

Cross-government Working Group on Employment Status Minutes

19th October 2016 15:00-16:00
1 Horse Guards Road, London SW1 2BQ, G15

Attendees:

- HM Revenue and Customs (HMRC)
- Department for Business, Energy and Industrial Strategy (BEIS)
- HM Treasury (HMT)
- Office of Tax Simplification (OTS)

Apologies

- Department for Work and Pensions (DWP)

Welcome

1. HMRC welcomed attendees to the meeting.

Worker numbers

2. The Group noted that no number of “workers” is readily available.
3. The group agreed a meeting between DWP and HMRC analysts would explore the feasibility of determining the number of people in the “worker” category; that is excluding those who are not engaged under a contract of employment.

Advice to ministers

4. The Group discussed its findings following agreement at the previous meeting that a “contract of service” and “contract of employment” were largely synonymous. The Group considered further the difficulties posed by the employment rights status of “worker”. This additional status presents a significant challenge to aligning the two statuses, particularly where the definition of worker varies across different employment rights.
5. The Group agreed that further evidence was needed to establish the extent of wider concerns (out-of-scope of the working group) into the use of employment status for rights and tax. It agreed that the recently commissioned Taylor review into employment practices would be helpful in achieving this. HMRC is already undertaking research to develop evidence about how status is used for tax.
6. It was noted that further work in this area would risk duplicating the work of the Taylor Review.
7. It was agreed a note of the Group’s findings and on the viability and impact of an alignment of employment status across government should be produced for ministers.

AOB

8. BEIS provided an update on the recently commissioned review of employment status.

9. No future date was agreed as the group agreed to provide a note to ministers.