



Sapphire
CONTRACTING

Agency Workers Regulations (AWR)



What are the Agency Workers Regulations?

The Agency Workers Regulations (AWR) came into effect on the 1st of October 2011. They are designed to protect temporary workers who are hired through an agency, or those working through an umbrella company, by granting them the same rights as employees. (Temporary workers and contractors working through their own limited company are unaffected by AWR.)

Day one rights

The regulations ensure that, from day one of a contract, temporary workers have workers' employment rights. Providing any other qualifying conditions are met, all workers have rights to:

- Getting the National Minimum Wage
- Protection against unlawful deductions from wages
- The statutory minimum level of paid holiday
- The statutory minimum length of rest breaks
- To work no more than 48 hours on average per week or to opt out of this right if they choose
- Protection against unlawful discrimination
- Protection for 'whistleblowers' who report wrong doing in the workplace
- Not to be treated less favourably if they work part-time

They will also have the same rights as their permanent colleagues to use any shared facilities and services provided by the employer, such as:

- A canteen or food and drinks machines
- A workplace crèche or mother and baby room
- Car parking or transport services, like a local pick-up service or transport between sites

After 12 weeks in the same job

In addition to the day one rights, the legislation also ensures that any temporary worker who spends more than 12 weeks in the same role should receive comparable pay to an equivalent permanent member of staff, including:

£ Basic pay

✓ Paid annual leave

📅 Overtime payments and shift allowances

📄 Bonus schemes/commission based on performance

🔄 Automatic pension enrolment

However, the following are excluded from AWR:

£ Occupational sick pay

📄 Occupational maternity/paternity pay

🏷️ Loyalty bonuses

£ Redundancy payments

👤 Occupational pension schemes



What does AWR mean for agencies?

It is an agency's responsibility to request comparator information from their clients for each role that they recruit for and place. If there is no umbrella supplier in the supply chain, then the agency should ensure that the contractors are receiving comparable day one rights and comparable pay at week 12. If there is an umbrella supplier in the chain, the agency should forward the comparator pay information to the umbrella so that they can ensure that their umbrella employees are compliant under the AWR legislation. Sapphire will then carry out our own comparator pay calculations for you.

What does AWR mean for contractors?

Once a contractor has completed the 12-week qualifying period, they are entitled to find out about basic terms and working conditions. Typically, the contractor will first approach the agency. As an agency, you will have 28 days to inform contractors of these terms and conditions. If, after 28 days you do not respond, the contractor can ask their employer directly, who then has 28 days to reply. If, after 28 days, no information has been provided, the contractor is entitled to take both parties to an industrial tribunal.

There is no maximum limit to successful claimants, but a minimum of two weeks' pay would normally be awarded by the tribunal in relation to a failure to provide equal terms and conditions.

Do employers have to participate in AWR?

Employers under AWR legislation have no choice if they participate or not. If they do try to avoid the 12-week qualifying period by rotating agency workers and changing assignments to ensure they do not meet the 12-week qualifying period, they will face fines of up to £5,000.

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