

As the modern workplace moves further away from the traditional ‘binary divide’ between ‘employee’ and ‘self-employed’, is the traditional employment law framework being stretched beyond its limit?

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Abstract

The Taylor Review of Modern Working Practices 2017 states that ‘the way in which employment protections are applied, relies on individuals and employers understanding the type of relationship that exists between them – most basically, deciding whether the individual is an ‘employee’, a ‘worker’ or genuinely self-employed’. Concluding his report, Taylor found that, for numerous reasons, this categorisation was becoming more complex for an increasing proportion of the workforce; those in ‘atypical’ employment. In view of this complexity, this article seeks to analyse the law in which an individual is legally classified in their employment status. In particular, the article questions whether English law has released itself from its historic shackles of the binary divide between the employed and self-employed to protect those in atypical employment in modern working practice? Or has the judiciary over stretched the elastic of the legal framework leading to a need for legislative reform?

Keywords

Employment Law, Employment Status, Workers, Gig-Economy, Employment Rights Act, Modern Working Practice, Taylor Report, Employee

I. Introduction

In his recent article, Jeremias Prassl suggests that, '(t)he structure of English employment law today has long outgrown the traditional binary divide between the employed, and self-employed'.¹ With 'atypical' employment becoming an increasing sector of modern working practice, it must be questioned if the current legislative framework provides adequate clarity for an individual who finds him or herself uncertain as to their actual employment status.²

In his recent review, Matthew Taylor concludes that, for numerous reasons, this traditional categorisation is becoming increasingly complex for an 'increasing proportion of the workforce'.³ This article calls into question whether 'the number of cases in the courts each year, are evidence that the lack of clarity in the law itself is central to a growing problem',⁴ or whether, in contrast, the current legal framework is working effectively to allow the courts to apply the law to prevent unjust outcomes.⁵

This article argues that as the modern working practices move away from the traditional working practices, further into atypical employment, the traditional legal framework is being stretched beyond its elastic limit. The flexibility of the common law has allowed the law to adapt and mould; however, as this article argues, it is now time for the legislator to step in and cater for the needs of the fast-growing modern working practices in the field of employment. In order to evaluate these issues, the legal definitions of 'employee', 'worker' and 'self-employed' must first be examined before then analysing the way the courts have construed these terms by reference to case law. The article also considers complex working arrangements and definitions therein, in light of the 'Gig Economy', before bringing this discussion to a conclusion.

¹ Jeremias Prassl, 'Who is a worker' (2017) 133 Law Quarterly Review 366

² Department for Business innovation and Skills, 'Employment Status Review' (December 2015)

<https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/585383/employment-status-review-2015.pdf>

³ Matthew Taylor, 'Good Work: The Taylor Review of modern Working Practices' (Department for Business, Energy & Industrial Strategy 2017)

<https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/627671/good-work-taylor-review-modern-working-practices-rg.pdf>

⁴ *ibid*

⁵ Department for Business innovation and Skills (n2)

II. Statute

Statutory and common law rights attaching to employment status⁶ make it vital for an individual to identify the ‘limbs’ of classification arising from the Employment Rights Act (ERA).⁷ Although the ERA s230⁸ provides a definition for each limb, drawing distinctions between them has proved troublesome, over the years, as a result of the ‘skeleton’ wording adopted within Statute.⁹

The ERA¹⁰ definitions have proven to be notoriously unhelpful,¹¹ therefore resulting in the actual test for determining whether an individual will be classified as an ‘employee’, as has been addressed through the development of case law.¹² As the evolution of the case law progresses, the courts have sought to differentiate between (a) those in ‘employment’, (b) those in ‘self-employment’ and finally (c) those who are neither, but fall into a category of their own – a worker. According to the Eurofound European Industrial Relations dictionary,¹³ ‘atypical employment, refers to employment relationships not conforming to the standard or “typical” model of full-time, regular, open-ended employment with a single employer over a long time span’.¹⁴ Individuals such as agency workers or those on a zero-hour contract may appear to fit into this category.¹⁵

However, the question this article raises, is whether the courts are able, with the adaption of ‘tests’,¹⁶ to keep up with the growing changes in order to cater for those in employment such as the ‘gig-economy’,¹⁷ in order to protect such workers.

It is noteworthy however, that a contract, whether expressed orally or in writing, must be in place for an employment status to exist.¹⁸

⁶ David Cabrelli, *Employment Law in Context* (3rd edn, OUP 2018)

⁷ Employment Rights Act 1996, s 230

⁸ *ibid*

⁹ *Montgomery v Johnson Underwood Ltd* [2001] EWCA Civ 318

¹⁰ Employment Rights Act 1996

¹¹ Gwyneth Pitt, *Employment Law* (9th edn, Sweet & Maxwell 2014)

¹² Department for Business innovation and Skills (n2)

¹³ Eurofound, ‘Very atypical work: Exploratory analysis of fourth European Working Conditions Survey - Background paper’ (Eurofound 2010)

<https://www.eurofound.europa.eu/sites/default/files/ef_files/pubdocs/2010/10/en/2/EF1010EN.pdf>

¹⁴ Department for Business innovation and Skills (n 2)

¹⁵ Cabrelli (n 6)

¹⁶ Terminology adopted in this paper to describe the common law tests evolved in case law

¹⁷ As defined in the Cambridge Dictionary: ‘A way for working that is based on people having temporary jobs or doing separate pieces of work, each paid separately, rather than working for an employer’

¹⁸ Fundamentally if no contract exists, there cannot be a contract of service

III. The common law journey

During the nineteenth century, control was regarded as the sole determining factor when considering employment status,¹⁹ as introduced in the historic case of *Yewens v Noakes*²⁰. The notion was that ‘a servant [was] (*sic*) subject to the command of his master’²¹. With the skill of the labour market increasing however, the courts quickly found this inadequate.²² Subsequently in *Walker v Crystal*,²³ it was recognised that although control was still of importance, the relationship was different. Therefore, when the courts continued rigidly applying the historical concept of ‘control’,²⁴ criticism followed²⁵ and a more realistic approach was adopted to incorporate vicarious liability (e.g. in *Cassidy*),²⁶ thus keeping with modern advances of the employee/employer relationship. With difficulty ‘using a legal rule... that survived social conditions from which it had been an abstraction’,²⁷ the courts began to widen the ‘control’ factor. For example, in *Gibb v United Steel Company*,²⁸ the ‘right for control’ was established, whilst in the case of *White v Troutbeck*,²⁹ a mere ‘theoretical’ element was deemed to be sufficient. Going one step further, *Beloff v Pressdram*.³⁰ illustrated that the greater the skill of an individual, the less significant control would be³¹.

With control no longer as determinative as it once was,³² this ‘stand-alone’ test was deemed inadequate within the modern industrial context and began to break from its historic shackles. The courts did however show reluctance to let go of control completely,³³ and balanced with caution, they introduced further elements to deal with growing modernisation.

The first of these elements, ‘integration’, appeared in the 1930’s and provided an explanation for the middle class and managerial roles to be included in the employee

¹⁹ Astra Emir, *Selwyn’s Law of Employment* (19th edn, OUP 2016) 44

²⁰ *Yewens v Noakes* [1880] 6 QBD 530

²¹ As stated by Bramwell LJ in *Yewens v Noakes* [1880] 6 QBD 530

²² Refer to *Hillyer v The Governors of St Bartholomews Hospital* [1909] 2 KB 820

²³ *Walker v Crystal Palace Football Club* [1910] 1 KB 87

²⁴ *Hillyer v The Governors of St. Bartholomew’s hospital* [1909] 2 KB 820

²⁵ Simon Honeyball, *Textbook on Employment Law* (13th edn, OUP 2014), with example of criticism in *Lindsey County Council v Mary Marshall* [1937] 2 All ER 1076

²⁶ *Cassidy v Ministry of Health* [1951] 2 KB 343

²⁷ Otto Kahn-Freund, ‘Servants and independent contractors’ (1951) 14 *Modern Law Review* 504, 505-6

²⁸ *Gibb v United Steel Company* [1957] 2 All ER 110

²⁹ *White and Anor v Troutbeck SA* [2013] EWCA Civ 1171

³⁰ *Beloff v Pressdram* [1973] 1 All ER 241

³¹ Emir (n 19)

³² *Whittaker v Minister of Pensions and National Insurance* [1968] 2QB 497

³³ Honeyball (n 25)

category.³⁴ *Stevenson v McDonald*,³⁵ stated work must be an integral part of the business, however, the case failed to define ‘integration’.³⁶ In *Winder*,³⁷ it was even doubted that they ever intended to lay down this particular test.³⁸ As time has passed, modern working relations have consequently resulted in integration being considered less effective³⁹ and thus less likely to be used.⁴⁰ In contrast, the new notions of ‘economic reality’ and ‘mutual obligation’ arose.⁴¹

Economic reality, introduced in the 1940’s, focused on the burden of financial risk. *Investigations v Minister*,⁴² highlighted important factors such as an individual owning their own equipment, hiring their own helpers and the degree of financial risk taken.⁴³ Put simply, if a worker is in business on his own account, this was seen as an indication of self-employment.

Parallel to this development arose the factor of ‘mutual obligation’. Fundamentally, this related to the consideration⁴⁴ of contract, however the notion was adapted to suit the employment context.⁴⁵ It is an ‘irreducible minimum’⁴⁶ of a contract of service and coupled with ‘control’, it is an ‘essential prerequisite’,⁴⁷ as *Montgomery*⁴⁸ affirmed. A high level of personal service,⁴⁹ with obligations both for the employer to offer work and for the employee to accept that work, combine to create the foundation of this factor. If neither are present, it is unlikely a contract of service will exist.

Nonetheless, this factor proved troublesome.⁵⁰ *Stringfellow v Quashi*⁵¹ showed that a lack of obligation to pay an individual would lead to non-fulfilment of mutual obligation and thus the employee relationship would not exist. Continuous employment arose from this factor and became fundamental for satisfying it;⁵² without ‘continuous’ employment a contract could not

³⁴ Cabrelli (n 6)

³⁵ *Stevenson, Jordan and Harrison v McDonald and Evans* [1952] 1 TLR 101

³⁶ Honeyball (n 25)

³⁷ *Winder* [1964] 80 LQR 160

³⁸ Honeyball (n 25)

³⁹ Business outsourced work which was integral but to workers who were not employees

⁴⁰ Pitt (n 11) 96

⁴¹ Simon Deakin and Gillian S Morris, *Labour Law* (16th edn, HART 2012)

⁴² *Market Investigations Ltd v Minister of Social Security* [1969] 2 QB 173

⁴³ Stated by Cooke L in *Market Investigations Ltd v Minister of Social Security* [1969] 2 QB 173

⁴⁴ As expressly defined in *Nethermere (St Neots) Ltd v Gardiner and another* [1984] IRLR 240

⁴⁵ Deakin and Morris (n 41) 164

⁴⁶ *Carmichael v National Power Plant PLC* [2000] IRLR 43

⁴⁷ Emir (n 19) 43

⁴⁸ *Montgomery v Johnson Underwood Ltd* [2001] EWCA Civ 318 - affirmed in *Stephenson v Delphi Diesel Systems* [2003] ICR 471

⁴⁹ *MacFarlane v Glasgow City Council* [2001] IRLR 7

⁵⁰ Douglas Brodie, ‘Employees, Workers and the Self-Employed’ (2005) 34 *Industrial Law Journal* 253

⁵¹ *Stringfellow Restaurants Ltd v Quashie* [2012] EWCA Civ 1735

⁵² Hugh Collins, ‘Employment rights of casual workers’ (2000) 29 *Industrial Law Journal* 73, 76

exist, as endorsed in *O'Kelly v Trusthouse*⁵³ and *Clark v Oxfordshire*.⁵⁴ However, *O'Kelly*⁵⁵ criticised this could undermine every labour right,'⁵⁶ as he compare the notion in its purest form and argued it was absurd that an individual would only qualify during a working period, with a bold comparison of 'an actual employee not being an employee during their lunch break'.⁵⁷

Conversely, the courts recognised this and have in certain situations scrutinised working practices in order to find this obligation, whereas on the surface it seems non-existent, as exemplified in *Airfix*⁵⁸ and *Nethermere*.⁵⁹ Although a positive outcome, with these conflicting rulings, it seems the courts are unsure of the application of mutual obligation,⁶⁰ which begs the question as to how an individual should be able to follow such complexity?

With strict application creating odd results,⁶¹ the notion of continuous employment has at times been abused by employers in order to evade rights, thus damaging the chances for workers to be able to demonstrate that they are in fact employed.⁶²

The final element, stems from the 1970's, where the courts looked to the employment contract at hand. For example, in the case of *Massey v Crown Life Insurance*,⁶³ the label given to the individual was deemed to be genuine and thus effected the relationship. However, in such situations, concerns about adherence to contractual principles become a barrier to employment protections.⁶⁴ Consequently, this lead to policy concerns, where enterprises with significant bargaining powers formulate contracts on a 'take it or leave it' basis⁶⁵ in order to contract out of obligations.

⁵³ *O'Kelly v Trusthouse Forte plc* [1983] ICR 728

⁵⁴ *Clarke v Oxfordshire Health Authority* [1998] IRLR 125

⁵⁵ *O'Kelly v Trusthouse Forte plc* [1983] ICR 728

⁵⁶ Ewan McGaughey, 'Uber, the Taylor review, Mutuality and the Duty Not to Misrepresent Employment Status' (2019) 48 *Industrial Law Journal* 180

⁵⁷ *ibid*

⁵⁸ *Airfix Footwear v Cope* [1978] ICR 1210

⁵⁹ *Nethermere (St Neots) Ltd v Gardiner and another* [1984] IRLR 240

⁶⁰ As shown in *Stringfellow Restaurants Ltd v Quashie* [2012] EWCA Civ 1735 and *O'Kelly v Trusthouse Forte plc* [1983] ICR 728 where the courts through hierarchy and changing their decisions

⁶¹ Deakin and Morris (n 41) 168

⁶² Brodie (n 50)

⁶³ *Massey v Crown Life Insurance Company* [1978] IRLR 31

⁶⁴ Brodie (n 50)

⁶⁵ Cabrelli (n 6) 66

IV. The flexibility of the common law

Alongside the above concerns, the courts began to recognise the notion of ‘sham contracts’.⁶⁶ Clauses such as ‘substitution’⁶⁷ in contracts break personal service, and thus when applying the traditional test laid out by the courts to establish employment, it would consequently result in the contract breaching the principle of mutual obligation, resulting in a classification of self-employed. Originally the courts took a literal approach to these clauses, as shown in *Express Echo*,⁶⁸ where although the term was not used, they decided it did not result in the contract constituting a ‘sham’.⁶⁹

However, with the potential for the clause to assist disguised employment,⁷⁰ the courts began to take a more robust stance in the face of inappropriate categorisation.⁷¹ For example, in *Autoclenz v Belcher*,⁷² the courts looked to the practical arrangements as opposed to the actual terms themselves. In *Pulse v Carewatch*,⁷³ it was considered unrealistic to state that there was no contract, seemingly representing a shift towards a factual approach.⁷⁴ The case of *McFarlane v Glasgow*,⁷⁵ continued this approach, deciding that a clause did not default the status. In contrast however, the case of *Staffordshire v Potter*,⁷⁶ took a different view and the courts held this negated the element of personal service.

This constant change of stance by the courts, and cases littered with different outcomes on such clauses, raises a serious question as to where this leaves an individual; i.e., who on the surface appears to be self-employed but may in fact be a worker in disguise? It raises the question whether something should be done to help those ‘who have almost every aspect of their work controlled by a business, yet are still not considered a worker’ if such a clause exists?⁷⁷

⁶⁶ *ibid*

⁶⁷ A clause where an individual can send another in their place for the job

⁶⁸ *Express and echo Publications limited v Tanton* [1999] IRLR 367

⁶⁹ As said by Peter Gibson LJ in *Express and echo Publications limited v Tanton* [1999] IRLR 367

⁷⁰ As evidence in the case of - *Redrow homes (Yorkshire) Ltd v Wright* [2004] EWCA Civ 469 where the courts were reluctant to interpret a contract in a way that they would lose statutory provisions

⁷¹ Brodie (n 50)

⁷² *Autoclenz Ltd v Belcher* [2011] UKSC 41

⁷³ *Pulse Healthcare Ltd v Carewatch Care Services Ltd* [2012] All ER 319

⁷⁴ With further cases such as *MacFarlane v Glasgow City Council* [2001] IRLR 7, holding that it did not cease to be an employee because there was a clause

⁷⁵ *MacFarlane v Glasgow City Council* [2001] IRLR 7

⁷⁶ *Staffordshire sentinel newspapers Ltd v Potter* [2004] IRLR 752

⁷⁷ Katie Bales, Alan Bogg and Tonia Novitz, ‘Voice’ and ‘Choice’ in Modern Working Practices: Problems With the Taylor Review’ (2018) 47 *Industrial Law Journal* 46

The inadequacies of these factors or tests in isolation, resulted in the development of the ‘multi-factor’ approach.⁷⁸ In the case of *Ready Mixed v Minister of Pensions*,⁷⁹ the facts pointed to both the employee and to self-employed; a notion not uncommon to modern working practices. Here, guidance was given as to the three key elements to be satisfied for a contract of service to exist: (a) providing their own work and skill in return for payment; (b) being subject to an element of control; and (c) being consistent with a contract of service.⁸⁰

The case of *Carmichael*⁸¹ further developed the concept⁸² of an irreducible minimum, without which it would be impossible for an employment contract to exist. Yet with such a notion, it was seen odd that no actual specification was provided. Thus, as cases went to court, a judgement on individual facts was adopted.⁸³ Later in *Autoclenz*,⁸⁴ where the courts set an exhaustive multi-factor test for who is an employee, the courts recalled the factors from *Ready Mixed Concrete*⁸⁵ and ‘recapitulated them in light of the authorities it approved’.⁸⁶ In their decision, the courts concluded that an irreducible minimum obligation would be defined as: consideration, a sufficient degree of control, and an element of personal performance of work by one’s own hands. Underpinning this, was the overall guiding principle that ‘the relative bargaining power of the parties must be taken into account’.⁸⁷ The factors that may be taken into consideration are non-exhaustive.⁸⁸

Sadly, however, it seems that uncertainty remains and this is evidenced by the courts tendency to revert back and forth between previous decisions.⁸⁹ ‘The common law is littered with examples of judicial retrenchment following a decision by an appellant court that appeared to have far reaching and transformative implications for an area of law’.⁹⁰ Is this what will continue to happen? Will it remain a ‘legal lottery’ as to which common law test will apply?⁹¹

⁷⁸ Pitt (n 11)

⁷⁹ *Ready Mixed Concrete v Minister of Pensions and National Insurance* [1968] 2 QB 497

⁸⁰ McKenna J in *Ready Mixed Concrete v Minister of Pensions and National Insurance* [1968] 2 QB 497

⁸¹ *Carmichael v National Power Plant plc* [2000] IRLR 43

⁸² An idea that originated in *Nethermere (St Neots) Ltd v Gardiner and another* [1984] IRLR 240

⁸³ ‘Employment Status in the 21st Century’ (2018) 1090, IDS Employment Law Brief 11

⁸⁴ *Autoclenz Ltd v Belcher* [2011] UKSC 41

⁸⁵ *Ready Mixed Concrete v Minister of Pensions and National Insurance* [1968] 2 QB 497

⁸⁶ McGaughey (n 56)

⁸⁷ *ibid*

⁸⁸ *Market Investigations Ltd v Minister of Social Security* [1969] 2 QB 173

⁸⁹ As evidenced in the case of - *Stringfellow Restaurants Ltd v Quashie* [2012] EWCA Civ 1735 where the courts continued to overturn one another.

⁹⁰ Cabrelli (n 6)

⁹¹ Patricia Leighton and Michael Wynn, ‘Classifying employment relationships: more sliding door or a between regulatory framework?’ (2011) 40 *Industrial Law Journal* 5

V. 'A worker'

Although the common law has attempted to encapsulate the division between the employed and self-employed, the law has, in statute, recognised a new status of 'Worker'.⁹² Whereas historically this working relationship fell outside the scope of employment law protection,⁹³ parliament did later take steps to address some inadequacies by offering a measure of statutory protection to individuals providing personal services on the basis of a contract other than employment.⁹⁴ This was in the form of the intermediate class of 'worker', for those who do not fit in the traditional binary divide.

Due to the nature of a 'worker' – those in atypical employment - a number of specific issues in determining employment status arise, because of the characteristics of the work. Therefore, when applying the common law tests that the courts have carefully created to establish an individual's status, such as determining continuous employment, an individual in such employment may often drift into a status that neither they nor the employer wishes.⁹⁵ With modern working practices branching further into this new status of atypical employment, it is thus imperative that such an issue does not occur and individuals are receiving the classification and protections that they are entitled to.

Again, the ERA⁹⁶ definition for 'worker' is equally vague and thus provides little clarity, meaning it continued to fall upon the judiciary 'to ensure that the way employment legislation is applied, keeps with these changes'.⁹⁷ As a result, the definition has been interpreted widely and on an individual case-by-case basis – 'something that without an encyclopaedic knowledge of case law, understanding how this might apply to a situation is almost impossible'.⁹⁸

Such a level of confusion is not new. Indeed, via an online advice page, the UK government has sought to provide some clarity to individuals who may be unsure of their employment status.⁹⁹ Indeed, further dissatisfaction of the issue has ventured into parliament, where there is now currently a 'Workers' bill progressing through the houses, which hopes to bring further

⁹² Worker: any other contract whether express or implied where an individual undertakes work personally for another party, as found in The Working Time Regulations 1998

⁹³ Cabrelli (n 6)

⁹⁴ *ibid.*, 66

⁹⁵ Department for Business innovation and Skills (n 2)

⁹⁶ Employment Rights Act 1996

⁹⁷ Taylor (n 3)

⁹⁸ *ibid*

⁹⁹ 'Employment Status' (*GOV.UK*) <<https://www.gov.uk/employment-status>>

clarity to these modern practices and thus protection for citizens. However, with no date set as yet for a second hearing, it is unclear how far this will go and whether it will ultimately assist.

With a high number of cases turning to the courts and tribunals each year,¹⁰⁰ these steps have evidently not proved helpful for everyone, instead highlighting the complexities and uncertainties of legal protection for individuals who work in modern ‘atypical’ employment.

VI. The Gig-Economy ‘Hurdle’

The ‘Gig Economy’¹⁰¹ has proven to be the most significant of modern hurdles, as such working arrangements are extremely complicated.¹⁰² With a growing proportion of gig economy¹⁰³ workers, the Prime Minister noted that they were not receiving the protection promised to them.¹⁰⁴

The highly publicised case of *Uber v Aslam*¹⁰⁵, seemed to provide much needed clarity, at least initially, with the courts finding it ‘faintly ridiculous’¹⁰⁶ that *Uber* drivers were being labelled ‘self-employed’. *Uber* drivers are unable to negotiate with their customers and as they are integrated into the company they have to accept *Uber* terms and conditions. This led to the judgment that they were ‘workers’.¹⁰⁷ When the case of *Smith v Pimlico*¹⁰⁸ followed in this direction, the uncertainty in the gig economy seemed to decrease.¹⁰⁹ That was until the decision in *Deliveroo*,¹¹⁰ was delivered. In this case, the courts found that individuals were ‘self-employed’ due to the lack of personal obligation, thus representing a complete about-turn. Following these three recent and high profile cases on the Gig economy, and two contrasting

¹⁰⁰ *Gilham v Ministry of Justice* [2017] EWCA civ 2220 – ruled judges are not workers, *Tiffin v Lester Aldridge* [2012] EWCA Civ 35 – fixed partnerships are unlikely to be workers, *Percy v Board of National Mission of the church of Scotland* [2005] UKHL 73 – Church ministers are not workers and *Stevenson v Delphi Diesel Systems Ltd* [2003] ICR 471 – agency not workers

¹⁰¹ As defined in the Cambridge Dictionary: ‘A way for working that is based on people having temporary jobs or doing separate pieces of work, each paid separately, rather than working for an employer’

¹⁰² James Ainsworth, ‘Gig Economy: Legal Status of Gig Economy Workers and Working Practices’ (House of Lords Library Briefing, 2018)

¹⁰³ A term of which the House of lords in their recent paper – James Ainsworth, ‘Gig Economy: Legal Status of Gig Economy Workers and Working Practices’ (House of Lords Library Briefing, 2018) – state it does not need to be an agreed upon term, just one to describe economic practices

¹⁰⁴ Prime Minister’s Office, ‘We have to invest in good work’ (Theresa May’s Speech at Taylor review Launch, 11 July 2017)

¹⁰⁵ *Uber BV and others v Aslam and others* [2018] IRLR 97

¹⁰⁶ *ibid*

¹⁰⁷ Employment Rights Act 1996, s 230(3)

¹⁰⁸ *Pimlico Plumbers Ltd & Mullins v Smith* [2018] UKSC 29

¹⁰⁹ ‘Employment Status in the 21st Century’ (2018) 1090, IDS Employment Law Brief 11

¹¹⁰ *Independent Workers Union of Great Britain v Rooffoods Ltd t/a Deliveroo* [2018] IRLR 84

court decisions, it is arguably fair to say that there has never been a greater need for parliamentary action to provide some clarity and certainty to this ever increasing proportion of the work force.

VII. Conclusion

Although the current legal framework arguably has a number of benefits associated with it, including allowing flexibility,¹¹¹ the Taylor Review¹¹² strongly advocates enshrining these principles into statute. While legislation may help with protection to those suffering with ‘sham’ contracts, it is however highly doubtful that it can ‘capture and cater for the variety of complex and factual situations which present themselves to the courts’.¹¹³ Critics argue however that such steps would, in practice, result in very little change for those in the gig economy¹¹⁴ and that legislating further would simply increase the difficulties for ‘cases that do not fit a tick box exercise’.¹¹⁵

Whilst few would disagree with the contention that employment status is complicated, because employment relationships are becoming ever more complicated, it would seem that, sadly, basic principles being laid down in statute are unlikely to change that.¹¹⁶ Moreover, with continuing reliance upon common law, the ‘constant evolution has only made the distinction harder to draw’.¹¹⁷ Due to the fact that employment tribunals decide cases on their own individual facts, and these facts may bear little resemblance to those of the current case in front of them,¹¹⁸ can statute really help to provide clarity and ensure an individual knows their working relationship? An approach which is less of a ‘binary divide’ and more of a ‘classificatory spectrum’ could, however, be seen as a welcome and positive step towards solving this complex and troubling conundrum.¹¹⁹

¹¹¹ Department for Business innovation and Skills (n 2)

¹¹² Taylor (n 3)

¹¹³ Cabrelli (n 6) 90

¹¹⁴ Independent Workers Union of Great Britain, ‘Dead on Arrival: The IWGB’s reply to the Taylor Review on Modern Employment Practices’ (*IWGB*, 2017) <<https://iwgbunion.files.wordpress.com/2017/07/iwgb-response-to-taylor-review1.pdf>>

¹¹⁵ Bales, Bogg and Novitz (n 77)

¹¹⁶ Louise O’Byrne, ‘Employment Status and the gig Economy – Where are we now?’ (2018) 15 *Irish Employment Law Journal* 10

¹¹⁷ ‘Employment Status in the 21st Century’ (2018) 1090, *IDS Employment Law Brief* 11

¹¹⁸ Simon Deakin, ‘The contract of employment: A study in legal evolution’ (2001) ESRC Centre for Business Research, University of Cambridge Working Paper No. 203 <www.cbr.cam.ac.uk/fileadmin/user_upload/centre-for-business-research/downloads/working-papers/wp203.pdf>

¹¹⁹ Cabrelli (n 6)

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