



An Introduction to The Agency Worker Regulations (AWR) 2010

The AWR come into force in England, Scotland and Wales on 1 October 2011 (and in Northern Ireland on 1 December 2011).

The Regulations will give agency workers the right to the same employment conditions they would enjoy as someone directly employed to do the same job (limited to conditions relating to pay and working time).

Agency workers may also access on-site facilities as provided by an employer for permanent workers. In addition, they must be advised of vacancies which arise in the client's business.

Definitions to help understand the Regulations

What is an 'Agency Worker'?

- An individual supplied by a temporary work agency to work under the direction of a client
- An individual who has a contract of employment which sets out the services they provide personally for the agency

The Regulations do NOT apply to workers who have found a permanent job with the client, or workers who are genuinely in business on their own account i.e. self-employed

Are self-employed people and limited company contractors classified as 'Agency Workers'?

The Regulations do not specifically exclude limited company contractors. Genuinely self-employed people, however, are not 'agency workers' (See Information Sheet 5).

What is a Temporary Work Agency?

It is a business whose main function is *"supplying individuals to work temporarily for – and under the supervision and direction of – hirers."*

In addition, it is a business *"paying for (or receiving forward payment for) the services of individuals who are supplied to work temporarily for and under the supervision and direction of hirers."*



The 'Temporary Work Agency' definition applies to employment businesses, umbrella companies and payroll providers which handle payments for agency workers.

The definition also includes master and neutral vendors involved in the supply of agency workers. Provisions within the Regulations help to ensure that workers supplied by agencies enjoy equal treatment rights, even when intermediaries are involved.

Who is the Hirer?

This is the end user i.e. the person or business to which the worker is supplied.

Managed Services Contractors

Are they covered by AWR?

A managed services contract provider is responsible for delivering an entire service to a client, including the supervision and direction of workers. This does not meet the definition of a Temporary Work Agency so the contract provider will not have the same obligations as agencies.

If, however, a managed service contractor uses an agency to supply its workers, the workers may be seen as 'agency workers'. This may mean that the managed service provider will need to comply with 'hirer obligations' under the Regulations.