

## The EAA Regulations and Opting Out of them

As an ethical recruitment business, and proud, paid members of the REC (Recruitment and Employment Confederation) since our inception, we take compliance at mustard seriously.

While the EAA conduct regulations and their implications should always be explained to any worker, experience tells us that not all recruiters do, so even to experienced contract/freelance workers, some of this might be new information. Which is why we're spelling out in black and white.

### What are the conduct regulations?

The Conduct of Employment Agencies and Employment Businesses Regulations (2003) stipulate that as an Employment Business who provide temporary and contract workers to hirers, we must uphold 3 key regulations:

Regulation 13: All workers must be provided with a "Key Information Document" which outlines all/any fees and deductions to your pay that are applicable depending on your individual situation.

Regulation 18: We are required to obtain a certain level of information from the hirer about the assignment including location, days/hours, start date, duration and more.

Regulation 21: We are required to provide all this information to the worker before commencement of any assignment in addition to the rate of pay.

We choose to provide workers with all of the above regardless of whether or not they have chosen to opt in or opt out of the conduct regulations.

### So why would someone want to opt out?

Opting out of the conduct regulations is only an option to you if your assignment has been determined to be outside IR35.

Generally speaking, most workers are working contract/freelance positions because they have made a conscious decision to choose to be self-employed and therefore be taxed and treated as such by HMRC. There are lots of grey areas surrounding IR35 legislation and how to determine what worker's status in any role, but it could be argued that a worker who is choosing to work under a contract governed by the EAA conduct regulations is more likely to be viewed as one who is "employed" in the unlikely case that the individual was audited. Therefore, most workers who want to be doing everything they can to prove they are self-employed will choose to opt out of the conduct regulations.

### What are the implications?

For the duration of any assignment you work on, you will be issued with a contract from mustard. You'll either be issued an "opt in contract" or an "opt out contract", depending on what you choose to do and this will govern our relationship with you for the duration of the assignment. You can decide to change your mind at any point, at which point a new contract can be issued for signing and should you ever work with mustard on any future assignments, you will be asked again whether or not you'll be opting in or out.

You can view all the draft contracts in advance of making any decisions on the [contracts page](#) of our website.

mustard are not financial advisors and as such we can't offer any recommendations on what you should do here, all we can do is give you all the information.

**Ready to make a decision?** Either send an email to your consultant, or complete the online form on the above contracts page.

**Still have more questions?** Have a look at the gov.uk resources on the conduct regs here: [Conduct Regulations 2003](#) or get in touch with your consultant or the Contractor Care Team on +44 (0)117 929 6060.