rights. With the government set to establish a new single enforcement body, the Fair Work Agency (FWA), there is a timely opportunity to design a system that effectively tackles labour exploitation and ensures all work is fair work. For this new agency to succeed where previous systems have fallen short, its design must be rooted in collaboration, trust, and robust enforcement.

In July 2025, the Centre for London and Trust for London convened a policy lab to explore **what needs to be true for the FWA to work for everyone, especially the most marginalised**. The session brought together a unique coalition of stakeholders—including officials from relevant departments and agencies including the Department for Business & Trade, the Home Office and the Gangmasters and Labour Abuse Authority; civil society organisations, and employer representatives—to map out the core principles for the FWA's success.

This briefing is intended as a conversation starter and to provide a foundational set of key principles to inform for the work of the coming year to develop and operationalise the FWA.

# What needs to be true for the Fair Work Agency to succeed?

A powerful consensus emerged from the workshop, highlighting that to succeed the Fair Work Agency should embed the following core principles for the Fair Work Agency's design and implementation.

- Be designed around **a foundational commitment of the protection of workers' rights** and its success measured against the delivery of this commitment.
- Be sufficiently resourced and effective to be **proactive** and act as both a **beacon of good employment** and a **meaningful deterrent** against poor employment practices.
- Be **highly visible**, with a **strong, distinctive and respected brand**.
- Be **designed with all users in mind**, recognising that the most marginalised face additional barriers to access to justice while also offering employers relevant, constructive and collaborative compliance guidance.
- Be informed by continuous multi-stakeholder engagement underpinned by **formal and ongoing engagement with civil society organisations**.
- Provide **a safe and secure mechanism for migrant workers to report abuse** without fear of immigration enforcement.

To begin this work, we recommend the Government adopt the core principles for this crucial period. Specifically, we urge them to prioritise:

- **Initiating a co-design process with civil society organisations and worker and employer representatives** to shape the FWA's engagement structures, branding, and user experience
- **Establishing a formal, cross-departmental working group** with the Home Office to immediately begin designing the operational and data-sharing protocols required for a secure reporting mechanism for migrant workers

# WHAT NEEDS TO BE TRUE FOR THE FAIR WORK AGENCY TO SUCCEED?

## Background and Context

### Employment Rights and the case for a Single Enforcement Body

The creation of a single enforcement body (SEB) for employment rights has been a long-standing recommendation from various bodies, including the Director of Labour Market Enforcement.<sup>i</sup> The previous Government's commitment to creating an SEB was part of its response to the Taylor Review of Modern Working Practices.<sup>ii</sup>

The new Government, under its manifesto commitment to 'Make Work Pay' has committed to introduce a single Fair Work Agency as part of a wider set of measures to improve living standards, while also to address significant, documented challenges in the current system.

**Scale of Labour Market Abuse:** Labour exploitation remains a significant issue across the UK. In 2024, the Low Pay Commission estimates that 370,000 workers were paid less than the national minimum wage, and 19,125 potential victims of modern slavery were referred to the Home Office.<sup>iiiiv</sup>

**A Fragmented System:** Currently, enforcement of employment rights is split across three main bodies: the Gangmasters and Labour Abuse Authority (GLAA), HMRC's National Minimum Wage & National Living Wage Enforcement unit, and the Employment Agency Standards Inspectorate (EAS). This fragmentation has led to gaps in protection and inefficiencies, with no single body responsible for assessing the extent of non-compliance across all labour market regulations.<sup>v</sup> The Fair Work Agency is intended to consolidate these functions, creating a more recognisable, streamlined, and effective "one-stop shop" for employment rights enforcement.

### Where We Are Today

The current government confirmed its intention to bring forward an **Employment Rights Bill** in the 2024 King's Speech and the Bill is expected to receive royal assent in Autumn 2025, either in September or October.<sup>vi</sup>

**Employment Rights Bill Implementation Roadmap:** In July 2025, the Government published a policy paper Implementing The Employment Rights Bill, which sets out how the government is preparing for the implementation of the Employment Rights Bill. It sets out a phased approach, where the Government's aim is for the FWA to be operational by April 2026, though it is noted that the Agency will continue to evolve beyond this date. The FWA will launch alongside implementation of some of the ERB's reforms to family leave, sick pay, and trade union access.<sup>vii</sup>

## What needs to be true for the Fair Work Agency to work for everyone?

With the Employment Rights Bill due to receive Royal Assent in Autumn 2025, work to design and implement the operational structure of the FWA is beginning in earnest, alongside consultation phases in Summer and Autumn 2025 on the wider reforms included in the ERB.

This means there is a unique and timely opportunity for influence the design and implementation of the FWA before it is finalised.

That is why, in July 2025, the Centre for London and Trust for London hosted a **half-day workshop**, framed around the challenge statement “**What needs to be true for the Fair Work Agency to work for everyone?**”

Intended as a neutral, non-binding and confidential space designed for open collaboration and held under the **Chatham House Rule**, the session brought together a small group of participants from across the public, private and civil society sectors, including:

- Officials from the Department for Business and Trade, Home Office and Gangmasters and Labour Abuse Authority, and the Greater London Authority
- Civil society experts from the Centre for Progressive Change, Employment Legal Advice Network, Focus on Labour Exploitation, Latin American Women’s Rights Service, Resolution Foundation, Trust for London, and Work Rights Centre.
- Social care sector representatives from Homecare Association.

The goal of the session was to:

- Fostered a **shared understanding** between different sector stakeholders on the key challenges and opportunities for the FWA.
- Generated a **sketch of the core principles** that could underpin the FWA's design and implementation.
- Mapped areas of **consensus and shared priorities** between all participants.
- Created a basis for **ongoing dialogue** to inform the FWA's development.

To do so, participants took part in an initial ideation and brainstorming session aimed at generating a wide spectrum of insights and perspectives addressing the challenge statement. Participants then worked to distil these ideas into coherent themes and sketch initial principles for the design of the FWA, before identifying areas of consensus.

**This briefing sets out the key themes and areas of consensus from discussion, and as such should not be treated as reflective of the view of any specific organisation or individuals in attendance.**

### Exploring what will need to be true

#### *Theme 1: Building a Collaborative Ecosystem*

A central theme of discussion was that the FWA should seek to be embedded in a social partnership, engaging systematically with partners across government, employers, trade unions and civil society organisations.



Specifically, participants highlighted the following areas as crucial to this collaboration:

**Cross-Departmental Working:** The FWA should engage in cross-departmental collaboration, including intelligence sharing to coordinate responses to poor employment practices. Participants noted the importance of particularly strong working relationships between the FWA/DBT and the Home Office and HMRC.

This kind of cross-departmental working should enable a joined-up approach to tackling issues in the current system such as disincentives for migrant workers to report poor practice to the agency. For example, a specific idea floated was the development of state-sponsored "bridging visas" to protect migrant workers who approach the FWA, ensuring immigration regularity and access to justice for those who speak up and risk losing their jobs and attached visas as a consequence, which would require policy and implementation alignment between the FWA and Home Office.

**Appropriate data and intelligence sharing:** The FWA will need to gain consent for data sharing for effective collaboration and enforcement, but this data should not be used for immigration enforcement purposes, with participants noting the need to for safeguards between FWA information sharing and immigration enforcement and, as this is currently a significant disincentive to migrant workers speaking up about abuse. Participants suggested that the overarching goal of worker protection and effective enforcement against labour market abuses should hold greater weight than immigration enforcement within the FWA's work.

**Engagement with Civil Society (CSOs):** Participants agreed that the FWA should have formal engagement and intelligence-sharing structures with civil society organisations working with vulnerable and/or marginalised workers as well as with established workers bodies such as trade unions. Consideration should be given to these being structured both regionally and by sector. Specifically, participants suggested that the FWA seek out small, grassroots organisations to understand and address sectoral gaps in access to employment rights and protections, as these groups are underrepresented by mainstream bodies such as trade unions.

It was noted that CSOs could act as crucial advocates and awareness-raising partners for the FWA, but this must be built on genuine trust and confidence in the FWA's capabilities and commitment to the protection of workers, especially those for whom speaking out could put them at risk of reprisal or immigration enforcement. One means of facilitating collaboration and knowledge-sharing between CSOs and the FWA suggested was via a secondment scheme which could place civil society practitioners into the FWA.

**Devolved and Regional Government:** The FWA's activities must be aligned with counterparts in the devolved nations, with Scotland cited as an example of good practice. Close working with English regional authorities such as the Greater London Authority was also highlighted as an important opportunity, as this will facilitate better intelligence sharing, reporting structures and joined up delivery.

### *Theme 2: Worker Trust, Awareness, and Accessibility*

For the FWA to be most effective, participants highlighted that it must be designed around the needs of workers, particularly the most vulnerable.

**Accessibility and Contact:** The FWA should be easy to contact through multiple routes, including in-person, phone, and email. It must have a comprehensive language provision, including access to interpreters and staff who speak different languages.

**User Experience for Workers and Employers:** The FWA should offer an easy, straightforward, and timely user experience. This could include a single point of contact and a well-designed website with clear, translatable, step-by-step information on common work disputes. These steps should map exactly onto internal processes to build trust. It was suggested that FWA staff should be trained to offer empathy and understanding to ensure workers feel safe reporting issues.

Participants also highlighted that the agency should offer clear compliance guidance to employers which is sector relevant, constructive and collaborative.

**Awareness and Branding:** Participants felt that the FWA would benefit from a clear brand and marketing approach to disseminate information about its role, raise visibility, and build a trusted profile amongst worker communities. This should include a well-resourced dissemination plan using trusted voices like CSOs and community groups to inform communities. It was suggested that awareness-raising should move "upstream" in the immigration process to inform migrant workers of their rights earlier.

### *Theme 3: Effective Enforcement and Behaviour Change*

There was strong agreement amongst participants that, for the FWA to be effective and meaningfully influence employer behaviour, the agency be sufficiently empowered and resourced for enforcement to have "teeth" and act as a real deterrent to non-compliant employers.

**Resourcing and Powers:** Participants highlighted that, as a precondition of success, the FWA must be adequately resourced to deliver its intended functions and have sufficient powers to deliver its objectives.

**Meaningful penalties:** There was a clear consensus that FWA enforcement powers and activities must have teeth. It was suggested that the FWA needs powers to levy significant financial penalties that present a meaningful deterrent and would work to undermine exploitation as an effective business model. One idea floated was a tiered approach balancing education on lesser infractions with swift action on major ones, with penalties escalating for repeat offenders and employers shut down for violations blocked from creating new companies.

**Proactive and Intelligence-Led Enforcement:** Participants highlighted that the agency will need a detailed understanding of different sectors and develop tailored enforcement approaches. To do so, FWA should work with its cross-sector partners to develop a proactive understanding of emerging labour market trends and focus on major infractions and high-risk sectors.

This collaborative approach to intelligence gathering should enable enforcement to be strategic and proactive, not solely reactive, as it cannot rely on individuals coming forward. The FWA must also look at underlying systemic issues, such as public services procurement in high-risk sectors such as social care, and not solely focus on individual private sector employers.

### *Theme 4: Structure, Scope, and Accountability*

Participants explored how the FWA's internal structure and legislative scope can ensure coverage of all workers while also ensuring the agency itself is held accountable.

**Governance, Structure and Leadership:** It was suggested that the FWA maintain an appropriately diverse advisory board that is reflective of the communities it seeks to support. It was also suggested that FWA should have a named senior minister responsible for its operation to provide political accountability and to act as a champion for the agency both within government (e.g. securing investment) and publicly. Participants noted the significant geographic variations in labour market structures in the FWA's remit, suggesting that the FWA could reflect this by having both a sectoral structure and a regional spread that reflects local labour markets.

**Tackling gaps and loopholes:** It was highlighted that the underlying legislation for the FWA should address existing loopholes around freelance contracts and respond to gaps in protection, including for those hired in private households, people working on water, and freelancers. It was suggested that the structure of the FWA could give specific focus to freelancers and SME employers, as both groups are often under-informed on employment law.

**Accountability, Data and Improvement:** To ensure robust scrutiny and public accountability, participants felt that the FWA should publish data on activities and performance. Over time, this data should enable assessment of which areas of the labour market are not sufficiently addressed by current legislation and enforcement to inform future evolutions in approach and ongoing policy.

## Conclusions - what needs to be true for the FWA to succeed?

During the workshop, participants voted on a series of draft principles. The results provide a map of the areas of strongest consensus and shared priorities for the FWA's design, which are set out below.

### **To succeed, the Fair Work Agency should:**

- ⇒ Be designed against the core aim of the protection of workers' rights and its success measured against the delivery of this goal.
- ⇒ Have sufficient "teeth" to present both a **beacon of good employment** and a **meaningful deterrent** against poor employment practices.
- ⇒ Be **highly visible**, with a strong, distinctive and respected brand.
- ⇒ Be **designed with all users in mind**, recognising that the most marginalised face additional barriers to access to justice and offering employers is sector relevant, constructive and collaborative compliance guidance.
- ⇒ Be informed by continuous multi-stakeholder engagement underpinned by **formal and ongoing engagement with civil society organisations**.
- ⇒ Provide a **safe and secure mechanism for all workers to report abuse** without fear of reprisal or the risk of immigration enforcement.



## Next Steps

The establishment of the Fair Work Agency represents a once-in-a-generation opportunity to reshape labour market enforcement in the UK for the better. The consensus reached by the diverse group of experts convened by the Centre for London and Trust for London is clear: success is not guaranteed. It depends on embedding the right principles into the FWA's design from the outset.

This means developing an agency that is collaborative by design, trusted by workers, and has the power to effect real change. This will drive the much-needed shift from a fragmented system to one built on partnership, particularly between the FWA, the Home Office, and civil society organisations on the frontline of worker engagement. An FWA that is visible, accessible, and provides recourse for the most marginalised to access their rights abuse without fear is the precondition for its success and ability to deliver on the Government's commitment to make work play.

This briefing is intended as a conversation starter and to provide a foundational set of key principles to inform for the work of the coming year to develop and operationalise the FWA.

To begin this work, we recommend the Government adopt the core principles for this crucial period. Specifically, we urge them to prioritise:

- **Initiating a co-design process with civil society organisations and worker and employer representatives** to shape the FWA's engagement structures, branding, and user experience.
- **Establishing a formal, cross-departmental working group** with the Home Office to immediately begin designing the operational and data-sharing protocols required for a secure reporting mechanism for migrant workers.

The participants in our workshop, representing deep expertise across policy, worker rights, and business, stand ready to support this process. By embracing a collaborative and principles-led approach now, the government can build a Fair Work Agency that truly works for all workers, including those marginalised and failed by the current system.

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- <sup>i</sup> Director of Labour Market Enforcement. (2021). *Labour Market Enforcement Strategy*. [https://assets.publishing.service.gov.uk/media/61b74a288fa8f5037e8cccef/E02666976\\_BEIS\\_UK\\_Labour\\_Market\\_Enforcement\\_Strategy\\_2021-22\\_Accessible.pdf](https://assets.publishing.service.gov.uk/media/61b74a288fa8f5037e8cccef/E02666976_BEIS_UK_Labour_Market_Enforcement_Strategy_2021-22_Accessible.pdf)
- <sup>ii</sup> Department for Business, Energy & Industrial Strategy (2019). *Establishing a new single enforcement body for employment rights: government response*. <https://assets.publishing.service.gov.uk/media/60be1b47e90e0743a210de29/single-enforcement-body-consultation-govt-response.pdf>
- <sup>iii</sup> Low Pay Commission. (2024). *Compliance and enforcement of the National Minimum Wage in 2024*. [https://assets.publishing.service.gov.uk/media/6763eb3d3229e84d9bbde878/Compliance\\_and\\_enforcement\\_of\\_the\\_NMW\\_in\\_2024\\_1\\_.pdf](https://assets.publishing.service.gov.uk/media/6763eb3d3229e84d9bbde878/Compliance_and_enforcement_of_the_NMW_in_2024_1_.pdf)
- <sup>iv</sup> Home Office. (2025). *Modern slavery: National Referral Mechanism and Duty to Notify statistics UK, end of year summary 2024*. <https://www.gov.uk/government/statistics/modern-slavery-nrm-and-dtn-statistics-end-of-year-summary-2024/modern-slavery-national-referral-mechanism-and-duty-to-notify-statistics-uk-end-of-year-summary-2024>
- <sup>v</sup> Director of Labour Market Enforcement. (2023). *United Kingdom Labour Market Enforcement Strategy 2022/23*. <https://assets.publishing.service.gov.uk/media/64132ba5e90e0776a0d957f2/uk-labour-market-enforcement-strategy-2022-2023.pdf>
- <sup>vi</sup> HM Government. (2024). *The King's Speech 2024*. <https://www.gov.uk/government/speeches/the-kings-speech-2024>
- <sup>vii</sup> Department for Business and Trade. (2025). *Implementing the Employment Rights Bill*. <https://www.gov.uk/government/publications/implementing-the-employment-rights-bill>