

## How does the **The Conduct of Employment Agencies and Employment Businesses Regulations 2003** affect me?!

The regulations came into effect to ensure a certain standard of service will be given by recruitment companies to candidates and clients. Its application depends on our location, not where the candidate will be undertaking the work.

The legislation splits recruitment companies into two categories, the differences are:

**Employment Agency** – company offers roles to the permanent market

**Employment Business** – company offers roles to contractors or temporary workers

The recruitment company is required to declare what category they are in when dealing with candidates and clients. Obviously many companies offer both services.

An **Employment Agency** or an **Employment Business** is required to:

- State at the beginning of the relationship with the candidate what service will be offered.
- Obtain confirmation from candidate that they are happy with the service being provided.
- Supply detailed job specification to the candidate, such as place of work, hours of work, benefits, expenses, qualifications needed etc
- Obtain premises risk assessment from the client
- Obtain proof of eligibility to work in the country where the job role is based prior to the candidate being submitted to the client.
- Obtain proof of identity and qualifications stated in CV prior to submitting the candidate to the client
- Gain written permission from the candidate that they wish to be submitted to the client
- Set out clearly how the agency will work with the candidate to find suitable job match.
- Report immediately to the client if within the first 3 months of the candidate starting employment information comes to light that the candidate is not suitable for role.
- All correspondence and data related to a role linked with the client or candidate must be kept for a year after the last contact with the client or candidate. If client or candidate wishes to be removed from the database, then this must be done immediately.

The regulations allow for limited companies to Opt Out, recognizing their independent status.

**We are members of REC and APSCO. Their industry code of practice covers most of the above points as standard service to our clients and candidates in any event so we recommend the Opt Out route.**

### Why Opt Out?



### Two main disadvantages of staying within the regulations:

1. **Administratively more cumbersome hence can lead to delays**
2. **Potentially gives a more "employee" feel to the relationship which could lead to IR35 problems**

The regulations apply to Capital, not the work seeker so irrespective of where you will be working or what vehicle you choose to operate through, the regulations and hence the option to Opt Out do apply.

**Please note the above is for GUIDANCE ONLY. Full details of the regulations can be found here:**  
[www.opsi.gov.uk/si/si2003/20033319.htm](http://www.opsi.gov.uk/si/si2003/20033319.htm)