



July 2017

Taylor Review: The new face of workers?

Today, the Government published the findings of the Taylor Review on Modern Working Practices, an independent review into the changing world of work. The report calls for reform of the law on employment status but the proposals are perhaps less drastic than anticipated. The Government will now consider the recommendations and will need to introduce legislation to implement them.

The review, led by Matthew Taylor, was commissioned by the Government last year to consider how employment law might keep pace with modern business models, particularly in the gig economy.

One of its key recommendations is around the current "worker" category – ie those who are not employees but provide their services personally and have some basic employment rights. The report recommends renaming this category as "dependent contractors" and widening its scope so that more people would be entitled to basic employment rights like national minimum wage, paid statutory holiday and sick pay.

Other key recommendations include:

- giving individuals a right to obtain a ruling on their employment status from an Employment Tribunal without having to pay a fee (although fees would still be paid to pursue claims for employment rights)
- aligning the employment status tests for tax and employment law purposes, so that employees and dependent contractors would be subject to income tax and NICs
- retaining the use of zero-hours contracts (despite calls for them to be banned) but considering a higher minimum wage for zero-hours workers and giving them a right to request fixed hours, and
- allowing employers in the gig economy to pay dependent contractors either the national minimum wage for hours worked or a "fair rate" per task (which is at least 1.2 times the rate per task that would allow a worker of average speed to earn the national minimum wage).

The report also contains recommendations around holiday pay, statutory sick pay and protections for agency workers.

The full report can be found [here](#).

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Prime Minister Theresa May has welcomed the report and it is now for the Government to consider how to implement its recommendations, which is likely to take some time.

If you have any queries about the report or its possible impact on your business, please speak to your usual Employment Department contact or one of the Employment Department Partners.

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