

## SCHEDULE 1

### TRANSITIONAL AND SAVING PROVISIONS

#### **Application to existing contracts**

2.—(1) Subject to the following provisions of this paragraph, these Regulations apply in respect of existing contracts with effect from the date these Regulations come into force.

(2) Regulations 5 (restriction on requiring work-seekers to use additional services), 6(1) (restriction on detrimental action), 10 (restriction on charges to hirers), 12 (prohibitions on withholding payment to work-seekers), 26 (charging fees to work-seekers) and 28(2) (prohibition on disclosure of information to current employer) shall not apply in respect of any existing contract during the transitional period.

(3) Sub-paragraph (4) applies after the end of the transitional period to existing contracts which on the date these Regulations come into force include any term, the inclusion of which is prohibited by regulations 6(1) and 12.

(4) The references in regulations 6(1) and 12 to including a term in a contract shall be construed as references to enforcing or seeking to enforce that term.

(5) After the day on which the transitional period ends, regulation 10 shall not apply to any right which has accrued on or before that day under any term, in an existing contract, which is described in regulation 10.

(6) Sub-paragraphs (7) and (8) apply after the end of the transitional period to any existing contract between an employment business and a hirer which does not provide for a hire period as referred to in regulation 10(1).

(7) For the purposes of regulation 10(1), the contract between the employment business and the hirer shall be regarded as making such provision as is specified in that regulation where—

- (a) the employment business has given notice to the hirer stating that, instead of a transfer fee, the hirer may elect for a hire period of such length as is specified in the notice during which the work-seeker will be supplied to the hirer on terms no less favourable to the hirer than those which applied immediately before the employment business received the hirer's election or, where there has been no supply, on the terms set out in the notice; and
- (b) the employment business has given such notice to the hirer (and has not withdrawn the same) at any time from the day on which these Regulations come into force but before the work-seeker concerned—
  - (i) begins employment with the hirer; or
  - (ii) begins working for the hirer pursuant to being supplied by another employment business.

(8) For the purposes of regulation 10(3), the references to “the contract” and “the hire period referred to in paragraph (1)” shall be read as references to the notice referred to in sub-paragraph (7) of this paragraph and the hire period specified in that notice, respectively.