

# Employment status

## The barometer – DWF's employment status audit

A businesses' workforce is a key asset and managing the supply of the workforce against the demands of the business is not an easy challenge.

Employment status is a significant issue for many employers with a number of high profile cases and two Government reviews underway. Although the employment status debate has been on-going for decades, the growth of the gig economy has certainly put the question back in the spotlight. Employers are increasingly engaging zero hours workers, agency workers and self-employed contractors to manage fluctuating workforce demands. With this rise in different categories of workers comes the question of worker status – are these individuals employees, workers or self-employed contractors?

We understand the benefits of a flexible workforce and that resourcing your staff appropriately is not an easy task. To overcome this challenge we can offer you the DWF employment status audit.

Through DWF's employment status audit we will work with you to assess your workforce and the employment status of the different categories of individual. DWF's employment status audit can provide:

- A review of your existing contracts
- Highlighting areas of risk and ways to reduce the risk
- Amendments to existing contracts
- Drafting and implementing new contracts

If you would like to find out more about DWF's employment status audit please get in touch with your usual DWF contact or one of the employment team status experts listed below.

### Why is employment status so important?

- Employees are entitled to much more employment protection than workers or self-employed contractors, including the right to claim unfair dismissal, redundancy pay and maternity/paternity leave and pay. A worker falls into the middle bracket when it comes to employment rights which are largely limited to national minimum wage, holiday pay and discrimination protection. Self-employed contractors on the other hand have very little employment protection.
- Employment status also has an impact on the tax treatment of an individual. Those who are not employed can potentially benefit from a more favourable tax regime. There may be significant historical tax liabilities if someone is wrongly identified as self-employed.

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