

Review of Modern Employment practices/Taylor Review of Good Work

Consultation on Transparency - measures to increase transparency in the UK labour market

Response from: ManpowerGroup

1. The right to request a direct contract of employment with the hirer for the agency worker who has been with the same hirer after a period of 12 months, and an obligation on the hirer to consider the request in a reasonable manner**ManpowerGroup comment/response:**

Whilst the introduction of the right to request a direct contract of employment is likely to have a limited impact on agency workers in general, there are certain cases where this will potentially have a greater impact and also have unintended consequences.

Many hirers use agency workers to afford them the flexibility they need to best manage their own business and to respond to fluctuations in demand. They see this as being of crucial importance to allow them to compete effectively in the global market and in a time of increased business uncertainty. We believe that the policy – whilst well-intended – will see some employers simply change the duration of assignments to no more than 11 months to circumvent this proposal.

In our own organisation, we have certain assignments where we do have a number of employees on assignment for over 12 months. In general, our employees have not expressed a desire in changing their working arrangement to work with the hirer – instead being engaged on working patterns that work for them; for them the flexibility of our employment model works.

We also have concerns that the introduction of a right to request would increase the administrative burden on both the hirer and the employment agency. We also have concerns that the individual may assume that there is an automatic right to change as opposed to a right to request. Therefore, the positive impact that the government desires from this policy change will be limited. If bringing forward this initiative it needs to be clear that this is only the right to request and not the right to change.

2. The right to request a contract that guarantees hours for those on zero hour contracts who have been in post for 12 months which better reflects the hours worked.

ManpowerGroup comment/response:

This proposal requires further clarification – in particular how it may apply to agency workers. A client engaging the services of an employment agency does so for many reasons – one of which may be the flexibility that working with an agency provides and the resource that can be made available to support their own operation. For the individual, they also gain the flexibility to work hours that suit them best - and for which for many people, the use of a zero hours contract is suitable.

There needs to be clarification as to how ‘in post’ is defined and how being engaged on different assignments with the same hirer would be addressed. There also needs to be clearer definition of ‘hours worked’ and how any contract of guaranteed hours is going to be calculated. For example, would a contract of guaranteed hours be based on an annual average and how would any calculation take into account a period when an individual decides to work fewer hours of their choosing?

We are particularly concerned that there will be a significant increase in administrative burden for the employer to track and analyse the hours worked and to take account for these potential issues.

It is also outside the control of an agency who is acting as the employer to provide the assurance that there will be guaranteed hours with the hirer. If a guaranteed contract hours contract is introduced, then the individual may lose out as the employment agency may require an individual to work on a different assignment to comply with the rules. An unintended consequence is that some employers may seek to terminate an assignment after 11 months to mitigate the changes proposed. Furthermore, an employer may engage more people on shorter guaranteed hour contracts.

In conclusion, we are hesitant about this proposal and request that there is further clarification and more examination of the potential impacts this would have and how the government sees this practically working.

3. Extending written statements to cover all workers as well as employees: extending the right to a written statement to ‘dependent contractors’ as well as employees.

ManpowerGroup comment/response:

We support the transparency of information so that an individual has clarity, certainty and understanding of their rights. ManpowerGroup contingent workers are engaged as employees benefiting from statutory rights as laid down by employment law. Anyone starting an assignment will be provided with information relevant to that assignment including length of assignment, location, hours of work and manager details. As signatories of the REC ‘good recruitment charter’, individuals receive full information and a staff handbook. There is clarity for everyone about who is paying them, where they are working and their benefits and entitlements.



We therefore are not overly concerned about such a change except for if there was a requirement for extra work relating to new documents or ways in which this information was presented; we therefore support this proposed change. We do request that there is clarity and simplicity in any document to minimise any impact on the employer.

We support the provision of the above information to permanent employees with less than one month's service. We suggest that in developing a standard toolkit or approach that there is a review of current best practice – some of the information as provided by the REC may be suitable to meet the proposed needs.