

Government responds to the Taylor Review

By Mark Callaghan - 28 February 2018

In February the Government published its response to last July's review by Matthew Taylor on working practices in the UK (widely known as the 'Taylor Review').

The Taylor Review recommended changes to UK employment law in light of recent shifts in working practices. Perhaps most notably, it commented on the rise of the Gig Economy and the associated scrutiny on employment status, although its recommendations were wide-ranging and covered a multitude of employment law issues. The Government's response states that it has "acted upon" the vast majority of the recommendations, although in many cases the relevant action is further consultation.

On the subject of employment status, the Government has not made a commitment to revise the current legislation relating to workers. It has, however, made a commitment to consult further on the options for "reforming employment status for both employment rights and tax in order to achieve greater clarity and certainty", whilst noting its desire to preserve "flexibility in our labour market" and not to "impose unnecessary burdens on businesses". It therefore seems that, on the subject of employment status, we must continue to watch this space.

As well as the further consultation on employment status, three further consultations have been launched as a result of the Government's response. These concern i) Agency workers ii) Enforcement of employment rights and iii) Measures to increase transparency in the UK labour market.

In terms of concrete commitments, the Government has confirmed it will (amongst other things) extend the permissible gap in a period of continuous service for casual workers to more than one week, extend the right to a written statement of terms to workers as well as employees, and increase the pay reference period set out in the WTR 1998 from 12 weeks to 52 weeks.

Despite the extensive further consultation, it seems that there is a genuine desire to act on many of the recommendations made in last year's review. Employers should continue to monitor the progress of the Government's various consultations and prepare for the possibility of more extensive changes once they are complete.

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