GMB Calls for Directors of 70 Firms Named for Not Paying National Minimum Wage to Be Denied Further Directorships

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The enforcement rules should also be changed so that trade unions can make complaints to HMRC on behalf of members says GMB

GMB commented on the naming and shaming 70 employers who Government has branded National Minimum Wage offenders. *See notes to editors for copy of embargoed press release from BIS naming the 70 companies from across the UK.*

Martin Smith, GMB National Organizer, said **"Naming and shaming these 70 employers is to be welcomed as far too few wage dodging employers not paying the national minimum wage have been brought to justice.**

Government needs to make a real commitment to making work pay by more aggressively seeking out offenders to prosecute them. The enforcement rules should also be changed so that trade unions can make complaints to HMRC on behalf of members.

As part of the public disgracing for the firms named GMB is calling for the directors of these companies to be placed on a "*wage offenders register*" at Companies House and be deemed an unfit person to hold any further directorships.

We are expecting the recommendation from the Low Pay Commission any time now on the uprating of the national minimum wage from £6.50.

There are bucket loads of evidence that an uplift of at least 50p per hour would help the low paid and start to stimulate the economy and that all the big firms including the retailers can afford it.

There is no justification for the national minimum wage not keeping up with inflation. The Low Pay Commission should recommend a rate of at least £7 per hour from October 2014 to make up the ground lost since 2006.

It is time for the Low Pay Commission to do what it says on the tin – "*fight for the low paid*"."

Contact Kamaljeet Jandu 07956 237178 or Martin Smith 07974 251722 or Cath Speight 07506 711925 or 07921 2898880

Notes to editors

BIS press release Embargoed 00.01 24th February 2015

GOVERNMENT NAMES AND SHAMES LARGEST EVER NUMBER OF NATIONAL MINIMUM WAGE OFFENDERS

Businesses named in the care, retail and hospitality sectors

A further 70 employers who failed to pay their workers the National Minimum Wage have been named today by Business Minister Jo Swinson, bringing the overall total named and shamed to 162.

Between them, these 70 employers owed workers a total of over £157,000 in arrears and have been charged financial penalties totalling over £70,000.

The Government has already named 92 employers since the new naming regime came into force in October 2013. They had total arrears of over £316,000 and total penalties of over £111,000.

To support the minimum wage crackdown, the Government will also be increasing HMRC's £9.2 million enforcement budget by a further £3 million, helping to fund more than 70 extra compliance officers.

Business Minister Jo Swinson said:

"Paying less than the minimum wage is illegal, immoral and completely unacceptable. Naming and shaming gives a clear warning to employers who ignore the rules, that they will face reputational consequences as well as financial penalties of up to £20,000 if they don't pay the minimum wage.

"We're working hard in areas where we know there are particular problems, like the care sector, to make sure staff are paid fairly for the hard work they do.

"We are legislating through the Small Business, Enterprise and Employment Bill so that this penalty can be applied to each underpaid worker rather than per employer.

"We are helping workers recover the hundreds of thousands of pounds in pay owed to them as well as raising awareness to make sure workers are paid fairly in the first place."

The Government examines non-compliance in a number of ways and takes action where it identifies particular problems or challenges. Around 100 care sector cases are currently being investigated and three employers have been publically named, for failing to pay the minimum wage. HMRC has also launched six proactive investigations into the largest employers in the care sector.

Care and Support Minister Norman Lamb said:

"We want a fairer society where everyone gets the care they deserve - to do this we need a skilled, valued and fairly paid workforce. There is absolutely no excuse for employers that fail to pay the minimum wage.

"We know the 100 care companies being investigated are just the tip of the iceberg in the care sector and are absolutely committed to getting back the wages people have worked so hard for. We will continue to name, shame and fine these employers until every care provider gets the message."

HMRC is working with the Department of Health, BIS, the Association of Directors of Adult Social Services and the care sector to understand more about the causes of non-compliance with the national minimum wage in the care sector and to raise awareness of the minimum wage with employers and care workers. This includes making sure that employees know how to complain if they believe they are not being paid the national minimum wage.

The 70 employers named today are:

East Midlands Crossroads - Caring for Carers, Nottingham, neglected to pay £37,592.56 to 184 workers.

Delcom Systems Ltd, Salisbury neglected to pay £11,731.52 to a worker.

S Hanns LLP, Chatham neglected to pay £8,448.84 to a worker.

The Apostolic Church trading as James Kane Nursery, London, neglected to pay £8,347.71 to 2 workers.

Young Friends Nursery Ltd, Hove, neglected to pay £6,789.71 to a worker.

Station Garage (Little Weighton) Ltd, Little Weighton neglected to pay £5,440.77 to 2 workers.

KRCS (Digital Solutions) Ltd, Nottingham, neglected to pay £5,161.85 to 5 workers.

Mrs Shirley Elvin trading as Seaton Garage & Engineering Co, Hull, neglected to pay £4,840.31 to a worker.

Pontcanna Hair Studio Ltd, Cardiff, neglected to pay £4,784.34 to a worker.

Carol Ann Daker trading as Swan Hill House Residential Home, Shropshire, neglected to pay £4,395.78 to 27 workers.

Hobby Horse Ltd, Plymouth, neglected to pay £4,049.31 to a worker.

Fylde Coast Pizza Ltd trading as Papa Johns, Blackpool, neglected to pay £3,949.62 to 14 workers.

Manleys Ltd, Belfast, neglected to pay £3,797.83 to 3 workers.

J B Howard and Son Ltd, Leyland, neglected to pay £3,469.96 to 7 workers.

Mr L Tolman & Mr S Blanchard trading as Mardi Gras Hotel, Blackpool, neglected to pay £3,206.76 to 3 workers.

Stafforce Personnel Ltd, Rotherham, neglected to pay £3,044.79 to 63 workers.

Best Start Ltd trading as Tiny Treasures Day Care Nursery, Birmingham, neglected to pay £2,928.95 to two workers.

Maybury Automotive Ltd, Woking, neglected to pay £2,670.88 to 2 workers.

C&R Tyres Ltd, Kelso, neglected to pay £2,261.60 to 3 workers.

SSE PLC, Perth neglected to pay £2,233.95 to 5 workers.

Encore Envelopes Ltd, Washington, neglected to pay £2,060.09 to a worker.

SmileyWorld Ltd, London, neglected to pay £1,729.00 to a worker.

Mancroft Ltd, Leeds, neglected to pay £1,172.97 to 3 workers.

Kevin & Bernadette Farrell trading as Derrygonnelly Autos, Enniskillen, neglected to pay £1,690.35 to a worker.

Delves Food & Wine Stop Ltd trading as Loco, Walsall, neglected to pay £1,152.48 to a worker.

Webe (Chelmsford) Ltd, Chelmsford, neglected to pay £1,521.98 to 4 workers.

Gregson Lane Garage Ltd, Preston, neglected to pay £1,431.57 to 2 workers.

Ms Julie Ann Wright trading as The Worx, Portadown, neglected to pay £1,110.60 to a worker.

Mr S Partridge & Ms M Shead trading as Cobblers Fine Sandwiches & Pastries, Wakefield, neglected to pay £1,003.83 to a worker.

Mr Phillip Campbell & Mrs Lorraine Campbell trading as Supervalu Kells, Ballymena, neglected to pay £905.86 to 2 workers.

Mr C Pask trading as Pask Hair & Beauty, Derby, neglected to pay £900.00 to 2 workers.

J&G Salon Ltd trading as Jealousi & Garlands, Tamworth, neglected to pay £881.28 to a worker.

Faster Fit Tyres Ltd, Scunthorpe, neglected to pay £719.30 to a worker.

Mrs Karen Aitken trading as Angel Hair Design, Darlington, neglected to pay £703.33 to a worker.

Clearshot Ltd, Manchester, neglected to pay £684.94 to a worker.

Everest Express Ltd, Lincoln, neglected to pay £657.03 to a worker.

Leisure Emporium Ltd trading as Brown's Cafe Bar & Bistro, Nottingham, neglected to pay £643.86 to a worker.

Mrs S Walker trading as Alleyways Fish & Chips, Scarborough, neglected to pay £601.59 to a worker.

Gary & Toni Valentine trading as The Harbour Inn, Seaton, neglected to pay £584.42 to a worker.

Shreeji Barnsley Ltd trading as Coffee Delight, Buxton, neglected to pay £555.70 to a worker.

Rowe Sparkes Solicitors Ltd, Southsea, neglected to pay £530.96 to a worker.

Fish Hairdressing Company Ltd, trading as Fish Hairdressing, Maidstone neglected to pay £521.82 to 3 workers.

Mrs Deborah Adcock trading as LJ Beauty & Hair, Seaham, neglected to pay £463.60 to a worker.

D&D Dies Ltd, Nottingham, neglected to pay £446.37 to a worker.

G Joynson, D Joynson and C Joynson trading as Headquarters, Withernsea, neglected to pay £430.07 to a worker.

Matchesfashion Ltd, London, neglected to pay £375.61 to 2 workers.

Colin Saich trading as Lindcoly Kennels, Bury St. Edmunds, neglected to pay £338.41 to 9 workers.

Inn2inns Ltd, Middlesbrough, neglected to pay £323.10 to 2 workers.

99p Land Ltd, Swindon, neglected to pay £315.26 to a worker.

General Tarleton Ltd, Knaresborough, neglected to pay £300.62 to 6 workers.

Western Computer Group Ltd, Bristol, neglected to pay £287.54 to a worker.

Matrix Electrical Engineering Ltd, Harlow neglected to pay £286.60 to a worker.

Honeybees Childcare Ltd, Preston, neglected to pay £276.30 to a worker.

Mr G J Pearce trading as Sheppards Wood Service Station, Nottingham, neglected to pay £268.56 to a worker.

The Mirrors Ltd, Manchester, neglected to pay £262.87 to a worker.

A1 Techsol Ltd, Manchester, neglected to pay £233.47 to a worker.

Mrs J Cole trading as Rayleigh Retreat, Rayleigh £231.73 to a worker.

Hamlet Homes Properties Ltd, Westcliff-on-Sea neglected to pay £226.40 to a worker.

Smartmove Property Specialists Ltd, Aldershot, neglected to pay £206.36 to a worker.

EYFS Ltd trading as Oak Tree Day Nursery, London, neglected to pay £181.41 to a worker.

Mr & Mrs P Munn trading as Merry Maids of the Weald, Tonbridge, neglected to pay £169.56 to a worker.

Mr H Singleton trading as Willowbank Builders, Huddersfield, neglected to pay £163.89 to a worker.

Professional Referral Services Ltd, Wigan, neglected to pay £156.93 to 2 workers.

Amtec Computer Corporation Ltd, Ferndown, neglected to pay £149.64 to a worker.

Lychgate Coffee Ltd, Wolverhampton, neglected to pay £124.39 to a worker.

Finite International Logistics Ltd, Penarth, neglected to pay £119.92 to a worker.

Drummonds Ltd, Manchester, neglected to pay £113.58 to a worker.

Grove Mechanical Services Ltd, Magherafelt, neglected to pay £107.00 to 2 workers.

Lin Chinese Takeaway Ltd, Stoke-on-Trent, neglected to pay £103.00 to a worker.

Mr Assad Madani trading as Donapapa Pizza, Durham, neglected to pay £101.64 a worker.

The 70 cases named today were thoroughly investigated by HM Revenue & Customs.

The scheme was revised in October 2013 to make it simpler to name and shame employers that do not comply with minimum wage rules.

Employers who are unsure of National Minimum Wage rules, and employees who would like advice or to complain that they are not receiving the National Minimum Wage, can get free advice via the Pay and Work Rights Helpline on 0800 917 2368 or by visiting www.gov.uk.

Notes to editors

1. Employers have a duty to be aware of the different legal rates for the National Minimum Wage.

The current National Minimum Wage rates are:

Adult rate (21 and over) - £6.50 per hour

18-20 year olds - £5.13 per hour

16-17 year olds - £3.79 per hour

Apprentice rate - £2.73 per hour

The apprentice rate applies to apprentices aged 16-18 and those aged 19 and over who are in their first year. All other apprentices are entitled to the National Minimum Wage rate for their age.

2. The Government is committed to increasing compliance with minimum wage legislation and effective enforcement of it. Everyone who is entitled to the minimum wage should receive it. The BIS scheme to name employers who break minimum wage law came into effect on 1 January 2011. The scheme is one of a range of tools at the government's disposal to tackle this issue. Employers who pay workers less than the minimum wage not only have to pay back arrears of wages at current minimum wage rates but also face financial penalties of up to £20,000. In the most serious cases employers can be prosecuted.

3.From 1 October 2013 the Government revised the naming scheme to make it simpler to name and shame employers who break the law. Under this scheme the Government will name all employers that have been issued with a Notice of Underpayment (NoU) unless employers meet one of the exceptional criteria or have arrears of £100 or less. All 70 cases named today failed to pay the national minimum wage and have arrears of over £100.

4. Employers have 28 days to appeal to HMRC against the NoU (this notice sets out the owed wages to be paid by the employer together with the penalty for not complying with minimum wage law). If the employer does not appeal or unsuccessfully appeals against this NoU, BIS will consider them for naming. The employer then has 14 days to make representations to BIS outlining whether they meet any of the exceptional criteria:

Naming by BIS carries a risk of personal harm to an individual or their family

There are national security risks associated with naming in this instance

Other factors which suggest that it would not be in the public interest to name the employer (employer to provide details)

If BIS does not receive any representations or the representations received are unsuccessful, the employer will be named via a BIS press release under this scheme.

5. Further information about the revised BIS NMW naming scheme can be found at: www.gov.uk/government/publications/enforcing-national-minimum-wage-law

6. A video containing advice for employers on the National Minimum Wage can be found at: https://www.youtube.com/embed/MVDAn6HZKbI

Department for Business, Innovation & Skills
7th Floor, 1 Victoria Street, London SW1H 0ET
Press enquiries +44 (0)20 7215 6245 | (Out of hours) +44 (0)20 7215 3234/3505 | Public enquiries +44 (0)20 7215 5000
Textphone +44 (0)20 7215 6740 (for those with hearing impairment) | Press Office fax +44 (0)20 7222 4382
www.gov.uk/bis

Company Contact:

GMB

E. press@gmb.org.uk
W. https://www.gmb.org.uk/

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