



LABOUR SUPPLY CHAIN PAYMENT CHARTER – DRAFT

Fair and transparent payment practices are essential for the protection of workers and the achievement of successful partnership working between labour providers and labour users. This Charter aims to create a more collaborative culture and ensure a strong, resilient, and sustainable labour supply chain in the UK.

By becoming a signatory to this Charter, an organisation agrees to apply the fair payment commitments in its dealings with its UK supply chain, to be monitored for the purposes of compliance by reporting against a set of agreed key performance indicators (KPIs), and to consider the performance of its supply chain against the agreed KPIs when awarding contracts.

FAIR PAYMENT COMMITMENTS

LABOUR PROVIDER:

1. We calculate and detail charge rates in accordance with statutory provisions and industry guidelines to include all payments due to the worker and government.
2. We make full and correct payment as and when due to workers for all time worked. All pay and deductions are itemised on payslips that are received by workers prior to payment.
3. We make full and correct payment of all appropriate statutory benefits workers are entitled to, including Statutory Sick Pay, Maternity or Paternity pay and pensions.
4. We ensure that calculation of holiday entitlement will be transparent and accrued, calculated, and paid to workers in accordance with statutory provisions.
5. Payment due to a worker in respect of any work they have done is not withheld or unreasonably delayed on the grounds that payment has not been received from the labour user or for any matter within the control of the labour provider.
6. We do not charge directly or indirectly, any recruitment fees or related costs to workers and we apply contractual provisions requiring likewise to recruitment intermediaries and sub-agents that may be used in the recruitment supply chain - with appropriate due diligence to confirm adherence.
7. We earn no profit from our workers or applicants other than that charged to clients. Where services such as transport or accommodation are provided, fees are no more than the cost of provision, and we earn no incentives, kickbacks, or commissions from third parties who supply goods or services to our workers.
8. Workers are engaged by us directly in a recognised employment relationship.

LABOUR USER:

1. We pay a charge rate for supplied labour that takes into account the particular costs of supply plus a sustainable net margin in accordance with statutory provisions and industry guidelines.
2. We do not apply any type of payment or discount including “Flat Fee/Pay to Stay” payments, prompt payment or retrospective discounts as an incentive or requirement to be on a supplier list, as an “investment into potential future business opportunities” or other similar types of arrangements.
3. We pay the labour provider within 30 calendar days from the end of the week in which the labour was supplied.
4. We make correct full payment as and when due for all labour supplied, in accordance with the contract. We do not deliberately delay or unreasonably withhold payment or change terms retrospectively to extend agreed payment dates.
5. Service and statutory cost variations are agreed promptly and fairly and payments for such variations are included in the payment immediately following the completion of the varied contract terms.
6. We adopt a transparent, honest, and collaborative approach when resolving differences and disputes with the labour provider. We ensure any withholding of payment due to supply disputes is proportionate and clearly, specifically and demonstrably justified in line with the arrangements set out in the contract and relates only to the labour time in dispute.
7. We pay all indirect working time costs including time spent on training, induction, travel between sites and changing time.
8. Where workers are ordered, arrive and are subsequently not used, or not used for the full shift, we pay at least a minimum attendance payment.

