

Significant win for APSCo as rolled up holiday pay legalised

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The Association of Professional Staffing Companies (APSCo) has applauded the announcement this week that rolled up holiday pay will be legalised for agency workers including umbrella workers – a move which the trade association has called for in its consultation response.

In an announcement earlier this week, a number of crucial steps were confirmed that recruiters and umbrella companies will welcome, including:

- Retaining two distinct 'pots' of annual leave and existing rate of holiday pay (4 weeks at normal rate of pay and 1.6 weeks at basic rate of pay)
- The introduction of rolled up holiday pay for irregular hours workers and part-year workers, which would include some agency workers
- Plans to legislate an accrual method to calculate entitlement at 12.07% of hours worked in a pay period for irregular hour workers and part-year workers in the first year of employment and beyond
- The simplification of TUPE requirements and reduction of administrative burdens for small businesses

Tania Bowers, Global Public Policy Director at APSCo, comments:

"This is a significant win for APSCo and its members. We have highlighted for years that rolled-up holiday pay is necessary and will protect agency and umbrella workers. We're pleased to see that our recommendations have been seriously considered and adopted in this consultation response, including the rate of holiday pay and the simplification of TUPE requirements.

"The plans outlined are, in our view, the only fair way to pay irregular workers and ensure they are no longer at risk of losing accrued holiday pay due to the way they are employed. However, it is now important for recruiters and umbrella companies to assert to workers and end clients that individuals must take the holiday or pay they are owed and the Working Time Regulations.

"This new development is perhaps the first example of the UK Government being able to utilise the increased freedom of decision making that has been afforded following Brexit. What will be key now, though, is the timing of this transformation and whether or not it will be legislated and enacted under the current Parliament.

"How to fairly compensate holiday entitlement for the flexible labour market is a key topic of conversation at the moment, with the Gangmaster and Labour Abuse Authority (GLAA) also issuing a new brief on the treatment of holiday pay following the Supreme Court decision of Harper versus Brazel."

Press Contact

Vickie Collinge

Vickie@bluesky-pr.com

01582 790705

About APSCo

The Association of Professional Staffing Companies (APSCo) is the trade association for the professional recruitment market. APSCo Global comprises APSCo Asia, APSCo Australia, APSCo Deutschland and APSCo

United Kingdom as well as APSCo OutSource, the trade body for the RPO and MSP sectors.
Find out more: www.apsco.org