

# BEIS Consultation on Agency Workers Recommendations

## Oil & Gas UK Response

Submitted on: 8 May 2018

### Introduction

Oil & Gas UK is the leading representative body for the UK offshore oil and gas industry. It is a not-for-profit organisation, established in April 2007 on the foundations of the UK Offshore Operators' Association (UKOOA).

We currently represent around 400 members from the UK's oil and gas industry, from super majors to large contractors and from independent oil companies to SMEs working in the supply chain.

The oil and gas industry is extremely important to the UK economy. In 2016, oil and gas provided approximately 76 % of the country's primary energy needs, with 60% of the net demand met by indigenous production. Despite the challenges currently facing the industry, it still supports over 300,000 jobs across the UK.

A flexible labour market is vital to the success of our industry.

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### Are you (select the appropriate option):

X	Business representative organisation / trade body
	Central government
	Charity or social enterprise
	Employer
	Individual
	Legal representative
	Local government
	Trade union or staff association
	Other

### If you are responding as an individual, which best describes your employment status?

n/a

### If you are an employer, how would you classify your organisation? If you are an employee or worker, what type of organisation do you work for?

Private sector organisation	
Public sector	
Charity / voluntary sector	
Other	X, trade association, responding on behalf of our members

If you are an employer, how many employees work for your organisation? If you are employed, how many people work for your organisation?

n/a

If you represent employers, or employees/workers, who you represent?

Trade union	
Industry or employer association	X
Agency worker interest group	
Other	

## Section 1: Improving the transparency of information provided to work seekers

### 1. To what extent would you agree that a key facts page would support work seekers in making decisions about work?

Agree strongly

#### a. If slightly or strongly agree, what key facts do you think should be made prominent?

- a) Who will be responsible for paying the work seeker, and how they are being engaged
- c) How much the work seeker will be paid by the umbrella company or intermediary
- d) What statutory deductions will be made
- e) Any other fees, costs or charges that will be deducted
- f) What additional benefits there are e.g. access to a benefit in kind scheme, childcare vouchers, group insurance policies.

It is sensible to include b) *What happens to any money paid to an umbrella company or intermediary before it is paid to the work seeker*, however, the others (listed above), are more important.

#### b. If slightly or strongly disagree, please provide reasons below

N/A

#### c. Thinking about work seekers and employers in the recruitment sector, would ensuring work seekers are provided with a key facts page have a:

Significantly positive impact *on individual work seekers*

Significantly positive impact *on employers in the recruitment sector*

### 2. What information would be important to include in a 'key facts' page?

- a) Who will be responsible for paying the work seeker, and how they are being engaged
- b) What happens to any money paid to an umbrella company or intermediary before it is paid to the work seeker
- c) How much the work seeker will be paid by the umbrella company or intermediary
- d) What statutory deductions will be made
- e) Any other fees, costs or charges that will be deducted
- f) What additional benefits there are e.g. access to a benefit in kind scheme, childcare vouchers, group insurance policies.

- a. **What conditions should be in place to ensure the 'key facts' page is provided and understood by the worker seeker before any contractual engagement?**

The legislation should be amended to include reference to a key facts page. The key facts page should be provided to the worker seeker in a clear and transparent manner.

3. **Should an employment business be required to ensure that the work seeker understands fully the information being given to them?**

Yes, as far as is reasonably practical.

- a. **If yes, how do you think this should be achieved?**

This could be achieved via mandatory direct engagement with the work seeker which is recordable and confirms understanding and acceptance.

4. **Do you feel an hour is an accurate estimate of the time it would take to produce an information document for a work seeker?**

Too high

- a. **If too high or too low, please provide reasons for your answer below:**

We would expect employment businesses in our sector to provide this information to work seekers already and they should be able to use a standardised template to produce the document. We also feel that if a 'key facts' document takes one hour or longer to produce, it would suggest that the document is not clear, transparent, and easy to digest for the work seeker. This assumes that the document is limited to the key facts page, and does not include things such as terms of engagement/client-specific requirements.

- b. **Other than the time taken by personnel to produce a 'key facts' document, are there other business costs we should be aware of?**

Yes

- c. **If yes, please provide further details below:**

If, for example, a company is implementing an Electronic Recruitment Platform (ERP) for ease of creating key facts documents, this would have implications on cost at the front-end (i.e. due to R&D and how to conceptualise the platform).

## **Section 2: Extending the remit of the Employment Agency Standards inspectorate to cover umbrella companies and intermediaries in the supply chain**

5. **Have you used, or are you currently using, an umbrella/intermediary?**

Don't know

- a. **If so, for what reason?**

As a trade association, it is not appropriate for us to answer this question.

6. **Do you know of any examples of the benefits and/or problems for agency workers of using an umbrella company or intermediary?**

As a trade association, it is not appropriate for us to answer this question.

- 7. Should the extension of the remit of the Employment Agency Standards inspectorate to cover the regulation of certain activities of umbrella companies and intermediaries in the supply of work seekers to a hirer;**
- i. Be limited to the regulation of the key facts page and provision of information relevant to those facts as part of a work offer by the hirer or employer?*

Yes

- ii. Be aligned to the regulation of the types of employment rights already regulated by EAS under the current legislative framework such as non-payment of wages, deductions from wages which the work seeker has no agreed to, and failure to provide written terms and conditions before the assignment starts?*

Yes

**Please provide reasons for your answer:**

It is reasonable for an umbrella company to be subject to the same legislation, and for work seekers to have access to the same protection.

- a. Thinking about work seekers and employers in the recruitment sector, would ensuring umbrella companies provide work seekers with a key facts page have a:**

Significantly positive impact *on individual work seekers*

Significantly positive impact *on employers in the recruitment sector*

**Please provide reasons for your answer below:**

Work seekers should have access to key facts whether or not they are engaged via an umbrella company

- b. Thinking about work seekers and employers in the recruitment sector, would extending the regulations of the Employment Agency Standards inspectorate to cover umbrella companies have a:**

Significantly positive impact *on individual work seekers*

Significantly positive impact *on employers in the recruitment sector*

**Please provide reasons for your answer:**

Extending the regulations of the ESA inspectorate would have a significantly positive impact, as long as the extension of regulations is 'light touch' and does not introduce significant costs or burdens that would impact the worker. There is no reason for the worker to bear these costs on behalf of the umbrella company.

## Section 3: Ensuring the Swedish Derogation is used appropriately

Through consultation with members, Oil & Gas UK feels that this is not something that is common in the oil and gas sector, and therefore will refrain from commenting on questions 8 – 11.

- 8. Have you used or are you currently using a pay between assignments contract (PBA)?**

N/A

- 9. In your experience, what are the benefits and any problems associated with working on a PBA contract basis?**

N/A

- 10. In your experience, how effective do you think pay between assignments contracts are in supporting workers and work seekers when they are not working?**

N/A

- 11. Do you have evidence that there are wider issues (beyond equal pay) with PBA contracts, for example agency workers not being able to access facilities, rest breaks, annual leave or job vacancies?**

N/A

- a. Do you believe that the above issues would justify wider state enforcement?**

N/A

- b. Please provide reasons for your answer below:**

N/A

- 12. To what extent do you agree that enforcement of the Agency Worker Regulations 2010 should come within the remit of the Employment Agency Standards Inspectorate?**

Agree strongly

**Please provide reasons for your answer below:**

We believe it is fair to give workers access to an avenue of complaint to resolve issues either without, or before, going to a tribunal.

- 13. Any further comments:**

N/A

