

## Legal issues for contractors and agents

What are your legal rights when you work with agents?

Certainly your legal rights should not be the only basis for your [negotiations with agencies](#). There are many [advantages to using agencies](#), and they will always be an important part of your business, because contractors usually cannot work for companies without their intermediation. You often will have good business reasons for not invoking your absolute legal rights in your relationship with agencies, but there are good and bad agents just as in any other business, so it is wise to know what your legal rights are at each stage of the process.

### First Contact-First Legal Issue

You start out by [finding a contract](#) via an ad on a job board and you contact the agent--or perhaps the agent contacts you having seen your [CV](#) online.

If you are responding to an ad, you may not be applying for a real job. Many agents place ads for non-existing positions just to collect contractor CVs. This practice is illegal, according to the UK data protection watchdog, the [Information Commissioner's Office](#). You should contact this Office if you find that you have been taken advantage of in this way.

When agents contact you, make certain that they actually have a job to propose and are not simply digging for leads of their own. This is not technically illegal unless they actually propose a job for which they have no client approval. In any case, there is not much effective recourse in this situation, and so you should simply avoid long business chats with agents who seem to have no particular purpose in mind.

### Contact with the Client

On the other hand, an agent may solicit your CV for a position, and then never get back to you. This is perfectly legal and fair on the part of the agency (although a bit rude). They have a legal obligation to submit your CV to the client if they solicit it and obtain your permission to do so, but the client has no legal obligation to engage your services.

On the other hand, an agent may send your CV to a client and then find that someone else has already sent it there. No one has the right to send your CV out without your permission, and you should contact the Information Commissioner's Office if you find out who is doing so. The problem is that you will rarely find out who is responsible. Nowadays, with CVs available on the Net, there is little chance of tracing it back.

### The Interview and The Offer

Should all go well, the agent arranges an [interview with the client](#) which you attend. Again, if all goes well, the agent may offer you a position over the phone. Here most agents will be using all their salesmanship to get you to agree to the position, but remember: this is not a binding offer. " [Verbal contracts](#) are valid, but it is very difficult to prove what the terms are. Get it in writing," says [David Royden](#), a lawyer specialising in contract law with Layton's Solicitors in Manchester.

Once you do get it in writing, and you sign, you can't change the deal you've cut. At least you would have to get the agent to agree to any changes you might wish to make. You will hear much gossip about [agent margins](#) in your work as a contractor. Agents will tell you how they are shaving their margins to get you more money, or other contractors will tell you what a heavy cut the agent is getting. None of this matters to you if you've gotten the deal you wanted at the outset from a legal point of view.

“ Get it in writing ”

David Royden-Laytons Solicitors

### Once You're On the Job

Even once you start work, some areas of difference may arise between you and your agent.

Does the contract that you have signed provide a fair description of the work you are doing? "You should be reasonable and flexible, but do not be afraid to object if you are being asked to do much more or very different work than the contract calls for," says Royden.

Or the agent has contracted with you for 12 months, but the job is only going to last for six months. Here you need to carefully consider the termination clause in your contract. Does the agent have the right to terminate early? If not, the agent is probably in breach of contract.

“ You should be reasonable and flexible but do not be afraid to object if you are being asked to do much more or very different

Should the agent wish to change the contract while its in effect, you have no legal obligation to do so, unless the contract includes a clause that stipulates such changes. This includes any attempt

by the agent to force a margin increase. Nonetheless, you may have good business reasons for agreeing to changes.

work than the contract calls for

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David Royden-Laytons Solicitors

Should the agent breach the contract, by paying you late or by not fulfilling any of the contracts conditions, you do have the right to [terminate your contract](#) due to breach, and you have the right to some damages.

## Renewals and Termination

At the end of the contract, you may wish to [renew](#), or the agent may ask you to renew. You can, at this point, make any changes in the new contract that you wish to. Should the agent attempt to force you to take a pay cut at this point, you may have the right to go to work directly for the client. You have the right to negotiate a rise if you wish to.

Or you may wish to terminate, and you should be attentive to any [restrictive clauses](#) that the contract may include which are valid beyond termination.

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