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## Employers: Are you ready for the Good Work Plan?

Following the Taylor Good Work Review published in July 2017, the government has published a series of proposed changes to employment law, entitled the 'Good Work Plan'. The government claims it is the biggest reform of employment law in 20 years.

### **Key Proposals**

- changing the rules on continuity of employment, so that a break of up to four weeks (currently one
  week) between contracts will not interrupt continuity;
- extending the right to a written statement of terms and conditions to workers (as well as employees),
   and requiring the employer to give it on the first day of work (rather than within two months);
- legislation to streamline the employment status tests so they are the same for employment and tax purposes, and to avoid employers misclassifying employees/workers as self-employed;
- a ban on employers making deductions from staff tips (presumably just by extending the existing unlawful deduction laws to cover tips, although the paper does not say this):
- increasing the (hardly ever imposed) penalty for employer's aggravating conduct from £5,000 to £20,000;
- abolishing the Swedish Derogation, which gives employers the ability to pay agency workers less than their own workers in certain circumstances; and
- a right to request a fixed working pattern for those who do not have one, after 26 weeks' on a non-fixed pattern (effectively a limited attempt by the government to tackle abuse of zero hours contracts).

#### Comment

Zero hours contracts have been around for some time now, but their use is open to potential abuse by employers (e.g. by giving employees repeated zero hours contracts, rather permanent contracts). In limited terms, the government is proposing legislation which may help in some cases. However, it appears at present that employers will still have discretion to refuse to grant an employee a fixed work pattern.

With Uber currently appealing to the Supreme Court, legislation to clarify employment status is, of course, welcome, but the difficulty is establishing clear definitions which are better than those we currently have. The government has simply said that detailed proposals will be published in due course on how it intends to do that.



If you would like advice or to speak to one of our specialists, please contact one of Rooks Rider Solicitors' Dispute Prevention & Resolution and Employment teams.



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