

Bectu Submission: Make Work Pay: modernising the Agency Work Regulatory Framework

Bectu, a sector of the Trade Union Prospect, represents around 40,000 members across the creative industries. Our members, around half of whom are freelancers, work in film, TV, theatre, live events, fashion, gaming and cinema.

Bectu represents over 1,000 supporting artistes or background artistes (otherwise known as film extras), who get work through agencies. Casting agencies operate primarily as intermediaries, employment businesses that connect supporting artistes with production companies (hirers). Agencies always collect payment from the production company and then pay the SA with the commission.

They are also required to provide the artist with key information about the job, including the hirer's identity, the nature of the work, and the payment terms. Supporting artistes are almost always classed as self-employed independent contractors for tax and National Insurance purposes, working through employment agencies. On-set booked artists are the responsibility of the production company (the employer). The production company, not the agency, must provide employer liability and public liability insurance.

This submission speaks to the experiences of these workers.

Chapter 1: Security

1a) Do you agree that the key objectives listed should underpin the regulations: ensuring fair remuneration; ensuring a wide-ranging coverage of protection; providing assurance for business?

Yes.

1b) Please explain your answer.

2a) In your view, do the current regulations meet these objectives?

No.

2b) How could the current regulations be adapted to better meet these objectives?

As the consultation notes, the Conduct Regulations were designed for a simpler relationship between the worker, the hirer and an employment business/agency. In the entertainment sector, multi-intermediary chains (talent agent/casting intermediary, production, payroll provider and/or umbrella company) create gaps in security and enforcement, including where payment is withheld by an umbrella company and the current enforcement framework cannot respond effectively.

To better meet the objectives, reforms should close known loopholes in entertainment-sector hiring chains and make protections effective in practice (including for short-notice bookings and multi-intermediary payment arrangements):

1. **Close commission/fee and VAT loopholes:** introduce guardrails on talent commissions and other work-finding charges, including a cap or reasonableness limit to prevent commissions approaching or exceeding total pay. Remove or substantially narrow the exemption that allows upfront “book/listing” fees, which is outdated in a digitised casting market. Clarify what elements VAT can be charged against and require agencies to state, in advance, whether VAT applies and on what basis. Prevent commission being deducted from inappropriate elements (e.g. holiday pay, expenses, per diems and allowances) unless explicitly permitted and clearly agreed in advance.
2. **Aligning any deductions with the enforcement of minimum wage rules:** make explicit that compliance with the minimum wage must be assessed on the worker’s pay after any agency commission and any umbrella/payroll deductions connected to obtaining or being paid for the work. Where deductions would take pay below minimum wage, they should be unlawful and recoverable through a clear, accessible enforcement route. At present, this is not possible because of permissible deductions having no cap. Deductions could be taken from the production company rather than the worker’s pay.
3. **Improving transparency across the supply chain:** Entertainment work is often agreed and performed before paperwork exists. Require an assignment-specific pay breakdown before a worker accepts a booking or within a short statutory window, covering gross rate, hours/basis, commission, all fees/deductions, holiday pay treatment, VAT basis, and the payment date. Introduce clear timelines for payslip provision and for invoicing/processing through the chain so workers are not left for weeks without clarity on net pay.
4. **Accountability, clarity and effective enforcement:** allocate responsibility across the agent/casting intermediary, production and payroll/umbrella chain for timely payment, transparent and lawful deductions, and minimum wage compliance, with joint/several liability where necessary so obligations cannot be avoided by outsourcing payroll. The framework should also restate clearly that core worker rights (including timely written particulars and protection from unlawful deductions) apply in entertainment agency contexts regardless of the label used in the chain.

Case example: Supporting artistes paid under NMW

A supporting artiste (film extra) gets work through a casting agency. The agency issues a written call notice via email for a film job. After responding to the notice, and the production agreeing to the supporting artiste being suitable, the supporting artiste is booked.

Bookings can be cancelled anytime up to 12 noon the day before the booked date under the terms of the contract. The job is booked under the Pact-FAA (Film Artistes Association) agreement terms and rates, which Bectu-FAA have negotiated with Pact (Producers Alliance for Cinema and Television) as the agreed conditions and rates applicable.

The supporting artiste is offered this job two months before filming. This job is confirmed the day before in writing by the agency, and there will be written communications from the production (via the agency) telling the SA where to attend the job and any other instructions they need to know about.

The union-agreed rates must be paid as a minimum, but in practice, supplementary fees accrue over the day so that overtime and other additional fees are due at the end of the day for a missed or late meal break, getting a haircut, providing clothing, etc. Quite often, the supplementary fees due are refused and not paid by the production in breach of the Pact-FAA terms and rates.

At the end of the job, the SA asks to see a payslip (known as an artiste salary voucher or a chit) for the day. The Crowd Assistant Director refuses, saying that this is too time-consuming, despite the union agreement requiring this to happen at the end of the day.

The production pays the agency, and the agency then pays the SA eight weeks later (SAs are usually paid between 4-8 weeks after the job, but it can take longer), deducting 24% commission and fees, including VAT. The SA is left with a take-home amount below the National Minimum Wage, and they may still have to pay tax and NI on this as an individual, as they are self-employed for tax purposes.

Example chit taking SA under NMW

Basic Daily Rate (BDR) (7 hours)	£111.21
	£15.89 p/h
Agency Fees (24%)	-£26.69
	- £ 3.81 p/h
VAT on agency fees	-£5.34
	-£ 0.76 p/h
Total pay to SA	£79.18
	11.31 p/h

3a) Do you have views on how the government can ensure that the distinction between the activities of employment agencies and employment businesses are clearly defined? For example, changes to regulation 8, or publishing specific guidance.

Yes.

3b) If yes, please explain your answer.

The guidance and definitions should explicitly address entertainment “talent agency” business models and clarify when a talent agent/casting intermediary is operating as an employment business (e.g., where they set or negotiate rates, control key terms, receive/forward payment, or apply deductions).

This would help workers understand who owes which obligations and help businesses to comply.

5a) Do you agree that the principle that employment businesses cannot withhold, or threaten to withhold, payment for work done should be maintained?

Yes.

5b) Please explain your answer.

Workers’ pay should not be eroded by downstream commercial disputes in a long supply chain. This principle is particularly important in entertainment work where bookings may be short-notice and where workers have limited bargaining power once the work is completed.

6a) Do you agree that regulation 12 should place an obligation on umbrella companies to pay workers for all work done, including in situations where they have not received payment from an employment business?

Yes.

6b) Please explain your answer.

Where an umbrella company is used as the pay vehicle, the worker should have a clear statutory right to be paid for all work done regardless of whether the umbrella has been paid upstream. Otherwise, risk is shifted onto workers who have no visibility or control over invoicing or payment between intermediaries.

7a) Is there additional information beyond requirements or authorisations required by law, and requirements or authorisations required by a relevant professional body or regulator, that should be obtained and provided to hirers under these regulations, rather than agreed to through contractual arrangements?

7b) Please explain your answer.

8a) Where an umbrella company is involved, should the umbrella company be obliged to pass on any information they are aware of, relating to the two areas outlined above, to the relevant employment business (or to the end hirer when there is no employment business in the supply chain)?

Yes

8b) Please explain your answer.

In complex, multi-intermediary arrangements common in the entertainment sector, umbrella companies often hold or control information that is material to lawful engagement, including information relating to how the worker is engaged and paid. If this information is not shared upstream, it can undermine both regulatory compliance and hirer confidence, and make it difficult to identify responsibility when problems arise.

10a) Do you have views on how the processes relating to information gathering and sharing should be streamlined in order to facilitate workers taking up positions quickly and to reduce the administrative costs involved?

Yes.

10b) If yes, please explain your answer.

For short-notice engagements common in entertainment, regulations should require a minimum written pay and deductions summary, covering rate, hours/basis of pay, commission, umbrella/payroll charges, VAT treatment, holiday pay method, and payment date, to be provided before acceptance, or immediately afterwards where genuinely urgent. This would allow workers to take up roles at short notice with clarity on pay, while enabling fuller documentation to follow promptly without delaying engagement.

14a) Do you have any views on how the regulations listed above operate in practice, and whether there are any changes that the government should consider?

Yes.

14b) If yes, please explain your answer.

In practice, the Conduct Regulations do not consistently deliver the intended protections for workers in the entertainment sector, due to a mismatch between how the framework is designed and how work is offered, agreed and paid for. There are a number of loopholes affecting our members who work through agents that need closing.

Rights are framed as applying pre-assignment, yet entertainment work is frequently agreed and performed before paperwork exists. Casting and short-notice bookings are often confirmed verbally or via text, particularly for background and supporting artist work, with written terms and payslips issued weeks later. This undermines informed consent and makes it difficult for workers to understand rates, deductions or payment arrangements before accepting work.

Supply chains are complex, involving agents or casting intermediaries, production companies, payroll providers and, increasingly, umbrella companies, so it can be unclear who is responsible in practice for explaining deductions, ensuring timely payment, and verifying compliance with minimum wage rules. This fragmentation allows responsibility to be deferred between parties, weakening enforcement and leaving workers without clear routes to resolve problems. Information that the agency are meant to pass on about the hirer's identity is often omitted or hard to get, making enforcement of payment by the worker challenging.

The current framework permits uncapped commissions, fees and deductions, including commission applied to holiday pay, allowances or expenses. There is also no explicit requirement that minimum wage compliance must be assessed after deductions, creating a significant gap between formal protection and lived outcomes. The regulations also retain outdated exceptions, such as "book" or listing fees, that no longer reflect a digitised casting market and continue to enable practices that erode pay and transparency.

Finally, there remains ambiguity around VAT treatment, including what elements of commission VAT can be charged against, further reducing clarity for workers and complicating compliance for responsible businesses.

Chapter 2: Transparency

16a) Do you agree that the key objectives listed should underpin the regulations: clarity for workers; pay transparency; proportionality?

Yes.

16b) Please explain your answer.

These objectives are particularly important in entertainment where work is short-notice and insecure, and workers need to know their likely net pay before accepting a booking. Transparency must include clear, comprehensible disclosure of all commissions, fees and deductions across the chain.

17a) In your view, do the current regulations meet these objectives?

No.

17b) How could the current regulations be adapted to better meet these objectives?

Documents such as Key Information Documents, where they exist, are often generic, difficult to interpret, and not reissued when the engagement model changes (for example, when a payroll intermediary or umbrella company is introduced). As a result, workers frequently only discover the true extent of deductions and commission after the work is completed and payment is received. Disclosures should be provided before acceptance (or immediately afterwards for genuinely urgent bookings) and must be reissued whenever any pay arrangement changes.

18a) Do you agree that those listed above represent the key pieces of information required to ensure transparency for work-seekers regarding how they will be engaged, how they will be paid and what type of work they will be doing?

Yes

18b) Please explain your answer.

Workers need to know the agency/talent commission rate and basis (what elements it is applied to), any upfront 'book/listing' fees, any umbrella margin/charges, and whether VAT is applied and to what components.

19a) Do you have any views on when or how this information should be provided to work-seekers?

Yes

19b) If yes, please explain your answer.

Where work is offered at very short notice, a minimum written pay summary should be provided immediately with full particulars within a short statutory timeframe.

20a) Do you agree that where an umbrella company is offered to a worker as a means of providing payment, there should be an obligation on the umbrella company to provide a representative breakdown of how much they will charge for their services, and how deductions will be calculated?

Yes. Where an umbrella company is offered, it should be obliged to provide a worker-readable, representative breakdown showing its margin/charges and a worked example of deductions leading from the assignment rate to expected take-home pay.

20b) Please explain your answer.

This should be consistent with the information given by the agency/talent intermediary and should identify which entity is responsible for each deduction.

Chapter 3: Choice

25a) Do you agree that the key objectives listed should underpin the regulations?

Yes

26a) In your view, do the current regulations meet these objectives?

No.

26b) How could the current regulations be adapted to better meet these objectives?

In practice, workers are often presented with umbrella companies as the default or only workable payment route, especially for short-notice engagements. This undermines genuine choice and makes it difficult for workers to understand and compare the real net pay outcomes.

27a) Do you agree that the government should regulate to ensure that workers cannot be forced to work through, or be paid via, an umbrella company?

Yes

Chapter 4: Further opportunities for modernisation

37a) Do you have views on how the regulations listed above should be amended to account for modern working practices and business models, including the use of umbrella companies?

Yes

37b) If yes, please explain your answer.

For workers like supporting artistes, who are low wage workers, we believe schedule 3 should be reviewed.

Regulation 26 for Schedule 3 workers should be updated by tightly limiting permissible fees, capping commission, ensuring minimum wage compliance after deductions, strengthening pre-assignment transparency, and closing loopholes created by umbrella company use.

There is currently no cap on commission, allowing agencies to take extremely high percentages, in some cases leaving workers with little or no pay, or even owing money after deductions.

Regulation 26 should be amended to introduce a statutory cap on total fees and commission chargeable to work-seekers, and require fees to be proportionate to gross pay and clearly linked

to work-finding activity only. They should also clarify that minimum wage compliance applies post-deduction of any fees charged, not only to headline rates.

There should also be amendments to improve transparency over fees, by requiring a full breakdown of all fees, commission, VAT, and deductions before a worker agrees to the role, or for short-notice offers, requiring clear written confirmation of net pay implications. This should also ensure that agencies cannot avoid Regulation 26 protections by outsourcing charging practices to umbrellas.