

AGENCY WORKERS RESEARCH

Pay Between Assignment Survey

DECEMBER 2014

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Introduction

The Agency Worker Regulations (AWR) entitles agency workers to equal treatment with directly recruited employees in relation to access to facilities and information on vacancies from day one of their assignment. After 12 weeks with the same hirer and in the same role, agency workers are entitled to the same basic working and employment conditions, including pay and annual leave, as directly recruited employees.

The Agency Workers Directive allows for derogation where there is pay between assignments (PBA). It is an exemption from the equal treatment on pay where a temporary agency offers an agency worker a permanent contract of employment that pays the worker between assignments. Agency workers engaged under this derogation benefit from the additional rights associated with being an employee.

Agency Worker Research

In October 2014 BIS invited Recruitment Employment Confederation (REC) members to respond to a short survey in an initial attempt to better understand both the prevalence and the use of pay between assignment contracts. There were 129 responses to the survey from a membership of over 3,000.

Survey Limitations

As a general caveat caution should be taken when making any inferences about the population based on the findings of this survey.

Specific issues include:

Representativeness - respondents to this survey were self-selected volunteers and as such there may be an element of voluntary response bias in the survey results. The sample may not therefore be representative in some or all respects of the whole population.

Sample size – The majority of the survey is asked only to those agencies using PBA which reduces the sample size to 43 respondents. Several questions contain multiple options which results in some very small and nil responses. Caution should be taken when interpreting results of these questions.

Self-reported data – the survey data is self-reported and no independent checks have been made on its accuracy. The result is that the data is only as reliable as the individual who completed it.

Summary of survey results

Q1. Does your agency find work for individuals employed on a 'Pay Between Assignment' contract? (129 responses)

- Yes 33% (43)
- No 67% (86)

Q2. Please tell us why you do not use temporary workers on Pay Between Assignment? (40 responses – of 86 eligible to answer)

Agencies listed a number of reasons why they do not use PBA. The most common responses given were that the client had not requested the use of PBA and also that PBA was not the correct business model for them. Some respondents also mentioned affordability concerns.

Q3. Please tell us why you use temporary workers on Pay Between Assignment? (21 responses – of 43 eligible to answer)

As with question 2 agencies listed a number of reasons as to why they chose to use PBA. At the request of the client was the most common response given. Some agencies stated how umbrella companies they used chose to work with PBA contracts.

Q4/5. How many temporary agency workers do you have on your books? (28 of 43)

| Number of agency workers (only those with responses shown below) | Responses | Proportion (%) |
|--|-----------|-------------------|
| 10-49 | 1 | 4 |
| 50-99 | 4 | 14 |
| 100-249 | 4 | 14 |
| 250-499 | 5 | 18 |
| 500-999 | 3 | 11 |
| 1,000-4,999 | 6 | 21 |
| 5,000+ | 5 | 18 |

- One third of agencies have fewer than 250 workers;
- 40% of agencies have more than 1,000 workers;
- Average number of temporary workers per agency is around 1,800.

Q6. What geographical areas does your agency operate in? (29 of 43)

| Region | Responses | Proportion (%) |
|--------------------------|-----------|-------------------|
| East Midlands | 15 | 52 |
| East of England | 12 | 41 |
| London | 11 | 38 |
| North East | 12 | 41 |
| North West | 14 | 48 |
| Northern Ireland | 6 | 21 |
| Scotland | 12 | 41 |
| South East | 13 | 45 |
| South West | 12 | 41 |
| Wales | 10 | 34 |
| West Midlands | 18 | 62 |
| Yorkshire and the Humber | 14 | 48 |

Q7. Who is the Pay Between Assignment agency worker employed by? (29 of 43)

| | Responses | Proportion (%) |
|--|-----------|-------------------|
| Agency | 15 | 52 |
| Intermediary (such as an umbrella company) | 7 | 24 |
| Combination of the two | 7 | 24 |

Q8/9. What proportion of your temporary agency workers are on Pay Between Assignment? (18 of 43)

| Proportion on Pay Between Assignment (only those with responses shown below) | Responses | Proportion (%) |
|--|-----------|-------------------|
| 1-10% | 8 | 44 |
| 11-20% | 6 | 33 |
| 31-40% | 1 | 6 |
| 41-50% | 1 | 6 |
| 51-60% | 1 | 6 |
| 91-100% | 1 | 6 |

Q10/11. What sectors do you supply agency workers on Pay Between Assignment? (25 of 43)

| Sector (only those with responses shown below) | Responses | Proportion (%) |
|---|-----------|-------------------|
| Accommodation and food service activities | 1 | 4 |
| Administrative and support service activities | 1 | 4 |
| Construction | 2 | 8 |
| Human health and social work activities | 4 | 16 |
| Manufacturing | 11 | 44 |
| Other service activities | 2 | 8 |
| Professional, scientific and technical activities | 1 | 4 |
| Public administration and defence | 2 | 8 |
| Transport and storage | 8 | 32 |

Q12. What is the average pay of temporary workers on Pay Between Assignment? (12 of 43)

- On assignment £12.50 per hour (median response)
- In between assignments £9 per hour (median response)

Q13. When on assignment, what are the average hours worked by your temporary agency workers on Pay Between Assignment? (17 of 43)

| Number of hours | Responses | Proportion (%) |
|--|-----------|-------------------|
| Full-time (30+ hours per week, 25+ hours for teaching professions) | 11 | 65 |
| Part-time (8-29 hours per week, 8-24 hours for teaching professions) | 4 | 24 |
| Less than 8 hours per week | 2 | 12 |

Q14. What is the average length of assignments for your temporary agency workers on Pay Between Assignment? (18 of 43)

| Average assignment length (only those with responses shown below) | Responses | Proportion (%) |
|---|-----------|-------------------|
| Up to 1 week | 2 | 11 |
| 9-12 weeks | 1 | 6 |
| 17-25 weeks | 2 | 11 |
| 26-51 weeks | 6 | 33 |
| 52 weeks + | 7 | 39 |

Q15. What is the average time between assignments for your temporary agency workers on Pay Between Assignment? (18 of 43)

| Average assignment length (only those with responses shown below) | Responses | Proportion (%) |
|---|-----------|-------------------|
| Up to 1 week | 9 | 50 |
| 1-4 weeks | 7 | 39 |
| 5-8 weeks | 2 | 11 |

Future research

As a result of this survey we feel our understanding of Pay Between Assignment contracts would be enhanced by conducting further research. We have therefore decided to commission additional qualitative research to look into this subject.

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