## AMENDMENT

## TO BE MOVED

## IN COMMITTEE OF THE WHOLE HOUSE

[Supplementary to the Corrected Ninth Marshalled List]

Amendment No.

After Clause 150

#### LORD BERKELEY

323E★ After Clause 150, insert the following new Clause –

## "Substitution clauses and the definition of "worker" in app-based work

- (1) The Employment Rights Act 1996 is amended as follows.
- (2) After section 207B, insert –

#### "Substitution

#### 207C Prohibition of substitution clauses in platform-based logistics work

- (1) A relevant company must not include a clause in its contractor agreements that permits substitution in the performance of services, unless
  - (a) the company can demonstrate that such substitution is operationally viable and genuinely offered to all contractors, and
  - (b) the identity of any substitute is subject to the same training, vetting and approval standards as a directly contracted individual.
- (2) A clause purporting to allow substitution that fails to meet the criteria in subsection (1) shall be unenforceable and void, and the individual shall be treated as a worker under section 230(3).
- (3) In this section –

"dependent contractor" means a person who-

- (a) performs services arranged through the company's platform;
- (b) is paid per task or service delivered;
- (c) is not classified as an employee or worker by the company; "relevant company" means a company that –

- (a) provides services in relation to food and beverage delivery, postal and courier operations, or private hire transport via a digital or app-based platform, and
- (b) engages more than 250 workers or dependent contractors globally.
- (4) A clause purporting to allow substitution that fails to meet the criteria in subsection (1) shall be unenforceable and void, and the individual shall be treated as a worker under section 230(3)."
- (3) In section 230 (employees and workers), after subsection (3), insert -
  - "(3A) For the purposes of subsection (3)(b), a requirement to perform work personally shall be deemed to exist unless the right to substitute
    - (a) is genuine, exercised in practice, and not fettered by contractual or practical limitations imposed by the contracting entity,
    - (b) is not subject to prior approval or vetting by the company, either directly or indirectly, and
    - (c) forms a meaningful part of the way in which services are actually delivered.
    - (3B) Where the work involves the use of a digital platform to allocate real-time, location-based tasks in sectors including
      - (a) food and beverage delivery,
      - (b) postal and courier services, and
      - (c) taxi and private hire operations,

any contractual clause purporting to allow for substitution shall be treated as void and of no effect, unless the company can demonstrate that the right of substitution is genuine, practical, and routinely exercised.

(3C) A substitution clause in a contract for services of the type described in subsection (3B) shall not, by itself, be sufficient to establish that an individual is not a worker.""

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13 June 2025

HL Bill 81–IX(Corrected)(a)