

APSCo offers advice to recruiters hit by Carillion collapse

Submitted by: BlueSky Public Relations Ltd

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Following the call from Serco's CEO, Rupert Soames (<http://www.bbc.co.uk/news/live/business-43085808>), for a "more balanced relationship between suppliers and government", the Association of Professional Staffing Companies (APSCo (<http://www.apsco.org>)) has offered advice to recruitment consultancies which hold contracts with Carillion Plc and group companies.

Soames was speaking ahead of a meeting between the Work and Pensions and Business Select Committees and Deloitte and the Pensions Regulator which is being held as part of a joint inquiry into the crisis to determine their role in the collapse of the construction giant.

On Wednesday, APSCo hosted a webinar in partnership with Squire Patton Boggs to advise members hit by the Carillion collapse.

Tania Bowers, General Counsel at the Association of professional Staffing Companies (APSCo), advises:

"As details around contractual rights continue to unfold, we are advising members to keep abreast of updates to the Carillion Latest Information (<https://www.pwc.co.uk/services/business-recovery/administrations/carillion.html>) section of the PwC website (which can currently be accessed via the homepage).

"This week's webinar reiterated the unique circumstances of this compulsory liquidation, with employment and commercial contracts not being automatically terminated as is usually the case under these circumstances, most certainly because of the scale of upheaval that this would cause.

"For recruiters with live contracts, PwC - which has been appointed as a Special Manager to Official Receiver with the liquidations – continues to recommend that, "Unless advised otherwise, all agents, subcontractors and suppliers should continue to work and provide goods and services as normal, under their existing contracts, terms and conditions" and that anyone who continues to supply services will be paid for such work post-liquidation.

"If members are supplying staff to sub-contractors of these Carillion entities, at present the PwC website indicates services should be supplied as usual and that the sub-contractor will be paid for services provided post-liquidation.

"If any contracts contain a "pay when paid" provision, you should obtain specific advice on whether it is enforceable. Note that if left unpaid, there is a risk that contract workers and CIS subcontractors will claim employment status to seek recovery and advice should also be taken on any such claims."

APSCo has also suggested that members may consider making use of the recently launched Small Business Commissioner's (SBC) Complaints Scheme

(<https://www.smallbusinesscommissioner.gov.uk/deal-with-an-unpaid-invoice/get-advice/complain-to-the-small-business-com>) to help recover unpaid invoices:

Tania Bowers continues:

“The Small Business Commissioner has been quite vocal, encouraging small businesses to complain to him about poor payment. Organisations with fewer than 50 staff have twelve months to lodge a complaint about a larger private sector client (50 plus employees) who has failed to pay ,although they must have already tried to resolve the dispute directly.”

- Ends

Notes to editors:

APSCo is the membership body that is dedicated to representing professional recruitment in the UK. It was formed to give all firms involved in the recruitment of professional talent who have a commitment to excellence, the specialist support and distinctive voice they need to be successful. It gives candidates and employers a trusted badge of quality whilst providing member firms with an innovative range of services designed for them by recruitment experts. These services, combined with its growing international profile, commitment to Corporate Social Responsibility and opportunities for professional networking give APSCo members a unique opportunity to develop their businesses and gain competitive advantage (<http://www.apsco.org> (<http://www.apsco.org>)).

APSCo legal affiliate, Squire Patton Boggs (All Rights Reserved 2018), produced an update (<http://www.apsco.org/media/download.aspx?MediaId=1415>) for APSCo members following the failure of Carillion and co-hosed a webinar on the same topic. The contents of this update and the subsequent webinar are not intended to serve as legal advice related to individual situations or as legal opinions concerning such situations, nor should they be considered a substitute for taking legal advice.

Carly Smith
BlueSky PR
Carly@bluesky-pr.com
T: +44 (0)1582 790 708