

Contract of Employment

EMPLOYEE AGREEMENT

THIS AGREEMENT is made on the *[insert day]* day of *[insert month]* *[insert year]*

BETWEEN:

[Insert company name], the "Company"

AND

[Insert Employee' name], the "employee"

WHEREBY IT IS AGREED as follows:

1. Interpretation

Unless the context otherwise admits words importing one gender shall include all other genders and words importing the singular shall include the plural and vice versa.

2. Period of Service

The employee's period of service commenced on the *[insert day]* day of *[insert month]* *[insert year]*. No employment with a previous employer shall count as part of the period of continuous service.

3. Job Title and Description

The employee will be employed by the employer in the position of *[Insert employee's job title]*. The employee's job description and duties will consist of the following, *[Insert a full description of the employee's job and duties]*. These duties may change and develop over time. Therefore, the employer reserves the right, upon giving reasonable notice, to require the employee to perform other duties within the employee's capability.

4. Place of Work & Relocation

4.1 The employee shall work at the employer's offices at *[Insert workplace address]* and at such other places as the satisfactory discharge of their duties shall require and shall if required, temporarily assist at any other location operated by the employer now or in the future.

4.2 Where the employer plans to move the employee's work location to another region or country, and such a move would disrupt the employee; the employer will first consult fully with the employee regarding any proposed change in the location of their work. Such consultation shall include the employer seeking to offer the employee the same or similar work closer to their home.

4.3 Where the employee agrees to a substantial change in their location of work, the employer will offer all reasonable support to the employee to enable relocation. Such support can include relocation expenses to cover the cost of travel, accommodation and where required, the settlement of the employee's immediate family.

4.4 Where the employer incurs significant expense in relocating the employee (and where applicable, their immediate family) the employer shall be entitled to seek the repayment of such expenses should the employee leave their employment. Such reimbursement shall be subject to the following sliding scale. Within the first year - 70% of the costs incurred by the employer shall be reimbursed by the employee, within the second year - 50%, within the third year 30%. After the third year, any such requirement to reimburse relocation expenses will expire.



Contract of Employment

EMPLOYEE AGREEMENT

5. Hours of Work

5.1 The employee's normal hours of work and the time allowed for lunch or break periods shall be as per Schedule 1. In addition the employee shall on reasonable prior request by the employer be required to work such hours outside his normal working hours, as the employer considers necessary to meet the needs of the business with no entitlement to additional payment unless otherwise agreed. For the avoidance of doubt, the employee shall not be required to work in excess of the working week as set out in the Working Time Regulations 1998 (as amended), unless agreed in writing that this limit should not apply.

5.2 Time spent by the employee travelling to or from their place of work (such place of work as directed by the employer) shall not constitute working time and shall not count as hours worked and shall accordingly not be paid time.

6. Probationary Period

The employee shall work for a trial period of [Insert length of trial period, e.g. one month] and this shall be the probationary period. The employment may be terminated by the employee or employer on [Insert amount of notice, e.g. one week] notice in writing at any time during or at the immediate end of the probationary period or by payment in lieu of notice. If the employer deems it appropriate this probationary period may be extended by giving notice to the employee in writing.

7. Salary

7.1 The employer shall pay the employee a gross salary of [Insert amount in words and numbers, e.g. £20,000, Twenty Thousand Pounds] per year paid [Specify - weekly in arrears/monthly in arrears] on [Specify day of the week or day in the month, e.g. Friday of every week/on the 15th day of every month] and subject to review according to a satisfactory assessment as set out in clause 8 below. There is however no contractual entitlement to any increase in the employee's basic salary. Any changes to salary will be notified to the employee in writing.

7.2 An itemised pay statement of the employee's earnings and deductions will be given at the time of payment.

8. Assessments

The employer will assess the employee after the first [Insert period, e.g. three months] of his employment and then every [Insert period, e.g. twelve months] thereafter.



Contract of Employment

EMPLOYEE AGREEMENT

9. Deductions

The employer reserves the right to make deductions from the employee's salary as follows:

9.1 Where the employer has overpaid the employee for any reason.

9.2 Where the employer suffers loss by failure of the employee to follow instructions or exercise diligence.

9.3 If the employee causes damage to the employer's property the value of replacement or repair shall be deducted.

9.4 If the employee leaves the employer's employment without giving the required notice the value of the employee's pay for the notice period will be deducted.

9.5 If the employee enters the employer into any contract without authority the value of any loss will be deducted.

9.6 When the employee leaves the employer they will deduct any overpayments, advances and holiday pay taken in excess of the employees pro rata allowance.

10. Expenses

Upon being presented with proof of payment of the employee's expenses incurred by him in performing his duties the employer shall reimburse the amount of these expenses to him at the end of each [Insert period, e.g. month]. The employer will meet the following expenses:

[Insert list of expenses that will be covered, e.g. travel expenses and accommodation]



Contract of Employment

EMPLOYEE AGREEMENT

11. Holidays

11.1 The holiday year shall run from *[Insert month, e.g. September]* to *[Insert month, e.g. August]*.

The employee shall be entitled every year to the following paid holiday:

11.2 *[Insert days, note the statutory minimum is twenty-eight days for those working a 5-day week, pro-rata if work less]* days holiday per annum to be taken pro-rata with dates to be agreed between the employer and the employee prior to such holidays being taken.

11.3 Select one of the following statements -

Bank and public holidays will be counted in the calculation of the employee's holiday entitlement.

OR

Bank and public holidays will be excluded from the calculation of the employee's holiday entitlement.

11.4 Select one of the following statements -

Holidays are to be taken at such times as may be agreed with the employer. The employee may not carry any holiday entitlement forward to a subsequent year or receive payment for unused holidays unless specifically agreed in writing with the employer.

OR

The employee may only carry holiday entitlement forward to a subsequent year or receive payment for unused holidays where an employee is unable to take annual leave due to a period of sickness and on return to work there is insufficient time left to take that holiday entitlement before the leave period ends.

11.5 The employer may at its discretion refuse to allow the employee to take any outstanding holiday entitlement during any period of notice in order to affect a smooth handover or to finish outstanding work. The employee in those circumstances will be entitled to payment in lieu of any unused holiday entitlement.

11.6 On termination of the employment the employee will be entitled to a pro rata payment in lieu of any unused holiday entitlement. The employer reserves the right to deduct payment for holiday taken in excess of holiday entitlement from the final payment of salary made to the employee in accordance with clause 9.6.



Contract of Employment

EMPLOYEE AGREEMENT

12. Sickness and Disability

12.1 If and whenever the employee is incapable through illness or accident of performing his duties (absence) he shall after seven days of absenting himself from his employment obtain a doctor's fit note for each week that he is absent.

12.2 The employee or someone on the employee's behalf shall inform [Insert name of person to be informed] of the reason for their absence as soon as possible, but in any event not later than [Insert time, e.g. 10am] on the same working day.

12.3 Select one of the following statements -

During such absence the employee shall only be entitled to receive the amount of any statutory sick pay to which they are entitled under the Social Security Contributions Act 1992 (as amended).

OR

During such absence the employee shall be paid their full pay. The employer will for any single year pay contractual sick pay for a period of [Insert period, e.g. specify a period from one week to twelve months].

OR

During such absence the employee shall be paid their normal basic remuneration less the amount of any statutory sick pay or social security sickness benefit to which they may be entitled. The employer will for any single year pay contractual sick pay for a period of [Insert period, e.g. specify a period from one week to twelve months].

12.4 For the purposes of calculation of statutory sick pay the qualifying days will be [Insert normal workplace working week, e.g. Monday to Friday].

12.5 Entitlement to payment is subject to notification of absence and subsequent production of a doctor's fit note as referred to above.

12.6 The terms of the employer's sickness and absence policy in the employer's handbook shall apply.

13. Pension

13.1 The employer provides a recognised pension scheme [Insert name of pension scheme].

13.2 The employer will comply with all duties relating to the provision of this pension in accordance with Part 1 of the Pensions Act 2008.

13.3 The employer is entitled to make deductions from the employee's salary to be used as contributions to the pension scheme.

13.4 Membership of the scheme is subject to the rules of the pension scheme as amended from time to time.

13.5 The employer reserves the right to vary or discontinue any pension scheme.



Contract of Employment

EMPLOYEE AGREEMENT

14. Notice

14.1 Up to [*Insert length of trial period, e.g. one month*] of service the employer will give one weeks' notice to the employee.

14.2 Thereafter the employer will give [*Insert length of notice period, e.g. from one week to six months*] notice except in the event of dismissal for gross misconduct whereby the employer has the right to dismiss immediately. Gross misconduct shall be taken to include (but not restricted to) the following:

- a) Theft or attempted theft from the employer or the employer's clients, customers or any of the employer's employees.
- b) Fraud.
- c) Causing malicious injury or maiming to the employer's clients, customers or employees.
- d) Rude offensive and threatening behaviour to the employer's, clients, customers or employees.
- e) Malicious damage to property.
- f) Breach of confidentiality, including breaches under the General Data Protection Regulation (GDPR).
- g) Negligence resulting in serious loss, damage or injury to the employer, the employer's clients, customers or employees.
- h) Serious breaches of Health and Safety regulations.
- i) Offering or accepting bribes or inducements.

14.3 The employee shall at all time give [*Insert length of notice period, e.g. from one week to six months*] prior notice to the employer if leaving the employment of his own volition.

14.4 Without prejudice to this clause 14 the employer reserves the right to terminate the employment by paying the employee in lieu of notice or any part thereof.

14.5 If the employer requires the employee to remain away from the workplace during the employee's notice period, the employee will be required to comply with any conditions laid down by the employer and whilst on full pay they will not be permitted to work for any other person, firm client or corporation during that time without the employer's permission.

15. Intellectual Property Rights

15.1 Where the employee creates or makes any Intellectual Property Rights, which may be of benefit, to the employer he or she shall inform the employer immediately in writing and such rights shall be owned absolutely by the employer so far as the law allows. Furthermore the employee agrees to enter into all documents and do whatever is required to ensure ownership of such rights for the employer. The employee agrees to waive all moral rights therein.

15.2 "Intellectual Property Rights" means patents, copyright, database right, registered and unregistered design rights, utility models, trade marks and other intellectual property rights throughout the world, applications for registration of the same, confidential information and know-how, whether in each case registered or unregistered.

16. Grievance and Disciplinary Procedure

The employer's disciplinary rules and grievance and appeal procedure are set out in the employer's handbook and shall apply to this Agreement. A copy of the handbook will be provided to the employee on request.



Contract of Employment

EMPLOYEE AGREEMENT

17. Retirement

The procedures relating to retirement are set out in the retirement policy in the employer's handbook. A copy of which will be provided to the employee on request.

18. Severability

It is hereby declared that the foregoing paragraphs, sub-paragraphs and clauses of this Agreement shall be read and construed independently of each other. Should any part of this Agreement or its paragraphs, sub-paragraphs or clauses be found invalid it shall not affect the remaining paragraphs, sub-paragraphs and clauses.

19. Prior Agreements

This Agreement sets out the entire Agreement and understanding of the parties and is in substitution of any previous written or oral agreements between the employer and the employee.

20. Jurisdiction

This Agreement shall be construed in accordance with the laws of England and shall be subject to the exclusive jurisdiction of the English courts.

21. Particulars of Employment

Schedule 2 of this Agreement sets out the particulars of the employee's employment in accordance with the requirements of Section 1 of the Employment Rights Act 1996.



Contract of Employment

EMPLOYEE AGREEMENT

SCHEDULE 1

Employee's Working Week:

[Insert normal workplace working week, e.g. Monday to Friday].

Employee's Hours of Work:

[Insert normal hours of work, e.g. 9am to 5pm].

Employee's Hours of Lunch or Break:

[Insert normal times of lunch or work break, e.g. 1pm to 2pm].

SCHEDULE 2

Name of Employer:

[Insert employer name]

Address of Employer:

[Insert workplace address]

Name of Employee:

[Insert employee's name]

Address of Employee:

[Insert employee's full address]

Dates of Employment:

[Insert employee's start date]



Contract of Employment

EMPLOYEE AGREEMENT

AMPLIFICATION OF TERMS OF EMPLOYMENT

Hours of Work & Lunch or Breaks:

Hours of work and lunch or breaks are as set out in Schedule 1 of this Agreement.

Sickness or Injury:

The employee is entitled to be paid during absence from work due to illness or accident in accordance with Clause 12.

Pension:

This is in accordance with Clause 13.

Remuneration:

The employee is entitled to remuneration in accordance with Clause 7.

Notice:

The employee is entitled to notice in accordance with Clause 14.

Job Title and Description:

This is in accordance with Clause 3.

REQUIRED INFORMATION

The following information is supplied pursuant to the Employment Rights Act 1996 and reflects the employer's current practice.

Grievance Procedure:

The grievance procedure is set out in the employer's handbook, which will be provided to the employee on request.

Disciplinary Rules & Procedure:

The disciplinary rules and procedure are set out in the employer's handbook, which will be provided to the employee on request.

Appeals Procedure:

The appeals procedure is set out in the employer's handbook, which will be provided to the employee on request.

Pension:

This is in accordance with Clause 13.

SIGNED (for and on behalf of):

[Insert employer name]

[Insert name of person signing on employer's behalf]

[Insert their position]

Signature:

SIGNED by the employee:

[Insert employee's name]

Signature:



A WEB BASED SOURCE OF ALL THE HR INFORMATION REQUIRED
TO SUPPORT SMALL TO MEDIUM SIZED BUSINESSES

© 2020 by HRGuide. All rights reserved.

Version 10/2020