Make Work Pay: Ending one-sided flexibility – reforms of zero hours and similar contracts

25 August 2026

Summary

- Logistics UK supports the Government's objective of tackling one-sided flexibility and improving certainty for workers but believes the detailed regulations must be carefully calibrated to avoid unintended consequences for workers, businesses and labour market flexibility.
- The hours threshold for guaranteed hours, reasonable notice and short notice payment rights should be set at 8 hours per week, ensuring protections are targeted at workers with the lowest levels of contractual security.
- The initial and subsequent reference periods should be 52 weeks to provide a representative picture of working patterns, reflect seasonal and fluctuating demand, and support sustainable guaranteed hours offers.
- Eligibility for guaranteed hours should be based on a weekly distribution requirement and a total hours requirement, ensuring that entitlement reflects genuine and sustained working patterns rather than temporary or exceptional increases in hours.
- Regulations should adopt a broad and practical definition of temporary need, recognising that temporary labour requirements often arise from changing demand, supply chain disruption, workforce absences and other operational factors rather than specific tasks or events.
- Employers and hirers should retain flexibility to determine how guaranteed hours are allocated and should be permitted to apply a percentage-based adjustment margin to ensure guaranteed hours offers remain realistic and sustainable.
- In the logistics sector, the use of temporary labour is a critical to manage unforeseen volume fluctuations. It is therefore inappropriate to extend these provisions to agency workers.
- For agency workers, responsibility for guaranteed hours offers should generally sit with the agency, particularly where workers undertake assignments across multiple hirers and the agency is best placed to assess overall working patterns.
- The rights to reasonable notice and short notice payments should reflect the operational realities of demand-driven sectors. Notice requirements, payment obligations and exemptions should be proportionate, with appropriate protections for circumstances outside an employer's reasonable control and for mutually agreed or voluntary changes.
- Government should provide clear guidance, sufficient implementation time and clarity on issues not fully addressed within the consultation, including retrospective application, interaction with redundancy processes, liability across labour supply chains and information-sharing requirements.
- The final framework should support worker protection while preserving the flexibility, responsiveness and resilience that are essential to the efficient operation of UK supply chains and the wider economy.

About Logistics UK

Logistics UK is one of the country’s largest business groups, representing the entire logistics industry and supporting, shaping and standing up for safe and efficient logistics. Our membership of more than 20,000 includes global, national and regional businesses and SMEs spanning road, rail, inland waterways, sea and air as well as the buyers of freight services, such as retailers and manufacturers. As an organisation, we deliver services, representation and thought leadership, helping members and policy makers to seize new opportunities for the sector and the economy as a whole, right across the country.

PART 1: Right to guaranteed hours

Q1a. For directly engaged workers, which of the following options should the hours threshold be?

8 hours per week

Q1b. Please explain your answer

The purpose of the policy is to provide a baseline level of security and predictability for workers who genuinely lack it, and an 8-hour threshold is the most effective way of targeting the measure at that group while minimising unintended consequences.

A higher threshold would bring increasing numbers of workers with established part-time contracts into scope, despite many already having a degree of certainty over their working arrangements. This would risk extending the policy beyond its stated objective and could capture workers who value the flexibility associated with lower-hours roles, including students, older workers, and those with caring responsibilities.

In sectors such as transport, storage and logistics, additional hours are commonly offered to respond to fluctuating customer demand, seasonal peaks, supply chain disruption and labour shortages. Raising the threshold would significantly increase the number of workers whose hours would need to be monitored and assessed, creating substantial administrative burdens for employers while delivering limited additional benefit to workers who already have guaranteed hours.

Higher thresholds could also discourage employers from offering additional voluntary hours where operational demand requires flexibility or incentivise employers to redesign contracts and workforce models to reduce future liabilities. This risks reducing both labour market flexibility and opportunities for workers to increase their earnings through additional hours.

An 8-hour threshold provides a more proportionate balance between worker protection and labour market flexibility. It better aligns with the government's objective of targeting protections at those most likely to experience one-sided flexibility while reducing the risk of unintended impacts on part-time employment, workforce planning and business growth.

Q1.c: Which option(s) (including any not outlined above) do you think could have an impact on the number of contracted hours in job offers?

Higher hours thresholds are more likely to influence the number of contracted hours offered in new roles. In particular, thresholds at the upper end of the options presented, such as 20 hours per week and above, could affect how employers structure jobs and allocate contractual hours.

As more workers are brought within scope of the legislation, employers may review whether existing flexible and part-time arrangements remain appropriate or whether alternative contractual models are required. This could result in greater caution around the number of hours guaranteed in new roles and may reduce the availability of some lower-hours positions. Therefore, anything above eight hours could affect how employers structure jobs and allocate contractual hours.

Lower thresholds are less likely to affect decisions about contractual hours because they target a narrower group of workers and therefore minimise the number of roles subject to monitoring and potential guaranteed hours obligations.

Q1.d: Which option(s) (including any not outlined above) do you think could have an impact on the availability of additional hours for workers?

Higher hours thresholds are more likely to have an impact on the availability of additional hours for workers. As more workers are brought within scope of the legislation, employers may become more cautious about offering additional hours where doing so could contribute towards future guaranteed hours obligations.

This is particularly relevant where additional hours are used to meet short-term operational requirements or are offered on a voluntary basis. In these circumstances, additional hours can provide workers with opportunities to increase earnings while enabling employers to respond to changing business needs.

If thresholds are set too high, there is a risk that employers may place greater restrictions on the allocation of additional hours to manage future contractual obligations. This could reduce opportunities for workers who value the ability to increase their hours flexibly without changing their underlying contractual arrangements.

Q1.e: Which option(s) (including any not outlined above) do you think could have an impact on the availability of additional hours for particular groups of workers sharing a protected characteristic under the Equality Act 2010?

Higher hours thresholds are more likely to affect groups that are disproportionately represented in lower-hours and flexible working arrangements. This may include some workers with caring responsibilities, students and older workers who value the ability to work additional hours on a flexible basis alongside other commitments.

If higher thresholds result in employers becoming more cautious about offering additional hours, there is a risk that some workers could have fewer opportunities to increase their earnings through flexible work patterns that suit their circumstances. Equally, higher thresholds may extend the scope of the legislation beyond those workers who experience the greatest insecurity and into groups that have actively chosen lower-hours working arrangements.

The impact of any threshold will depend on both the characteristics of the workforce and the way employers respond to the final regulations. We would therefore encourage the government to undertake further assessment of how different threshold levels could affect groups that are more likely to seek or value flexible working patterns.

Q2.a: Agency workers should not be entitled to guaranteed hours offers when (choose one of the two options below):

Agency workers should not be entitled to guaranteed hours when they already have a contract guaranteeing hours above the threshold (for example, by their agency) regardless of which hirer these hours are to be worked for.

Q2.b: Please explain your answer

Logistics UK believes that all agency workers in the logistics sector should be excluded from the guaranteed hours provisions due to the nature of logistics as a service industry. Temporary labour is critical to logistics operators to manage seasonal peaks, ramp up for new contracts, to cover sickness absence and to manage unforeseen change such as emergencies or periods of volatile demand. Logistics UK members rely on a productive and competitive temporary placement market to deliver for their customers, who in turn rely on their logistics providers to support them in driving UK economic growth and facilitating international trade.

The purpose of the measure is to provide greater security and predictability for workers who do not already have a baseline level of guaranteed work. Where an agency worker already benefits from guaranteed hours above the threshold through their existing contractual arrangements, that objective has already been met.

Applying entitlement on a hirer-by-hirer basis would introduce unnecessary complexity into agency labour supply arrangements and could result in workers becoming entitled to multiple assessments despite already having guaranteed hours. This would create additional administrative requirements for agencies and hirers without providing a corresponding increase in certainty for workers who are already above the threshold.

A single test based on the total guaranteed hours already provided under the worker's existing contract would be simpler to administer, easier to understand and more consistent with the policy objective of focusing protections on those workers with the lowest levels of contractual security.

Q3a. For agency workers, which of the following options should the hours threshold be:

8 hours per week

Q3.b: Please explain your answer

Agency work plays an important role in providing labour market flexibility and enabling businesses to respond to changing operational requirements. The threshold should therefore remain tightly focused on workers with the lowest levels of contractual security.

A higher threshold would bring a significantly larger proportion of agency workers into scope of the legislation, increasing complexity for agencies and hirers and risking unintended consequences for the operation of the temporary labour market. This is particularly relevant given that agency workers may work across multiple assignments, hirers and locations.

An 8-hour threshold provides a more proportionate approach by targeting protections towards those agency workers with the least contractual certainty, while preserving the flexibility that many workers and businesses value. Evidence from the Association of Labour Providers' 2025 Agency Worker Survey[1] found that flexibility was the most cited reason for choosing agency work, with 46% of respondents identifying this as a key benefit. The survey also found evidence that many agency workers value agency work as an ongoing employment option, highlighting the importance of preserving access to flexible working arrangements.

Aligning the threshold for agency workers with the threshold for directly engaged workers would also support consistency, simplify compliance and improve understanding of the regulations for workers, agencies and hirers.

Q4.a: How long should the initial reference period be for directly engaged workers?

52 weeks

Q4.b: Please explain your answer

Logistics UK supports an initial reference period of 52 weeks because it provides the most accurate picture of working patterns over time and reduces the risk of guaranteed hours offers being based on temporary fluctuations in demand.

The transport and storage sector experiences demand patterns that can vary significantly throughout the year. In addition to established peak trading periods, demand can be influenced by factors such as weather, promotional activity, customer requirements and wider economic conditions. A 52-week reference period is more likely to capture these variations and provide a representative basis for assessing whether a worker is regularly working additional hours.

Shorter reference periods create a greater risk that guaranteed hours offers will be based on a period that is not representative of normal demand. This could result in contracts being offered at a level that is not sustainable over the course of a year, creating challenges for both employers and workers.

A 52-week period would also provide greater certainty by aligning assessments with a complete annual business cycle. This approach is more likely to support the creation of realistic and durable guaranteed hours arrangements than a shorter reference period that may only capture part of a worker's pattern of work.

Q5.a: How long should the initial reference period be for agency workers?

52 weeks

Q5.b: Please explain your answer

Agency assignments often reflect changing labour requirements across different hirers, locations and periods of the year. A 52-week reference period is more likely to provide a representative picture of the hours an agency worker regularly works than a shorter assessment period.

[1] Association of Labour Providers: Agency Worker Survey, June 2025

Shorter reference periods increase the risk that guaranteed hours offers are based on atypical periods of work rather than sustained patterns of demand. This is particularly important in agency work, where assignments may be influenced by temporary increases in labour requirements, specific projects or seasonal activity.

A 52-week period would help ensure that any guaranteed hours offer reflects a worker's longer-term working pattern and is therefore more likely to be appropriate and sustainable. It would also reduce the likelihood of repeated adjustments to contractual arrangements driven by short-term fluctuations in assignment levels.

In addition, aligning the reference period for agency workers with that of directly engaged workers would support consistency across the legislation and make the framework easier for workers, agencies and hirers to understand and administer.

Q6.a: How long do you think subsequent reference periods should be for directly engaged workers?

52 weeks

Q6.b: Please explain your answer

Once an initial assessment has been completed, workers and employers would benefit from a stable review cycle that avoids frequent reassessments of eligibility.

Shorter subsequent reference periods could lead to repeated reviews and a greater likelihood of changes to contractual arrangements over relatively short periods of time. This risks creating uncertainty for workers while increasing the practical burden associated with monitoring eligibility and making guaranteed hours offers.

A 52-week approach strikes a more proportionate balance by allowing sufficient time for working patterns to become established before a further assessment is undertaken. It is more likely to support stable and sustainable outcomes than a framework based on more frequent reviews.

Q7.a: Should each reference period begin as soon as the previous one finishes?

Yes

Q7.b: Please explain your answer

A continuous approach would create a clearer and more straightforward framework for both workers and employers, avoiding the need to track gaps between reference periods or determine when eligibility monitoring should restart.

Introducing breaks between reference periods would add unnecessary complexity and could create uncertainty around when hours should and should not be counted for the purposes of assessing entitlement. This may increase the risk of administrative errors and inconsistent application of the legislation.

A continuous cycle of reference periods would also ensure that eligibility is assessed against a complete and uninterrupted record of working patterns, providing greater clarity and predictability for all parties. For these reasons, subsequent reference periods should commence as soon as the previous period ends.

Q8.a: How long do you think subsequent reference periods should be for agency workers?

52 weeks

Q8.b: Please explain your answer

Agency labour requirements can vary throughout the year and may be influenced by a range of factors that do not provide a reliable indication of longer-term working patterns. A 52-week reference period provides a more stable basis for assessing whether additional hours worked represent an enduring pattern rather than a temporary increase in demand.

Shorter subsequent reference periods could result in frequent reassessments of eligibility and create outcomes that are driven by short-term changes in assignment levels. This would reduce certainty for workers, agencies and hirers and may lead to guaranteed hours offers that do not reflect longer-term labour requirements.

A 52-week approach would help ensure that decisions are based on a sufficiently broad evidence base and would support more durable contractual arrangements. It would also align with the initial reference period, creating a clear and consistent framework throughout the worker's engagement.

Q9a. Should each reference period begin as soon as the previous one finishes?

Yes

Q9.b: Please explain your answer

A continuous approach would provide a clear and predictable framework for agency workers, agencies and hirers, ensuring there is no uncertainty about when hours should be captured for assessment purposes.

Introducing gaps between reference periods would create additional record-keeping requirements and increase the complexity of administering the policy, particularly where agency workers may undertake assignments across different hirers over time.

Continuous reference periods would provide a complete record of hours worked, support consistent decision-making and reduce the risk of disputes about eligibility arising from breaks between assessment periods. This approach would therefore provide greater clarity and practicality than a system which requires periods of time to elapse between reviews.

Q10.a: Based on the two options highlighted above for directly engaged workers, select below which option is preferred.

Option B: A weekly distribution requirement AND a total hours requirement

Q10.b: Please explain your answer

Logistics UK supports Option B because it provides a more robust test of whether a worker is consistently working beyond their contractual arrangements. Requiring both a distribution requirement and a minimum number of additional hours helps ensure that guaranteed hours offers are targeted at workers who are regularly working a different pattern from that set out in their contract.

A distribution requirement on its own could result in workers qualifying despite only working a relatively small number of additional hours. By contrast, combining a distribution requirement with a total hours requirement provides a clearer indication that there is an ongoing and meaningful difference between contracted hours and hours actually worked.

This approach would help distinguish sustained patterns of work from occasional increases in hours resulting from factors such as annual leave cover, short-term absences or other temporary circumstances. It would therefore provide a more proportionate basis for assessing eligibility for guaranteed hours offers.

While Option B is more complex than Option A, it is more likely to ensure that guaranteed hours offers are focused on workers whose working arrangements demonstrate a genuine and ongoing need for additional guaranteed hours.

Q11.a: What should the minimum number of weeks be in which a directly engaged worker is required to work during the reference period to meet the weekly distribution requirement?

10 calendar weeks across a 12-week initial reference period

Q11.b: Please explain your answer

A high distribution requirement helps demonstrate that additional hours are being worked on a regular and sustained basis, rather than arising from isolated or exceptional circumstances.

The purpose of the regularity test should be to identify situations where a worker's actual pattern of work differs consistently from their contractual arrangements. Requiring work to be undertaken in the majority of weeks within the reference period provides a clearer indication of this than a lower threshold.

A 10-week requirement also provides a degree of flexibility to account for legitimate periods where work may not be undertaken, such as annual leave, sickness absence or other temporary factors, without preventing genuinely regular workers from qualifying.

Logistics UK believes this strikes an appropriate balance between identifying sustained patterns of additional work and avoiding outcomes based on short-lived or irregular changes in working arrangements.

Q12.a: If there were to be a weekly distribution requirement AND a total hours requirement (as in Option B), what should the total hours requirement be for a directly engaged worker?

96 hours (in excess of contracted hours) across a 12-week initial reference period

Q12.b: Please explain your answer

The total hours requirement should be set at a level that demonstrates a clear and sustained difference between a worker's contracted hours and the hours they actually work.

A meaningful threshold helps ensure that guaranteed hours offers are targeted at circumstances where a worker is consistently undertaking a materially different level of work to that envisaged by their contract. Lower thresholds may risk capturing relatively small variations in working patterns that do not necessarily indicate a genuine need for additional guaranteed hours.

The total hours requirement should work alongside the weekly distribution requirement to identify workers who are both regularly and substantially exceeding their contracted hours. Together, these tests provide a stronger indication that additional hours are being worked on an ongoing basis and that a guaranteed hours offer may be appropriate.

Q13.a: The government proposes that the regularity requirements should scale in the event of longer subsequent reference periods. Do you agree?

Yes, the regularity requirements should scale in the event of longer subsequent reference periods

Q13.b: Please explain your answer

The purpose of the regularity test is to identify sustained patterns of work, and this objective would be undermined if the qualifying criteria remained unchanged regardless of the length of the assessment period.

Applying the same requirements to both shorter and longer reference periods could produce inconsistent outcomes, as workers assessed over a longer period would be subject to a different evidential threshold in practice. Scaling the requirements would help ensure that the regularity test remains proportionate and operates consistently across different reference period lengths.

A scaled approach would also help maintain the distinction between genuinely established working patterns and more limited periods of additional work. This is important to ensure that guaranteed hours offers are targeted at workers whose working arrangements demonstrate a sustained need for additional guaranteed hours.

Q14.a: Based on the two options set out above for agency workers, select below which option is preferred:

Option B: A weekly distribution requirement AND a total hours requirement

Q14.b: Please explain your answer

Logistics UK supports Option B because it provides a more reliable basis for identifying agency workers who are consistently working beyond the hours envisaged by their contractual arrangements. Requiring both a

weekly distribution requirement and a total hours requirement helps ensure that entitlement is based on a sustained pattern of work rather than isolated periods of higher activity.

This is particularly important in the agency labour market, where working patterns may be influenced by the duration and nature of individual assignments. A weekly distribution requirement alone may not provide sufficient evidence that a worker's pattern of work has changed to the extent that a guaranteed hours offer is justified.

Applying both tests together would help ensure that guaranteed hours offers are targeted at agency workers who are regularly and materially working additional hours over time. This would provide a more proportionate assessment of eligibility and reduce the risk of outcomes being driven by short-term assignment requirements rather than an established pattern of work.

While Option B is more detailed than Option A, Logistics UK considers that it is more likely to identify those circumstances where there is a genuine ongoing need for additional guaranteed hours.

Q15.a: What should the minimum number of weeks be in which an agency worker is required to work during the reference period for a certain hirer to qualify (the weekly distribution requirement)?

10 calendar weeks across a 12-week initial reference period

Q15.b: Please explain your answer

This requirement would help demonstrate that the worker has an established and ongoing pattern of work with that hirer, rather than a short-term or temporary assignment.

A high distribution requirement provides greater confidence that any entitlement is based on a sustained relationship between the worker and hirer. Lower thresholds may increase the likelihood of workers qualifying based on intermittent or limited periods of work that are not representative of a continuing labour requirement.

Requiring work to be undertaken in most weeks also provides a degree of flexibility to account for situations such as annual leave, sickness absence or other legitimate interruptions, while still ensuring that the pattern of work is genuinely regular.

Q16.a: If there were to be a weekly distribution requirement AND a total hours requirement (as in Option B), what do you think the total hours requirement should be for an agency worker?

96 hours (in excess of contracted hours) across a 12-week initial reference period

Q16.b: Please explain your answer

The total hours requirement should be set at a level that demonstrates a substantial and ongoing pattern of work for a particular hirer, rather than activity associated with a short-lived increase in labour demand.

In the context of agency work, a meaningful total hours threshold is an important safeguard to ensure that guaranteed hours offers are linked to sustained patterns of engagement rather than limited periods of increased utilisation. This helps distinguish circumstances where additional hours reflect an enduring requirement from those where they arise from a temporary assignment or short-term business need.

The total hours requirement should operate alongside the weekly distribution requirement to provide a balanced assessment of both the frequency and volume of work undertaken. Together, these measures help ensure that entitlement is based on a demonstrable pattern of work over time rather than a small number of isolated periods of activity.

Q17.a: The government proposes that the regularity requirements should scale in the event of longer subsequent reference periods. Do you agree in relation to agency workers?

Yes, the regularity requirements should scale in the event of longer subsequent reference periods

Q17.b: Please explain your answer

Logistics UK agrees that the regularity requirements should scale where longer subsequent reference periods are used for agency workers. The qualifying criteria should remain proportionate to the length of the period being assessed and continue to demonstrate a sustained pattern of work.

If the requirements did not scale alongside longer reference periods, there is a risk that workers could qualify based on a relatively limited amount of work undertaken over a much longer assessment period. This would weaken the purpose of the regularity test and reduce its effectiveness in identifying genuinely established working patterns.

Scaling the requirements would help ensure that the same underlying standard is applied regardless of the length of the reference period. It would also support consistency in the operation of the legislation and provide greater confidence that any entitlement reflects a sustained pattern of engagement rather than isolated periods of work.

Q18.a: Do you think there are examples of temporary need which are not related to a specific task or event – and would need to be addressed through regulations?

Yes, there are examples of temporary need that are not related to a specific task or event - and would need to be addressed through regulations

Q18.b: Please list examples of temporary need which are not related to a specific task or event - and would need to be addressed through regulations. Please explain each example.

Logistics UK believes regulations should recognise that temporary labour requirements can arise from broader operational and market conditions which are not linked to a specific task or event.

Examples include:

Seasonal demand patterns

Demand increases can occur over extended periods rather than as a single identifiable event. In the transport, storage and warehousing sectors, demand may increase during summer tourism, peak retail trading periods, seasonal product cycles or other recurring periods of higher activity. The timing, duration and intensity of these periods can vary significantly between businesses and from year to year, making them difficult to define as a specific event.

Changes in customer demand and forecasting

Businesses may experience temporary increases or decreases in workload resulting from customer requirements, changes in sales forecasts, promotional activity or shifts in consumer demand. These fluctuations may persist for weeks or months but do not necessarily arise from a specific task or event that can be clearly identified in advance.

Covering workforce absences

Additional hours may be required to cover periods of sickness absence, family-related leave or other temporary absences. These situations can create a genuine temporary need for additional labour but are not linked to a specific task or time-limited project.

Supply chain disruption and operational resilience

Temporary labour requirements may arise because of transport disruption, supplier issues, port congestion, delays elsewhere in the supply chain or the need to recover service levels following disruption. Businesses may require additional labour for a limited period to respond to these circumstances, but the requirement may not relate to a specific task or event.

External factors affecting demand

Weather conditions, geopolitical developments, public health incidents, industrial action elsewhere in the supply chain, cyber incidents and other unforeseen external factors can create temporary changes in labour requirements. These circumstances are often outside the control of businesses and may result in short-term increases or decreases in workload.

Changes in stockholding and warehousing requirements

Warehousing businesses may experience temporary increases in labour requirements arising from changes in customer inventory levels, storage requirements or stock management strategies. These changes can create a temporary need for labour over an extended period without being attributable to a specific task or event.

Logistics UK therefore believes regulations should provide sufficient flexibility to capture temporary needs arising from wider operational and economic circumstances, rather than limiting the definition solely to specific tasks or events. Regulations should acknowledge that temporary labour requirements can arise from evolving business conditions and customer requirements, which may be no less temporary simply because they cannot be linked to a single identifiable event.

Q19.a: Which calculation method do you think should be used for determining the guaranteed hours offer for directly engaged workers?

Median average

Q19.b: Please explain your answer

Logistics UK supports the use of the median average when determining guaranteed hours offers because it is less susceptible to distortion from unusually high or unusually low periods of work. The median is more likely to reflect the hours a worker typically works than the mean average, which can be disproportionately influenced by a relatively small number of atypical weeks.

Using the median would help ensure that guaranteed hours offers are based on a realistic and sustainable pattern of work. This would reduce the risk of guaranteed hours being set at a level that reflects exceptional circumstances rather than a worker's normal working arrangements.

Q20.a: Do you think employers should have flexibility to determine the period over which the hours will be allocated (weekly, monthly, or other)?

Yes, they should have the flexibility to determine the time period

Q20.b: Please explain your answer

Businesses operate using a variety of working patterns, shift arrangements, payroll cycles and customer contracts, and a single mandated approach would not be appropriate across all sectors or business models.

Providing flexibility over how hours are allocated would allow employers to align guaranteed hours with operational requirements while continuing to meet their contractual obligations to workers. For example, some employers may prefer to allocate hours weekly, while others may use monthly, quarterly or other arrangements that better reflect how work is organised within their business.

A prescribed allocation period could reduce the practicality of guaranteed hours arrangements and limit employers' ability to structure work in a way that reflects genuine business needs. Allowing flexibility would support the development of arrangements that work for both employers and workers while remaining consistent with the objective of providing greater certainty of hours.

Logistics UK therefore considers that employers should have discretion to determine the most appropriate allocation period, provided that workers receive the guaranteed hours to which they are entitled.

Q20.c: (if yes) Which of the following time periods should employers be able to choose? (select as many as you see fit)

A week and a month

Q20.d: Please explain your answer

These options are sufficiently flexible to accommodate a broad range of business models and working arrangements while remaining straightforward for workers to understand and for employers to administer.

Weekly allocation may be appropriate where working patterns and staffing requirements are relatively consistent, while monthly allocation can provide additional flexibility where hours vary across a pay cycle. Allowing both options would enable employers to select the approach that best reflects how work is organised within their business.

Limiting the available options to weekly and monthly periods would also provide a degree of consistency across sectors while avoiding unnecessary complexity that could arise from a wider range of allocation periods. This would help balance flexibility with transparency and predictability for workers.

Q21.a: If the government were to mandate a time period over which employers would need to allocate hours in guaranteed hours offers, what do you think this should be?

A week

Q21.b: Please explain your answer

Logistics UK's preference is that employers should retain flexibility to determine the period over which guaranteed hours are allocated. However, if the Government decides to mandate a single allocation period, a week would be the most appropriate option.

Weekly allocation periods are likely to be the simplest for workers to understand and would provide greater transparency in relation to how guaranteed hours are being delivered. They would also align with the way many shift-based operations organise work and monitor hours.

A weekly approach would provide a clear and consistent framework while reducing the potential for disputes regarding whether guaranteed hour requirements have been met.

Q22.a: Do you think employers should have the flexibility to use an adjustment margin?

Yes, the margin should be a percentage of the hours generated by the calculation

Q22.b: Please explain your answer

A percentage-based approach would allow the margin to operate proportionately across different working patterns and levels of guaranteed hours.

A fixed adjustment would have a different impact depending on the number of hours being offered. By contrast, a percentage-based adjustment would scale appropriately and provide a more consistent outcome across different workers and roles.

The purpose of an adjustment margin should be to recognise that it may not be possible or practical for guaranteed hours offers to exactly replicate the outcome of the calculation in every circumstance. A proportionate margin would help employers make realistic guaranteed hours offers while reducing the risk of guarantees being set at a level that is not sustainable in the longer term.

This flexibility is particularly important in sectors where workloads can vary over time and where employers need to balance contractual commitments with operational requirements. A percentage-based adjustment margin would help ensure that guaranteed hours arrangements remain workable in practice while continuing to provide workers with greater certainty of hours.

Q23.a: Which calculation method do you think should be used for determining the guaranteed hours offer for agency workers?

Median average

Q23.b: Please explain your answer

Agency workers may experience variations in hours between assignments and hirers, meaning that individual periods of unusually high or low utilisation can have a disproportionate effect on the mean average.

The median provides a better indication of the hours a worker typically performs because it is less influenced by exceptional weeks that do not reflect normal working patterns. This helps ensure that guaranteed hours offers are based on a realistic assessment of a worker's usual level of work rather than being skewed by temporary increases or decreases in hours.

Q24.a: Do you think hirers should have flexibility to determine the time period over which the hours will be allocated for agency workers?

Yes, they should have the flexibility to determine the time period

Q24.b: Please explain your answer

Agency labour is used across a wide range of operating models and assignment structures, and a single prescribed approach may not reflect the practical realities of different sectors and workplaces.

Hirers are best placed to determine how guaranteed hours can be delivered in a manner that reflects the pattern of work available and the way labour is organised within their business. Providing flexibility would help ensure that guaranteed hours arrangements can be implemented in a practical and sustainable way while continuing to provide workers with greater certainty over their hours.

A flexible approach would also allow guaranteed hours arrangements to accommodate different assignment structures and workforce models, rather than requiring all hirers to adopt the same allocation method regardless of operational circumstances.

Q24.c: (if yes) Which of the following time periods should hirers be able to choose? (select as many as you see fit)

A week

A month

Q24.d: Please explain your answer

Logistics UK supports allowing hirers to allocate guaranteed hours over either a weekly or monthly period. These options provide sufficient flexibility to reflect different assignment structures, workforce arrangements and operating models, while remaining clear and understandable for agency workers.

A weekly allocation period may be appropriate where labour requirements are relatively consistent, while a monthly allocation period may better reflect workplaces where hours vary across a pay cycle. Allowing both options would enable hirers to adopt the approach that best aligns with the way work is organised.

Providing a limited range of allocation periods would also help promote consistency and transparency while avoiding unnecessary complexity. Hirers and agencies should retain flexibility to implement guaranteed hours arrangements in a way that reflects operational realities, provided that workers receive the guaranteed hours to which they are entitled.

Q24.e: If the government were to mandate a time period over which hirers would need to allocate hours in guaranteed hours offers for agency workers, what do you think this this should be?

Weekly

Q24.f: Please explain your answer

Logistics UK's preference is that hirers should retain flexibility to determine the period over which guaranteed hours are allocated. However, if the Government decides to mandate a single allocation period for agency workers, a weekly period would be the most appropriate option.

A weekly allocation period would provide a clear and transparent basis for understanding whether guaranteed hour commitments have been met. It aligns with the way many agency assignments are organised and would make it easier for workers, agencies and hirers to understand how guaranteed hours are being delivered in practice.

Q25.a: Do you think hirers should have the flexibility to use an adjustment margin to tailor the offer to their needs?

Yes, the margin should be a percentage of the hours generated by the calculation

Q25.b: Please explain your answer

A percentage-based approach would provide a proportionate mechanism that can be applied consistently across agency workers with different working patterns and levels of engagement.

The purpose of an adjustment margin should be to ensure that guaranteed hours offers remain realistic and capable of being delivered in practice. A fixed adjustment could have very different effects depending on the number of hours being offered, whereas a percentage-based margin would scale appropriately and provide greater consistency.

In the agency context, a proportionate adjustment margin would help ensure that guaranteed hours offers are based on a sustainable level of work while continuing to reflect the outcome of the underlying calculation. This would reduce the risk of guarantees being set at a level that is difficult to maintain over time and support the creation of workable arrangements for workers, agencies and hirers.

Q26.a: Should there be any types of workers that are excluded from the right to guaranteed hours?

Yes, there should be certain types of workers excluded

Q26.b: If yes, please list any types of workers that you think should be excluded from the right to guaranteed hours.

The purpose of the legislation is to provide greater certainty for workers with low or no guaranteed hours. Where a worker already benefits from guaranteed hours above the threshold, requiring a further guaranteed hours assessment would be unlikely to provide additional benefit and could result in unnecessary complexity.

Consideration should also be given to exempting micro-businesses from the duty to make guaranteed hours offers. Smaller employers are more likely to face resource constraints and may experience disproportionate administrative and compliance burdens when implementing the proposed requirements.

More generally, any exclusions should be tightly linked to the policy objective of targeting workers with the lowest levels of contractual security. The creation of broad or complex categories of exclusions could undermine the consistency and transparency of the framework.

Q27.a: Should there be any specific circumstances in which you think employers should be exempt from the right to guaranteed hours?

Yes, there are certain specific circumstances in which employers should be exempt

Q27.b: If yes, please list any specific circumstances in which you think employers should be exempt from the duty to make guaranteed hours offers to qualifying workers.:

Significant reductions in demand

Where there has been a material and demonstrable reduction in customer demand, workload or volumes since the reference period, employers should not be required to offer guaranteed hours based on a level of work that no longer exists.

Business disruption outside the employer's control

Employers should be exempt where labour requirements have been materially affected by circumstances beyond their control, such as severe weather events, cyber incidents, supply chain disruption, public health emergencies, industrial action elsewhere in the supply chain or other external shocks.

Workforce restructuring or redundancy processes

Where an employer is undertaking a wider workforce restructuring exercise or redundancy process, it may be inappropriate to require a guaranteed hours offer that the employer reasonably believes cannot be sustained. Regulations should provide clarity on the interaction between guaranteed hours obligations and redundancy situations.

Temporary support provided across different locations or operations

Workers may undertake additional hours for a limited period to support another site, depot, warehouse or operation experiencing temporary resourcing pressures. In these circumstances, the additional hours worked should not necessarily give rise to an obligation to make a guaranteed hours offer where the underlying requirement is temporary.

Genuine temporary labour requirements

Employers should be exempt where the additional hours result from a temporary need that is expected to end and where there is reasonable evidence to support that conclusion.

Logistics UK believes exemptions should be available where employers can demonstrate that the circumstances giving rise to the additional hours are temporary or have materially changed since the reference period, and that a guaranteed hours offer would not reflect a sustainable ongoing requirement for work.

Q28.a: Should there be any types of agency workers that are excluded from the right to guaranteed hours?

Yes, there should be certain types of agency workers excluded

Q28.b: If yes, please list any types of agency workers that you think should be excluded from the right to guaranteed hours.

Where a worker already benefits from guaranteed hours that meet or exceed the threshold, the policy objective of providing greater certainty and predictability has already been achieved.

Excluding such workers would help avoid duplication of rights and prevent circumstances in which agency workers become entitled to additional guaranteed hours assessments despite already having guaranteed hours in place through their existing contractual arrangements.

Consideration should also be given to excluding agency workers whose guaranteed hours are calculated across multiple assignments through their agency. In these circumstances, the worker may already receive a level of contractual certainty that reflects the agency's ability to provide work across different hirers.

More broadly, any exclusions should be focused on whether the worker already benefits from an equivalent level of contractual security, rather than the sector or assignment in which they work. This would support a

consistent and proportionate framework while ensuring protections remain targeted at those workers with the lowest levels of guaranteed work.

Q29.a: Should there be any specific circumstances in which you think the duty to make a guaranteed hours offer to qualifying agency workers should not apply?

Yes, there are certain circumstances in which the duty should not apply

Q29.b: If yes, please list any specific circumstances in which you think the duty to make a guaranteed hours offer to qualifying agency workers should not apply

Temporary increases in labour demand

Agency workers are frequently engaged to help businesses respond to temporary increases in workload. Where the additional hours arise from a short-term increase in labour requirements that is not expected to continue, hirers should not be required to offer guaranteed hours based on that temporary demand.

Material changes in labour requirements

The duty should not apply where a hirer's labour requirements have reduced significantly since the reference period due to changes in customer demand, business volumes, operational requirements or other factors that affect the availability of work.

Business disruption outside the hirer's control

Hirers should be exempt where labour requirements have been materially affected by events outside their control, including severe weather, cyber incidents, supply chain disruption, public health emergencies, industrial action elsewhere in the supply chain or similar unforeseen circumstances.

Temporary deployment to support another site or operation

Agency workers may undertake additional hours on a temporary basis to support another warehouse, depot, distribution centre or operation experiencing short-term resourcing pressures. Such arrangements should not automatically create an obligation to make a guaranteed hours offer where the underlying need is temporary.

Temporary assignments and fixed-duration requirements

The duty should not apply where the additional hours arise from a temporary assignment, project or other time-limited business requirement that the hirer reasonably expects to end.

Logistics UK believes exemptions should be available where agencies or hirers can demonstrate that the circumstances giving rise to the additional hours are temporary, exceptional or have materially changed since the reference period, such that a guaranteed hours offer would not reflect an ongoing requirement for work.

Q30.a: Do you think there should be any cases where the duty to make a guaranteed hours offer should be placed on the agency or another intermediary instead of on the hirer?

Yes, there should be cases where the duty to make a guaranteed hours offer should be placed on the agency or another intermediary

Q30.b: If yes, for which types of agency worker do you think the duty to make a guaranteed hours offer should be placed on the agency or another intermediary instead of on the hirer?

Logistics UK believes that the duty to make a guaranteed hours offer should be placed on the agency where the agency has the contractual relationship with the worker and is best placed to assess the worker's overall pattern of work.

This is particularly relevant where agency workers undertake assignments for multiple hirers. In such circumstances, a hirer will only have visibility of the hours worked within its own business, whereas the agency will have a broader view of the worker's assignments and working patterns across different clients.

Agencies are therefore better placed to assess whether a worker is consistently undertaking additional hours and to determine whether a guaranteed hours offer is appropriate. Placing responsibility on individual hirers risks creating fragmentation, duplication and inconsistent outcomes where workers undertake assignments across multiple organisations.

Responsibility should also sit with the agency where the worker already has a contractual relationship with the agency that provides guaranteed hours across multiple assignments. In these circumstances, the agency is best positioned to manage contractual commitments and available work across its client base.

Q31: Are there any other ways in which the right to guaranteed hours would need to apply differently to these types of agency worker?

Where responsibility for making a guaranteed hours offer sits with the agency or another intermediary, the operation of the right should reflect the agency's relationship with the worker rather than focusing solely on work undertaken for an individual hirer.

In these circumstances, the regularity requirements should be assessed by reference to the worker's overall pattern of work while engaged by the agency, rather than the hours worked for a particular hirer. This is because the agency will have visibility of assignments across multiple clients and is better placed to assess whether a worker has consistently been undertaking additional work over time.

Assessing regularity on a hirer-by-hirer basis where responsibility sits with the agency could create duplication, inconsistent outcomes and additional complexity. It may also fail to recognise situations where a worker has a stable pattern of work across several hirers, despite not meeting the qualifying criteria with any individual hirer.

Where the duty rests with the agency, other aspects of the framework should also be aligned to the agency's role, including the assessment of qualifying hours and any guaranteed hours offer. This would help ensure that responsibility sits with the party best placed to understand and manage the worker's overall pattern of engagement.

Q32.a: Do you think that our proposals in Part 1 of this consultation, on the right to guaranteed hours, will have a particular impact on groups sharing a protected characteristic under the Equality Act 2010?

Yes

Q32.b: Please explain your answer

Logistics UK believes the impact of the proposals on groups sharing protected characteristics will depend significantly on the detailed regulations adopted, including the hours threshold, regularity requirements, reference periods and exemptions.

The proposals have the potential to affect workers differently depending on their working patterns and personal circumstances. For example, some workers may benefit from increased certainty and predictability of hours, while others may place a greater value on maintaining existing working arrangements.

Logistics UK therefore encourages the Government to continue assessing the equality impacts of the proposals as regulations are developed, particularly where implementation decisions may influence the availability of different forms of work or working arrangements.

Given the interaction between multiple policy decisions within the framework, a comprehensive assessment of potential impacts on protected groups should be undertaken before secondary legislation is finalised.

Q33: Is there anything else you want to tell us in relation to Part 1 of this consultation, on the right to guaranteed hours?

Logistics UK remains concerned about the retrospective operation of the guaranteed hours provisions. Employers should not be required to assess working patterns or incur obligations based on periods of work undertaken before the detailed regulatory framework is fully known and in force.

Applying obligations retrospectively would create uncertainty for businesses and could result in employers being required to make decisions based on historic working arrangements that were undertaken before the final regulatory requirements were established. This would make workforce planning more difficult and increase the risk of inconsistent application of the legislation.

Logistics UK also believes further clarity is required on how guaranteed hours obligations will interact with wider workforce changes, including organisational restructuring, site-level changes in demand and redundancy processes. Furthermore, guaranteed hours arrangements must be capable of being sustained over time; otherwise, there is a risk of creating contractual commitments that later result in workforce restructuring or redundancy.

Given the scale and complexity of the proposed reforms, sufficient implementation time and clear guidance will be essential to support compliance and minimise unintended consequences.

PART 2: Reasonable notice of shifts and payment for shifts cancelled, moved or curtailed at short notice

Q34.a: What do you think the hours threshold for the rights to reasonable notice and short notice payment should be for directly engaged workers?

8 hours per week

Q34.b: Please explain your answer

The threshold should align with the threshold for the right to guaranteed hours in order to create a clear and consistent framework for workers and employers.

Applying different thresholds across the various rights would increase complexity and make it more difficult to determine which workers are entitled to which protections. This could increase the risk of confusion, administrative errors and unintended non-compliance.

Aligning the thresholds would also ensure that the measures operate as a coherent package, with eligibility for guaranteed hours, reasonable notice and short notice payments based on the same underlying threshold. This would improve transparency for workers and make the framework easier to understand and administer.

Q35.a: Agency workers should not be entitled to the right to reasonable notice and the right to short notice payments when:

They already have a contract guaranteeing hours above the threshold (for example, by their agency) regardless of which hirer those hours are to be worked for

Q35.b: Please explain your answer

The purpose of these rights is to provide greater certainty and predictability for workers whose working arrangements offer limited guaranteed hours. Where a worker already benefits from guaranteed hours above the threshold through their contractual arrangements with an agency, that objective has already been achieved.

Applying the rights on a hirer-by-hirer basis could create unnecessary complexity and result in workers receiving different entitlements despite already benefiting from guaranteed hours above the threshold. It

would also be inconsistent with the principle that eligibility should be determined by the worker's overall contractual security rather than the location at which guaranteed hours are performed.

A worker guaranteed hours above the threshold should therefore be treated consistently regardless of whether those hours are worked for one hirer or across multiple hirers. This would provide a simpler and more coherent framework for workers, agencies and hirers while ensuring that protections remain targeted at those workers with the least contractual certainty.

Q36.a: What do you think the hours threshold for the right to reasonable notice and the right to short notice payments should be for agency workers?

8 hours per week

Q36.b: Please explain your answer

Aligning the threshold for agency workers with the threshold for directly engaged workers would support consistency across the framework and reduce the risk of different rights applying to workers performing similar roles under different contractual arrangements.

Applying different thresholds to agency workers and directly engaged workers could create unnecessary complexity for workers, agencies and hirers, particularly where businesses use a combination of employment models. A consistent threshold would make the legislation easier to understand, implement and administer.

An 8-hour threshold would also help ensure that the rights to reasonable notice and short notice payments remain focused on those workers with the lowest levels of guaranteed work while avoiding the creation of different eligibility criteria across the workforce.

PART 2A: Reasonable notice of shifts

Q37.a: How much notice should be presumed reasonable for directly engaged workers?

Other: 24 hours

Q37.b: Please explain your answer

A notice period of 24 hours would provide workers with sufficient advance warning of upcoming shifts while recognising that employers need a degree of operational flexibility to respond to changing circumstances. In many workplaces, staffing requirements can change at short notice due to factors such as unexpected absences, changing customer requirements or other operational issues.

Presuming that longer periods such as one week are reasonable in all circumstances risks reducing employers' ability to respond to legitimate staffing requirements and may discourage the offering of additional shifts that workers are free to accept or decline.

A 24-hour presumption would provide a clear and practical baseline while still allowing employers and workers to agree arrangements that better suit their particular circumstances. It would also better reflect the realities of sectors that rely on flexible staffing arrangements than a presumption measured in weeks rather than hours or days.

Q38: In what circumstances do you think longer notice should be required? Please explain your answer

Longer notice should only be expected where employers are reasonably able to predict labour requirements in advance.

For example, longer notice may be appropriate where shifts relate to planned activities, known staffing requirements, fixed customer commitments or established working patterns that are known well ahead of

time. In these circumstances, workers benefit from greater certainty, and employers are likely to have sufficient information to provide more advance notice.

However, any assessment of reasonable notice should take account of the employer's ability to forecast staffing requirements. It would not be appropriate to expect the same level of notice in circumstances where labour requirements are driven by factors that can change at short notice.

Q39: In what circumstances do you think shorter notice should be required? Please explain your answer

Shorter notice should be considered reasonable where employers are responding to circumstances that could not reasonably have been anticipated or where there is a genuine operational need to fill shifts at short notice.

Examples may include responding to unexpected sickness absence, other unplanned workforce shortages, unforeseen changes in customer demand, emergency operational requirements, or circumstances affecting the normal operation of the business.

The factors used to determine whether notice is reasonable should take account of the extent to which the employer was able to foresee the requirement for labour and whether the circumstances were within the employer's control. Employers should not be penalised for responding to situations that arise unexpectedly, particularly where workers remain free to accept or decline the additional work offered.

Q40.a: How much notice should be presumed reasonable for agency workers?

24 hours

Q40.b: Please explain your answer

Agency work often enables businesses to respond to short-term labour requirements and provides workers with opportunities to undertake work at relatively short notice. A presumption of 24 hours would provide a clear and practical baseline while recognising the role that agency work plays in supporting flexible labour markets.

Longer notice periods could reduce the ability of agencies and hirers to respond to legitimate staffing requirements and may limit opportunities for workers who are willing to accept work at short notice. At the same time, a 24-hour presumption would provide agency workers with a reasonable degree of notice while maintaining the flexibility that is a fundamental feature of many agency arrangements.

Q41: In what circumstances do you think longer notice should be required for agency workers? Please explain your answer

Longer notice should be expected where the requirement for agency labour is known sufficiently far in advance and there is a reasonable opportunity to provide workers with additional notice.

Examples may include planned assignments, predictable staffing requirements, recurring shifts, long-term placements or circumstances where labour requirements are established well ahead of time. In these situations, providing greater notice can help agency workers plan their working arrangements and should be encouraged where practicable.

However, the assessment of what is reasonable should reflect the nature of agency work and the extent to which labour requirements can be predicted in advance. It would not be appropriate to apply the same expectations where agency workers are engaged to respond to short-term labour requirements or unforeseen circumstances.

Q42: In what circumstances do you think shorter notice should be required for agency workers? Please explain your answer

Shorter notice should be considered reasonable for agency workers where the requirement for labour arises unexpectedly or where the worker is being offered work on a voluntary basis and remains free to accept or decline the assignment.

Agency workers are frequently engaged to help employers respond to short-term labour requirements, including unexpected absences, unforeseen increases in workload, operational disruption or other circumstances that could not reasonably have been anticipated in advance. In these situations, requiring lengthy notice periods would undermine one of the principal functions of the agency labour market.

Consideration should also be given to the fact that many agency workers actively choose agency work because of the flexibility it provides. Where work is offered at short notice and the worker is under no obligation to accept it, shorter notice should not automatically be regarded as unreasonable.

The assessment of reasonableness should therefore take account of the circumstances giving rise to the work, whether those circumstances were foreseeable, and whether the worker is free to decide whether to accept the assignment.

Q43.a: Should there be any types of hirers that should not be liable for failing to provide reasonable notice?

Yes, certain types of hirers should not be liable for failing to provide reasonable notice

Q43.b: If yes, please specify any types of hirers that you think should not be liable for failing to provide reasonable notice.

Logistics UK believes that hirers should not be liable for failing to provide reasonable notice where work is offered to an agency worker on a voluntary basis to respond to an unforeseen staffing requirement and the worker remains free to accept or decline the assignment.

Examples may include covering unexpected sickness absence, responding to operational disruption or addressing other short-notice labour requirements that could not reasonably have been anticipated. In these circumstances, the hirer is not altering an existing commitment to work but is instead offering an additional opportunity that the agency worker can choose whether to accept.

Applying liability in these situations could discourage hirers from offering additional assignments at short notice, reducing opportunities for agency workers who value the flexibility associated with temporary work.

Logistics UK therefore believes that the assessment of liability should take account of whether the worker was already committed to the shift and whether the requirement for labour could reasonably have been anticipated. Hirers who have taken reasonable steps to provide notice but are prevented from doing so by events outside their control should not face liability.

PART 2B: Payment for shifts cancelled, moved or curtailed at short notice

Q44.a: What timeframe do you think short notice should be for directly engaged workers?

12 hours

Q44.b: Please explain your answer

A 12-hour threshold provides a reasonable point at which workers may already have adjusted their personal arrangements in anticipation of working a shift. At this stage, workers may have incurred costs or foregone other opportunities on the expectation that the shift will proceed.

Setting the threshold too far in advance could capture circumstances where employers are providing a meaningful level of notice, while setting it too close to the start of a shift may fail to recognise situations where workers have already made practical arrangements to attend work.

A 12-hour threshold therefore provides a proportionate balance between recognising the potential impact on workers of late changes to shifts and ensuring that the short notice payment regime remains targeted at genuinely short-notice changes.

Q45.a: What timeframe do you think very short notice should be for directly engaged workers?

There should not be a very short notice tier

Q45.b: Please explain your answer

Logistics UK does not believe there should be a separate "very short notice" tier.

Introducing an additional category would add complexity to the framework without a clear policy justification. Employers and workers would be required to distinguish between two different forms of short notice change, increasing the risk of confusion and disputes over which category applies in a particular circumstance.

A single short notice threshold would be simpler to understand, administer and enforce. It would also provide a clearer basis for determining entitlement to any payment arising from the cancellation, movement or curtailment of a shift.

Q46.a: What timeframe do you think short notice should be for agency workers?

8 hours

Q46.b: Please explain your answer

Agency workers are frequently engaged to help businesses respond to short-term staffing requirements and changing operational needs. As a result, agency assignments often operate on shorter timescales than directly engaged work and a shorter short-notice threshold is therefore more appropriate.

An 8-hour threshold would continue to provide protection for workers affected by late changes to assignments while recognising the role that agency labour plays in helping businesses respond to changing labour requirements. A longer threshold risks capturing a wider range of routine operational decisions and may reduce the ability of agencies and hirers to offer short-notice opportunities that many workers are willing to accept.

Q47.a: What timeframe do you think very short notice should be for agency workers?

There should not be a very short notice period

Q47.b: Please explain your answer

Logistics UK does not believe there should be a separate "very short notice" category for agency workers.

Introducing a second notice threshold would add complexity for workers, agencies and hirers without a clear justification for treating some short notice changes differently from others. A single short notice threshold would be easier to understand, administer and apply consistently across agency labour arrangements.

Agency work already involves a range of assignment lengths, notice arrangements and operating models. Creating an additional tier risks increasing uncertainty regarding entitlement and could lead to disputes about which threshold applies in a particular circumstance.

Q48.a: The short notice payment should be:

A percentage of what the worker would have earned from working the shift or the relevant hours at the relevant National Living/Minimum Wage rate

Q48.b: Please explain your answer

A percentage-based approach would provide a proportionate and consistent framework across different working arrangements and shift lengths. It would ensure that compensation reflects the scale of the disruption experienced by the worker while avoiding significant variations in outcomes between different roles and rates of pay.

The purpose of a short notice payment should be to recognise the inconvenience and potential costs incurred by workers when shifts are cancelled, moved or curtailed at short notice. It should not result in workers receiving the full value of work that was never performed, particularly where circumstances may have changed unexpectedly after a shift was scheduled.

Using the National Minimum Wage or National Living Wage as the basis for calculation would provide a clear and straightforward mechanism that is easy for workers and employers to understand and apply consistently.

Q49.a: If the short notice payment were a percentage of what the worker would have earned from working the shift or the relevant hours, what percentage should this be?

30%

Q49.b: Please explain your answer

The purpose of a short notice payment should be to recognise the inconvenience and disruption experienced by a worker when a shift is cancelled, moved or curtailed at short notice. It should provide compensation where a worker has planned in anticipation of working, while remaining proportionate to the circumstances.

Setting the payment too high could create costs that are disproportionate to the impact experienced and may discourage employers from offering work where there is uncertainty regarding operational requirements. Conversely, setting the payment too low may not provide meaningful recognition of the inconvenience caused by late changes to shifts.

A payment of 30% provides an appropriate balance between these considerations. It recognises the impact of short notice changes on workers without equating compensation with the full value of work that was not undertaken.

Q50.a: If the short notice payment were a percentage of what the worker or agency worker would have earned from working the shift or the relevant hours at the relevant National Living/Minimum Wage rate, what percentage should this be?

30%

Q50.b: Please explain your answer

The payment should provide reasonable recognition of the inconvenience caused by a late cancellation, movement or curtailment of a shift without creating a disproportionate financial penalty. A compensation payment should reflect that work was not undertaken, while acknowledging that workers may have planned in anticipation of attending work.

A percentage of 30% strikes an appropriate balance between recognising the impact on workers and maintaining a proportionate framework that can be applied consistently across different sectors, working arrangements and rates of pay.

Applying the same percentage approach to both workers and agency workers would also support consistency across the regime and provide a straightforward basis for calculating entitlement.

Q51.a: If the very short notice payment were a percentage of what the worker would have earned from working the shift or the relevant hours, what percentage should this be?

50%

Q51.b: Please explain your answer

If the Government proceeds with the introduction of a separate very short notice category, Logistics UK believes that 50% would represent an appropriate payment level.

A higher payment than that applicable to the general short notice category would recognise that workers may have planned and may have less opportunity to adapt when a shift is cancelled or changed at very short notice.

However, any payment should remain proportionate to the circumstances and should not be equivalent to the full value of work that was not undertaken. A payment of 50% would provide additional recognition of the impact of very late changes while maintaining a distinction between compensation and payment for hours worked.

Logistics UK nevertheless maintains its view that a separate very short notice tier would add unnecessary complexity and that a single short notice framework would be preferable.

Q52.a: If the very short notice payment were a percentage of what the worker or agency worker would have earned from working the shift or the relevant hours at the relevant National Living/Minimum Wage rate, what should this percentage be?

50%

Q52.b: Please explain your answer

Logistics UK does not support the introduction of a separate very short notice category. As set out in our responses to Q45 and Q47, a single short notice threshold would provide a simpler and more proportionate framework for workers, agencies and employers.

However, if the Government proceeds with a separate very short notice category, Logistics UK believes that 50% would represent an appropriate payment level.

Q53.a: Do you think there should be any exceptions to the requirement to make a short notice payment or very short notice payment?

Yes

Q53.b: If yes, what should these exceptions be?

Circumstances outside the employer's control

Employers should not be required to make short notice payments where a shift is cancelled, moved or curtailed because of events outside their reasonable control, such as severe weather, cyber incidents, public health emergencies, civil unrest, transport disruption or other unforeseen external events.

Health and safety considerations

An exception should apply where shifts are cancelled or curtailed to protect the health, safety or wellbeing of workers or the public. Employers should not face additional financial liabilities for taking reasonable steps to manage safety risks.

Mutual agreement

No payment should be required where the worker and employer mutually agree to cancel, move or curtail a shift. This would preserve flexibility for both parties and prevent arrangements voluntarily agreed between workers and employers from creating unnecessary liabilities.

Worker-initiated changes

No payment should be payable where a shift is cancelled, moved or curtailed at the request of the worker.

Shift offers that have not yet been accepted

Where work is offered but has not yet been accepted by the worker, employers should not be liable for short notice payments. The purpose of the payment should be to compensate workers where an existing commitment has been affected.

Logistics UK believes that the purpose of short notice payments should be to compensate workers for inconvenience and disruption arising from late changes to agreed shifts. Exceptions should therefore apply where no such detriment exists, or where the employer is responding to circumstances beyond its reasonable control.

Q54.a: Do you think there should be any exceptions to the requirement to make a short notice payment specifically for agency workers?

Yes

Q54.b: If yes, what should these exceptions be?

Assignments that have not been accepted by the agency worker

No payment should be due where an assignment has been offered but not accepted. The purpose of the payment should be to compensate agency workers for disruption to agreed work, rather than opportunities that have not yet been committed to.

Circumstances outside the reasonable control of the hirer or agency

An exception should apply where shifts are cancelled, moved or curtailed because of circumstances beyond the reasonable control of the hirer or agency, including severe weather, cyber incidents, public health emergencies, civil unrest, transport disruption or other unforeseen external events.

Mutually agreed changes

No payment should be payable where the worker, agency and hirer mutually agree to amend, curtail or cancel an assignment.

Worker-initiated changes

No payment should arise where the cancellation, movement or curtailment of a shift occurs at the request of the agency worker.

Health and safety or welfare considerations

Agencies and hirers should not be required to make short notice payments where assignments are changed or cancelled to protect the health, safety or welfare of workers or the public.

Logistics UK believes that short notice payments should compensate agency workers for genuine disruption caused by late changes to agreed assignments. Exceptions should therefore be available where no commitment has been made, where changes occur at the worker's request, or where agencies and hirers are responding to circumstances beyond their reasonable control.

Q55.a: Do you think there are any types of hirers who should not be added to tribunal proceedings and potentially held liable for breaches regarding an exception notice?

Yes

Q55.b: If yes, which types of hirers do you think should not be added to tribunal proceedings and potentially held liable for breaches regarding an exception notice?

Liability should rest with the party responsible for complying with the relevant statutory obligation. Hirers should not be held liable where the failure relates to matters that sit wholly outside their control or where responsibility rests with another party within the labour supply chain.

Hirers should not be liable where:

- the relevant failure resulted from circumstances outside their reasonable control;
- responsibility for issuing or administering the exception notice rests with the agency or another intermediary;
- the hirer has provided the necessary information to the appropriate party and has taken reasonable steps to comply with its obligations.

Logistics UK believes that assigning liability to parties that are not responsible for the relevant action would create unnecessary legal uncertainty and increase the likelihood of disputes. Any liability regime should therefore be closely linked to the actions and responsibilities of the party concerned.

Q56.a: Do you think there are any types of hirers from whom it should not be possible to recover short notice payments under the Act?

No

Q56.c: If no, please explain your answer

Logistics UK does not believe that entire categories of hirers should be exempt from the recovery of short notice payments. Instead, liability should be determined by the facts of the individual case and should rest with the party responsible for the relevant action or decision.

The more important consideration is whether appropriate exceptions apply, including circumstances outside the reasonable control of the hirer or situations where another party is responsible for the relevant obligation. A framework based on responsibility and control is likely to be fairer and more effective than one based on broad categories of hirers.

Q57.a: Should the FWA enforce the right to short notice payments?

Yes

Q57.b: Please explain your answer.

Logistics UK supports enforcement of the right to short notice payments by the Fair Work Agency.

A single enforcement body should help promote consistency in the interpretation and application of the legislation across different sectors and business models. It should also provide workers and employers with greater clarity regarding how rights and obligations will be enforced.

Given the complexity of the proposed framework, it will be important for the Fair Work Agency to provide clear guidance on the operation of the short notice payment provisions, including the application of exceptions, the allocation of responsibilities between different parties, and the evidence required to demonstrate compliance.

Logistics UK also believes it will be important to ensure that the Fair Work Agency is adequately resourced to carry out its functions effectively. Consistent enforcement, supported by clear guidance, will be essential to minimise disputes and support compliance with the new requirements.

Q58: Should the FWA impose a penalty where it finds that an employer has failed to make a short notice payment?

No

Q59.a: What should the penalty amount be?

50%

Q59.b: Please explain your answer

Logistics UK does not support the introduction of financial penalties where an employer has failed to make a short notice payment. The priority should be ensuring that the worker receives any payment due and that employers are supported to comply with the new requirements.

However, if the Government decides to introduce a penalty regime, 50% of arrears would represent the most proportionate option. Higher penalty levels could be excessive for a new and complex right and may be particularly challenging for businesses implementing new systems and processes during the early stages of the regime.

Any penalty framework should support compliance rather than punishment and should be subject to review once employers and enforcement bodies have gained experience of operating the new requirements.

Q60.a: What should the minimum and maximum penalty amount be?

Minimum £100 per case, maximum £5,000 per worker (government preferred option)

Q60.b: Please explain your answer

Penalties should remain proportionate to the nature and severity of any breach and should recognise that employers will be implementing a new and complex framework. A higher maximum penalty could create disproportionate financial exposure, particularly where employers are managing large workforces and adapting systems and processes to comply with new requirements.

The primary objective of enforcement should be securing compliance and ensuring that workers receive any payments due, rather than imposing punitive financial sanctions. A maximum penalty of £5,000 per worker strikes a more appropriate balance between encouraging compliance and avoiding disproportionately severe outcomes.

Q61: Is there anything else you want us to take into account in relation to Part 2 of this consultation, on reasonable notice of shifts and payment for shifts cancelled, moved or curtailed at short notice?

Logistics UK supports the objective of providing workers with greater certainty regarding their working arrangements. However, the successful implementation of the Part 2 proposals will depend on ensuring that the framework remains proportionate, workable and capable of reflecting the realities of demand-driven sectors such as transport, logistics and warehousing.

The cumulative impact of reasonable notice requirements and short notice payment obligations should be considered alongside the wider package of employment reforms. Businesses will need to implement new systems and processes to record shift changes, apply exceptions, calculate payments, maintain evidence and demonstrate compliance. Government should ensure that the full administrative and financial impact of these combined obligations is reflected in the final impact assessment.

Logistics UK believes that clear statutory guidance will be essential. Guidance should include worked examples covering common operational scenarios, including circumstances outside an employer's control, agency worker arrangements, mutually agreed shift changes and the operation of exceptions.

Government should also consider the practical implications for enforcement and dispute resolution. The introduction of new rights should not create unnecessary uncertainty or increase disputes where employers have acted reasonably and in good faith.

Finally, the Government should continue to engage directly with sectors that rely on flexible labour arrangements to ensure that worker protections can be implemented in a way that preserves the responsiveness and agility required to support UK supply chains, economic growth and customer demand.

Q62.a: Do you think that the proposals in Part 2 of this consultation, on reasonable notice of shifts and short notice payments, will have a particular impact on groups sharing a protected characteristic under the Equality Act 2010?

Yes

Q62.b: Please explain your answer.

Logistics UK believes the proposals may have a particular impact on groups sharing protected characteristics under the Equality Act 2010. However, the nature and extent of any impact will depend heavily on the detailed regulations adopted, particularly the final notice periods, payment requirements, exceptions and enforcement arrangements.

The proposals have the potential to affect workers differently depending on their working patterns, personal circumstances and ability to accommodate changes to working arrangements. While some workers may benefit from greater certainty and protection from late changes to shifts, the overall impact will depend on how the rights operate in practice and how employers respond to the final regulatory framework.

Logistics UK therefore encourages the Government to undertake a detailed equality impact assessment of the final regulations, including consideration of how the proposals may affect access to different working arrangements and opportunities across the labour market.

Given the interaction between multiple policy decisions within Part 2, it is important that equality impacts are assessed holistically before secondary legislation is finalised.

PART 3: Amending the Conduct of Employment Agencies and Employment Businesses Regulations 2003

Q63.a: Should the government amend the Conduct of Employment Agencies and Employment Businesses Regulations 2003, to require relevant entities to share information they need to comply with their duties under the zero hours measures?

Yes, the government should amend the Conduct Regulations

Q63.b: Please explain your answer

The successful operation of the guaranteed hours, reasonable notice and short notice payment provisions will depend on agencies and hirers having access to timely and accurate information. Without clear information-sharing requirements, there is a risk that parties may be required to comply with obligations despite not having access to the data necessary to do so.

Any information-sharing requirements should be proportionate and limited to information that is genuinely required for compliance. Government should also ensure that requirements are designed to work alongside existing digital workforce management systems and are supported by clear guidance regarding data protection and legal responsibilities.

Logistics UK believes that clarity regarding what information must be shared, by whom, and within what timeframe will help reduce disputes, support compliance and improve the practical operation of the new framework.

Q64: Is there anything else you want us to take into account in relation to Part 3 of this consultation, on amending the Conduct of Employment Agencies and Employment Businesses Regulations 2003 in respect of the zero hours measures?

Logistics UK believes that the success of the zero hours measures will depend not only on information-sharing requirements, but also on clear guidance regarding responsibilities, liabilities and data-sharing obligations across the labour supply chain.

The Government should provide clear guidance on the interaction between the new obligations and existing data protection requirements, including what information can be shared, by whom, for what purpose and within what timeframe. This will be particularly important where multiple agencies, hirers and workers are involved.

Any information-sharing requirements should be designed to operate through existing digital systems wherever possible and should avoid creating unnecessary administrative burdens for compliant businesses. Consideration should also be given to developing standardised information-sharing processes and templates to support consistency across the labour market.

Logistics UK also believes that liability should sit with the party responsible for the relevant obligation. Businesses should not be held liable where they are unable to comply because another party in the labour supply chain has failed to provide the information required.

Given the scale of the proposed reforms, sufficient implementation time will be essential to allow agencies, hirers and employers to update systems, processes and contractual arrangements. Clear guidance should be published well in advance of any commencement date to support compliance and minimise disputes.

Contact details:

Bethany Windsor

Head of Skills Policy

bwindsor@logistics.org.uk