

Two important things will happen in the world of agency working in 2009:

- Colleges will be charged an extra 15 per cent for VAT on top of agency workers' entire salaries from 1 April 2009. In the past VAT was only applied to the agency's fees.
- The UK Government will hold consultations in 2009 on how to put the European Agency Workers Directive into UK Law.

## WHAT WILL THE VAT CHANGES MEAN?

The cost of employing agency workers will increase sharply on 1 April 2009 when colleges start paying 15 per cent extra for VAT on the salaries of all agency workers they use. This will rise to 17.5 per cent when the VAT rate returns to normal. The increase in cost to colleges using agency workers will be similar to giving the agency workers a 15 per cent pay rise. Sadly agency workers will not get an increase as a result of this change.

Colleges can avoid this extra cost by transferring agency staff onto directly employed fractional or fixed-term employment contracts. VAT would not then be applicable to these salaries. Contracts like this would also grant full employment rights to those employed on them.

## UCU BELIEVES:

- Colleges should only use agencies like Protocol National to provide staff for genuine, unplanned and short-term emergency cover.
- Colleges should directly employ the vast majority of lecturers on proper employment contracts which give all staff equal access to employment rights.
- Colleges should insist that agencies employ their lecturers on proper employment contracts too.

## UCU WILL:

- ask for meetings with management, in colleges that use agency staff, to ask what the VAT changes will mean for college finances and how they plan to deal with the issue.
- Ask colleges to agree in principle to transfer agency staff to proper employment contracts and commence negotiations about how this should be done.

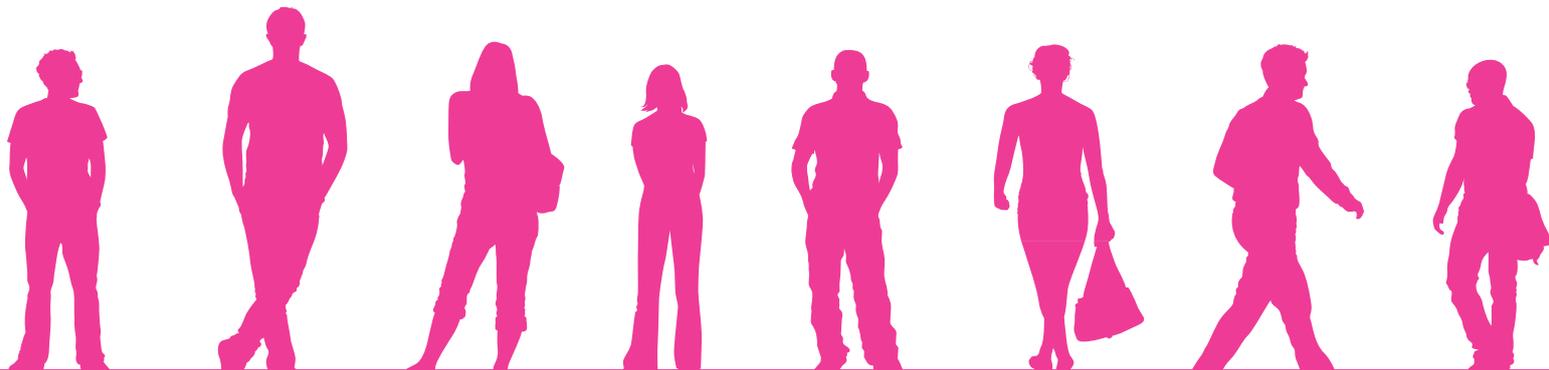
**If you agree agency staff need proper employment contracts and support UCU asking for this, join the union and show your support.**

If you are an agency worker in FE and are offered a new contract after 1 April 2009 that cuts your pay as a result of the VAT changes we want to hear from you.

Please email [agencyworkers@ucu.org.uk](mailto:agencyworkers@ucu.org.uk) and let us know what has happened to you.

## WHAT IS THE EUROPEAN DIRECTIVE ON AGENCY WORKERS?

The European Temporary Agency Workers Directive was agreed in Europe late last year and must be implemented in UK law by late 2011. The UK Government wants to start consultations on how to do this in the first half of 2009 with a view to implementing the directive before the election due next year. >>>



The Directive gives agency workers across Europe the right to equal treatment, after a 12-week qualifying period, on 'basic working and employment conditions' which include:

- working time including overtime, breaks, rest periods and night work
- holidays, including public holidays
- pay including basic pay, bonuses, redundancy pay, maternity pay, paid time off for union duties.

UCU will be arguing for the broadest possible definition of an agency worker to be used in UK law to ensure people on Protocol National-style agency contracts are covered by the Directive but we will need your help if we are to win the argument. For more information on the directive visit [www.ucu.org.uk/agencyworkers](http://www.ucu.org.uk/agencyworkers).

## HELP UCU GET THE BEST DEAL FOR AGENCY WORKERS IN FE

UCU will need to produce evidence to back up its claims during consultations with the government and the TUC on the Directive. We will need to show the government examples and case studies of the working situations of agency lecturers and how they can lead to unequal treatment. If you are an agency worker in FE we need your help to put our best foot forward.

You can help by sending us your story (case study) of agency working in FE.

Guidance notes on how to write your case study and what to include can be found at: [www.ucu.org.uk/agencyworkers](http://www.ucu.org.uk/agencyworkers)

Case studies will be treated as confidential and

names identifying individuals will be obscured when used with TUC or government unless you say otherwise. Please send us your case study and examples of unequal treatment to: [agencyworkers@ucu.org.uk](mailto:agencyworkers@ucu.org.uk)

## SELF EMPLOYED RIGHTS

Protocol National agency workers are considered by them as self employed. PN staff are asked to sign a contract to provide services rather than a contract of employment. However many PN workers have told us that they do not feel that they are genuinely 'self employed'. Their tax is taken out of their wages, and the way they are treated by the company and when they are in a college, does not feel like true self employment. UK employment law has separate definitions for 'worker' and 'employee', with the latter enjoying more legal rights and protections at work. PN agency lecturers are currently likely to be considered as workers and consequently enjoy fewer employment rights than their employee colleagues. The European Directive will go some way to re-dressing that situation, but only if PN agency workers fall within the definition of an "agency worker". If you want improved rights in the workplace please support our campaign, UCU is:

- calling on colleges to transfer most lecturers to less costly, direct employment contracts which give full employment rights
- calling on the Government to make sure that the European Agency Workers Directive is enshrined in UK Law in a way that gives people working for agencies such as Protocol National access to the new rights for agency workers.

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**IF YOU SUPPORT UCU'S CAMPAIGN FOR A BETTER DEAL FOR AGENCY WORKERS JOIN THE UNION: [www.ucu.org.uk/join](http://www.ucu.org.uk/join)**

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