

Overhaul employment status rather than review workers' rights, says trade body

Submitted by: BlueSky Public Relations Ltd

Thursday, 21 January 2021

The Association of Professional Staffing Companies (APSCo) has welcomed the business secretary's confirmation that a consultation with business leaders on post-Brexit EU employment rules will take place. However, the trade body has warned that an overhaul— rather than minor change — is required, with the existing Agency Worker Regulations 2010 (AWR) hindering the flexibility of highly skilled independent workers.

According to APSCo, an overhaul would provide easier access to a flexible workforce – something which has become increasingly challenging as businesses face recruitment difficulties following the end of the Brexit transition period.

Tania Bowers, Legal Counsel and Head of Public Policy at APSCo, explained:

“A significant portion of UK business success pivots on the easy access to a flexible workforce. Following the end of the transition period, employers are facing teething problems in regards to work permits for business visitors and longer-term service providers. However, it's also a concern that employment rules aren't aligned with modern business models.”

“The AWR rules are overly-complex and it's very difficult for clients to collate the level of information required to complete the assessment, which is further exacerbated by the nature of recruitment supply chains where the employer is often an umbrella company with no direct relationship with the client. There are multiple different definitions across employment and tax legislation around agency workers and a lack of clarity that needs to be addressed.”

“Rather than make minor changes to existing regulations, APSCo has long championed a wholesale review of employment status. This would provide much needed clarity regarding which category of worker is more vulnerable and requires protection, in comparison to those who are less vulnerable and do not require the safeguards provided by legislation such as the Agency Worker Regulations.”

“An overhaul of employment status would also remove the current differentiation in law between employment status for rights and taxation. This differentiation has led to the much-maligned and delayed implementation of Off Payroll into the Private Sector by HM Treasury. We are communicating these concerns with the business secretary and the Business Readiness team and will continue to drive the discussion during this crucial period.”

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Press contact

Vickie Collinge

vickie@bluesky-pr.com

01582 790705