

Press release: Agency director ordered to pay back workers after pleading guilty to withholding wages

- a former director of an employment agency sentenced today in a Bristol court must pay compensation to 2 workers and fines totalling £5,154 after a government prosecution and has been banned from being a director for 5 years
- the former director of Cotterell and Gifford employment agency pleaded guilty to 4 charges including withholding wages and failing to give information to workers
- the prosecution comes after the Employment Agency Standards Inspectorate launched an investigation based on a worker complaint

A director has been ordered to pay wages and expenses totalling £5,145 at a hearing at Bristol Magistrates' Court today (29 August 2018). The prosecution comes after an investigation by the Employment Agency Standards Inspectorate – a government body that enforces rights on behalf of agency workers.

National Recruitment Limited, trading as Cotterell and Gifford, withheld wages to 2 workers for work they did in December 2015 and February 2016. The director was also guilty of failing to provide the right information to his workers when they started their jobs. He has been disqualified from being a director for 5 years.

Kelly Tolhurst, Small Business Minister, said:

Workers deserve to be paid for the work they do. We take complaints from workers seriously and will take action against employers that wilfully ignores the law and exploits workers.

We're going further to enhance and protect the rights of all workers. In our Good Work plan we have set out new plans to make agency workers more aware of their rights and give them the right to request a more predictable contract.

The government has recently consulted through the Good Work plan on how best to deliver on its commitment to:

- provide all 1.2 million agency workers with a clear breakdown of who pays them and any costs or charges deducted from their wages
- consider repealing laws allowing agencies to employ workers on cheaper rates
- enforce vulnerable workers' holiday and sick pay for the first time
- give workers a list of day-one rights including holiday and sick pay entitlements
- introduce a new right for all workers to request a more stable contract

- to provide greater financial security for those on flexible contracts
- introduce a new naming scheme for employers who fail to pay employment tribunal awards to quadruple employment tribunal fines for employers showing malice, spite or gross oversight to £20,000 and considering increasing penalties for employers who have previously lost similar cases

Anyone with a complaint or query about an employment agency or about the law applying to agencies should contact the Employment Agency Standards Inspectorate by email at eas@beis.gov.uk, by the [online form](#) on GOV.UK – or contact the [Acas helpline](#) on 0300 123 1100.

1. The Insolvency Service brought charges against Nicholas Brown on behalf of the Secretary of State for Business, Energy and Industrial Strategy under regulation 12 and regulation 14 of the Conduct of Employment Agencies and Employment Businesses Regulations 2003 (as amended) and Section 5(2) of the Employment Agencies Act 1973 (as amended).
2. It is a criminal offence for an employment business to withhold from a work-seeker any payment due to that work-seeker for work that they have carried out whilst supplied to a hirer by the employment business.
3. Information about the Employment Agencies Act 1973 and the regulations can be accessed through [GOV.UK](#).