

Department for Business and Trade: Make Work Pay: Holiday Pay Compliance and Enforcement

1. NASUWT welcomes the opportunity to respond to the Department for Business and Trade (DBT) consultation on holiday pay compliance and enforcement.
2. NASUWT – The Teachers' Union – represents teachers and headteachers across the United Kingdom.
3. We recognise that the questions in the consultation are significant and wide-ranging and warrant further discussion. Our submission seeks to address these questions, including issues associated with the experiences of supply teachers as agency workers engaged through employment agencies and umbrella companies.

GENERAL COMMENTS

4. The Union maintains that all workers should be able to access and take paid holidays, as this is a fundamental right and entitlement that benefits workers in terms of their health and wellbeing, allowing them to pursue interests outside of work and spend time with their families.
5. All workers in the UK, including agency workers, such as supply teachers, are entitled to a total of 5.6 weeks of paid annual leave each year under the Working Time Regulations (WTR). This leave is split into

leave years, such as calendar years, usually defined in the contract of employment between a worker and the employer.

6. Holiday pay under the WTR is meant to equate to a worker's usual rate of pay during periods of actual work, as prescribed in both the WTR and sections 221-224 of the Employment Rights Act 1996.¹
7. For the overwhelming majority of the workforce in the UK who are on permanent contracts with fixed hours and fixed pay, if they take a week's holiday, they will be entitled to receive the same pay at the end of the month as if they had been at work.
8. However, recent changes in the UK labour market, including an increase in those employed in low-paid and insecure work,² including variable-hours workers, such as zero hours contract workers, agency workers and other hourly-paid workers whose hours vary,³ has had a significant impact upon pay and conditions of employment, including in relation to holiday pay.
9. Agency work is one of the most prevalent forms of insecure work. The precarious nature of agency work means that many workers risk insufficient hours, income insecurity and the inability to assert their rights without fear of negative impacts in the future (i.e. being denied access to work).
10. For those who work in more casual or complex arrangements, or have variable hours from week to week, such as supply teachers, knowing how much holiday pay they are entitled to can be more complicated and even harder to enforce.⁴
11. The increased use of recruitment agencies and umbrella companies, including those wishing to expose the fragile job security and unfair

¹ [Employment Rights Act 1996](#)

² [Over 8 in 10 zero-hours contract workers want regular hours – TUC poll reveals | TUC](#)

³ [one-sidedflexibilityconsultation.pdf](#)

⁴ [Make Work Pay: holiday pay compliance and enforcement](#)

conditions of employment of agency workers, has resulted in a situation where many atypical workers are unsure of their rights and entitlements in respect of holiday pay.⁵

12. Previous Government estimates suggest that since the introduction of the WTR in 1998, the number of workers with irregular work patterns has increased to more than 4.7 million,⁶ many of whom are subject to the vagaries of insecure, intermittent and precarious work through recruitment agencies and/or umbrella companies.
13. In addition, evidence from the Resolution Foundation based on the Annual Survey of Hours and Earnings (ASHE) suggests that 2.2 million workers were not given any annual leave in 2025.⁷
14. Furthermore, analysis of the Labour Force Survey (LFS), conducted by the TUC, suggests that 1.1 million workers were not given any of the paid holiday they were entitled to in 2023, equating to £2 billion in lost holiday pay or approximately £1,800 of unpaid holiday pay per affected worker.⁸
15. Evidence from the Advisory, Conciliation and Arbitration Service (Acas) suggests that the number of formal holiday pay claims are considerably lower than the estimated prevalence of non-compliance, thereby suggesting that many affected workers do not pursue formal enforcement routes, particularly lower paid workers and those in more precarious employment.⁹
16. It should be noted that the rise in insecure work is having a disproportionate impact on groups who already suffer a labour market

⁵ [Holiday pay PR survey: summary of findings](#)

⁶ [Proposal to simplify Holiday Pay and Entitlement Consultation: impact assessment](#)

⁷ [LMO-Q1-2026.pdf](#)

⁸ [Making employment rights work | TUC](#)

⁹ [Make Work Pay: holiday pay compliance and enforcement](#)

disadvantage, such as women and Black workers,¹⁰ including when compared to the pay of an ‘average’ employee.¹¹

17. NASUWT believes it is therefore essential that there is a strong legal and regulatory framework in place for the enforcement of holiday pay if the Government is to grow the economy and improve living standards.¹²
18. It is right and proper that work should provide a baseline of security and predictability so that workers can plan their lives and their finances accordingly, including in relation to holiday entitlement and holiday pay.
19. Indeed, there is a pressing need to rebalance the scales and address the ‘one-sided flexibility’ as detailed in the *Taylor Review of Modern Working Practices*,¹³ where employers in the UK are able to exert their monopsony power to push down terms and conditions.
20. It therefore comes as no surprise that material security/decent wage has been identified as one of the key indices of good work based on various organisations including the TUC, the International Labour Organization (ILO), the Organisation for Economic Co-operation and Development (OECD), Eurofound, and the Chartered Institute of Personnel and Development (CIPD).¹⁴
21. Not acting would enable poor working conditions and insecure, precarious and intermittent employment to continue unfettered, thereby increasing the numbers of those at the mercy of even more unscrupulous employer behaviour.
22. It is therefore right that the Government seeks to ensure that employment rights and protections keep pace with the realities of the modern workplace by strengthening the framework relating to the compliance and enforcement of holiday entitlement and holiday pay to

¹⁰ <http://www.resolutionfoundation.org/app/uploads/2016/12/Secret-Agents.pdf>

¹¹ <https://www.tuc.org.uk/sites/default/files/the-gig-is-up.pdf>

¹² Ibid.

¹³ [Good work: the Taylor review of modern working practices](#)

¹⁴ [CBP-10307.pdf](#)

make work more secure and predicable, and put more money into workers' pockets.¹⁵

23. The plan to Make Work Pay represents a once-in-a-generation opportunity to strengthen the working conditions for the lowest paid and most vulnerable in the labour market, including agency workers, such as supply teachers.¹⁶
24. NASUWT believes that a high-productivity and high-growth economy depends on workers having secure incomes, predictable working patterns and confidence in their futures, and this represents an opportunity to transform the lives of workers who, over previous decades, have seen their wages decline, terms and conditions erode, and contracts become even less secure.

SPECIFIC COMMENTS

Indicate whether you are responding as:

- An individual
- An employer
- A legal representative
- A business representative organisation (please specify)
- A trade union or staff association (please specify) – The National Association of Schoolmasters Union of Women Teachers (NASUWT – The Teachers' Union).
- A charity or interest group
- An academic, or on behalf of an academic or research organisation
- Other – please specify

If responding as business representative or trade union, how many members does your organisation have?

- Approximately 284,062 members

Which region are you located in?

¹⁵ [Make Work Pay: holiday pay compliance and enforcement](#)

¹⁶ [Delivering the new deal for working people - The Autonomy Institute](#)

- North-East
- North-West
- Yorkshire and The Humber
- East Midlands
- West Midlands
- East of England
- London
- South-East
- South-West
- Wales
- Scotland
- Northern Ireland
- Other – please specify

What sector are you based in?

- Accommodation and food service activities
- Activities of households as employers; undifferentiated goods and services-producing activities of households for own use
- Administrative and support service activities
- Arts, entertainment and recreation
- Agriculture, forestry and fishing
- Construction
- Education
- Electricity, gas, steam and air conditioning supply
- Financial & insurance activities
- Human health and social work activities
- Information and communication
- Manufacturing
- Mining and quarrying
- Production
- Professional, scientific and technical activities
- Public administration and defence; compulsory social security
- Real estate activities
- Services Sector
- Transportation and storage
- Water supply; sewerage, waste management and remediation activities
- Wholesale and retail trade; repair of motor vehicles and motorcycles

- Other service activities
- Other – please specify

The treatment of supply teachers

25. One of the sectors the TUC has identified as having the fastest growth in insecure work is the education sector, which has risen by 42% since 2011.¹⁷ Indeed, analysis by the LFS shows that agency work is prominent in a number of sectors, including education, with further DBT analysis demonstrating that the education sector (15%) was second only to the human health and social care sector (17%) in terms of having the largest share of agency workers.¹⁸
26. NASUWT believes that supply teachers are workers who are particularly at risk from receiving no holiday pay. They are also a group who face more difficulty in enforcing their rights due to a lack of voice in the workplace, coupled with a lack of job security.
27. We are concerned about the growing trend towards the casualisation of work, precarious employment and the use of zero hours contracts, as well as the negative impact of these practices upon teaching standards, teacher morale and the entitlement of children and young people to a high-quality education.
28. The experiences of many supply teachers suggest that developments such as deregulation have had a significant detrimental impact upon how supply teachers are deployed, how they are paid, and their working conditions, in comparison with teachers who have a contract of employment with a school.
29. For many supply teachers who are subject to the vagaries of intermittent and insecure employment, the cost-of-living crisis is ever more prescient, with a number of supply teachers placed in a precarious

¹⁷ [the-gig-is-up.pdf](#)

¹⁸ [Make Work Pay: Modernising the Agency Work Regulatory Framework](#)

financial situation where they have had to make tough decisions about their expenditure, including cutting back on essential items, such as food and heating.

30. It therefore comes as no surprise that supply teachers are stuck on 'stagnating' pay rates and 'treated like second-class citizens', fuelling a shortage amid booming demand.¹⁹
31. The Conduct of Employment Agencies and Employment Businesses Regulations 2003 (the 'Conduct Regulations') provide a set of legal minimum standards that govern the conduct of employment agencies and protect agency workers, such as supply teachers.
32. The introduction of a Key Information Document (KID) from 6 April 2020 sought to address issues of transparency by making it a requirement of agencies to provide agency workers, such as supply teachers, with key information prior to signing up for an assignment, including in relation to how they were paid and associated statutory deductions, such as holiday pay.²⁰
33. The legislation introduced in respect of the KID is prescriptive, even down to the length of the document, which must be no longer than two A4 pages and easy to understand. Provided that the KID is completed correctly, an agency worker, such as a supply teacher, should be in a position to better understand and track the situation in respect to their holiday pay.
34. However, it remains the case that there is a lack of transparency over the deduction, fees and contractor pay/payments, with some agencies ignoring the legal requirement to provide all workers with a KID.²¹ This is a particular problem when the only source of work is via recruitment agencies, which can often be the case for lower paid workers.

¹⁹ [Supply teachers 'second class citizens' as pay stagnates](#)

²⁰ [Providing a 'Key information document' for agency workers: guidance for employment businesses - GOV.UK](#)

²¹ [How-Contracting-Should-Work-Inquiry-Report-April-2021-min.pdf](#)

35. Research carried out by NASUWT showed that many agencies do not inform workers of their rights. Many supply teachers reported that they were unaware of the provisions available to them and, when they became aware, recognised that they had not been afforded them.
36. For example, despite it being a legal requirement since April 2020, just under two-fifths (38%) of supply teachers who obtained work through a new supply agency reported that they had been provided with a KID, detailing how they would be paid and associated deductions, such as holiday pay.²²
37. Furthermore, well in excess of two-fifths (46%) stated that they did not know whether or not they had been provided with a KID by the agency.²³
38. In addition, we are concerned about the extent to which supply teachers, as agency workers, are provided with a KID by their respective agencies at the appropriate time.
39. It is also unclear as to whether a KID is being given out multiple times in the event of multiple potential pay routes, so as to allow workers to compare and contrast accordingly.
40. The KID is supposed to be one of the first things that an agency provides to a worker in order for them to make an informed choice, but the evidence from the post-implementation review (PIR) of the introduction of the KID concluded that it had failed to achieve its policy objective.²⁴
41. Many supply teachers are unable to calculate and understand their entitlement to holiday pay. This is often because there is a lack of transparency regarding who their employer is and the exact way in which their pay is processed. Rolled-up holiday pay exacerbates the problem and means that many supply teachers are not accessing holiday pay.

²² [NASUWT | Supply Teacher Annual Survey \(England\)](#)

²³ Ibid.

²⁴ [Post Implementation Review of Regulation 13A- Key Information Documents](#)

- 42. In addition, supply teachers are often reluctant to take any leave entitlement during term time because they fear that if they turn down work, then the agency will offer them no work in the future.
- 43. Given this, the current regulation, designed to give agency workers greater transparency and understanding, is failing workers and not meeting the objective it was designed to address.

PART 1:

Approach to holiday pay compliance and enforcement

- 44. Given the evidence presented above, NASUWT welcomes the proposals for the state to take action to enforce holiday pay and recover any arrears owed through the Fair Work Agency (FWA), particularly if this will increase holiday pay outcomes for those in lower paid and more insecure employment.
- 45. We maintain that the access and entitlement to holiday pay should be more rigorously enforced, specifically for those who work in more casual arrangements or have variable hours from week to week, such as supply teachers as agency workers.²⁵
- 46. The state has a fundamental role in protecting individuals, particularly the most vulnerable, from agencies and umbrella companies that use exploitative and unscrupulous employment practices, including non-payment of holiday pay.
- 47. It is clear that the current system and the reliance on individuals pursuing claims through an employment tribunal has failed to deliver for workers, specifically those in lower paid work.

²⁵ [UK Labour Market Enforcement Strategy 2018 to 2019](#)

48. The Union maintains that the access and entitlement to holiday pay should be more rigorously enforced, specifically for those who work in more casual arrangements or have variable hours from week to week, such as supply teachers as agency workers.²⁶
49. We hope that enforcement by the FWA removes some of the barriers faced by workers, such as supply teachers, when seeking redress by taking a more proactive approach in investigating and helping workers getting the holiday pay they are entitled to.
50. Combining holiday pay enforcement with minimum wage and other employment rights, such as the provision of an accurate pay slip, should enable investigations to address multiple breaches by permitting the FWA to take a 'whole employer' approach to an entire workforce and secure arrears for all breaches.
51. In doing so, this will reduce the burden on individual workers having to seek redress themselves, with all the additional time and cost associated with pursuing a claim through an employment tribunal.
52. Research suggests that 1.8 million workers reported that they did not receive a payslip.²⁷ Without a payslip it is hard for a worker to understand if they have been paid correctly, or assess if the correct deductions have been made, including holiday pay.
53. Furthermore, 60% of those workers who reported receiving a payslip stated that they did not understand their payslip either due to a lack of clarity, not understanding the make-up of their pay, or variances in the pay received week to week.²⁸
54. In addition, the state enforcement of holiday pay will bring the UK more in line with international practice, as most countries have a national

²⁶ [UK Labour Market Enforcement Strategy 2018 to 2019](#)

²⁷ [Enforce-for-good.pdf](#)

²⁸ Ibid.

labour authority that is tasked with ensuring holiday pay rules are followed and enforced.²⁹

55. For example, in France, paid annual leave falls within the remit of the National Labour Inspectorate, which monitors compliance as part of routine inspections,³⁰ whereas Italy's Labour Inspectorate operates a similar approach with the powers to issue sanctions.³¹
56. NASUWT is concerned at the fact that the FWA will only be investigating statutory – and not contractual/occupational – holiday pay underpayments, as we believe this will exclude those who have contractual/occupational schemes that exceed the statutory provisions.
57. The Union maintains that *all* employers must believe that they could be investigated and penalised, and *all* workers must have confidence that the FWA will investigate and act where appropriate.

The importance of adequate resourcing and staffing

58. Expanding the remit of the FWA to cover the enforcement of holiday pay has the potential to benefit workers, provided that the appropriate level of resource is ascribed so that this can be effectively enforced without unnecessary delay.
59. Without additional capacity to manage the extra burden placed on the FWA, the extension of the responsibility for the enforcement of holiday will not result in the level of protections that workers deserve, often those who are in the most vulnerable and insecure forms of employment.
60. Changes to enforcement will only work if serious consideration is given to the woefully inadequate level of funding that means the UK has vastly fewer inspectors than international standards.

²⁹ [Make Work Pay: holiday pay compliance and enforcement](#)

³⁰ [Les missions et les prérogatives de l'inspection du travail - Code du travail numérique](#)

³¹ [Labour inspection profile - Italy | International Labour Organization](#)

61. It cannot go unnoticed that, compared to European countries, UK enforcement agencies are under-resourced and underfunded. For example, in France, there are nearly 19 inspectors for every 100,000 people, whereas in the UK there is just one inspector per 100,000 workers.
62. We believe that it is right and proper that the appropriate distribution of resources is allocated so that effective labour market enforcement can take place, especially given concerns that the chances of being investigated for non-compliant employers is too low.³²
63. In addition, the International Labour Organization (ILO), Article 10, Labour Inspection Convention No. 81, recommends adequate resourcing for labour market inspectorates.³³
64. Furthermore, the ILO references that labour inspection systems should *'be efficient and effective, with workplaces visited as often as possible'*. The ILO also notes that *'comprehensive inspection coverage is required for the control and functioning of the labour market.'*³⁴
65. Analysis undertaken by the TUC analysis suggests that the UK would need an additional 1,797 labour market inspectors to meet the ILO benchmark.³⁵
66. Despite recent funding increases in the Employment Agency Standards (EAS) Inspectorate, up to £1.525 million for the year 2020/21,³⁶ this still represents approximately 29 staff covering around 40,000 agencies operating in the UK.
67. This underfunding is compounded by the lack of due diligence which exists for those seeking to enter the market and establish their own agency.

³² [UK Labour Market Enforcement Strategy 2018 to 2019](#)

³³ [Convention C081 - Labour Inspection Convention, 1947 \(No. 81\)](#)

³⁴ [Making employment rights work | TUC](#)

³⁵ Ibid.

³⁶ [United Kingdom Labour Market Enforcement Strategy 2020/21](#)

68. The FWA must therefore be resourced at the level deemed appropriate by the ILO; otherwise, there is a real danger that a key metric of its success will not be fit-for-purpose.
69. It cannot be the case that for many employers, including agencies and umbrella companies, the threat of detection and having a sanction applied represents a good risk.
70. Furthermore, the 2017-19 Director of Labour Market Enforcement (DLME), Professor Sir David Metcalfe, noted that an employer in the UK was likely to be inspected by one of the then three enforcement bodies on average only once every 500 years.³⁷

Enforcement mechanisms

71. It is important that the FWA has the advice and guidance and necessary range of tools to support employers and workers, such as calculators and self-assessment tools, as well as more punitive enforcement action.
72. Whilst advice and guidance can nudge employers and promote compliance, particularly in circumstances where there are genuine mistakes, it is imperative that there is a strong deterrent that sets the right tone across the labour market.
73. Given this, NASUWT is disappointed that the consultation appears to encourage self-correction from employers before formal investigations begin.
74. We maintain that the unintended consequence of this is that some employers may choose to not comply if they know they only have to comply when asked, and can avoid penalties by doing so.

³⁷ [Client](#)

75. The Union is clear that this should not become a mechanism by which an employer can avoid scrutiny and make non-compliance effectively penalty free.
76. Furthermore, we believe that the naming and shaming of non-compliant employers could act as an additional lever for compliance. It seems appropriate that employers who commit serious breaches of employment law should be named, as an effective deterrent.
77. Consistent application of naming and shaming must have the desired effect of incentivising non-compliant employers to act promptly or face further escalation through additional sanctions, including greater compensation for workers affected.
78. The Government could also consider instructing the FWA to pay any holiday pay owed to the worker whilst pursuing employers who do not pay. This would increase the likelihood of complaints and the Government would have a vested interest in ensuring non-payment is pursued via FWA.
79. This could be complemented by a level of bond insurance which forces employers to demonstrate that they have sufficient funds to meet their wage obligations, including costs associated with holiday pay.
80. Public procurement rules should also be amended to ensure public sector bodies are prohibited from using employers which fail to adhere to minimum standards, including prohibition from operating on Government Commercial Agency frameworks, such as those for supply teachers.³⁸
81. For example, in Norway, public authorities are obliged to advance contract clauses on wages and decent working conditions in relation to the procurement of construction, facility management and cleaning

³⁸ [Supply Teachers and Education Recruitment - GCA](#)

services.³⁹ Public authorities in Norway are also required to follow up with suppliers on the performance of such clauses, such as requiring the supplier to make a self-declaration.

PART 2:

Policy settings for holiday pay compliance and enforcement

Claim Period

82. NASUWT maintains that the claim period for holiday pay enforcement should not be less than six years, as this aligns with the new record-keeping requirements as set out under Regulation 3 (8), section 35 of the Employment Rights Act.⁴⁰
83. This enables workers to seek redress for underpayments if they are discovered beyond the claim window for an employment tribunal, while giving the FWA the opportunity to examine and enforce evidence of historic non-compliance.
84. However, we feel that the six-year claim period should be kept under review to see if it is still fit-for-purpose, including reviewing and assessing its impact with key stakeholders, such as trade unions.

Penalties

85. NASUWT is clear that the introduction of effective and robust penalties is fundamental if the FWA is to have ‘teeth’ and act as a force for good in dealing with holiday pay non-compliance.
86. As the aforementioned Professor Sir David Metcalfe noted, *‘If you. . . have not got the resources . . . then you need heavier penalties.’*⁴¹

³⁹ [public-procurement-and-human-rights-a-survey-of-twenty-jurisdictions.pdf](#)

⁴⁰ [The Employment Rights Act 2025 \(Commencement No. 2 and Transitional and Saving Provisions\) \(Amendment\) Regulations 2026](#)

⁴¹ [Bigger fines urged for employers who underpay staff](#)

87. As such, the proposal for penalties to be set at 200% of the underpayment are welcome, as it acts as an appropriate deterrent and reduces the risk that some employers will see any fines as an acceptable cost of doing business.
88. Furthermore, calculating the penalty as a percentage of the underpayments means that its value automatically rises with pay increases rather than remaining static.
89. Whilst appreciating the need for the establishment of minimum and maximum penalty to deter unscrupulous employers, we maintain this warrants further consideration, as the levels outlined in the consultation may not necessarily provide an appropriate deterrent, especially as both the £100 minimum and maximum of £20,000 have not been increased with inflation since 2014.
90. It is important that both the minimum and maximum penalties are kept under review and regularly updated, using a transparent methodology, in order to avoid a situation where their punitive effect is eroded over time.
91. The Union maintains that where employers have breached employment law and impose fines to sanction holiday pay non-compliance, these fines should be recycled back into the system. This way, the money would bolster the resources of enforcement agencies and fund further enforcement work.

Cap on arrears

92. NASUWT does not believe it would be appropriate to place a maximum cap on arrears recoverable through the FWA, as this could defeat the object of the legislation, namely that workers should receive all holiday pay owed.

93. We are concerned that any cap on arrears could result in some workers abandoning claims and thereby risk creating a two-tier system where those who have been underpaid the most are unable to get what they are owed.

Triaging holiday pay complaints

94. Whilst recognising the intent to focus on the lower-paid by triaging complaints, we are concerned that employers may take advantage of this and non-compliance may continue for those identified as being out of scope of the FWA.

Geographic targeting

95. Whilst welcoming the suggestion that the FWA may target areas where there are higher concentrations of lower-paid workers, NASUWT maintains that this should not come at the expense of coverage elsewhere.
96. We maintain that it is imperative that the FWA is proactive and visible in all parts of the country and all sectors of the labour market. All employers must believe that they could be investigated and penalised, while all workers must have confidence that the FWA can enforce their statutory rights.
97. Pro-active targeting of specific areas and industries could prove useful in gathering intelligence and uncovering non-compliance, but this should complement rather than replace investigations based on complaints received by workers elsewhere.
98. The FWA must be agile and retain the flexibility to respond to individual complaints, intelligence from trade unions and/or other key stakeholders, and evidence of wider or repeated breaches.

The vital role of trade unions

99. Trade unions have a vital role to play in ensuring that workers are better informed and empowered in respect of their employment rights.
100. Evidence suggests that the involvement of trade unions is crucial in negotiating improved terms and conditions and putting in place mechanisms to remedy breaches of these terms and conditions.
101. NASUWT believes that measures should be introduced to promote and support collective bargaining/collective agreements and the right of trade unions to access all workplaces.
102. Trade unions will play an important role in identifying suspected breaches and sharing intelligence with the FWA, so there should be appropriate mechanisms in place to ensure that trade unions are updated on the progress and outcome of a case.
103. Indeed, as the Low Pay Commission has emphasised, an accessible, transparent and widely trusted third-party complaints system is essential to effective enforcement and building confidence in the complaints system.⁴²

Part 3: Rolled-up holiday pay usage

⁴² [Non-compliance and enforcement of the National Minimum Wage: A report by the Low Pay Commission - GOV.UK](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/674212/Non-compliance_and_enforcement_of_the_National_Minimum_Wage_A_report_by_the_Low_Pay_Commission_-_GOV.UK.pdf)

104. NASUWT maintains that there should be flexibility for a worker with irregular hours or part-year working patterns, such as supply teachers, to determine whether or not they wish to receive rolled-up holiday pay.
105. However, we are concerned that some supply teachers in receipt of rolled-up holiday pay may not be in a position to take time off where they have absorbed the pay into their everyday budgeting.

ADDITIONAL COMMENTS

Single employment status of ‘worker’

106. The establishment of the employment status of an individual is fundamental to determining their eligibility for certain statutory rights. Currently, within the UK, there are considered to be three main employment statuses: employee, worker and self-employed.⁴³
107. NASUWT is concerned that the current system is therefore too open to manipulation by unscrupulous employers, specifically in regards to the use of agency workers and zero hours contracts, when it would be more appropriate to appoint permanent staff.
108. In such situations, there is a concern that individuals are unsure of their rights and lack the confidence to assert them, including in relation to holiday pay.
109. We believe that the current definitions used in respect of employment status are far from clear and promote a system that is weighted in favour of the employer and open to manipulation and abuse by unscrupulous employers.
110. Given this, there should be a single ‘worker’ status to determine access to all statutory employment rights, which is understood by both worker and employer.

⁴³ <http://researchbriefings.files.parliament.uk/documents/CBP-8045/CBP-8045.pdf>

111. It is therefore disappointing that the Government's plan to consolidate various employment contracts into a 'single status' has been delayed, as it remains a key pillar of its plans to Make Work Pay.

Matt Wrack

General Secretary

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