

# Midlothian Council

## Labour Group



### MIDLOTHIAN COUNCIL 24 MARCH 2015 Notice of Motion

Midlothian Council  
Tuesday 24 March 2015  
Item No 6 (d)

This Council condemns the exploitation of workers through the use of so-called “umbrella companies” involving zero hours with exclusivity clauses, the payment by workers of employers’ NI contributions, the rolling-up of holidays to deny paid leave and the use of expenses and Performance Related Pay as so-called pay supplements.

This Council recognises that, whilst the practice is particularly prevalent in the construction industry, where blacklisting and the exploitation of bogus self-employment has been a long standing concern of the trade union movement, there is a real danger that the exploitation of workers through umbrella companies could spread to other sectors.

This Council is particularly concerned that workers engaged to work on public sector contracts may be subjected to exploitation through umbrella companies.

This Council therefore resolves:

- To instruct the appropriate council officials to investigate and report back on the potential use of umbrella contracts on council related contracts;
- If it is found that umbrella companies are involved in the delivery of such contracts, to review the terms of contracts in which the council is involved with a view to securing direct employment, with full employment rights, for workers engaged on such contracts; and
- To communicate the council’s concerns regarding the use of umbrella companies in Scotland to the Scottish Government, urging the Scottish Government to introduce measures to address the use of umbrella companies in public sector procurement rules and processes.

Moved

Councillor Pottinger



Seconded

Councillor Young

