

Our 5 tips to avoid unexpected agency fees



Many Care Homes are turning to employment and recruitment agencies to provide temporary workforce solutions. Although agencies must comply with The Conduct of Employment Agencies and Employment Businesses Regulations 2003, practices can be caught out by unexpected charges when agencies claim for “introduction”, “placement” or “transfer” fees in respect of locum staff.

These fees can be substantial. They are often calculated with reference to a percentage of the worker’s annual salary or multiple of their hourly rate and there is no restriction on the level of fee which agencies can charge where they have been legitimately incurred.

For example, agencies may try to charge fees where:

A temporary worker has been supplied by more than one agency to a Care Home and there has not been a sufficient ‘gap’ between engagements.

A temporary worker is introduced to a third party by a Care Home and the third party then directly employs the worker.

A temporary worker who has been supplied by an agency is later directly employed by a Care Home.

An agency has provided a CV or information about a temporary worker to a Care Home, or an interview has taken place, and whilst the worker is not engaged immediately they are later supplied via a different agency or hired directly.

Capsticks’ experts have significant expertise in helping clients minimise the risk of being caught unawares with additional fees. Here are our top 5 tips to enable you to reduce your risk:

1

Advise agencies that **unsolicited CVs will not be looked** at and inform them that only specific authorised individuals can bind the Care Home to an agency’s terms and conditions.

2

Use agencies that are members of the **Recruitment and Employment Confederation** (“the REC”) who require their members to adhere to a Code of Professional Practice.

3

Ensure that all **staff members involved in recruitment decisions** are aware of the risk of agency fees.

4

When agencies offer a worker to fill a vacancy, request that they **establish whether the workers offered are, or have been, registered with other agencies** and/or previously introduced or worked for the Care Home through another agency.

5

Keep track of supplies of agency workers using a central and searchable database to avoid re-engaging workers through more than one agency or directly.

HOW WE CAN HELP

Our specialist team have helped many clients to navigate the terms and conditions of employment agencies, applying the Regulations and successfully rebutting or reducing claims for introduction, placement or transfer fees.

We can provide you with fast and cost effective advice on whether an agency's terms and conditions comply with the Regulations and assist in negotiations with agencies regarding fees charged and/or defending claims.

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