##

## CANDIDATE TERMS OF BUSINESS – PSC

## (IR35 APPLIES / INSIDE IR35 / OPT IN OR OUT OF CONDUCT REGS)

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###### The parties

1. [Insert PSC’s name] Limited (registered company no. [insert registered company no.]) [trading as [insert trading name if different]] of [address (re registered office or trading address)] (“the PSC”).
2. RLS Legal Recruitment Ltd (registered company no. 13533404) of 7 St Anthony Way, Falmouth, Cornwall, TR11 4EG (“the Employment Business”).

RECITALS

* 1. The PSC provides contractor services (“the PSC Services”) and has agreed to provide the PSC Services specified in the relevant Assignment Details Form.
	2. The Employment Business has requested the PSC and the PSC has agreed to supply the PSC Services to the Client on the terms and subject to the conditions of this Agreement.

# DEFINITIONS AND INTERPRETATION

# In this Agreement the following definitions apply:

|  |  |
| --- | --- |
| "Agency Worker" | means as defined in Regulation 3 of the AWR;  |
| “Assignment” | means the PSC Services to be performed by the Contractor for a period of time during which the PSC is supplied by the Employment Business to provide the PSC Services to the Client; |
| “Assignment Details Form” | means written confirmation of the Assignment details set out in clause 6.2; |
| “AWR” | means the Agency Workers Regulations 2010  |
| “Calendar Week”  | means (for the purposes of the AWR) any period of seven days starting with the same day as the first day of the First Assignment;  |
|  |  |
| “Client” | means the person, firm or corporate body together with any subsidiary or associated person, firm or corporate body (as the case may be) to whom the PSC is supplied or Introduced requiring the PSC Services; |
| “Client’s Group” | means (a) any individual, company, partnership, statutory body or other entity which from time to time Controls the Client, including (but not limited to) as a holding company as defined in section 1159 of the Companies Act 2006; and (b) any company, partnership, statutory body or other entity which from time to time is Controlled by or is under common Control with the Client, including (but not limited to) as a subsidiary or holding company as defined in section 1159 of the Companies Act 2006; |
| “Companies Acts” | means the Companies Acts 1985, 1989 and 2006; |
| “Conditions of Liability” | means meets the requirements of section 50(1)(b) ITEPA and one of the conditions of liability set out in Sections 51 to 53 ITEPA and sections 61N, 61O and 61P;  |
|  |  |
| “Conduct Regulations”  | means the Conduct of Employment Agencies and Employment Businesses Regulations 2003  |
| “Confidential Information” | shall mean any and all confidential commercial, financial, marketing, technical or other information or data of whatever nature relating to the Client or Employment Business or their business or affairs (including but not limited to this Agreement, data, records, reports, agreements, software, programs, specifications, know-how, trade secrets and other information concerning the Assignment) in any form or medium whether disclosed or granted access to, whether in writing, orally or by any other means, provided to the PSC or any third party in relation to the Assignment by the Client or the Employment Business or by a third party on behalf of the Client whether before or after the date of this Agreement together with any reproductions of such information in any form or medium or any part(s) of such information; |
| “Contractor” | means any of the PSC’s employees, workers, officers or representatives supplied to provide the PSC Services; |
| “Control” | means (a) the legal or beneficial ownership, directly or indirectly, of more than 50% of the issued share capital or similar right of ownership; or (b) the power to direct or cause the direction of the affairs and/or general management of the company, partnership, statutory body or other entity in question, whether through the ownership of voting capital, by contract or otherwise, and “Controls” and “Controlled” shall be construed accordingly; |
| “Data Protection Laws” | means the Data Protection Act 2018, the General Data Protection Regulation (EU 2016/679) and any applicable statutory or regulatory provisions in force from time to time relating to the protection and transfer of personal data; |
| “Deductions” | means any deductions which the Employment Business may be required by law to make from the Deemed Direct Payment and in particular in respect of PAYE tax and Class 1 National Insurance Contributions; |
| “Deemed Direct Payment” | means the sum calculated by Employment Business in accordance with Section 61Q ITEPA;  |
| “Engagement” | means the engagement (including the PSC’s and/or the Contractor’s acceptance of the Client’s offer), the employment or use of the PSC and/or any Contractor by the Client or by any third party to whom the PSC and/or any Contractor have been introduced by the Client, directly or indirectly, on a permanent or temporary basis, whether under a contract of service or for services, an agency, license, franchise or partnership arrangement, or any other engagement, and “Engage”, “Engages” and “Engaged” shall be construed accordingly; |
| “Exempt Organisation” | means an organisation which is exempt from Part 2, Chapter 10 ITEPA;  |
| “First Assignment”  | means (for the purposes of the AWR): 1. the relevant Assignment; or
2. if, prior to the relevant Assignment:
	* 1. the Agency Worker has worked in any assignment in the same role with the relevant Hirer as the role in which the Agency Worker works in the relevant Assignment; and
		2. the relevant Qualifying Period commenced in any such assignment,

that assignment (an assignment being (for the purpose of this defined term) a period of time during which the Agency Worker is supplied by one or more Temporary Work Agencies to the relevant Hirer to work temporarily for and under the supervision and direction of the relevant Hirer);  |
| “Inside IR35”  | means an Assignment which meets the conditions of Section 61M ITEPA; |
| “ITEPA” | means the Income Tax (Earnings and Pensions) act 2003;  |
| “Key Information Document” | means the document required under Regulation 13A of the Conduct Regulations;  |
| “Losses” | means all losses, liabilities, damages, costs, expenses, fines, penalties or interest whether direct, indirect, special or consequential (including, without limitation, any economic loss or other loss of profits, business or goodwill, management time and reasonable legal fees) and charges, including such items arising out of or resulting from actions, proceedings, claims and demands and “Loss” shall be construed accordingly; |
| “Minimum Rate” | means (for the purposes of the Conduct Regulations) £[x per hour/day - £30 for usual qual locums] being the minimum rate of pay that the Employment Business reasonably expects to achieve, for all hours worked by the PSC;  |
| “MSC Legislation” | means Part 2, Chapter 9 ITEPA;  |
| “Net Pay” | means the Deemed Direct Payment minus the Deductions;  |
| “NICs Legislation” | means legislation regarding the deduction and payment of national insurance contributions including in particular the Social Security (Categorisation of Earners) Regulations 1978 and the Social Security Contributions (Intermediaries) Regulations 2000;  |
| “Off-Payroll Rules” | means Part 2, Chapter 10 ITEPA;  |
| “Outside IR35” | means an Assignment which does not meet the requirements of Section 61M ITEPA;  |
| “Period of Extended Hire” | means (for the purposes of the Conduct Regulations) any additional period that the Client wishes the PSC to be supplied for beyond the duration of the original assignment or series of assignments as an alternative to paying a Transfer Fee; |
| “PSC Fees” | means the fees payable to the PSC for the provision of the PSC Services, as set out in the relevant Assignment Details Form;  |
| “Qualifying Period” | means (for the purposes of the AWR) 12 continuous Calendar Weeks during the whole or part of which the Contractor is supplied by one or more Temporary Work Agencies to the relevant Client to work temporarily for and under the supervision and direction of the relevant Client in the same role, and as further defined in the AWR;  |
| “Relevant Period” | means (for the purposes of the Conduct Regulations) whichever ends the later of (a) the period of 8 weeks commencing on the day after the last day on which the Intermediary worked for the Client having been supplied by the Employment Business; or (b) the period of 14 weeks commencing on the first day on which the PSC worked for the Client having been supplied by Employment Business; or 14 weeks from the first day of the most recent Assignment where there has been a break of more than 6 weeks (42 days) since any previous assignment;  |
| “Relevant Terms and Conditions” | means (for the purposes of AWR) terms and conditions relating to:1. pay;
2. the duration of working time;
3. night work;
4. rest periods;
5. rest breaks; and
6. annual leave

that are ordinarily included in the contracts of employees or workers (as appropriate) of the Hirer whether by collective agreement or otherwise and including (for the avoidance of doubt and without limitation) such terms and any basic working and employment conditions that have become contractual by virtue of custom and practice, including copies of all relevant documentation; |
| “Reporting Requirements” | means the requirements of the Income Tax (Pay as You Earn) (Amendment No. 2) Regulations 2015;  |
| “Safeguarding Legislation” | means the Safeguarding Vulnerable Groups Act 2006; |
| “Specified Intermediary” | means the party required to submit the report to HMRC in compliance with the Reporting Requirements;  |
| “Status Determination Statement” | means the written statement in which the Client confirms its decision on the application of the Off-Payroll Rules to the Assignment in accordance with Section 61T ITEPA;   |
| “Tax and NICs Information” | means the Contractor’s national insurance number and written confirmation from HMRC of his/her current tax code;  |
| “Temporary Work Agency”  | means as defined in the AWR;  |
| “Transfer Fee” | means (for the purposes of the Conduct Regulations) a fee payable by the Client to the Employment Business if the Client or any third party wishes to Engage the Intermediary; |
| “Transparency Regulations” | means the Modern Slavery Act 2015 (Transparency in Supply Chains) Regulations 2015;  |
| “Type of Work”  | means (for the purposes of the Conduct Regulations) [insert the type of work you expect to supply the PSC into] [eg. Residential Property Solicitor Locum Services]; and |
| “WTR” | means the Working Time Regulations 1998 |

* 1. Unless the context requires otherwise references to the singular include the plural and references to the masculine include the feminine and vice versa.
	2. The headings contained in this Agreement are for convenience only and do not affect their interpretation.
	3. Any reference, express or implied, to an enactment includes a reference to that enactment as from time to time amended, modified, extended, re-enacted, replaced or applied by or under any other enactment (whether before or after the date of this Agreement) and all subordinate legislation made (before or after this Agreement) under it from time to time.

# THE AGREEMENT

* 1. This Agreement together with any applicable Assignment Details Form constitutes the entire agreement (“the Agreement”) between the Employment Business and the PSC for the supply of the PSC Services to the Client and shall govern all Assignments undertaken by the PSC. However, no contract shall exist between the Employment Business and the PSC between Assignments. This Agreement shall prevail over any terms put forward by the PSC.

# During an Assignment the PSC will be engaged on a contract for services by the Employment Business on the terms set out in this Agreement.

# No variation or alteration to this Agreement shall be valid unless the variation is agreed between the Employment Business and the PSC and set out in writing, and, Where the Conduct Regulations apply: a copy of the varied Agreement is given to the PSC no later than 5 business days following the day on which the variation was made stating the date on or after which the varied Agreement shall apply.

# Where the Conduct Regulations apply: the Employment Business shall act as an employment business (as defined in Section 13(3) of the Employment Agencies Act 1973 (as amended) when introducing or supplying the PSC for Assignments with its Client.

* 1. The PSC and Contractor acknowledge that where they or any person to whom the performance of the PSC Services has been assigned or sub-contracted:
		1. opt out of the Conduct Regulations, none of the Conduct Regulations (except Regulation 13A) will apply to the Agreement; or
		2. do not opt out of the Conduct Regulations, all of the Conduct Regulations will apply to the Agreement.

# RELATIONSHIP BETWEEN THE EMPLOYMENT BUSINESS, THE PSC AND CLIENT

# The Employment Business will try to find suitable Assignments for the PSC (and Where the Conduct Regulations apply, those Assignment will reflect the agreed Type of Work).

# The Employment Business is not obliged to offer Assignments to the PSC and the PSC shall not be obliged to accept any Assignment.

* 1. The PSC acknowledges that the nature of temporary work means that there may be periods when no suitable work is available and agrees that:
		1. the suitability of the work to be offered shall be determined solely by the Employment Business;
		2. the Employment Business shall incur no liability to the PSC (or a Contractor) should it fail to offer opportunities to work to the PSC.
	2. Subject to clause 3.5, the PSC acknowledges that its services are supplied to the Employment Business as an independent contractor and that accordingly the responsibility of complying with all other statutory and legal requirements relating to the Contractor, including in particular but not limited to WTR, the Pensions Act 2008 and the Immigration, Asylum and Nationality Act 2006, shall fall upon and be discharged wholly and exclusively by the PSC.

The Off-Payroll Rules

* 1. The PSC acknowledges that the Client is not an Exempt Organisation. The PSC also acknowledges that the Client has determined that the Assignment is an Inside IR35 Assignment. Accordingly, the PSC acknowledges that the Employment Business must calculate the Deemed Direct Payment from the PSC Fees, make the appropriate Deductions from the Deemed Direct Payment and account for the same to HMRC.
	2. Notwithstanding the Employment Business’s obligation to make the Deductions under the Off-Payroll Rules, nothing in this Agreement shall render any Contractor an employee or worker of either the Employment Business or the Client. The PSC shall ensure that the Contractor does not hold themselves out as an employee or worker of either the Employment Business or the Client. If any person should try to establish any liability or obligation upon the Employment Business on the grounds that the Contractor is an employee or worker of the Employment Business or the Client, the PSC shall upon demand indemnify the Employment Business and keep it indemnified in respect of any such liability or obligation and any related Losses which the Employment Business or Client shall incur.

The AWR

* 1. The PSC acknowledges that if the Contractor is found to be an Agency Worker, then the PSC is a Temporary Work Agency for the purposes of the AWR. Accordingly, the PSC will comply with the AWR in all relevant respects. Also, except to the extent any Losses result from any act or omission of the Employment Business or the Client, the PSC shall indemnify and keep indemnified the Employment Business (or, as the case may be, the Client) against any Losses the Employment Business (or the Client) may suffer or incur as a result of any claim made by or on behalf of the Contractor under the AWR.
	2. Subject to clause 3.7, if the Contractor has completed the Qualifying Period on the start date of the relevant Assignment or completes the Qualifying Period during the relevant Assignment, and is entitled to any terms and conditions relating to the duration of working time, night work, rest periods, rest breaks and/or annual leave under the AWR which are different and preferential to rights and entitlements relating to the same under the WTR, those terms and conditions will be as set out in the relevant Assignment Details Form or any variation to the relevant Assignment Details Form (as appropriate) and the PSC will give the Contractor those entitlements.

Transfer Fees

* 1. If before or during an Assignment (or Where the Conduct Regulations apply, during the Relevant Period) the Client wishes to Engage the PSC or any Contractor directly or through another employment business, the PSC acknowledges that the Employment Business will be entitled either to charge the Client a Transfer Fee (or Where the Conduct Regulations apply to agree to a Period of Extended Hire with the Client at the end of which the PSC or the Contractor (as appropriate) may be Engaged directly by the Client or through another employment business without further charge to the Client).
	2. The PSC also acknowledges that the Employment Business will be entitled to charge the Client a Transfer Fee if the Client introduces the PSC or any Contractor to a third party, including a member of the Client's Group, who subsequently Engages the PSC or any Contractor, either directly or through another employment business, before or during an Assignment or (or Where the Conduct Regulations apply, during the Relevant Period).
1. WARRANTIES PROVIDED BY THE PSC
	1. The PSC warrants to the Employment Business that:
		1. by entering into and performing its obligations under this Agreement it will not be in breach of any obligation which it owes to any third party;
		2. the Contractor has the necessary skills and qualifications to provide the PSC Services;
		3. the Contractor meets the Conditions of Liability and will continue to meet the Conditions of Liability for the duration of the Assignment and this Agreement. The PSC will provide written confirmation to the Employment Business that the Contractor meets the Conditions of Liability;
		4. the PSC is incorporated in the UK and that all directors are resident in the UK for tax purposes;
		5. the PSC will pay the Contractor only into a nominated UK bank account in the Contractor’s name;
		6. all information the PSC provides to the Employment Business in order to comply with the Reporting Requirements and clauses 5.1.10 to 5.1.18 inclusive is complete and accurate; and
		7. the PSC and the Contractor will comply with the Data Protection Laws.
2. THE PSC’S OBLIGATIONS
	1. The PSC agrees on its own part and on behalf of the Contractor:
		1. to co-operate with the Client’s reasonable instructions and accept the direction of any responsible person in the Client’s organisation within the scope of the Assignment;
		2. to observe any relevant rules and regulations of the Client’s establishment or the premises where the PSC Services are being performed to which attention has been drawn or which the PSC might reasonably be expected to be aware of; including but not limited to those relating to health and safety to the extent that they are reasonably applicable to the PSC and the Contractor;
		3. to take all reasonable steps to safeguard its own safety, the safety of the Contractor and the safety of any other person who may be affected by the actions of the Contractor whilst on the Assignment;
		4. to comply with the Data Protection Laws in respect of any personal data which the PSC is granted access to for the purpose of or by reason of the performance of the PSC Services;
		5. not at any time to divulge to any person, nor use for its own or any other person’s benefit, any Confidential Information relating to the Client’s or the Employment Business’s employees, business affairs, transactions or finances;
		6. not to engage in any conduct detrimental to the interests of the Employment Business and/or the Client which includes any conduct which could bring the Employment Business and/or the Client into disrepute and/or which results in the loss of custom or business by either the Employment Business or the Client;
		7. not to commit any act or omission constituting unlawful discrimination against or harassment of any member of the Employment Business’s or the Client’s staff;
		8. not to sub-contract or assign to any third party any of the PSC Services which it is required to perform under any Assignment;
		9. to give the Client and/or the Employment Business any progress reports as may be requested from time to time;
		10. to notify the Employment Business forthwith in writing if it should become insolvent, or if any of the arrangements set out in clauses 9.2.5 to 9.2.7 apply;
		11. to give the Contractor’s Tax and NICs Information to the Employment Business before the Assignment starts. The Contractor acknowledges that a delay in providing their tax and NICs Information may either delay the Employment Business paying the Net Pay to the PSC or require the Employment Business to deduct tax using an emergency tax code;
		12. to comply with all relevant legal obligations, including but not limited to VAT legislation and the Companies Acts;
		13. to give the Employment Business all such information it may require to comply with (a) the Reporting Requirements where it is the Specified Intermediary or (b) any contractual obligations the Employment Business has to provide information to the Specified Intermediary (where it is a party other than the Employment Business) to enable the Specified Intermediary to comply with its Reporting Requirements;
		14. not to provide any fraudulent documentation or enter into any arrangements or schemes designed to avoid ITEPA and the NICs legislation and to notify the Employment Business in writing immediately if it becomes subject to a HMRC investigation or compliance activity including but not limited to any of ITEPA, the NICs legislation or VAT legislation;
		15. to give the Employment Business a copy of the terms under which the PSC has engaged the Contractor;
		16. at the Employment Business’s request the PSC will complete a Key Information Document and will submit complete and accurate information to the Employment Business by the due date;
		17. to provide the Employment Business with any information and any assistance it may require from the PSC to ensure that the Employment Business complies with its obligations under the Safeguarding Legislation;
		18. to give the Employment Business on request, any information required to comply with Transparency Regulations; and
		19. to update the Employment Business promptly where any of the information required under clauses 5.1.10 to 5.1.18 inclusive changes.
	2. Notwithstanding clause 3.7, in order to assist the Employment Business to comply with the AWR where they may apply, as soon as possible before the start of each Assignment and during each Assignment (as appropriate) and at any time at the Employment Business’s request, the PSC undertakes to:
		1. inform the Employment Business of any Calendar Weeks in the 24 months immediately preceding the start of the relevant Assignment and/or during the relevant Assignment in which the Contractor has worked in the same or a similar role with the relevant Client via any third party and which the PSC and/or the Contractor believes count or may count toward the Qualifying Period; and
		2. provide the Employment Business with all the details of such work, including (without limitation) details of where, when and the period(s) during which such work was undertaken and any other details requested by the Employment Business; and
		3. inform the Employment Business if, in the 24 months immediately preceding the start of the relevant Assignment, the Contractor has:
			1. completed two or more assignments with the Client;
			2. completed at least one assignment with the Client and one or more earlier assignments with any member of the Client’s Group; and/or
			3. worked in more than two roles during an assignment with the Client and on at least two occasions worked in a role that was not the same role as the previous role.
	3. If the Contractor is unable for any reason to provide the PSC Services during the course of an Assignment, the PSC should inform the Employment Business as soon as possible, but in any event no later than 1 hour after the start of the Assignment or shift. If that it is not possible to inform the Employment Business within these timescales, the PSC should alternatively inform the Client and then the Employment Business as soon as possible.
	4. If, either before or during the course of an Assignment, the PSC becomes aware of any reason why it or the Contractor supplied to perform the PSC Services may not be suitable for an Assignment, the PSC shall notify the Employment Business without delay.
	5. The PSC acknowledges that any breach of its obligations set out in clause 4 (Warranties provided by the PSC) and this clause 5 (The PSC’S Obligations) may cause the Employment Business to suffer Losses and that the Employment Business reserves the right to recover such Losses from the PSC by way of set off or deduction from any sums owed by the Employment Business to the PSC.
3. THE EMPLOYMENT BUSINESS’S OBLIGATIONS
	1. Throughout the term of this Agreement the Employment Business will pay the PSC:
		1. Where the Conduct Regulations apply: at least the Minimum Rate in respect of the provision of the PSC Services. The actual PSC Fees will be notified to the PSC on a per Assignment basis; or
		2. Where the Conduct Regulations do not apply: the PSC Fees in respect of the provision of the PSC Services in accordance with clause 8;

The payments set out in clauses 6.1.1 and 6.1.2 are always subject to the Employment Business’s obligations to make the Deemed Deductions under the Off-Payroll Rules and any right of set off or deduction in clause 5.5.

* 1. At the same time as an Assignment is offered to the PSC, the Employment Business shall give the PSC with the following:
		1. Where the Conduct Regulations do not apply: enough information about the Assignment (including any health and safety information or advice which it receives from the Client which may affect the Contractor during the Assignment) in the relevant Assignment Details Form in order for the PSC to arrange for the PSC Services to be carried out; or
		2. Where the Conduct Regulations apply: an Assignment Details Form setting out the following:
			1. the identity of the Client, and if applicable the nature of their business;
			2. the date the Assignment is to commence and the duration or likely duration of the Assignment;
			3. the Type of Work, location and hours during which the PSC would be required to provide the PSC Services;
			4. the PSC Fees and any expenses payable by or to the PSC;
			5. any risks to health and safety known to the Client in relation to the Assignment and the steps the Client has taken to prevent or control such risks; and
			6. what experience, training, qualifications and any authorisation required by law or a professional body the Client considers necessary or which are required by law to work in the Assignment.

# Where the Conduct Regulations apply: Where the Employment Business does not give the information set out in clause 6.2 in writing (in paper form or by electronic means), the Employment Business shall confirm it in writing by the end of the third business day (excluding Saturday, Sunday and any public or bank holiday) following except where:

# the PSC is being offered an Assignment in the same position as one in which the PSC had previously been supplied within the previous 5 business days and such information has already been given to the Intermediary; or

# subject to clause 6.4, the Assignment is intended to last for 5 consecutive business days or less and such information has previously been given to the PSC and remains unchanged, the Employment Business needs only to provide written confirmation of the identity of the Client and the likely duration of the Assignment.

# Where the Conduct Regulations apply: Where the provisions of clause 6.3.2 are met but the Assignment extends beyond the intended 5 consecutive business day period, the Employment Business shall provide the information set out in clause 6.2 to the PSC in paper or electronic form within 8 days of the start of the Assignment.

1. TIMESHEETS AND INVOICING
	1. At the end of each week of an Assignment (or at the end of the Assignment where an Assignment is for a period of less than 1 week or is completed before the end of a week) the PSC shall send the Employment Business the Employment Business’s timesheet duly completed to show the number of hours worked by the PSC during the previous week signed by an authorised representative of the Client. The timesheet must be accompanied by an invoice from the PSC for the amount due from the Employment Business to the PSC for the hours worked in that week. The invoice must bear the PSC’s name, the name of the Contractor who provided the PSC Services, the PSC’s company registration number and VAT number (if VAT registered), and should state any VAT due on the invoiced sum.
	2. In order to ensure prompt payment, the Employment Business should receive the signed timesheet no later than 12 noon on Monday following the week to which it relates. Where the PSC fails to submit a properly authenticated timesheet the Employment Business shall, in a timely fashion, conduct further investigations into the hours claimed by the Contractor and the reasons, if any, that the Client has refused to sign a timesheet in respect of those hours. This may delay any payment due to the PSC.
	3. Where the Conduct Regulations apply: Subject to the PSC complying with the provisions of this clause 7 the Employment Business shall pay the for all hours worked regardless of whether the Employment Business has received payment from the Client for those hours.
	4. For the avoidance of doubt, the Employment Business will not pay the PSC for work not carried out.

# PAYING THE PSC

# The PSC Fees shall be agreed prior to the start of the Assignment and specified in the Assignment Details Form. Subject to the receipt of the PSC’s invoice and signed timesheet in accordance with clause 7 above, and the PSC’s compliance with this Agreement, the Employment Business will pay the PSC the Net Pay within 4 days of:

# Where the Conduct Regulations apply: receipt of the PSC’s invoice.

# Where the Conduct Regulations do not apply: receipt of the PSC’s invoice.

# The Employment Business will only pay the PSC and will not pay any third party or the Contractor directly. The Employment Business will pay the Net Pay into a UK business bank account, in the PSC’s name only.

* 1. The Employment Business shall not be obliged to pay the PSC for any periods during which the PSC Services are not provided, whether this is due to the PSC or the Contractor being unable to provide the PSC Services or where the Client does not require the PSC Services.
	2. The PSC shall bear the cost of any training which the Contractor may require in order to perform the PSC Services.

The AWR

# Where the AWR apply: If and when the Contractor completes the Qualifying Period the Employment Business reserves the right to vary the PSC Fees if there is any variation in the Relevant Terms and Conditions. Any such variation will be as set out in a variation to the relevant Assignment Details Form and the PSC shall ensure that, if at any time the Employment Business varies the PSC Fees in accordance with this clause 8.5, the PSC will, at the same time, make the same variations to the corresponding payments the PSC makes to the Contractor.

# Where the AWR apply: Under the AWR, on completion of the Qualifying Period the Contractor may be entitled to annual leave (paid or unpaid) in addition to the Contractor’s entitlement to paid annual leave under the WTR provided by the PSC. If this is the case, any such entitlement(s), the date from which any such entitlement(s) will commence and how any payment for such entitlement accrues in respect of the relevant Assignment will be as set out in the relevant Assignment Details Form or any variation to the relevant Assignment Details Form and the PSC will pass this information on to the Contractor and, if the PSC receives any such payment(s) for leave from the Employment Business, the PSC will make the same payment(s) to the Contractor.

# Where the AWR apply: On completion of the Qualifying Period, the Contractor may be entitled to receive a bonus. The PSC will, and will procure that the Contractor will, comply with any requirements of the Employment Business and/or the Client relating to the assessment of the Contractor’s performance for the purpose of determining whether or not the Contractor is entitled to a bonus and the amount of any such bonus. If, subject to satisfying the relevant criteria, the Contractor is entitled to receive a bonus, the Employment Business will pay the bonus to the PSC subject to the appropriate Deductions and the PSC will pay the bonus to the Contractor.

# TERM AND TERMINATION

# Either of the Employment Business or the PSC may terminate the Assignment in writing at any time without prior notice or liability except in relation to time already worked and invoices which remain unpaid at the date of termination unless a specific notice period is required and set out in a relevant Assignment Details Form.

# Notwithstanding clauses 9.1 and 9.3 of this Agreement, where required by the Client, the Employment Business may without notice and without liability instruct the PSC to stop work on an Assignment at any time, where:

# the PSC or Contractor has acted in breach of the rules and regulations applicable to third parties providing services to the Client or to the Client’s own staff; or

# the PSC or Contractor has committed any serious or persistent breach of any of its obligations under this Agreement; or

# the Client reasonably believes that either of the PSC or the Contractor has not observed any condition of confidentiality from time to time; or

# the Client is dissatisfied with the PSC’s or the Contractor’s provision of the PSC Services and has terminated the Assignment; or

# either the Client or the PSC is dissolved, ceases to conduct all (or substantially all) of its business, is or becomes unable to pay its debts as they fall due, is or becomes insolvent or is declared insolvent, or convenes a meeting or makes or proposes to make any arrangement or composition with its creditors; or

# an administrator, administrative receiver, liquidator, receiver, trustee, manager or similar is appointed over any of the assets of the Client or the PSC; or

# an order is made for the winding up of the Client or the PSC, or where the Client or the PSC passes a resolution for its winding up (other than for the purpose of a solvent company reorganisation or amalgamation where the resulting entity will assume all the obligations of the other party under this Agreement); or

# the PSC or the Contractor is suspected of any fraud, dishonesty or serious misconduct; or

# the Employment Business knows or suspects that the PSC has failed to give complete and accurate information for the purposes of the Key Information Document;

# the PSC or the Contractor is unable to provide the PSC Services for 2 days or more; or

* + 1. the PSC does not give the Employment Business the Contractor’s Tax and NICs Information prior to receipt of the PSC’s first invoice for the relevant Assignment; or
		2. the Client does not give a valid Status Determination Statement or does not respond to a request for further information about the Status Determination Statement from either the Employment Business or the PSC; or
		3. the Client provides or seeks to provide a Status Determination Statement which incorrectly states that the Assignment is an Inside IR35 assignment; or
		4. the circumstances of the Assignment change so that the Assignment ceases to be an Inside IR35 Assignment and becomes an Outside IR35 Assignment; or
		5. the Employment Business knows or suspects that the Contractor no longer meets the Conditions of Liability; or
		6. the PSC fails to comply with clause 13.3; or
		7. the Employment Business knows or suspects that either the PSC or the Contractor have breached the Data Protection Laws.

# The PSC acknowledges that the continuation of an Assignment is subject to the continuation of the contract between the Employment Business and the Client. If the contract between the Employment Business and the Client is terminated for any reason the Assignment shall cease with immediate effect without liability to the PSC.

# Failure by the PSC to give notice of termination as required in the Assignment Details Form shall constitute a breach of contract and shall entitle the Employment Business to claim damages from the PSC for any resulting Losses suffered by the Employment Business.

# INTELLECTUAL PROPERTY RIGHTS

The PSC acknowledges that all copyright, trademarks, patents and other intellectual property rights deriving from the PSC Services carried out by the PSC and the Contractor for the Client during the Assignment shall belong to the Client. Accordingly, the PSC shall (and shall procure that the Contractor shall) execute all such documents and do all such acts as the Employment Business shall from time to time require in order to give effect to its rights pursuant to this clause.

# CONFIDENTIALITY

# To protect the confidentiality and trade secrets of any Client and the Employment Business and without prejudice to every other duty to keep secret all information given to it or gained in confidence the PSC agrees on its own part and on behalf of the Contractor as follows:

# not at any time whether during or after an Assignment (unless expressly so authorised by the Client or the Employment Business as a necessary part of the performance of its duties) to disclose to any person or to make use of any of the trade secrets or the Confidential Information of the Client or the Employment Business with the exception of information already in the public domain;

# to deliver to the Client or the Employment Business (as directed) at the end of each Assignment all documents and other materials belonging to the Client (and all copies) which are in its possession including documents and other materials created by it or the Contractor during the course of the Assignment; and

# not at any time to make any copy, abstract, summary or précis of the whole or any part of any document or other material belonging to the Client except when required to do so in the course of its duties under an Assignment in which event any such item shall belong to the Client or the Employment Business as appropriate.

1. COMPUTER EQUIPMENT WARRANTY

The PSC shall ensure that any computer equipment and associated software that it provides to the Contractor for the purpose of providing the PSC Services contains anti-virus protection with the latest released upgrade from time to time.

# CONTRACT MONITORING AND AUDITS

* 1. The Employment Business reserves the right to audit the PSC on an ad hoc basis to ensure compliance with this Agreement and all statutory requirements in relation to all Contractors supplied to provide the PSC Services. The Employment Business will give the PSC 7 days’ notice of such audit.
	2. To assist the Employment Business in its audit the PSC will:
		1. maintain such records as are necessary to comply with this Agreement and all statutory requirements in relation to all Contractors supplied to provide the PSC Services, and will provide copies of the same to the Employment Business on request;
		2. provide the Employment Business with access to its premises and original records relating to all Contractors supplied to provide the PSC Services.
	3. If having conducted an audit, the Employment Business requires the PSC to take any action the PSC shall take such action within the time period specified in writing by the Employment Business. If the PSC does not take such action or correct the matter to the Employment Business’s satisfaction, the Employment Business may terminate this Agreement in accordance with clause 9.

# LIABILITY

* 1. The PSC shall:
		1. be liable for any Losses or injury to any party resulting from the deliberate and/or negligent acts or omissions of the PSC or Contractor during an Assignment; and
		2. obtain adequate employer’s liability insurance, public liability insurance, professional indemnity insurance and any other suitable policies of insurance in respect of the PSC or the Contractor. The PSC shall maintain such insurances for the duration of the Assignment and following termination of the Assignment for the period specified. The PSC shall give a copy of the policy to the Employment Business upon request;
		3. be liable and for any breaches of the Data Protection Laws by the PSC or the Contractor.
	2. For the avoidance of doubt, the Employment Business will not be liable to any of the PSC or the Contractor for any Losses they may incur as a result of the Client’s Status Determination Statement (or replacement Status Determination Statement, if applicable).
1. INDEMNITY

The PSC shall indemnify and keep indemnified the Employment Business against any Losses suffered or incurred by the Employment Business by reason of any proceedings, claims or demands by the Contractor, the Client or any third party arising out of any non-compliance with, and/or as a result of, any breach of this Agreement or the Data Protection Laws by either the PSC or the Contractor.

# severability

If any of the provisions of this Agreement shall be determined by any competent authority to be unenforceable to any extent, such provision shall, to that extent, be severed from the remaining terms, which shall continue to be valid to the fullest extent permitted by applicable laws.

1. NOTICES

All notices which are required to be given in accordance with this Agreement shall be in writing and may be delivered personally or by first class prepaid post to the registered office of the party upon whom the notice is to be served or any other address that the party has notified the other party in writing, including by email. Any such notice shall be deemed to have been served: if by hand when delivered, if by first class post 48 hours following posting and if by email, when that email is sent.

1. RIGHTS OF THIRD PARTIES
	1. Except as set out in clause 18.2, none of the provisions of this Agreement are intended to be for the benefit of or enforceable by third parties and the operation of the Contracts (Rights of Third Parties) Act 1999 is excluded.
	2. The Client shall be entitled to rely on and enforce the indemnities in clause 15 given by the PSC in favour of the Client, notwithstanding that the Client is not a party to this Agreement.

# RESTRICTION (Where the Conduct Regulations do not apply)

The PSC shall not (and shall procure that the Contractor shall not) during the Assignment or for a period of 6 months following the termination of the Assignment supply the services of the Contractor directly, or through any other person, firm or Employment Business, to any Client for which s/he has carried out Assignments at any time during the previous 6 months.

# GOVERNING LAW AND JURISDICTION

This Agreement is governed by the law of England & Wales and is subject to the exclusive jurisdiction of the Courts of England & Wales.

Signed for and on behalf of the Employment Business

[print name here]

Signed for and on behalf of [insert name of limited company or limited liability partnership] Ltd. (the PSC)

[print name here]

I am authorised to sign this Agreement for and on behalf of the PSC.

Date

**Annex -** **Assignment Details Form (PSC)**

When the Conduct of Employment Agencies and Employment Businesses Regulations 2003 (Conduct Regulations) apply you must give the information highlighted in bold. Even if the PSC and Contractor have opted out of the Conduct Regulations it is best practice to give the information shown in the form.

|  |
| --- |
| Details of the PSC and contractor: |
| Name, address and registered company number of the PSC:  |  |
| VAT registration number of the PSC: |  |
| Name of the Contractor supplied by the PSC: |  |
| Client’s details: |
| Name of the Client: |  |
| Nature of the Client’s business: |  |
| Name of Client’s contact to report to on arrival:  |  |
| Assignment details: |
| Start date of the Assignment: |  |
| Likely duration of the Assignment: |  |
| Type of Work: |  |
| Description of duties: |  |
| Location of work: |  |
| Hours of work: |  |
| The experience, training, qualifications and any authorisation necessary or required by law or a professional body: |  |
| (a) Any known health and safety risks and (b) the steps the Client has taken to reduce those risks:  |  |
| Notice PSC must give and is entitled to receive to end the assignment if applicable  |  |
| Pay: |
| Any expenses payable: |  |
| Actual rate of remuneration i.e. the rate to be paid for this Assignment: |  |
| Intervals of payment: |  |
| Period of Extended Hire: (only where the Conduct Regulations apply (i.e. the PSC and Contractor have not opted out of the Conduct Regulations) |
| Notice period required where Client wishes to engage the PSC/ Contractor for a Period of Extended Hire:  |  |
| Period of Extended Hire if the Client wishes to engage the PSC/ Contractor and avoid paying a Transfer Fee: |  |

|  |  |
| --- | --- |
| PSC’s recruitment consultant’s contact details: |  |

Agency Workers Regulations 2010 (AWR)

|  |
| --- |
| AWR equal treatment rights:(only where the Contractor is an agency worker for the purposes of the AWR) |
| Calendar weeks already accrued towards the Qualifying period for the purposes of Regulations 7 and 8 AWR: |  |
| Collective facilities: |  |
| Any additional pay:  |  |
| Number of paid/unpaid annual leave days:  |  |
| Hours of work |  |