

Working in a digital age

Compliance essentials
Multigenerational workforce

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Make Your Own Headway

From the editor



Diversity can drive real value for business, it can impact on the bottom line in many ways.

Simon Kent, Editor,
The Global Recruiter



The Chancellor's Budget has done very little to clear the waters over IR35. Having been front and centre in the Kwarteng/Truss ill-fated attempt at getting the economy moving, it's omission here has been cited by some as a missed opportunity to really get the economy moving and supercharge the agility of the UK's workforce.

More encouraging however, have been Hunt's awareness of (at least some of) the pressures faced by excellent talent that could contribute to the increased success of UK plc. Initiatives to get parents and older workers re-engaged with work are to be welcomed, even if some believe the measures could have gone further.

In this issue of The Global Recruiter we are also encouraging recruiters to widen their dip into the talent pool. The need for a diverse-by-default workforce is unquestionable. We live in a diverse country, we have a diverse population, but more than this, diversity can drive real value for business, it can impact on the bottom line in many ways.

The discussion should be over and action should be common place. In a month has seen International Women's Day and Neurodiversity Celebration Week it's time to make every day equitable for everyone.

Simon Kent
Editor



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News

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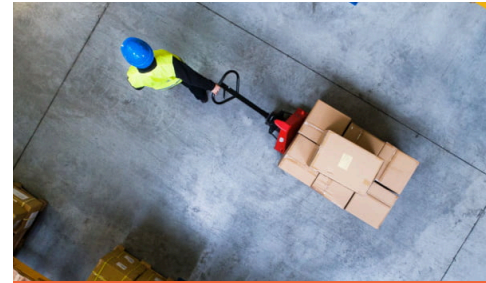
The Good and The Not So Good

The recruitment industry gives a mixed reaction to the Budget



Overworked and under-appreciated

Data from Censuswide, commissioned by people analytics company



Warehouse Workers hit high demand

Demand for UK warehouse workers up by 40 per cent



CMA makes Internal Promotion for MD

CMA Recruitment Group celebrates employee career development



AMS & Tesco in Partnership

AMS announces new arrangement for Tesco Bank talent



Nearly half of UK workers want to upskill

Workers feel upskilling blocked by employers ideas are many feel employers are blocking them



Dunaway named as MD

New leadership at Phipps Cameron



Macildowie takes back talent

Macildowie takes on new hires to strengthen executive search business



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Working in a Digital Age

View from WEC: Bettina Schaller, President, World Employment Confederation on orchestrating digitalisation for better labour markets.



"With 30 per cent of jobs likely to be automated by 2030, a full range of new skills will be required to adapt to this new world of work."

The Digital Revolution is changing the nature of work profoundly. New digital technologies such as artificial intelligence, blockchains, virtual and augmented reality, Internet of Things and HR analytics are instrumental in developing new ways of working and new forms of work organisation. Digitalisation is also transforming the employee-employer relationship and policymakers need to adapt our legal frameworks to accommodate these massive technological changes.

Our World Employment Conference 2023 in Brussels on 29 March, explored the opportunities and challenges that digitalisation opens up for labour markets. Let me elaborate.

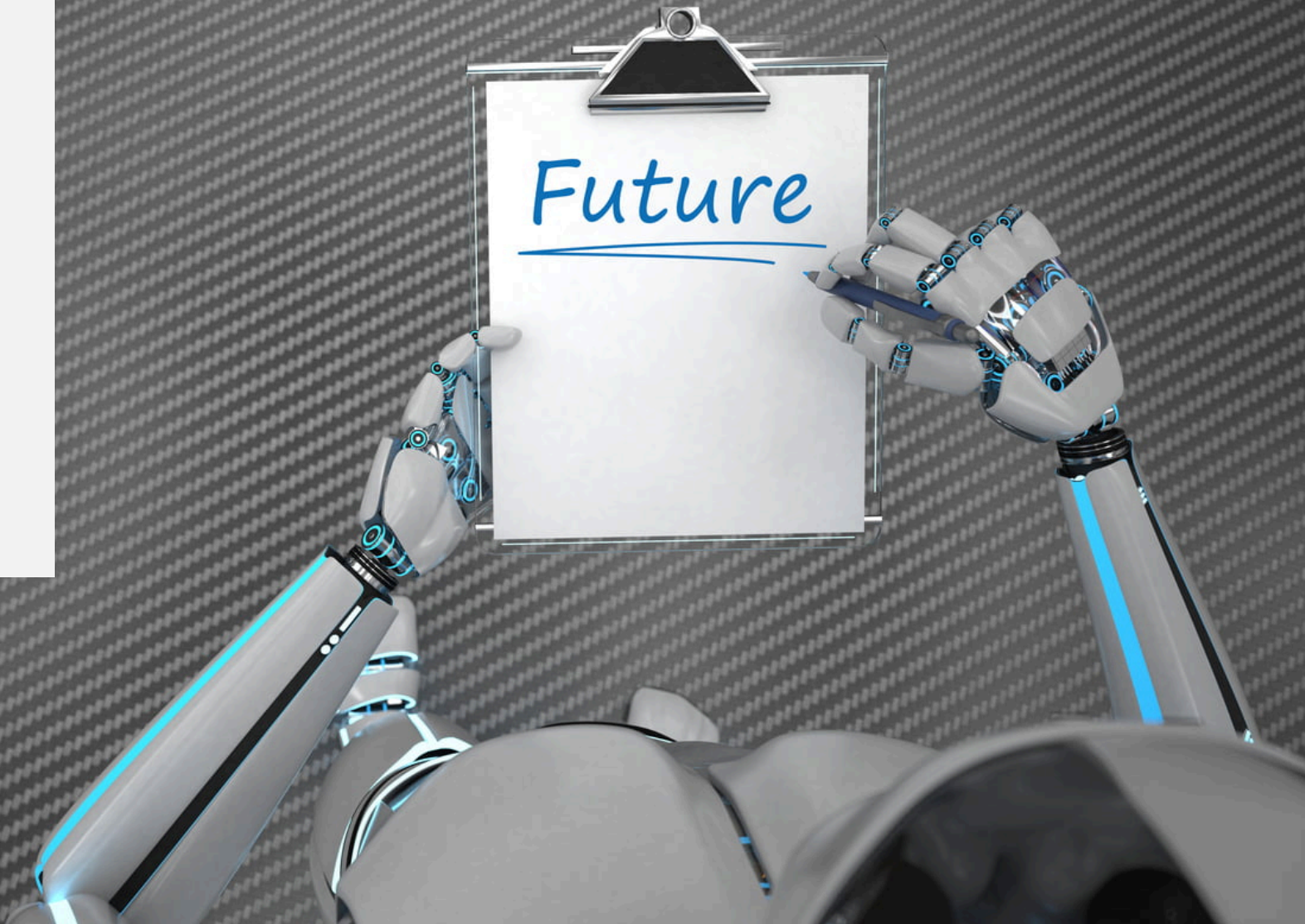
Over the past two years, the Covid pandemic has dramatically accelerated the digitalisation of companies and given people work flexibility, allowing many of us to work when and where we choose. But the digital

age is also taking workers into new territory where digital skills are becoming crucial. With 30 per cent of jobs likely to be automated by 2030, a full range of new skills will be required to adapt to this new world of work. At the same time, digital tools such as gamification and virtual reality can facilitate access to training. There is no way around it: to be futureproof for the digital age, workers need to get the skills and training required to adapt, as intuition might only get them so far.

How far do you think the recruitment industry has come in terms of digitalisation?

- ☐ Just started - we've only scratched the surface of what's possible
- ☐ Significant progress - but there are still big changes coming
- ☐ Has achieved nearly everything possible - the rest must be human led

[Post answer](#)



The digital boost

For many companies, digitalisation has improved business efficiency, boosted innovation and opened up new markets. Take talent acquisition and retention: in recent years the use of digital solutions such as Applicant Tracking System (ATS), interviewing platforms, multi-channel candidate sourcing, AI powered talent acquisition, automated skills assessment, using social media recruiting to attract passive candidates, interview chatbots, and other tools has soared. As these programmes are all drafted by humans, bright minds are already shaping the potential of ChatGPT in the human resources world. Many still remember the days of the good old Rolodex – if it's still around it can't coexist without harnessing technologies to develop a robust candidate pipeline, reduce cost per hire, improve collaborative hiring and support career assessment.

Yet, these developments have been accompanied by major criticism on the subject of ethics and fears

that we will lose the human touch that is so crucial in human resources. Labour market stakeholders face major challenges when implementing new technological solutions: ethical use of digital tools, the need to develop new rights for workers, maintaining a human-centric digital transformation, advancing inclusive digital labour markets, creating meaningful work in a hyper-connected world and more. It is clear that we must find the right balance so that digitalisation benefits everyone.

Ultimately, this digital transformation is challenging the way we do business and our current understanding of managing a workforce and the talent within it. In this new landscape, business leaders remain relevant if and when they facilitate a culture of change and innovation. Management style must evolve to be conducive to participation and empowerment – especially towards a workforce that is increasingly remote and digitally distributed.

How to engage

Working in the digital age we need to understand the many new ways in which

workers and employers can engage in work. This is fundamental in harnessing workforce potential and business sustainability. It is also an essential prerequisite to shape legal frameworks that allow corporate innovation without jeopardising workers' rights. To try to make sense of this cacophony of – seemingly – divergent voices, we need a conductor to orchestrate digitalisation tools and harness their potential for the benefit of all.

The HR services industry is uniquely placed to play such a role. Connecting daily with thousands of workers, union representatives, academics, innovators, entrepreneurs, business leaders, company representatives of all sizes and and policymakers from all shores, we have a good understanding of the challenges and opportunities that digitalisation offers.

It is clear that there is abundant potential for digitilisation to support and enhance the world of work. I am excited to see what the future holds as we continue to orchestrate digitalisation for better labour markets.



360 making your head spin?

We want you to focus **where you're at your happiest** and most successful. Whilst other agencies ask recruiters to work a 360-role, **Templeton recruiters can focus on delivery, BD or account management (or all three!)** in both their daily activities and following their preference throughout their career path.

Working with some of **the world's largest and most successful businesses**, our leading global clients mean **continuous IT vacancy flows**, and we serve our clients direct rather than through MSPs. Whatever you want to specialise in and **however you want your career to look**, Templeton appreciates your skills and expertise, and will work with you to **build and support you on your ideal career path**.



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that values **your unique career path**.

The Journey to B Corp™

Frontline: Gill Arnold, Founder of Futureheads Recruitment describes her business' progress to achieving a "good" standard.



When we first heard about the [B Corp™ movement](#) back in 2019, we immediately knew it was the right certification to pursue for Futureheads. As a female-led business that was founded with a clear vision to be a “good” business as well as a profitable one, we have always put our people first, made values-led decisions, implemented strong board governance, and ensured that respect, trust and transparency is at the heart of our brand, service and culture. From the outset in 2009, creating a positive impact – for our staff, our customers and community – just seemed like the right thing to do, so we were excited to learn that there was a whole community of other businesses out there doing just that, under the B Corp™ banner.

B Corps™ are businesses that meet the highest verified standards of social and environmental performance, transparency, and accountability. Certification isn’t a walk in the park by any means, and the fact that it was a stringent assessment made it all the more meaningful to Futureheads. Becoming a B Corp™ would



endorse our instinctive approach to ethical business but also really challenge us to go further as a “force for good”.

From A to B

Achieving the standard certainly wasn’t an overnight process. We first started talking about B Corp™ amongst the board and with our staff in 2019. Everyone could see how B

Corp™ connected with Futureheads and why it was a good thing to build into our strategic plan, but the Covid-19 pandemic meant that we didn’t get to focus in-depth on the certification process until H2 2021. At that point we set a realistic goal that we’d be certified by 2023. The first draft of our [B Impact Assessment](#) (BIA)– the starting point to certification and a tool that measures your company’s impact on its workers, communities, customers and the environment – showed us where we were already strong and which parts of our business we could improve.

Having always set out to be a good employer, balancing people with profit, the BIA confirmed that we were already creating a positive impact for our workers. For Futureheads, this has always been about having fair and transparent employee policies, benefits and pay/reward structures, alongside a clear and ongoing commitment to [DEI](#), staff wellbeing and continuous career development. We were also strong on Governance, having always believed in rigour and due process around reporting,

board structures and transparent decision-making. Similarly, our emphasis on quality of service also meant we had a positive approach to customers. It was clear to us, though, that there was plenty more we could do to improve our impact, including formalising our good foundations across environmental and community impact into clearer commitments and initiatives.

So, well before submitting our B Corp™ application, we were spurred on to improve our Environmental policies, and to actively support climate-positive projects via a monthly subscription to [Ecologi](#). We now have much clearer sustainability initiatives across the business – from better recycling practices to a sustainable purchasing model.

When it came to our people, our DEI and B Corp™ ambitions coincided, leading to a full review of all policies and procedures across the business to ensure they were equitable and inclusive. We refreshed our staff benefits, including a relaunch of our parental leave policies – now gender-neutral and far

more equitable – as well as introducing menopause and menstrual leave, fertility treatment support and options for remote working outside the UK. Career pathways, personal development plans and a new online review system were implemented by our people team, ensuring a really transparent, consistent way of measuring success for all staff.

Community care

In terms of supporting our community, there was plenty to do. We asked our staff to nominate and vote for a charity for the business to partner with formally over 12 months, which resulted in a pledge to raise at least £10k for [Beder](#), a mental health and suicide prevention charity, via donations per placement, as well as staff-led fundraisers. We also interrogated our supply chain, asking all suppliers to confirm their commitment to high social and environmental standards in a Code of Conduct. We now have a full supplier onboarding process and partner compliance process to be proud of.



Engagement is everything

Whilst it's crucial to have one project leader who co-ordinates the B Corp™ submission across all areas of the business, it's also critical to engage a broad group of stakeholders along the way. Staff engagement is key – we talked about B Corp™ regularly with everyone in the business and invited our colleagues to help with different strands of the project



depending on their areas of interest. Our charity initiatives are purely staff-led and we've seen brilliant ideas, engagement and impact as a result.

It's not just about internal engagement though. We've also found it's been invaluable to talk externally to key partners like our office provider, to advocate for more sustainable practices both big and small – from providing a food waste bin to choosing renewable energy sources and adopting sustainable building practices. It's great to know that we're working with engaged

providers who share a commitment to creating positive impact, even if it takes real time and effort.

Plan for a marathon, not a sprint

Every business will be at different stages of their journey, but for Futureheads, working on our impact assessment and implementing improvements along the way, was a 12-month process. We wanted to be authentic and fit for certification. Due to the growing popularity of B Corp™, we had a wait time of six to seven months after submission

– but then a relatively swift two months through rigorous verification of our submission, and into completion. It helped that we had documented our submission with lots of evidence around policies and practices along the way, and I'd certainly recommend that as an approach.

We were thrilled to meet our goal of [certifying](#) as a B Corp™ in early January 2023, and so proud to have been welcomed into the B Corp™ community. We've been onboarded by Corp brilliantly, with loads of inspiration, ideas and opportunities to connect with other B Corps™, all eager to collaborate and support each other.

And this is really just the beginning – this is a long-term mission and there's more hard work ahead as we look to further improve and evidence our impact for recertification in 2026. B Corp™ certification is not about ticking a box – but if you authentically believe that good business is about more than good profit, then you won't regret putting it high on your next board agenda.



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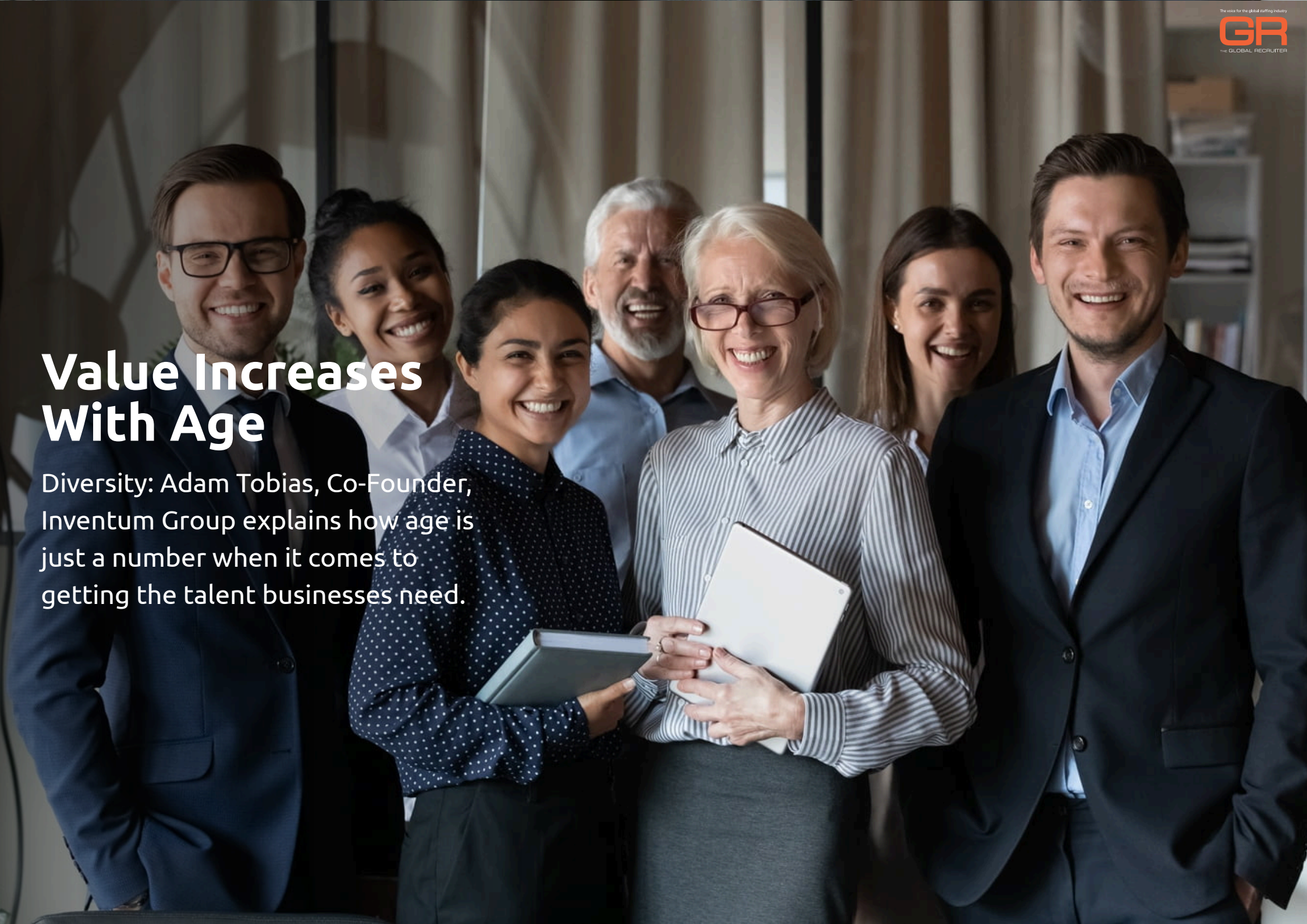
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- What does the future of flexible work hold?
- How can flexible funding attract the contractors and workers you need?
- The best way to lower risks through flexible financing
- The technology that can make flexible work more efficient from attraction to payment

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Value Increases With Age

Diversity: Adam Tobias, Co-Founder, Inventum Group explains how age is just a number when it comes to getting the talent businesses need.





When Generation Alphas (those born from 2010) start joining the workforce some time around 2026, we will see five generations working together in the UK for the first time in modern history.

This multigenerational workforce should be something to celebrate. A workplace with age diversity brings with it many benefits and should present a distinct advantage for organisations that truly embrace it. The wide range of knowledge and ideas in a

multigenerational workforce combines to provide an organisational culture that is a hotbed of creativity and human understanding, where different generations bring different skills and experiences to the table.

For example, younger employees who grew up as digital natives might bring technological skills whereas older employees might have great applied business intuition that has taken years to develop. Evidence suggests that older employees are also

“
In 1992, only 20% of the UK workforce was over the age of 50. Now its 30%.

in

better at client relationship management and are more comfortable and skilled at having difficult conversations.

Open the door

Sadly, age discrimination is absolutely rife in the UK. A recent survey by the Chartered Management Institute revealed the shocking extent of age discrimination in the UK job market. The data, taken from a survey of over 1,000 hiring managers in UK organisations between October and November 2022, highlighted that just 42 per cent were open to hiring people aged between 50 and 64 years old.

“The recruitment industry can play a very significant role in reducing all types of discrimination in the workplace.”

This age group accounts for more than 30 per cent of the total working age population in the UK and means that those (prejudiced) hiring managers will have reduced their available talent pool by over 11 million people. It also means those hiring managers may be breaking the law. Since 2006 (and now codified in the Equality Act 2010) it has been illegal to discriminate against someone simply because of their age.

I'm interested in why we seem to dislike older

workers so much in the UK. I've heard so many excuses why older candidates have been rejected for job opportunities. The most common ones were 'overqualified', or 'team fit' or, 'will get bored in the role'. These excuses get trotted out without any further insights or justification, time and time again.

We just don't seem to value the skills that more experienced candidates bring to the workplace, which on the face of it, seems ludicrous. Hard earned experience, honed

people skills, the ability (and desire) to mentor and pass along technical skills.

Research commissioned by AGE UK demonstrates that whilst age discrimination is the most widely experienced type of discrimination across Europe, it is particularly troublesome in the UK, where the older workers thought of as being less competent here than in the rest of Europe.



Unburden the workers

According to The Centre for Ageing Better, in the UK, older people are generally seen as hostile, difficult and a burden on wider society. These unpleasant stereotypes are damaging, inaccurate and can have a profound impact on the well being of older workers, who are thought of as having less ability to learn new skills, being more costly than younger workers and having significantly lower levels of performance.

A third of over-50s believe that their managers are not good at managing intergenerational teams and favour younger workers, and many now actively hide their level of experience when applying for new roles.

It is ironic that these prejudices are felt so strongly at a time when the workforce is ageing in the UK. We have more over-65's in employment now than ever before. In 1992, only 20% of the UK workforce was over the age of 50. Now its 30%. The reality is clear – unless older workers remain in the workforce

for longer, total employment growth in the UK will slow. We should be celebrating older workers and yet they are ridiculed, ignored and denied opportunities for development and progression. According to a survey by the Department of Work and Pensions, older workers reported higher job satisfaction, and had increased job retention, which reduced overall turnover, lowered recruitment costs and had a net positive impact on workplace wellbeing. Of course, supporting older workers also benefits the economy in other ways such as providing increased tax revenues and lowering the welfare bill.

So what can we do? The recruitment industry can play a very significant role in reducing all types of discrimination in the workplace. Sadly, still too many recruiters are willing to endorse and condone discrimination by ill informed clients or by their own assumptions. The fear is that putting older workers forward will reduce their opportunity to fill the role and make a fee.

We have the opportunity (some would say a

“A third of over-50s believe that their managers are not good at managing intergenerational teams and favour younger workers.”

moral obligation perhaps) to educate and inform our clients, and explain the benefits of a diverse workforce, whilst at the same time increasing our pool of available talent. Surely that is a rare case of a genuine win-win?

In the post-Covid workplace, when workforce flexibility is king, providing our clients with a motivated, experienced, seasoned professional should be easier than ever. The stark reality is that if we don't embrace older workers, we will see even greater shortages of talent, and experience the economic impact that has on all parts of society. So, whatever your motivation, be it ethical or financial, now is the time to embrace older talent.

Recruiting the LGBTQ+ Community

Talent Pool: Manuel Heichlinger,
Managing Director, Delivery &
Research at Audeliss discuss-es
recruitment without bias.

Considering LGBTQ+ rights are currently being contested on a global scale, it's vital for UK businesses to reinforce their unity with the community – ensuring their workplaces are as inclusive as possible and that no potential employees are discriminated against based on their LGBTQ+ identity. Sexual orientation and gender identity should have no part to play in a person's job satisfaction or career progression, yet recent research by our sister company, diversity and inclusion consultancy and global network [INvolve](#), suggests that up to 92 per cent of LGBTQ+ employees believe they are being prevented from reaching senior roles.

Clearly, the status quo is stalling the progression of LGBTQ+ employees and we must examine how we can take a new, more inclusive approach to senior hiring and career progression in order to move the needle.

The key to recruiting high quality diverse talent within any organisation is to practice inclusive recruitment – which requires a clear



awareness and understanding of the nature of the role to be filled, as well as the non-negotiable requirements of the candidate. Through focusing more intensely on the actual skills of the candidate, inclusive recruitment can provide opportunities to those who may have been previously overlooked due to factors that have no impact on their ability to perform the role. These considerations can benefit people from LGBTQ+ communities, who may have historically had a less linear climb in their careers due to facing discrimination in the workplace, or even a lack of support at home and in society more broadly.

Adapt and progress

Adapting documentation such as job descriptions or candidate prospectuses to ensure they are using inclusive language is one method of making recruitment processes more accessible for LGBTQ+ candidates. For example, gender-coded language should only be included where absolutely relevant to ensure typically masculine or feminine coded words don't make up most of the preferred attributes. Masculine coded words, such as 'assertive' 'competitive' and 'ambitious' and those that are generally feminine coded, such as 'enthusiastic' 'compassionate' and 'committ' be avoided unless necessary for an employee to be successful.

The demands of workers around the use of appropriate language have shifted in the past few years, particularly as more of the socially conscious Generation Z population have entered the workforce. A recent survey uncovered that [25%](#) of Gen Z candidates would decline a job offer if the recruiter failed to use their correct



pronouns. This indicates that the standard expectation of employers is rising, especially from LGBTQ+ candidates, who are also reportedly more likely to decline a job offer if an organisation doesn't appear to be genuinely inclusive. This further exemplifies the importance of companies reviewing their recruitment

processes, to ensure they aren't excluding a wide range of talent from their hiring pool.

Incorporating inclusive recruitment into the modern hiring process also involves removing bias at each interview stage. Common biases influence thoughts, words and behaviours,

and shouldn't have a place in the interview process, or workplaces in general. Companies must move past the 'old boys club' attitudes which lead to a constant replication of the same, homogenous type of candidate profile, particularly at a senior leadership level. Discrimination of this kind is driven by biases, such as the 'affinity bias', where an interviewer might select the candidate that shares the most qualities with them. Companies can stop this cycle of inequality by ensuring the recruitment staff are fully trained to be both aware of their biases and taking practical action to tackle them.

Finally, what's important is that diversity, equity, and inclusion (DEI) initiatives aren't only deployed when it comes to recruitment processes for entry-level positions. Organisations must also work to ensure diverse talent is being employed at every level of seniority. Executive search firms that specialise in diversity hiring and guaranteeing diverse representation across the board can implement fair recruitment processes that level the playing field for all.



Audeliss has also created a guide on Inclusive Recruitment that touches upon these points in depth. You can download it here <https://www.audeliss.com/en/audeliss-inclusive-recruitment-guide/>

Top level equity

An equitable attitude to senior hiring, centred around fairness and transparency, sets companies apart from the wider field. In turn, this point of difference is likely to attract an increasing number of candidates, having an ultimate impact on the quality of the individual that is appointed. Diverse candidates, including those who identify as LGBTQ+, are increasingly sought after, and it's in the best interest of

businesses to attract them to their workforces. Just a few of the business cases for achieving diversity within workforces include [stronger financial performance](#), as well as [improved employee well-being](#) and increased levels of [creativity and innovation](#) within teams.

Despite its importance, progress towards reducing bias in senior recruitment and expanding horizons for LGBTQ+ individuals mustn't be where the focus on DEI ends. The

spotlight on inclusion must continue throughout the onboarding process and beyond. LGBTQ+ individuals should continue to feel supported and included within their workplaces – programmes such as an [Emerging Leaders' Programme](#), which is designed for high potential LGBTQ+ talent to build their confidence, capability and leadership skills, can be leveraged to demonstrate ongoing support.

Accelerate your start-up with vital business management support

3R and The Recruitment Network: All the infrastructure, software, expertise and training to boost your performance and earning potential.

Why is support so valuable in the current climate?

Despite the unprecedented challenges of recent years, the recruitment sector is estimated to have grown by around 6% in 2022 and is expected to contribute more than [£51.3 billion](#) to the UK economy by 2025.

Along with new data, recently released by the Office for National Statistics, indicating that the UK's public finances may not be quite as bad as economists have previously suggested, business activity is rebounding, the jobs market remains strong and inflation looking to have already peaked. These positive indicators paint an optimistic landscape that's not as bad as we think!

Whilst set to grow, 2023 will still be a much tougher climate to operate in. It will take collaborative and dynamic recruiters to make their businesses thrive.

Those that thrive won't be standing still, they will be reviewing their business strategies, looking for new opportunities. They will be partnering with the right support

networks to help drive their success. They will be focussed on streamlining and optimising their businesses using technology, compliance and efficiency to boost performance.

Partners like [3R](#) and [The Recruitment Network](#) are set up to specifically guide recruitment entrepreneurs through starting their businesses in the right way and propelling them forward, to scale for success, quickly. They're strategically positioned, with the experience and knowledge to ensure you avoid making any fundamental, business stalling errors in the current, tricky economy.





How to leverage technology & compliance to support growth

Here's some insights into how you can use formal aspects of recruitment business administration to your benefit. It also showcases the best practice you should expect from your funding and recruitment technology providers, [such as 3R](#).

Credit Checks:

Credit checking your clients helps you get a better understanding of their ability to pay for your services - giving you an idea of whether it is worthwhile pursuing. The risk is delayed payment or non-payment of invoices, creating cash flow issues in your business. You

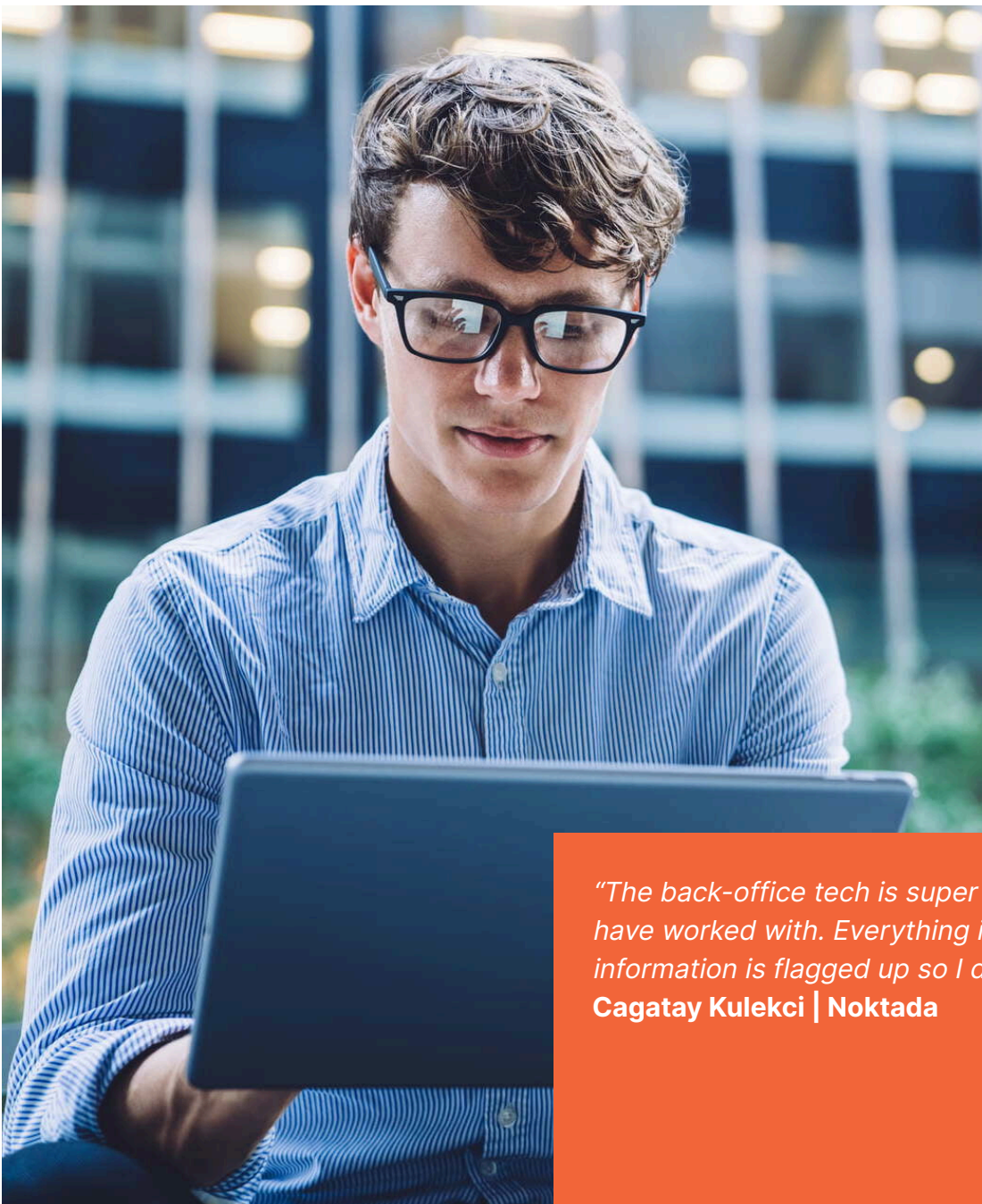
can decide to not work with risky clients to protect your business, freeing up time to focus on those clients that have growth potential.

[Credit checks can be leveraged in other ways](#) to help grow your business, they can:

- Enable foresight into the volume of contractors you can place with each client
- Support prioritisation of clients, so you can focus on those that have more potential for growth
- Give your team the confidence to lead with effort versus reward decision-making

"In addition to the 'human touch' of 3R's support, the back office is especially efficient, easy to navigate and track progress of contractors, timesheets, and invoices. The speed and ease of paying contractors is a real plus and one that always receives praise from our clients and candidates. 3R's funding capabilities have enabled us to scale the business and keep control of our cash flow."

Lisa Pinhorne | Copello



You should accept nothing less than upfront, unlimited, free credit checks from your providers, turned around on the same day, with bad debt protection included for extra security for your business.

Contracts:

Clarifying Terms of Business and Contracts from the start creates a safety net to secure your business from issues of non-payment and liability. Good terms are often designed to cover issues that you might not anticipate, so always work with recruitment experts to draft yours.

You can also use information learned from credit checks to make contracts work harder for you if you decide to work with riskier clients. You can openly negotiate fees and terms that reduce the risk to your business by, for example:

- Negotiating shorter payment terms to make the most of smaller credit limits
- Suggest higher fees to offset the risk you are taking
- Suggest payment options that don't require credit
- Leverage part or full up-front payments

"The back-office tech is super intuitive, which isn't the case with 3R's competitors – some of which I have worked with. Everything is just one click away and the dashboard displays all you need. Relevant information is flagged up so I don't miss anything, and best practice is covered at all times"

Cagatay Kulekci | Noktada

The back-office technology available to you should maximise the use of automation and clear approval steps to ensure your team have legally binding documentation signed off by clients before your candidates start.

VAT:

Being introduced to and working with an accountant that specialises in recruitment can be incredibly valuable. They can give you great foresight to aid robust business planning and will be in the know and proactive with recruitment law changes.

It's recommended to register your company sooner rather than later for VAT as it won't take a flourishing business long to reach the threshold. This will ensure you avoid any penalties for late registration.

You can also leverage VAT to your benefit by saving money on the running costs of your recruitment business by recovering VAT on purchases. Being VAT registered due to the known threshold value will also give the impression to prospective clients that your company is larger and trading well.

Reporting:

The government requires recruitment businesses to comply with IR35 and intermediary reporting – the submission of payment information for placements outside of PAYE payroll.

To ensure due diligence and to save valuable time – make sure you are working with a system that automates IR35 compliance management, as well as one that automatically generates your intermediary reports in the

correct format to simply upload to the HMRC portal every quarter. Protect your business by accepting nothing less from your back-office providers.

All these business administration pointers, combined with a system that's designed to specifically support recruiters can help your business remain secure, while freeing up time that you can put towards growing your business.

"3R are exceptional in service-quality and responsiveness, they also provide added value through their industry knowledge and personalised support. We couldn't recommend them highly enough!"

Richard Barker | Talent Locker

"We have got 1000 times more value from The Recruitment Network (TRN) than from anything else we've been part of (and we've kissed a few frogs!) Being a member helps you build a strategy, creates structure and future proofs your business."

James Butler | Enteles Search

"The whole team is extremely professional and personable and makes our lives so much easier. I cannot recommend 3R enough to any prospective existing business looking for best-in-class or new start-up wanting a secure start in trading."

Kwabena Amaning | Third Nexus

Why it's important to drive your business plan forward



It's no good having a business plan if it's not regularly consulted and driving your daily decision making. To achieve the ambitions you set out for yourself and your business, your plan needs to be executed. You need the right people around you to consult and learn from, the people who will hold you accountable for delivering your plan.

[The Accelerator Programme from 3R and The Recruitment Network](#) does exactly this, giving you full support to build out your business plan roadmap, structured training on core business management aspects from high profile Business Consultants, a dedicated Programme Sponsor and Mentor as well as access to the TRN

World platform – an encouraging and supportive community of likeminded recruitment entrepreneurs and industry leaders.

[**ACCELERATOR PROGRAMME BROCHURE**](#)

About Samantha Maxwell-Reed – The Accelerator Programme Sponsor

Samantha is a successful recruitment entrepreneur who founded and grew the multi-award-winning Expand Executive Search. Particular career highlights include opening a subsidiary in the USA, developing a people plan that achieved 93% staff retention rates, designing a suite of value add solutions that generated recurring revenue and ultimately completing a successful management buyout in 2021.

As a strategic business advisor at The Recruitment Network, Samantha will be supporting you through the Accelerator Programme, making sure you get all you need out of the people, training, and tools available.

The Accelerator Programme | Start as you mean to go on

The new Accelerator Programme from 3R and The Recruitment Network is an exclusive, 12-month strategic start-up programme. It's for ambitious recruitment entrepreneurs with the work ethic and drive to realise their ambitions.

What you get:

1. All the **support to startup your business** confidently and quickly. From incorporation, terms of business and employment contracts to website, CRM, back-office systems and 100% funding.
2. Access to a network of **recruitment business experts**, supporting you to build your business plan and drive it forward. Including strategic advice, guidance, mentoring and all the tools and templates to accelerate your business performance.
3. **Exclusive 6-module training course**, designed for recruiters starting up. Taking you through core aspects of creating a business to scale for success:

leading your business, managing financials, marketing, building a team, operational excellence and growth.

Find out more

www.3r.co.uk/the-accelerator-programme

As well as industry experts, technical support and training, you receive:



Back Office
& Funding

CRM &
RecTech Suite



Strategic
Business
Training

Full TRN
World Access





THE RECRUITMENT NETWORK™

Coming together is the beginning.
Keeping together is progress.
Working together is success.

Pay while the Sun Shines

Compliance: Crawford Temple,
CEO of Professional Passport,
on the latest developments
with holiday pay compliance.



Holiday pay continues to be making headlines not least with the Supreme Court dismissing the appeal in the Harpur Trust vs Brazel case. In this instance Harpur Trust had decided to allocate holiday pay at 12.07 per cent, in the case of a worker who was part-time, on a zero-hours contract, and only worked during a limited number of weeks over a year. 12.07 per cent is a common figure used by many umbrella companies as a basis on which to retain provision for holiday pay, for those who work a full year ($5.6 \text{ weeks holiday} / 46.4 \text{ weeks worked} = 12.07 \text{ per cent}$), although on close examination this percentage was incorrect for a worker working a fewer number of weeks over a year.

As a private school, Harpur Trust operated on a 32-week working year and therefore the percentage allocated for holiday pay should have been applied at 17.5 per cent ($5.6 \text{ weeks} / 32 \text{ weeks worked} = 17.5 \text{ per cent}$). Had that provision been made in this case then the correct amount of holiday pay would have been allocated and paid and the case would never have materialised.



“the anomaly in the regulations, highlighted and confirmed by the Supreme Court, poses challenges in the temporary workers market as predicting the working week year can be extremely difficult, especially for workers on a series of short-term contracts.”

Addressing the issues in the Umbrella Market

The case has raised issues across the umbrella sector as the anomaly in the regulations, highlighted and confirmed by the Supreme Court, poses challenges in the temporary workers market as predicting the working week year can be extremely difficult, especially for workers on a series of short-term contracts.

We have already seen the umbrella market seek to address this by introducing new terms into their employment contracts. These are generally intended to protect umbrella companies from additional liabilities for holiday pay when workers are not working but still employed.

Fortunately, the Government has also recognised the issue and in January 2023, BEIS issued a consultation entitled 'Calculating holiday entitlement for part-year and irregular hours workers'.



The Consultation suggests changing the legislation so that the length of any holiday entitlement reference period should mirror the length of the current holiday pay reference period for consistency. They are also proposing that 'unworked weeks', which is at the centre of the issues raised in the Supreme Court Case, are included in the holiday entitlement period.

They go on to confirm that their preferred method for temporary workers would be a

simple calculation of hours worked, per month or at the end of an assignment, and multiplying those hours by 12.07 per cent to determine the holiday pay entitlement.

This differentiation for Umbrella workers would simplify the process for both providers and workers; the providers would have a clear method to calculate the correct amount of holiday pay and the workers also have a very simple calculation to ensure they have received the correct amount of holiday pay.

Contractual Changes

If these changes were confirmed many of the contractual changes put in place as a result of the Supreme Court ruling would no longer be required.

I would predict that many providers would revert back to their previous terms as these have been in place for many years and are fully understood.

Other Changes

Matthew Taylor in his 'Good Work' report for the Government highlighted the issue of 'rolled up' holiday pay and the fact it was unlawful, albeit many workers wanted their holiday entitlement paid each week. He recommended that changes should be made to allow this to be the normal process but this was rejected at the time.

Since then we have seen various reports of providers retaining holiday pay by relying on contractual terms that are not read or fully

"I am sure many respondents to the consultation will be pressing for greater clarity on 'rolled up' or advancing holiday pay and confirmed acceptable practices. It will be interesting to see if the Government's position has altered."

understood by the workers. As the contractual arrangements make clear that unused allowances will be lost, making it entirely legal, it has always been seen as morally wrong.

I am sure many respondents to the consultation will be pressing for greater clarity on 'rolled up' or advancing holiday pay and confirmed acceptable practices. It will be interesting to see if the Government's position has altered.

I am also sure that many will seek greater guidance on the issue of retaining holiday pay when it has not been claimed. As this Consultation clearly differentiates, and

recognises, the unique position of an agency/umbrella worker and appears to be seeking to provide specific rules for their circumstances, it will be interesting to hear the stance taken.

What will be the outcome for Umbrellas?

The Consultation closed on 9th March, with the document making clear the Government's position to address disparities.

Let's hope they deal with the response to the Consultation faster than we have seen from the Call for Evidence into umbrella companies.

TRUSTED, COMPLIANT AND THERE FOR YOU WHEN YOU NEED US MOST.

Compliance in the umbrella company sector continues to be an important issue.

As legislation concerning tax evasion now extends to agencies and end clients, the risks posed by non-compliance in the labour supply chain are higher than ever.

Recruitment agency responsibilities

Understanding who your suppliers are and how they conduct their business is essential to maintaining compliance in your supply chain.

Not knowing enough about umbrella suppliers and failing to conduct due diligence can put your organisation at significant risk. Furthermore, it's a risk that can extend to your clients.

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IR35 & Off-payroll – the difficult second year

Compliance: Dave Chaplin, CEO of IR35 Shield and author of IR35 & Off-Payroll Explained reflects on IR35 and considers the future.





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Compared to HMRC's impact statement presented to Parliament, private sector firms are spending 74 times HMRC's estimated cost to run Off-Payroll regimes.

Dave Chaplin, CEO of [IR35 Shield](#)

Despite believing the IR35 rollercoaster had been packed away, last September 2022, during his brief 38-day stint as Chancellor, Kwasi Kwarteng announced the intention to repeal the Off-Payroll working ("OPW") legislation. We all strapped in again for 24 days of unnecessary twists and turns until his successor Jeremy Hunt kicked the fairground back out of town. But now, with repeal not happening, the structural flaws still exist, which is not helping the Conservatives' popularity with the flexible workforce. Therefore, the incumbent

Government may seek to legislate fixes to garner support from the self-employed vote at the next general election.

Despite voting the original legislation in, many backbench Conservative rebels did try to delay the reforms. Still, the reforms were forced through Parliament by a three-line whip led by the then Prime Minister, Boris Johnson. Whilst I don't discount that HMRC, the designers of the legislation, had a valid point about some tax avoidance occurring, the implementation resembles a plate of food

a hungry dog might chomp down early evening. With the recent Budget signalling a pressing need to facilitate UK Growth, it is paramount that the structural flaws get ironed out to unleash the flexible workforce.

Despite the flaws, the OPW dust has begun to settle, but I think we need another two years. The pop-up IR35 experts have largely left the market, and large firms are taking a more considered approach to compliance and beginning to engage contractors again.

HMRC Reports

Last year I referred to an HMRC-commissioned study which reported that 61% of central bodies in the public sector had agreed the reform had been burdensome.

In December 2022, the same independent researchers published another report examining the impact on the private sector. The findings indicate that, compared to HMRC's impact statement presented to Parliament, private sector firms are spending 74 times HMRC's estimated cost to run Off-Payroll regimes.

It appears the Conservative approach to growing the economy and oiling the wheels of industry is to apply legislative glue rather than oil. The Ministers must be cursing the Treasury.

What are the structural issues?

Last year, the National Audit Office (NAO) report highlighted the main issue – double or quadruple taxation. The taxation defect is

due to the non-existence of an automatic offsets mechanism which would then take into account tax already paid by the contractor. Instead, both parties get taxed. The bizarre consequence of this anomaly means that where firms get determinations wrong, they can end up with tax bills over four times what they should pay, and contractors pay zero tax. Nothing can stop a contractor from claiming an engagement is "Inside IR35" after they've been paid and choosing to pay no tax. It's unclear how this

loophole would be unravelled by HMRC – which may involve multi-year battles arguing contrary positions to both parties. Quantum tax enquiries!

Following the publication of the NAO report, the issue was picked up by the Public Accounts Committee (PAC) and highlighted in its May 2022 report. In December 2022, the Treasury promised that it would be fixed. When the fix arrives, there are £billions of reasons why it must be retrospective.





The impact on hiring firms and agencies means that when a firm properly adheres to its compliance obligations, the chances of falling victim to a successful HMRC challenge are virtually zero.

HMRC's Check Employment Status for Tax tool

We continue to see much less use of HMRC's Check Employment Status for Tax tool, especially since the Atholl House ruling, as many firms have realised its shortcomings. CEST was built upon HMRC's 'policy view' of status, which the Court of Appeal told us was wrong.

Case law certainty

As predicted last year, there is now more clarity and certainty in IR35 case law. Certainty arrived on 26th April 2022 when the Atholl House Court of Appeal ruling was published. Whilst there are still IR35 cases ongoing, I foresee more certainty – the IR35 case law is not in a state of flux anymore.

The reality is that the case law never was in a state of flux. HMRC had taken a very narrow 'policy view' on aspects of status case law interpretation, which were all largely dismissed at the Court of Appeal. The judges found minor errors in the Atholl case, and it's heading back to the First-Tier Tribunal. But the main interpretation war on status case law is essentially over.

HMRC will need to decide whether to fix or ditch CEST. Perhaps a warning sign would be helpful because it's not been updated for years. Both CEST and the written online HMRC guidance are still out of date.

The misalignment of CEST with the law is another reason large firms give CEST a wide birth. New rules introduced for large

companies mean they must report to HMRC if they adopt tax positions contrary to HMRC's published view – even if that view isn't current. So, if you don't use CEST, which is not mandatory, you don't know HMRC's view. If you use it, even though it's wrong, you have to report to HMRC where you disagree.

The NAO, House of Lords, and PAC recommended that HMRC revisit and improve CEST. CEST is receiving a lick of paint to update its user interface, but the underlying decision engine is not changing. A wasted effort, really – it doesn't matter how

beautiful the chassis looks if the engine keeps misfiring.

Consultancies & agencies

Consultancies continue to flourish, grabbing market share from traditional recruitment agencies. When clients fully outsource to consultancies, they do not have to consider Off-Payroll.

With the consultancy/associates model likely to thrive more, there is potentially a niche market for a new agent type that works

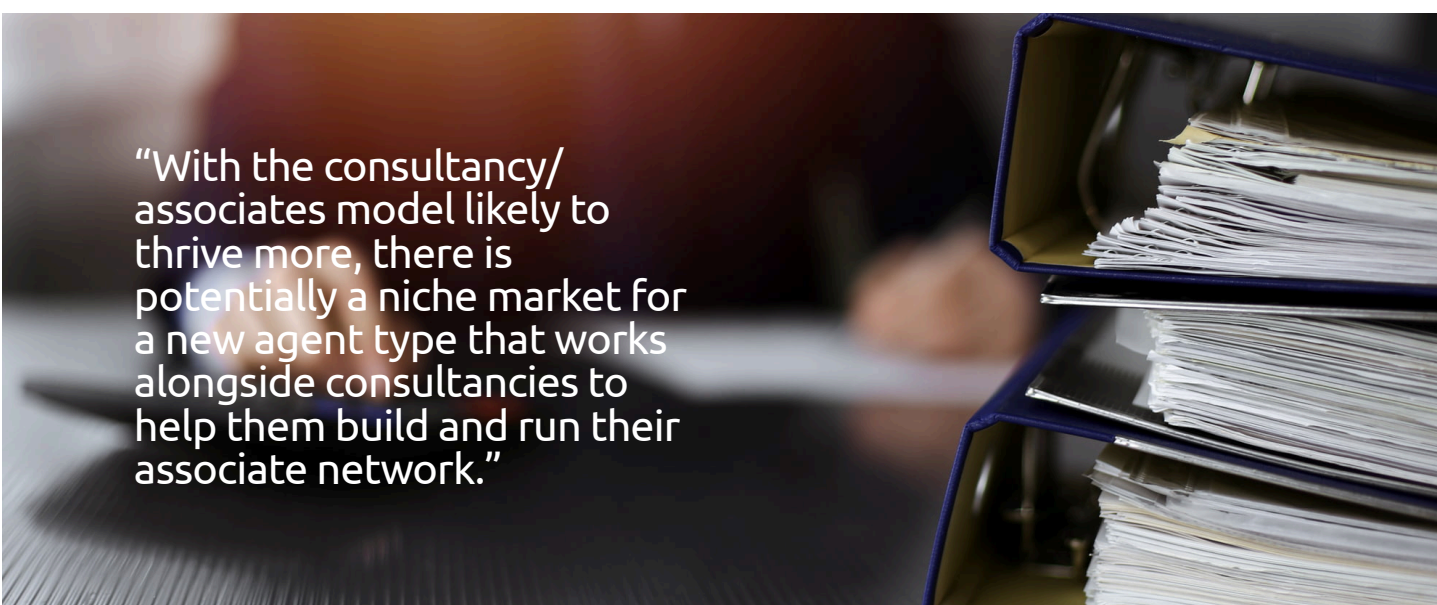
alongside consultancies to help them build and run their associate network.

The approach by agencies remains mixed. Some are grasping the detail and helping their clients, while others are still attracted to quick-fix shortcuts, which are more aligned with reducing friction to get placements made. I believe the latter may discover that the cheap solutions are the most expensive during the enforcement era.

The future?

HMRC and Treasury made a complete mess of Off-Payroll, and the Conservatives regret waving it through without sufficient scrutiny. The Big Blind Dog-led approach has proven politically toxic for the Conservatives, resulting in their grassroots voters shunning them.

For this reason, I hope the politicians will step in and resolve some of the issues so that the contracting market will continue to recover and thrive.

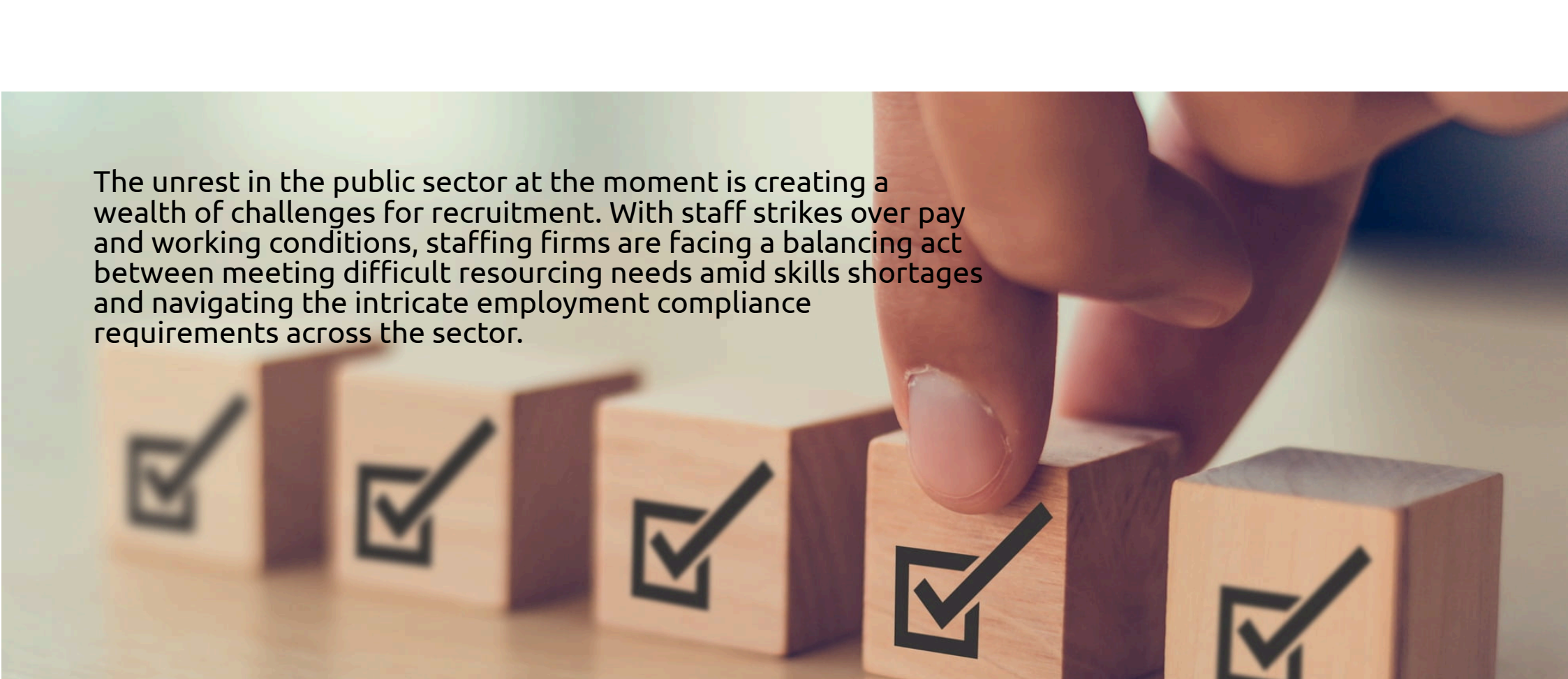


“With the consultancy/associates model likely to thrive more, there is potentially a niche market for a new agent type that works alongside consultancies to help them build and run their associate network.”

Disjointed Compliance

Compliance: Tania Bowers, Global Public Policy Director at APSCo on how compliance requirements in the public sector should be addressed.





The unrest in the public sector at the moment is creating a wealth of challenges for recruitment. With staff strikes over pay and working conditions, staffing firms are facing a balancing act between meeting difficult resourcing needs amid skills shortages and navigating the intricate employment compliance requirements across the sector.

The political upheaval the UK is experiencing certainly isn't helping this situation, but both of the main political parties are in general agreement that the skills conundrum needs to be addressed. While there isn't one 'silver bullet' solution to this, the complexities around compliance in many of the skill-short sectors is certainly a driving factor.

If we take a closer look at the healthcare, social worker and education specialisms, for example, the compliance challenges are significant.

Education staffing concerns

In the education remit, the need to safeguard

students has meant that compliance has always been a highly detailed process for recruitment, whether that's for permanent or supply teachers. There is a range of criteria and requirements that recruiters need to meet in order to supply professionals to the sector which requires regular reviews to remain up-to-date.

Meeting the requirements of the education recruitment regulations is a complex issue that deserves its own focus, but at APSCo we have developed our Compliance+ standard that audits recruiters to ensure they are adhering to not only DfE regulations, but also the best-practice standards that have been outlined in conjunction with external stakeholders such as the National Association of Head Teachers, VOICE, SGOSS (the Governors Association), the Association of School & College Leaders and the National Association of School Business Managers.

Obviously, we can't discuss public sector compliance without also talking about the current strike action. For the education sector in particular, the strikes are creating a significant challenge for planning, largely driven by the fact that head teachers cannot ask staff who is planning to strike and when.

This makes it almost impossible to plan how many temporary workers will be needed at any given time and has resulted in school closures instead. The Minimum Service Level

Bill is likely to alleviate a significant level of this pressure, particularly alongside the amendment to law to allow agency workers to replace those on strike. However only time will tell if temporary workers themselves are willing to replace their peers on the picket line during this action.

Lack of uniformity in healthcare

The healthcare recruitment compliance landscape is becoming increasingly complex to navigate, which is only adding to the skills shortages noted in the sector. While Brexit has historically been blamed for the





"Trained medical professionals are increasingly recognising that they can access better salaries internationally or by working in the UK in the private sector."

resourcing challenges across the NHS, it wasn't the pivotal moment that broke the healthcare sector. Overall, the hiring process across this area is disjointed.

Budgets in healthcare are certainly difficult to balance and have been an influencing factor in the current staff shortages. However, it's important to highlight that where resources are unavailable to fill roles

within framework requirements, employers are going off framework which is in turn putting more financial pressures on the NHS. Meanwhile, trained medical professionals are increasingly recognising that they can access better salaries internationally or by working in the UK in the private sector.

Encouragingly, we are beginning to see movement in this area, with a

recent [consultation](#) concluding with a commitment from the Government to reform the legislative framework for regulated health and care professionals in the UK. The recognition in the response that the current model is "rigid, complex and needs to change to better protect patients, support [the UK's] health services and to help the workforce meet future challenges" shows that the professional staffing sector's voice is

being heard through our own lobbying and that of other recruitment leaders.

There is also a general lack of conformity which is hindering recruitment and contributing to the increased costs of hiring nurses, GPs and doctors. The nuances across Clinical Commissioning Groups (CCGs), for example, can mean that an individual is compliant to work for a Trust hospital that falls under one CCG, but not necessarily another hospital or primary care centre that operates under the same group.

There are differing levels of compliance requirements across social, primary and hospital care settings under each CCG that will hinder recruitment firms. Encouragingly, this has been broadly recognised and we're seeing staffing firms, such as NHS Professionals, pushing forward with reforms which will drive uniformity across CCGs – something we at APSCo will continue to support through collaboration with our other members and groups such as the British Hiring Institute.

Social care challenges

Many of the compliance challenges for the healthcare sector are translating across the social care specialism as well. The irregularities across the sector, for example, mean that recruiters can't transfer workers across employers easily.

We are seeing an increased focus on minimising the use of agency workers through restricted use of these workers or fixed fees. The current Government consultation [Child and family social worker workforce](#), for example, focuses on plans to set caps on what local authorities can pay an agency worker and strict rules around the post-qualified experience needed to take up an assignment.

This open consultation is driven by a need to drive up standards across the social worker workforce and increase continuity of care for children which we certainly welcome. However, there is also a focus on reducing overall spend on temporary staff, which

although understandable ignores the fact that contractors will always play a valuable focus in filling staffing gaps and temporary workers should be part of the solution too. As we've seen already across the NHS, the challenge with overly complex framework requirements is that it can lead to employers going off framework to fill skills gaps. This leads to a greater risk of overspend and can prove more costly in the long-term.

What's next for compliance?

Recruitment compliance in the public sector is particularly complex. For the sectors mentioned above, this is being exacerbated by disjointed processes that can be fixed, but the staffing sector itself needs to be a leading part of this conversation. It is the staffing companies operating in these areas that can connect the dots and help fill some of the skills gaps in the interim and best inform sustainable future strategies.



**“No problems at all giving 5 stars.
Really welcomed the pension salary
sacrifice capability. Nothing to not like!”**

– Richard, Umbrella contractor

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Engaging Efforts

Retention: Nicki Robson, managing director of Breedon Consulting on keeping your staff.

A hand is holding a wooden block with the text "EMPLOYEE ENGAGEMENT" in bold, red, uppercase letters. The block is part of a larger stack of wooden blocks, each featuring a different red icon representing business concepts such as a checklist, a handshake, a group of people, a lightbulb, a target, a pie chart, and a gear. The background is a plain, light-colored surface.

**EMPLOYEE
ENGAGEMENT**



"In 2022 we saw the great resignation, with one in four workers leaving their jobs, but now ongoing economic uncertainty means we're seeing quite the opposite."

Recession or not, many employees are currently worried their jobs are at risk if businesses tighten their belts this year. Global HR experts Remote recently surveyed thousands of employees to discover how Britain's workforce feel about the year ahead, and found 44% are concerned about job security.

In 2022 we saw the great resignation, with one in four workers leaving their jobs, but

now ongoing economic uncertainty means we're seeing quite the opposite. Employees are concerned about the economy. In this context, there are several ways business owners can support their team.

Focus on employee engagement

Investing in employee engagement can not only help to increase productivity and work

quality, but also retain top talent. Employee engagement is one of the most important factors of your business and is key to your overall success. Having a disengaged workforce can lead to high staff turnover, poor quality of work being produced and a breakdown in supplier or client relationships. Internal communication is key to improving employee engagement.



Create an environment where your team want to be involved in their work, they're enthusiastic about the company they work for, and they feel valued. You can do this is by prioritising training and development for employees, encouraging collaboration and communication with internal catch ups and brainstorms, checking in regularly with everyone and facilitating opportunities for your team to learn and grow.

Be flexible and adaptable

Being flexible to the needs of your employees can help to build trust between you and your team. For example, adopting a hybrid working policy to allow a few days working from home or flexitime, where employees adapt their working hours to finish earlier but still work the same contracted hours.

For many candidates, flexible working is now considered an expectation. They are no longer purely driven by salary or company benefits, but instead they seek roles that don't require them to be in the office five days a week.

It's also important to be flexible around deadlines. For example, if an agreed deadline changes and moves closer, be sure to support your employee to shift other priorities around to meet the new deadline and help to manage their stress around this.

Create a positive work culture

With the move to hybrid and remote working, following the pandemic, businesses have had to make changes to their culture in order to stay connected to their team. The shift to home working gave companies a change to re-evaluate everything. Whether people are at home or in the office, it's important they have a positive work environment. They must feel valued, engaged and inspired in order to be productive.

"Employees search for roles that not only offer flexibility but also provide great benefits, rewards and incentives."

While there's no quick fix to achieving a positive work culture overnight, every business can benefit from implementing a mission, vision and values within its workplace and workforce. Having a mission statement is key to motivating employees to achieve results as a company, a vision helps them to understand what it is you want to accomplish and where you want to be, and values are what you stand for and how everyone agrees to work with one another.

Reassess your company benefits

The end of the year, or financial year, is a great time to reassess your company benefits and decide whether you want to enhance your offering or include additional ones to help retain your team.

Employees search for roles that not only offer flexibility but also provide great benefits, rewards and incentives. The most desirable company benefits include a good pension scheme, private medical or health insurance and wellbeing perks such as gym memberships, discounted spa visits and the option to take days off to support your mental health.

Offering 28 days and above holiday entitlement, or the option to buy more, is also a great perk for your team. With greater freedom to have paid time off work, throughout the year, you may find your workforce is more productive and see a decrease in recorded sick leave.

Provide personal development opportunities

One of the best ways you can nurture and retain talent is by setting out personal development goals and opportunities for them. Start by asking them what they want to achieve, what part they'd like to play within the company and what their short-term and long-term ambitions are.

By having a clear path to progression and development, employees are going to feel much more positive about working within the business. They will feel valued, and in return they will work hard to achieve those goals set out, with the hopes to gain a promotion or pay rise – which is key to making them feel secure.

To find out more about Breedon Consulting, or if you require HR advice on employee retention, please visit www.breedonconsulting.co.uk

Thank you