EMPLOYMENT TRIBUNALS

Claimant: Mr Nicholas Mills

Respondent: Stephensons

Heard at: Midlands West **On:** 24 March 2026

Before: Employment Judge Hussain

REPRESENTATION:

Claimant: In person
Respondent: Mr T Perry (Counsel)

RESERVED JUDGMENT

1. The claimant's employment terminated on 14 February 2022.

2. The claimant was not an employee of the respondent within the meaning of section 230 Employment Rights Act 1996 after 14 February 2022. He was a self-employed independent contractor.

3. The claim in respect of holiday pay is dismissed.

4. The unfair dismissal and notice pay claims are presented out of time and are therefore dismissed.

REASONS

Introduction

1. This is the judgment of the Tribunal in the claim brought by Mr Nicholas Mills ("the claimant") against Stephensons, an SRA-regulated firm ("the

respondent"). The claims advanced were for unfair dismissal, holiday pay, and breach of contract/wrongful dismissal. Liability was denied.

2. ACAS Early Conciliation was commenced on 24 October 2024 and a certificate issued on 26 November 2024. The ET1 was presented on 29 November 2024.

3. The matter came before the Tribunal at a Preliminary Hearing to determine:
   (i) the effective date of termination (EDT);
   (ii) the employment status of the claimant after 14 February 2022; and
   (iii) whether the claims were presented out of time, and if so, whether time should be extended.

4. The hearing took place via CVP. The claimant was not represented, and the respondent was represented by Mr Perry, counsel. The Tribunal had before it a 320-page hearing bundle, which included 2 witness statements from the claimant and witness statements from the respondent's witnesses, Ms Tracey Tomlinson, Mrs Jill Tolley and Mrs Julie Williams. The parties and witnesses confirmed they had access to the bundle.

5. The parties and witnesses confirmed that they did not require any reasonable adjustments to facilitate participation in the proceedings.

6. Prior to hearing evidence, the issues in the case were discussed and agreed.

7. The Tribunal heard oral evidence from the claimant, Mrs Julie Williams, and Mrs Jill Tolley. Ms Tracey Tomlinson did not attend to give evidence.

8. The hearing lasted a full day with submissions concluding at 17:10. Due to there being insufficient time to reach a decision, the judgment was reserved.

Issues to be determined

9. The issues were agreed and are as follows:
   a. Whether the claimant's employment terminated on 14 February 2022, as the respondent contends, or continued until 26 September 2024, as the claimant asserts.
   b. If the claimant's employment terminated on 14 February 2022, what was the legal nature of the relationship thereafter, in particular whether the claimant was an employee within the meaning of section 230 of the Employment Rights Act 1996 or a self-employed independent contractor.
   c. Whether the claims were presented within the applicable limitation periods and, if not, whether it was reasonably practicable for them to have been presented in time.

10. The claimant confirmed that he would not be pursuing an application to extend the time limit for presentation of the claim if the Tribunal determined that the effective date of termination was 14 February 2022.

The law

Employment status

11. Section 230 of the Employment Rights Act 1996 defines an "employee" as an individual who enters into or works under a contract of employment. A contract of employment is a contract of service or apprenticeship, whether express or implied, and whether oral or in writing. Although the statute does not define "contract of service", the common law distinguishes it from a contract for services. A contract of service arises where an individual agrees to serve another; a contract for services arises where an individual agrees to provide services to another.

12. Employment status is a question of mixed fact and law, requiring the Tribunal to determine the primary facts and then apply the legal tests to those facts. The Court of Appeal confirmed this approach in Clark v Oxfordshire Health Authority [1998] IRLR 125.

13. The classic formulation of the test for the existence of a contract of service is set out in Ready Mixed Concrete (South East) Ltd v Minister of Pensions and National Insurance [1968] 2 QB 497. Three conditions must be satisfied. First, the individual must agree to perform work or services personally in return for remuneration. Secondly, the individual must agree, in performing that work, to be subject to a sufficient degree of control by the other party. Thirdly, the other contractual provisions must be consistent with a contract of service.

14. The Supreme Court in Autoclenz Ltd v Belcher [2011] IRLR 820 emphasised that the Tribunal must ascertain the true agreement between the parties by examining how the relationship operates in practice. In doing so, the Tribunal considers the "irreducible minimum" of an employment relationship: personal service, control, and mutuality of obligation. The existence and scope of any right of substitution is central to the question of personal service. A limited or occasional right of delegation may be compatible with employee status, but an unfettered right of substitution is not. This principle was reaffirmed in Pimlico Plumbers Ltd v Smith [2017] EWCA Civ 51. The Tribunal should consider whether personal service is the dominant feature of the relationship, as stated in James v Redcats (Brands) Ltd [2007] ICR 1006.

15. Control remains an essential component. As Mackenna J explained in Ready Mixed Concrete, control involves deciding what is to be done, how it is to be

done, the means employed, and the time and place of performance. The Tribunal assesses the degree of control in the round. The existence of a contractual right of control may suffice even if limited day-to-day control is exercised in practice, as observed by the EAT in White v Troutbeck SA [2013] UKEAT/0177/12, in which it was emphasised that the relevant question is not whether the worker was in fact subject to close supervision, but whether the putative employer possessed a contractual right of control over the worker's activities. The Court of Appeal in Montgomery v Johnson Underwood Ltd [2001] EWCA Civ 318 confirmed that a sufficient degree of control is part of the irreducible minimum required for a contract of employment.

16. Mutuality of obligation concerns the reciprocal obligations binding each party. The core question is whether the putative employer is obliged to provide work and whether the putative employee is obliged to accept and perform that work. The House of Lords in Carmichael v National Power [1999] 1 WLR 2042 held that the Tribunal must examine both the express terms and how the relationship operated in practice. Mutuality may arise within individual assignments even if not present between assignments. A contract under which the employer has no obligation to offer work, and the individual is free to decline it, may still support a finding of employee status during periods when work is actually performed, provided the parties are mutually bound for those periods. However, where the individual is genuinely free to refuse work at any time, and where the putative employer is under no obligation to offer it, this may indicate a lack of the ongoing mutual obligations characteristic of an overarching employment relationship. The absence of an umbrella or overarching contract does not, however, preclude the finding of an employment relationship for discrete periods of work if the irreducible minimum exists during those periods. The Tribunal must analyse the pattern of engagement, the conduct of the parties, and any expectations that have arisen from regular working arrangements.

17. The Tribunal must consider the totality of the terms and the practical reality of the relationship, taking into account all relevant circumstances. The Court of Appeal in HMRC v Professional Game Match Officials Ltd [2024] ICR 1480 reaffirmed that the employment status analysis involves a holistic assessment. Factors that may be relevant include financial risk, integration, exclusivity, how the parties describe the relationship, the duration and nature of engagement, and the provision of employee-type benefits.

18. An individual who bears significant financial risk is more likely to be an independent contractor, as recognised in Stringfellow Restaurants Ltd v Quashie [2012] EWCA Civ 1735. Indicators of integration into the business include carrying out similar work to employees, line management functions,

being subject to internal policies, or holding a corporate email address, factors recognised in Lee Ting Sang v Chung Chi-Keung [1990] IRLR 236. The EAT in Cotswold Developments Construction Ltd v Williams UKEAT/0457/05 noted that active marketing of services to the world at large may point toward self-employment. Ultimately, the question is whether the individual is genuinely operating a business undertaking or is instead working under the direction and for the benefit of another in circumstances consistent with employment.

19. Restrictions on working for others may indicate an employment relationship. While the parties' own description of their agreement is relevant, it is not determinative. Labelling the relationship cannot alter its true legal character (Catamaran Cruisers Ltd v Williams [1994] IRLR 386). The length and nature of the engagement may also be relevant, as a permanent or regular arrangement may tend towards employment status.

20. The presence of benefits such as health insurance, share options, or bonus schemes supports employee status. However, the absence of statutory benefits such as holiday pay does not necessarily preclude employment. The EAT in Forest Mere Lodges Ltd v Watt UKEAT/0426/06 warned that an employer should not profit from its own failure to comply with statutory obligations by relying on such omissions to deny employee status.

21. The Tribunal must therefore determine employment status by applying the established legal tests to the substance of the relationship, considering all circumstances and identifying the true agreement between the parties.

Worker

22. A worker is defined under section 230(3) of the Employment Rights Act 1996 as:

"an individual who has entered into or works under (or, where the employment has ceased, worked under):

(a) a contract of employment, or

(b) any other contract, whether express or implied and (if it is express) whether oral or in writing, whereby the individual undertakes to do or perform personally any work or services for another party to the contract whose status is not by virtue of the contract that of a client or customer of any profession or business undertaking carried on by the individual".

23. In Sejpal v Rodericks Dental Ltd [2022] EAT 91, the EAT provided guidance on how the question of worker status is approached:

"The starting point, and constant focus, must be the words of the statutes. Concepts such as "mutuality of obligation", "irreducible minimum", "umbrella contracts", "substitution", "predominant purpose", "subordination", "control", and "integration" are tools that can sometimes help in applying the statutory test, but are not themselves tests. Some of the concepts will be irrelevant in particular cases, or relevant only to a component of the statutory test. It is not a question of assessing all the concepts, putting the results in a pot, and hoping that the answer will emerge; the statutory test must be applied, according to its purpose."

24. In Stuart Delivery Ltd v Augustine [2021] EWCA Civ 1514 [2022] ICR 511 Lewis LJ held:

"35 The issue here is that the 1996 Act and the other relevant legislation confer rights on a "worker". Section 230(3) of the Act defines a worker as a person who has entered into or worked under (1) a contract of employment; or (2) a contract where the individual undertakes to do or perform personally any work or services for another person who is a party to the contract and whose status is not by virtue of the contract a client or customer of any profession or business undertaking carried on by the individual.

36 That reflects a distinction between (1) persons employed under a contract of employment, (2) persons who are self-employed, carrying on a profession or a business on their own account and who enter into contracts and provide work or services to clients and (3) persons who are self-employed and provide services as part of a profession or business carried on by others: see Bates van Winkelhof v Clyde & Co LLP [2014] ICR 730, para 25 . If it is relevant or helpful to talk of categories at all, those are the three categories. The persons in (1) fall within section 230(3)(a) of the Act. The persons in group (3) are those who fall within section 230(3)(b) of the Act. Those in the second group are not workers within the meaning of section 230 of the Act."

25. In Sejpal v Rodericks Dental Ltd [2022] EAT 91, the EAT stated that the Tribunal is required to decide whether the claimant carried on a profession or business undertaking and if the claimant did carry on a profession or business undertaking, the exclusion from worker status would only apply if the respondent was a client or customer of the claimant's by virtue of the contract between them.

26. in Byrne Brothers v Baird and Others [2002] IRLR 96, Underhill J as he now is, said in paragraph 17:

"(2) "[Carrying on a] business undertaking" is plainly capable of having a very wide meaning. In one sense every "self-employed" person carries on a

business. But the term cannot be intended to have so wide a meaning here, because if it did the exception would wholly swallow up the substantive provision and limb (b) would be no wider than limb (a). The intention behind the regulation is plainly to create an intermediate class of protected worker, who is on the one hand not an employee but on the other hand cannot in some narrower sense be regarded as carrying on a business. (Possibly this explains the use of the rather odd formulation "business undertaking" rather than "business" *tout court* ; but if so, the hint from the draftsman is distinctly subtle.) It is sometimes said that the effect of the exception is that the Regulations do not extend to "the genuinely self-employed"; but that is not a particularly helpful formulation since it is unclear how "genuine" self-employment is to be defined."

27. The decision as to whether or not someone falls within the business undertaking exception is said by James v Redcats (Brands) Ltd EAT [2007] IRLR 296 at paragraph 64 to be one which must be identified from the proper analysis of the contract. Elias J (then the President of the EAT) said:

"But even if that is wrong, the existence of the exception for those in business on their own account demands that the courts must differentiate between workers and those in business, and that inevitably requires consideration of whether the contract, properly analysed, is predominantly of the former or the latter kind. So a similar test to identify the dominant characteristic of the contract applies."

Time limits

28. Unfair dismissal claims must be presented within three months less one day of the EDT (s.111 ERA).

29. Extension is available only where it was not reasonably practicable to present in time.

Findings of fact

30. The claimant commenced employment with the respondent on 1 April 2009. His employment continued without interruption until 14 February 2022.

31. On 14 February 2022 the claimant signed a redundancy letter confirming the termination of his employment with effect from that date. The letter provided for payment in lieu of notice, accrued holiday pay and statutory redundancy pay. The claimant received those payments.

32. On the same date, the parties executed a written Consultancy Agreement. That agreement commenced on 17 February 2022.

33. The Consultancy Agreement identified, at Schedule 1, a finite and exhaustive list of personal injury and related matters to be completed by the claimant. The respondent was under no obligation to allocate further work beyond those matters. The claimant was under no obligation to accept work beyond that list.

34. The claimant performed all work under the Consultancy Agreement personally. No substitute was proposed or engaged. The Agreement contained no express right of substitution.

35. The claimant determined when, where and how the work was performed. He worked predominantly from home, attended the office infrequently and did not seek permission to take time off.

36. The respondent exercised minimal supervision over the claimant's work. Apart from one instance where the claimant was told he could not issue costs-only proceedings, the claimant conducted negotiations independently and without oversight.

37. The claimant used his own laptop and phone, relied on his own email account, and invoiced for his fees. He was not paid a salary. He received a percentage of net recoveries and received no payment where no recovery was made.

38. The claimant bore the financial risk associated with unrecovered matters. He received no pension contributions, holiday pay or benefits during the consultancy period.

39. The claimant accounted to HMRC through self-assessment and instructed accountants to deal with income tax and National Insurance contributions.

40. The Consultancy Agreement remained in operation until the final Schedule 1 matter concluded on 26 September 2024.

41. Finally, the Tribunal finds that the true nature of the post-February 2022 relationship was a consultancy arrangement to complete a finite group of files. The work was project-based, outcome-linked, and commercially structured in a manner consistent with an independent contractor relationship. Although elements of the arrangement (such as personal service and limited integration) resemble employment, the overall agreement was directed towards the completion of a specific, exhaustively listed body of work, and was not characteristic of an ongoing employment relationship.

42. The claimant was not an employee or worker during the consultancy period.

Observations on the evidence

43. The claimant commenced employment with the respondent on 1 April 2009 as a solicitor with responsibility for personal injury and employment matters. His

employment continued without interruption until February 2022, when the respondent initiated a redundancy process. The documentary record confirms that on 14 February 2022 the respondent issued a redundancy letter confirming termination of employment on 14 February 2022 with payment in lieu of notice and statutory redundancy pay of £10,608.

44. The Tribunal was not required to decide whether the claimant's dismissal by reason of redundancy was fair or whether a genuine redundancy situation existed. The relevance of the redundancy process was limited to whether the claimant's employment terminated on 14 February 2022 and whether he accepted that termination.

45. The documentary evidence confirms that on 14 February 2022 the respondent informed the claimant in writing that his employment was terminated with effect from that date. The claimant signed that document and accepted the payments provided for within it.

46. The claimant contended that redundancy was a sham and that he felt pressured to sign. The Tribunal accepts that he may have experienced commercial pressure. However, the Tribunal does not accept that the claimant failed to understand the effect of signing the redundancy letter. That conclusion is based on the claimant's conduct: he negotiated additional terms for the consultancy arrangement, accepted redundancy and notice payments without protest, and thereafter worked under materially different terms for over two years without raising any contemporaneous challenge to the termination of his employment. Even if the claimant's own account represented a true understanding of the agreement by him, that only the penultimate paragraph was binding, that paragraph makes clear that all matters pertaining to his employment are concluded.

47. The Tribunal also accepts the evidence of Mrs Williams that the claimant proposed an alternative arrangement to complete remaining files. That evidence is consistent with the signing of the Consultancy Agreement on the same date and with the claimant's ability to negotiate specific benefits within that agreement.

48. In addition to this, the claimant is a solicitor that advises on employment law matters and from this it can be inferred that the claimant had an understanding of the implications of signing a document which makes clear that his employment is being terminated by reason of redundancy. This is supported by the evidence of Mrs Williams who confirmed, in her evidence, the claimant was agreeable that his position was redundant when signing the redundancy letter as he knew that the respondent was willing to enter into an agreement in relation to the remaining files.

49. The summary of contemporaneous documents records a substantial and documented decline in personal injury work between 2019 and 2022, with the department increasingly unviable. This accords with the respondent's explanation and is supported by the annual matter data summarised at pages 96 to 109 of the bundle, showing a fall from dozens of new personal injury instructions to only 3 by 2021. There is no reliable contemporaneous evidence supporting the claimant's assertion that redundancy was engineered to remove him for personal reasons.

50. The claimant gave evidence that the Consultancy Agreement notes that it will "form part of a Contract" (page 58) and this is ambiguous. He submitted that this can be interpreted to mean it was part of his continuing contract of employment. However, this is not borne out by the evidence. The word "Contract" has not been defined in the Consultancy Agreement but the Consultancy Agreement clearly states that the consultant will offer "consulting services in the specialism of Personal Injury and Employment Law matters", which are the same matters that he worked on before 14 February 2022. Having signed the redundancy letter on the same day and agreeing that upon signing the letter he would be removed from the firms SRA roll and all matters pertaining to his employment would be concluded at the firm (page 68), it can be deduced that the context in which the 2 documents were signed shows that it was intended by the parties that the period of employment would cease and that the Consultancy Agreement would be a new contract, distinct and separate from the claimant's employment.

51. Taken together this demonstrates that the claimant understood the contents of the redundancy letter and accepted the benefits without protest (after 14 February 2022), he knew that by signing the letter he was accepting that he agreed that he would be redundant and no longer employed on the same terms as before by the respondent and by signing the Consultancy Agreement that different terms would apply, altering the relationship.

52. On 14 February 2022 the claimant signed a Consultancy Agreement. The summary confirms that this contract was drafted in writing, identified the commencement date as 17 February 2022, and specified a 12-month term renewable thereafter, with early termination only by agreement of both parties.

53. Schedule 1 of the Agreement identified a finite list of files forming the full extent of the claimant's post-employment duties in relation to personal injury matters. The respondent was under no obligation to allocate any new work, and the claimant was under no obligation to accept any. Both parties agreed that the performance of work was confined to these listed matters. Parties also agreed

that when the final personal injury matter on Schedule 1 was completed and final payment made, the Consultancy Agreement came to an end.

54. Against this background, the Tribunal considers the nature of the relationship between the claimant and respondent after 14 February 2022.

55. The claimant, in his evidence, relied heavily on the outcome of the HMRC Check Employment Status for Tax (CEST) tool which concluded, from the claimant's responses to the questions, that the claimant was employed. The claimant explained that he answered the questions to the best of his ability based on how they were framed. Whilst the Tribunal accepts that the claimant answered the questions based on what he understood them to be asking, the framing of the questions led to responses that were not necessarily reflective of the actual circumstances. For example, the CEST tool asked whether the claimant had to buy any of his own equipment, he did not, but he used his own personal phone and laptop to carry out work (page 76). Also, the tool asked whether the respondent had the right to decide where he performed the work. The claimant responded that he was told to work out of his own room but in fact, in evidence it was accepted that he did not have a dedicated office and that he often worked from home (page 76). Further the Tribunal notes that this tool is specifically designed for classification for the purposes of tax and does not bind the Tribunal, which must determine employment status by considering section 230 of the Employment Rights Act 1996. In view of this, little weight has been placed on the outcome of CEST tool.

Personal service

56. There was no contractual substitution clause, and the claimant personally completed all work. The respondent's suggestion that work could have been performed by a substitute was hypothetical and unsupported by any documentary provision. Both parties' evidence confirms personal service.

57. The Tribunal therefore finds that a requirement of personal service existed. However, personal service alone is not determinative of employment or worker status, particularly in the context of professional consultancy arrangements.

Mutuality of obligation

58. Mutual obligations arose only once the claimant undertook work on the matters identified in Schedule 1. During that period the claimant was obliged to complete those matters, and the respondent was obliged to remunerate him in accordance with the agreed fee structure. However, the respondent bore no obligation to offer ongoing work after their completion, and the claimant had no expectation of continued engagement.

59. The evidence demonstrates that this limitation was expressly understood by both parties. The Tribunal finds that while there was mutuality within the narrow scope of the Schedule 1 matters. There was no overarching or continuing mutuality of obligation characteristic of an employment relationship.

Control

60. On the question of control, the Tribunal received competing accounts. The claimant asserted that he was instructed on which days he could attend the office, on which files he could work, and on whether certain steps, such as issuing costs-only proceedings, could be taken. The respondent denied imposing such controls and stated that the claimant worked largely autonomously, attending the office rarely and undertaking most of his work from home. The Tribunal prefers the respondent's account. The emails at pages 304 to 318 show that the claimant chose his own hours and simply informed the respondent when he would be attending the office and whether he required a room. Further, where the claimant has specified the hours that he would be attending the office, they were frequently an hour per visit. This accords with the evidence given by Mrs Williams and Mrs Tolley. In addition, the Consultancy Agreement itself contains no clause conferring a right of control over hours, location, or methods of work.

61. The claimant's evidence confirms that he used his own computer, relied on his own email account, and negotiated directly with insurers without supervision, demonstrating substantial professional autonomy. He chose his own working pattern, working mainly from home and taking leave without notification. Ledger entries and payment patterns demonstrate remote, autonomous, outcome-based work. Although one instance of the respondent prohibiting a specific litigation step is accepted (issuing of costs-only proceedings), such a singular incident does not establish an overriding contractual or practical right of control. On balance, the Tribunal finds that control was minimal and incompatible with an employment relationship.

Financial risk

62. The claimant bore significant financial risk in that the payment he received depended entirely on outcome. If no settlement agreement and no compensation awarded, the claimant would not be paid for any of the work that he completed on the personal injury matters. Therefore, there was a risk of the claimant suffering a loss. Particularly as the claimant was no longer being reimbursed for his travel costs. This was accepted by both parties.

63. Furthermore, the claimant was not paid a salary, pension or holiday pay after 14 February 2022. The claimant also had to wait for payment which he received

only when the insurer had paid. Consequently, there was no guaranteed income during the period the Consultancy Agreement was in place and any payment that was made, was not made on a consistent basis like wages.

64. The claimant issued invoices for his fees totalling approximately £84,758 over the period confirming that the claimant received sporadic, outcome-based fees. The claimant instructed an accountancy firm to pay income tax and National Insurance contributions through the self-assessment process. This weighs very strongly toward self-employment.

Ability to work elsewhere

65. The Agreement imposes a non-compete clause precluding the claimant from engaging "in any competition with the Client… including any company engaged in legal services" during the term; non-solicitation of the firm's clients and staff; and an IP assignment of all work product to the firm (page 57). The claimant asserted that these restrictions heightened the firm's control over him after 14 February 2022. Mrs Williams gave evidence that the claimant "was free to carry out other paid work including legal work elsewhere" and that attendance was ad hoc and largely at his discretion. Mrs Williams explained that because the respondent was not taking on any new personal injury matters, any personal injury work carried out for another firm would not breach the non-competition clause.

66. Although subject to a non-compete clause, the claimant confirmed in his evidence that he did undertake exam-invigilation work and "tried to get legal work" in respect of which he had been offered an interview. Although the clause at paragraph 6 of the Consultancy Agreement (page 57) is drafted to prevent the claimant from seeking other legal work, on the evidence, the parties did not intend for it restrict the claimant from taking on other personal injury legal work as the respondent did not deem this would amount to competition and the claimant sought to secure other legal work regardless of the clause. The clause therefore did not operate as an employment-style exclusivity requirement.

Integration

67. Although the claimant continued to have access to office space where available, secretarial support and payment for his professional subscriptions (APIL, practising certificate) this was done at the request of the claimant when he negotiated the terms of the Consultancy Agreement. Critically, the claimant no longer had a designated office, was not on payroll, worked predominantly from home, set his own hours and holidays and the respondent had no oversight

over his day-to-day work. Further, the claimant also took on other employment during the consultancy period.

68. The Tribunal finds that the claimant was not integrated into the organisation during the consultancy period and simply had access to the office and secretarial staff as and when required.

Conclusions:

69. Applying the principles in Ready Mixed Concrete and Autoclenz, the Tribunal finds that the written Consultancy Agreement accurately reflected the true nature of the post-February 2022 relationship.

70. The claimant submitted that he entered the Consultancy Agreement under duress and that it did not reflect the parties' genuine intentions. The Tribunal does not accept that argument. The evidence records that there was no contemporaneous written objection to the Consultancy Agreement, and the claimant continued to perform under it for more than two years. The operative features of the Consultancy Agreement such as the finite caseload, outcome-based remuneration, autonomy, and limited integration are all reflected in the proven reality of the working relationship. There is no evidential basis to conclude that the written terms were a sham or that they concealed an ongoing contract of employment.

71. The Tribunal considered whether the terms and circumstances were consistent with a contract of service. The most significant indicators point strongly in the opposite direction. The claimant bore substantial financial risk, receiving no salary, pension, holiday pay, or benefits. Payments depended entirely on successful recovery in individual cases, and ledger entries confirm that remuneration was sporadic and wholly outcome-dependent and his caseload was finite and diminishing. He was not integrated into the respondent's organisational structure in any meaningful sense, he had no designated office, worked predominantly from home, was not included in payroll or HR procedures, and operated without supervision or accountability mechanisms. These are all matters appearing within the documentary evidence and the witnesses' accounts. The regulatory and administrative facilities the respondent provided, such as APIL membership and occasional office access, do not displace the overwhelming indicators of independent contractor status.

72. For these reasons, the Tribunal concludes that the relationship between the parties after 14 February 2022 was not one of employment. The claimant's employment with the respondent ended on 14 February 2022 after which the claimant was a self-employed independent contractor engaged for the specific purpose of concluding the files listed in Schedule 1. The Tribunal finds that the

written Consultancy Agreement accurately reflects the true nature of the relationship, which was a project-based independent contractor arrangement.

73. The effective date of termination is 14 February 2022. Since the claimant presented his ET1 on 29 November 2024, the claim was brought well outside the three-month statutory time limit. Even allowing for the Early Conciliation period between 24 October 2024 and 26 November 2024, the claim remains more than two years out of time. The claimant is an experienced solicitor and has provided no adequate basis on which the Tribunal could conclude that it was not reasonably practicable for him to present his claims within time or that he did so within a reasonable period thereafter.

74. Accordingly, the Tribunal finds that the claims for unfair dismissal and notice pay are time-barred and must be dismissed.

75. The Tribunal therefore turns to the question required by section 230(3)(b) of the Employment Rights Act 1996, namely whether, during the consultancy period, the claimant undertook to perform work personally for the respondent in circumstances where the respondent's status was not that of a client or customer of a profession or business undertaking carried on by the claimant.

76. The Tribunal has found that the claimant assumed commercial risk for unrecovered matters, was paid only on successful outcomes, not for time or availability, invoiced for fees and accounted to HMRC as self-employed, controlled when, where and how work was done, was engaged to complete a defined project, not to supply labour on demand and could (and did) pursue other income-generating activity.

77. The Tribunal finds that these features are characteristic of a solicitor operating a professional undertaking on his own account, supplying legal services to a client under a retainer of limited scope, rather than of an individual integrated into another's business for the purposes of section 230(3)(b).

78. The Tribunal accepts that the claimant undertook to provide his services personally. However, personal service is a necessary but not sufficient condition of worker status. Professionals such as consultants and solicitors commonly contract to provide services personally while nevertheless operating a business undertaking on their own account. In this case, personal service existed alongside considerable autonomy, absence of subordination, and the assumption of financial risk, such that it does not displace the conclusion that the respondent was a client of the claimant's professional practice.

79. While the Consultancy Agreement contained a non-competition clause, the Tribunal finds that it did not in practice operate so as to preclude the claimant from pursuing other work or to bind him into an exclusive economic relationship

with the respondent. The evidence demonstrates that the parties did not treat the clause as preventing the claimant from seeking or undertaking other income-earning activity, and it did not therefore negate the existence of a business undertaking carried on by the claimant.

80. Although the consultancy arrangement continued for a prolonged period, the Tribunal finds that its duration does not alter its character. The engagement was defined by a finite caseload that diminished over time, and its continuation was driven by the lifecycle of those matters rather than by an expectation of ongoing provision of work or availability. This distinguishes the arrangement from cases where enduring engagement reflects integration or dependency characteristic of worker status.

81. Taking these matters together, the Tribunal is satisfied that during the consultancy period the claimant was operating a professional undertaking on his own account and that the respondent was a client of that undertaking. The claimant was engaged to deliver a defined set of outcomes for remuneration dependent on success, bore the financial risk of unrecovered work, exercised extensive autonomy, and was not subject to subordination or integration of the kind characteristic of worker status. While the claimant provided services personally and maintained some ongoing connection with the respondent, those features do not, in the Tribunal's judgment, displace the dominant commercial reality of the relationship. The claimant was therefore not a worker within the meaning of section 230(3)(b) of the Employment Rights Act 1996. Consequently, the claimant was not entitled to annual leave and his claim for holiday pay is not well founded.

Approved by:

Employment Judge Hussain

13 April 2026

Judgment sent to the parties on:

14 April 2026

For the Tribunal:

Curtis Burr

Notes

All judgments (apart from judgments under Rule 51) and any written reasons for the judgments are published, in

full, online at *https://www.gov.uk/employment-tribunal-decisions* shortly after a copy has been sent to the claimants and respondents.

If a Tribunal hearing has been recorded, you may request a transcript of the recording. Unless there are exceptional circumstances, you will have to pay for it. If a transcript is produced it will not include any oral judgment or reasons given at the hearing. The transcript will not be checked, approved or verified by a judge. There is more information in the joint Presidential Practice Direction on the Recording and Transcription of Hearings and accompanying Guidance, which can be found here:

www.judiciary.uk/guidance-and-resources/employment-rules-and-legislation-practice-directions/