



Employment **contracts** guide & templates for SMEs



In partnership with
HR Revolution

PUBLIC



Protecting you and the people who work for you

It's easy to pass off a contract of employment as a bit of box-ticking that no one ever looks at. However, these important documents play an important role, helping clarify what's expected of you and your employees. This makes them especially valuable if there's a dispute down the line.

Working with our HR Partners, [HR Revolution](#), in this guide we look at contracts and written statements of work. We'll also explain the differences between them – and offer useful, free templates of what you might want to consider including in your contracts.

Contents

Why employers need to issue an employment contract	5
What to include in a contract of employment	9
Types of employment contracts	12
How to create an employment contract	14
HR template Employment contract	17
HR template Statement of work & statement of terms	25





The surprising truth about contracts of employment

As a business that employs people, you have a contract with the people who work for you, even if you haven't formalised anything in writing. UK contract law states that a contract is as simple as an individual accepting your offer of employment in return for payment.

So, why is a written contract necessary?
And what is a statement of work?

What's the difference between a statement of work and an employment contract?



Statement of work

A statement of work states the main conditions of employment and is the bare minimum that must be agreed between you (as the employer) and the people who work for you. Both employees and workers are entitled to receive a statement of work. (This has been the case since April 2020.)

Contract of employment

An employment contract exists between employer and employee, forming the basis of the employment relationship. The contractual agreement outlines the terms and conditions of their working relationship. These terms include salary, working hours, job descriptions, and benefits.

A contract comes into force as soon as the employee accepts their job offer. This is the case whether it's a written contract, or not.



Introducing the **statement of work**

The statement of work – also known as the ‘written statement’ has two parts: the main document, known as a ‘principal statement’ and a wider written statement.

You must give new employees their principal statement by the end of their first day of employment with you. In addition, you should give your new employee or worker information about:

- ✓ **Sick pay and procedures**
- ✓ **Other paid leave** (for example, maternity leave and paternity leave)
- ✓ **Notice periods**

You can include this information in the same document as the principal statement or in a separate document. If you provide it in a separate document, the employee or worker must be able to access it easily.

The second part, the wider written statement, should be provided within two months of an individual’s start date.

In partnership with our HR Partners, **HR Revolution**, we’re offering free templates covering an employment contract, statement of work & statement of terms later on in this guide.





Why every employer needs to issue an employment contract

As a business owner, it's vital that every aspect of your company is well-structured and documented to ensure that there are clear guidelines and expectations for everyone involved. One crucial aspect of the employment process is **issuing an employment contract**.

While you don't need a written contract of employment, having one makes the terms of employment clear for both sides. Sadly, not all business relationships work out positively. If difficulties arise in your business, having comprehensive employment contracts can protect both parties & avoid potentially costly litigation.

Most terms will be set out in writing between an employer and employee – these are explicit contract terms and include things like rights, responsibilities and duties, remuneration, legal requirements and benefits.

However, there are also **implied terms** which may not be written explicitly but are considered part of the contract. For example, they could be very obvious things such as an employee not stealing from an employer, or the employer providing a safe place to work.





They may also include details which are necessary for the **contract of employment to work**, such as a driver having a driving licence. Terms which have been established as custom and practice over time e.g., paying a Christmas bonus, can also be considered as an implied term.

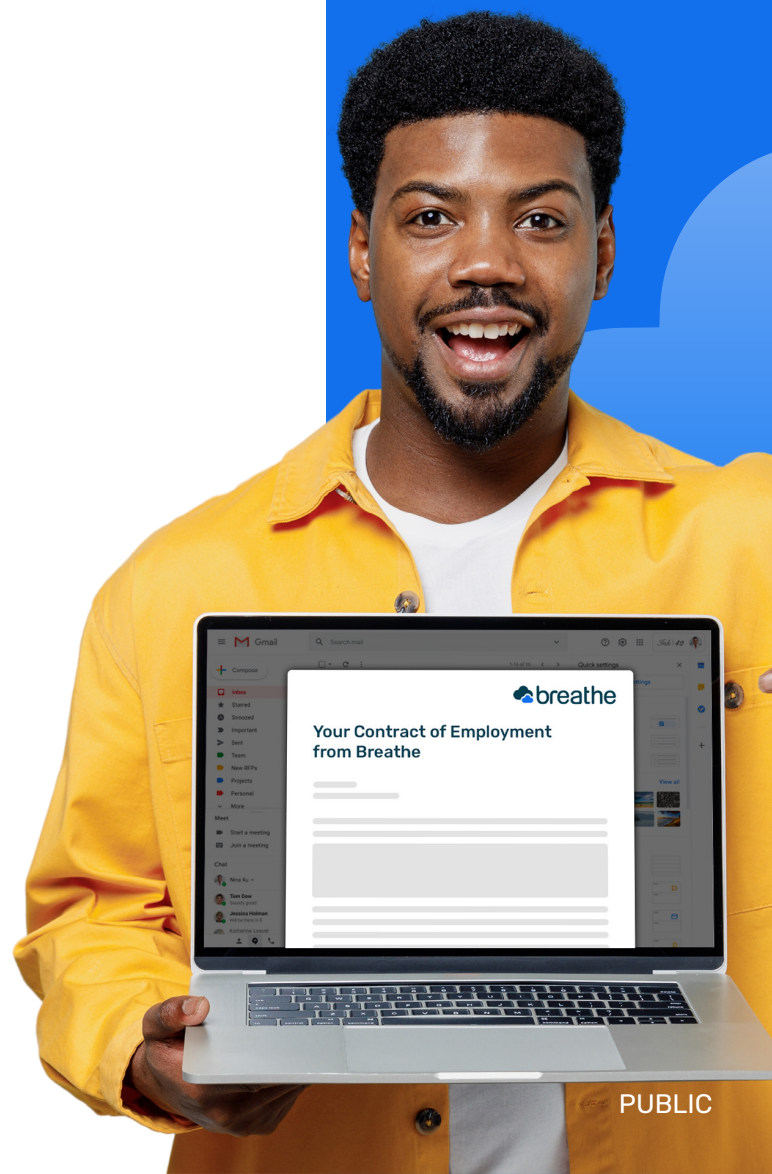
There will also be **statutory terms** included in a contract, either implied or explicitly imposed by an Act of Parliament or statutory instrument, such as the right to be paid the minimum wage.

5 reasons why SMEs should issue employment contracts

1. Legal protection

Issuing an employment contract can offer you a form of legal protection in case there's a dispute between you and the employee. An employment contract clearly outlines the **expectations and obligations of both parties**, providing a legally binding document for reference in the event of any legal disputes.

If there is no proper employment contract in place, disputes between the employer and employee would likely end up in court, which can be an expensive and stressful process for everyone involved.





2. Clear communication

A well-drafted employment contract allows for **clear communication between the employer and the employee**. Both parties will know what to expect from each other and the terms that accompany the job, such as working hours, vacation days, salary, duties, and responsibilities.

This clarity will help eliminate any misunderstandings or confusion that may arise during the course of employment and will allow both parties to work together more effectively.

3. Protection of company confidentiality

Issuing an employment contract can also **help to protect your company's confidentiality**. The contract should include specific confidentiality clauses that prohibit the employee from sharing any company-related information with outside parties, including your competitors.

An employment contract that addresses confidentiality matters, is particularly crucial if your company relies on unique and proprietary information for its operations.





4. Protection for intellectual property

Your employees are not just workers. They are also creators who bring various types of intellectual property to your organisation. An employment contract **protects your business's intellectual property** through a set of clauses and policies related to copyrights, trademarks, and patents.

Failure to protect your company's intellectual property can lead to the breaching of various legal laws, and in some cases, it can also lead to the loss of a critical business asset.

5. Better orientation

A well-documented employment contract **provides a better orientation period**. When an employee joins the organisation, you can quickly go through the provisions and explain the structure of their employment.

The employment contract acts as an orientation guide that informs employees about the company's expectations and the standards of their job. This can help to minimise issues arising from misunderstandings, and the employee can settle into their position much quicker.

Contracts of employment also help **promote good working relationships** between you and your employee. They paint you as an organised and efficient employer and provide a solid working structure.



What to include in a contract of employment

Contracts of employment are essential documents that outline the terms of agreement between an employer and an employee. They are legally binding agreements that set out expectations for both parties.

As an employer, you must make sure that your employment contracts are comprehensive and complete. This way, you can avoid misunderstandings, disputes, and lawsuits. In this section, we'll guide you through the crucial elements that you need to include in your contract of employment.

Job title and description

Your contract of employment should include the job title and a detailed description of the role. This should include information such as key responsibilities, working hours, the location of work, and any specific requirements for the job. This will provide clarity for the employee and reduce any potential misunderstandings.

Salary and benefits package

It's essential to outline the agreed salary or hourly pay rate in the contract of employment. This can also include any additional benefits, such as bonus arrangements, pension contributions, or health insurance. It's important to be explicit about any pay deductions, including taxes and national insurance contributions.

Probationary period

You can include a probation period within your contract of employment, usually lasting between 3 to 6 months. This allows both parties to consider whether the role is the right fit. During this time, you can assess the employee's ability, work ethic, and cultural fit. Use this time to set clear goals and expectations and provide regular feedback.

Termination and notice period

It's important to include clear provisions in the contract of employment should things not go to plan. You must detail termination procedures, including the process and notice periods required. This ensures that both parties are aware of the contractual obligations and reduces the risk of misunderstandings and disputes.

Employee confidentiality & non-compete clauses

These clauses can protect your company's confidential information, trade secrets, and intellectual property. A confidentiality clause prevents employees from disclosing any sensitive information that they acquire during their employment with the company. A non-compete clause can prevent an employee from leaving the company and then working for a competitor. You should seek legal advice before including either of these clauses in your contract of employment.





Terms of an employment contract

Any employment contract will contain express terms & implied terms.

Express terms are those which are stated in writing or verbally – they're explicit. These terms will meet any legal requirements such as the right to breaks, holiday, maternity or sickness entitlement. They aren't limited to the employment contract, but can include other documents such as your staff handbook.

Implied terms, also known as a [psychological contract](#), are ones which aren't written down in the contract, but are implicit in it. This could be a term incorporated by statute (or something obvious, that it's assumed to have been impliedly agreed). Examples of implied terms could include an employer's duty to provide a safe and comfortable place of work, or the right to receive at least the minimum wage.

Additional clauses

You might want to include other terms to employment contracts, depending on your business. These could include terms relating to bonuses, pay increases and promotions.

Other things you might choose to include could be accepting gifts or benefits, corporate entertainment, dress code (if you have a uniform), intellectual property rights, relationships in the workplace, office conduct & restrictions on second jobs.





Summary

An employment contract is a vital document that can benefit and provide important legal protection for both employers and employees. It fosters a better working relationship by clearly setting out expectations and obligations for both parties involved and protecting confidential and intellectual property matters.

Remember when you launch your new contracts, to ensure you communicate the contents fully so that employees understand their responsibilities. Don't skip the employment contract when hiring new employees – it's a legal requirement, and it may save you an enormous amount of money and headaches in the long run.

CHAPTER 3

Types of employment contracts

There are many types of contracts, and you should take the time to review your requirements with an HR or legal professional. There are a few of them to choose from and they are each written slightly differently to ensure they cover the relevant job type.

You'll need a different type of contract for employees who are employed and those who are contracted.





Contracts for employees who are employed by the business

- Permanent
- Fixed-term
- Part-time
- Temporary
- Director service agreement
- Senior level
- Apprentice or work-experience
- Shift work
- Homeworker
- Term-time
- Job-share
- Zero-hours
- Young worker
- Compressed hours

Contracts for third party suppliers who aren't employed by the business

- Independent consultancy
- Contract for services

What should you do if the contract of employment needs to be varied?

Varying a contract involves changing certain terms or obligations within the contract without creating a new one. A contract can be varied by both the employer and the employee. An employer might do so because of changes in economic conditions or business reorganisation. An employee might wish to negotiate better terms such as increased pay, a change to their job role or additional benefits.



Changes can only be made with the agreement of both parties and should ideally be in writing. You should consult with your employee and explain any changes you wish to make.

What should you do if the contract of employment needs to be terminated?

A contract of employment is terminated when the employee stops working for you – either because they've resigned, or because you've dismissed them. The process of terminating an employment contract should be clearly explained within the contract. The contract will end on the last day of the employee's notice period.

CHAPTER 4

How to create an employment contract

Once you know the type and level of contract you need, you can start building it. You will need to include everything about working for your company, such as onboarding processes, employee benefits, location, job role, confidentiality levels, GDPR compliance requirements, restrictive covenants and exit processes.

This information will be used in the contract to outline specific clauses.





Advice for creating employment contracts

- 1 In most cases, your HR representative should be able to draw up a standard contract of employment for your business. However, if you need more legal clauses, it might be wise to call upon **specialist employment law support**.
- 2 Your contracts of employment **represent your business**, so issue them on headed paper, spell-check them and ask someone else to proofread before sending. It's especially important to confirm the **employee's name and address** are correct.
- 3 **Double-check any contract terms that you change**. Once signed, this is a legal document so if anything is incorrect it's often only picked up when the individual resigns or is terminated. By then it's too late to change anything that isn't right.
- 4 **Have the same contract for all employees at the same level**. This will ensure fairness and ease of management and upkeep. Your management contracts may need to be slightly different to account for the greater responsibility involved in these roles.
- 5 Build in the **right level of compliance** you need for your business, GDPR, internal processes and confidentiality.

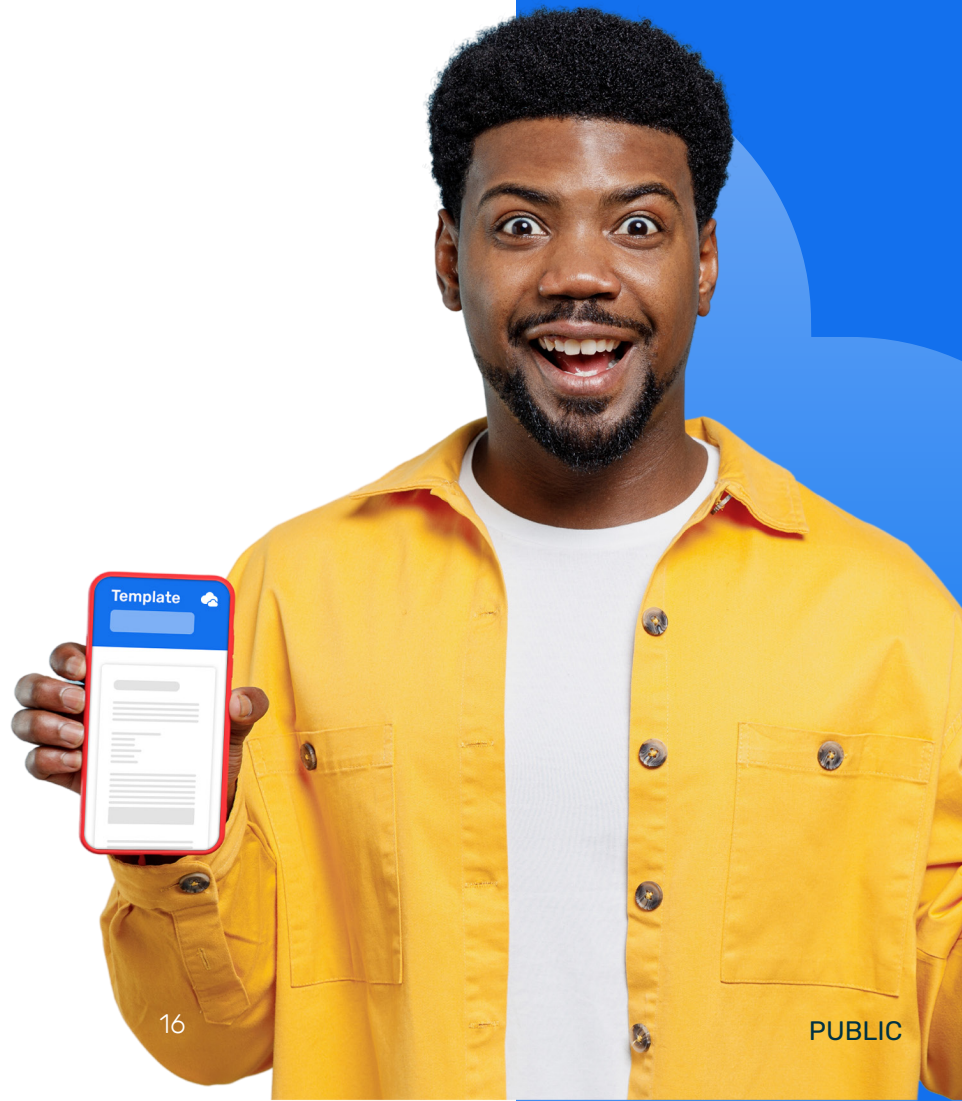


CHAPTER 5

HR templates

To help support your small business, HR Revolution have put together some templates of what an employment contract, a statement of work and a statement of terms should include.

Please note that every contract must be specifically tailored for your business and the employees you're hiring. We'd recommend that you use an HR professional to review and update your templates. You may also require some input from a lawyer depending on the level and depth of the contract of employment that is required, so please check before finalising.





Employment contract template

Please note: This contract of employment template is a basic contract overview to give you an outline of what you should have in place for your employees.

We'd always advise seeking professional support when drawing up a contract if you're not an HR or legal professional with employment law experience. Doing this will ensure your business is fully protected & contains all the relevant compliance elements that you need.

[Print template](#)

Statement of terms and conditions of employment

In accordance with the Employment Rights Act 1996, this Statement, together with [delete as appropriate] your offer letter/employee handbook/staff handbook, forms part of your Contract of Employment (except where the contrary is expressly stated) and sets out particulars of the main terms on which [insert name of employer] [insert address of employer] employs:

[Insert employee's full name]

[Optional - insert employee's current home address]

Job title

You are employed as [insert job role] and your duties will be as advised by [insert manager's name/role]. Your duties may be modified from time to time to suit the needs of the business.

Commencement of employment

Your employment [delete as appropriate] began/will begin on [insert date]. No previous employment counts as part of period of continuous employment.

[Optional] Probationary period

[You can add a clause outlining the period of probation and expectations during this period.]

Place of work

You will normally be required to work at/from [insert details].

Hours of work

Your normal hours of work are [insert hours of work]. You may be required to work overtime/additional hours when authorised and as necessitated by the needs of the business.

Fixed number of hours on different days and times

Your normal working hours per week are [insert number].

Break entitlement

[Enter details on break entitlement]

Remuneration

Your salary is currently £[amount] per [delete as appropriate – hour/week/month/year] to be paid [delete as appropriate] weekly/fortnightly/monthly on the [insert day] of each [delete as appropriate] week/month by cash/cheque/credit transfer, in arrears/part in arrears and part in advance.

Holidays

Your holiday year begins on [insert date] and ends on [insert date] each year, during which you will receive a paid holiday entitlement of [insert details] inclusive/exclusive of any public holidays which you may choose to request. In your first holiday year, your entitlement will be proportionate to the amount of time left in the holiday year, accruing at the rate of one twelfth of the full annual holiday entitlement, on the 1st of each month, in advance.

[Optional]

Once you have reached [insert length of time] continuous service with the Company, your annual leave entitlement will increase by [insert number] extra days' annual leave for every [delete as appropriate] complete years' service/holiday year, up to a maximum of [insert number] extra days' leave after [insert number] [delete as appropriate] complete years' service/holiday years.

For periods of annual leave, you will receive your normal rate of pay.

In the event of termination of employment, your entitlement to accrued annual leave will be calculated and any annual leave accrued but not taken will be paid for. However, in the event of you having taken any holidays in the current holiday year, which have not been accrued pro-rata, then the appropriate payments will be deducted from your final pay.

It is our policy to encourage you to take all your holiday entitlement in the current holiday year. We do not permit holidays to be carried forward.

The Company operates a holiday booking procedure and all requests for holiday should be made using this procedure. Holiday requests must be authorised by management; therefore, it is not advisable to make any firm arrangements e.g., flights/hotels before authorisation is obtained.

Public holidays

As part of your holiday entitlement, you are entitled to [insert number] public holidays each year. The public holidays each year are: [Insert recognised public holidays]

However, because of the nature of our business you may be required to work on any of the public holidays listed above, and it is a condition of employment that you work on these days when required to do so. If you work on a public holiday, payments will be made at the rate of [insert details], and/or you will receive a day off in lieu which is to be taken on a day agreed in advance by the Company at a time deemed suitable as per the needs of the business.

Sickness absence

You must notify us by telephone on the first day of incapacity at the earliest possible opportunity and by no later than [insert details] on the first day of your absence. Other than in exceptional circumstances, notification should be made personally to [insert details]. You can read more on the Company's sickness absence policy which is [delete as appropriate] set out in the employee handbook/available from [insert name/job title].

Sick pay

You are entitled to statutory sick pay (SSP) if you are absent because of sickness or injury provided you meet the statutory qualifying conditions.

Pension

Where required, we will operate a contributory pension scheme into which you will be auto-enrolled (subject to the conditions of the scheme). The scheme enables you to save for your retirement using your own money, together with tax relief and contributions from the Company. Further details can be obtained from [insert name or job title].

A contracting-out certificate [delete as appropriate] is/is not in force in respect of this employment.

Confidentiality

All information that:

- is or has been acquired by you during, or during your employment, or has otherwise been acquired by you in confidence
- relates particularly to our business, or that of other persons or bodies with whom we have dealings of any sort; and
- has not been made public by, or with our authority
- shall be confidential, and, save during our business or as required by law, you shall not at any time, whether before or after the termination of your employment, disclose such information to any person without our prior written consent.

You shall make yourself aware of the Company's policies in relation to compliance with the General Data Protection Regulation and the Data Protection Act in force from time to time and undertake to act in accordance with these at all times, including exercising reasonable care to keep safe all documentary or other material containing confidential information. You shall inform the Company immediately upon discovery of a data breach. You shall, at the time of termination of your employment with us, or at any other time upon demand, return to us any such material in your possession.

Collective agreements

[Select from the paragraphs below and delete as appropriate]

No collective agreements directly affect your terms and conditions of employment.

[OR]

Certain conditions of your employment are governed by the collective agreement the company has with [insert details]. These terms are [insert details].

Changes to terms of employment

From time to time, the Company may determine the need for changes to be made to contracts of employment. The Company reserves the right to make reasonable amendments to your contract. You will receive confirmation in writing of any changes or amendments to the terms of your employment within one month of them taking effect.

Grievance procedures

The Company grievance procedure provides a mechanism whereby employees may seek a resolution to a complaint they have about their employment with us. Before using the formal procedure, you should speak to your line manager on an informal basis to seek a satisfactory outcome. The formal procedure may be used if you do not feel the informal method appropriate to your concerns, or if the informal method has not produced an outcome with which you are satisfied. In this case, you should raise the grievance in writing to [insert name/job title].

Should you be dissatisfied with the outcome of the formal grievance procedure, you may appeal it in writing to [insert name/job title].

Further information can be found in the [delete as appropriate] employee handbook/attached grievance policy and procedure/available from [insert name/job title].

Disciplinary procedure

It is necessary to have a minimum number of rules in the interests of the whole organisation and employees must make themselves aware of the standards which apply to their conduct and performance. These rules, and accompanying disciplinary procedure, are [delete as appropriate] set out in the employee handbook/attached disciplinary policy and procedure/available from [insert name/job title].

We retain discretion in respect of disciplinary and dismissal procedures to take account of your length of service and to vary the procedures accordingly or in circumstances otherwise set out in the document.

Disciplinary and dismissal appeals

Should you be dissatisfied with any decision to take action against or dismiss you, you may appeal in writing, to [insert name]. Further information can be found [delete as appropriate] in the employee handbook/attached disciplinary policy and procedure/available from [insert name/job title].

Deductions

You agree that the following deductions from your pay will be made for the following costs incurred by the Company in relation to your employment. The Company expressly reserves the right to make these deductions:

- Any fines, penalties or losses sustained that is the result of your carelessness, negligence, deliberate vandalism, dishonesty or a breach of Company rules
- Any monies paid or payable by the Company to any third party due to the principle for conduct undertaken by you for which we may be deemed vicariously liable
- Any unauthorised personal use of mobile telephones provided to you for company use
- Any holiday pay relating to leave you have taken more than that which you have accrued at the point of termination
- The amount of any overpayment of wages
- Outstanding loan or wage advance repayments
- Any other sums owed to the Company by you
- Any deductions elsewhere under this contract in relation to which the reserved right to deduct applies
- In relation to deductions authorised by any separate agreement into which the Company has entered with you

You understand and agree that the Company may make these deductions from all monies due to you.

Data protection

The Company collects and processes certain types of data about you and does so in line with the General Data Protection Regulation and the Data Protection Act in force from time to time. Please read the Company's Privacy Notice which is [delete as appropriate] attached to this document/on the Company's intranet for more information about the types of data processed and the reasons for the processing.

You shall make yourself aware of the Company's policies on data protection about data processing undertaken by you during your duties and act in accordance with those policies at all times. Failure to do so may result in disciplinary action being taken against you, up to and including dismissal.

Termination of employment

Upon successful completion of your probationary period, you must give [insert amount] notice [optional – in writing] when terminating your employment with the Company.

You are entitled to receive the following notice periods when terminating your employment:

From successful completion of your probationary period but less than two years' service – one week.

Two years' service or more – one week for each completed year of service to a maximum of 12 weeks after 12 years.

[OR]

From successful completion of your probationary period but less than five years' service – one month.

Five years' service or more – one week for each completed year of service to a maximum of 12 weeks after 12 years.

You should also note the following in relation to notice periods:

- You will not receive any notice of termination when the circumstances of your dismissal involve a gross misconduct offence
- You may be required to take all or part of your remaining holiday entitlement during your notice period
- The company reserves the contractual right to give pay in lieu of all or any part of the above notice period by either party
- **[optional]** If either you or the company serves notice on the other to terminate your employment the company may require you to take 'garden leave' for all or part of remaining period of your employment. If you are asked to take garden leave you:
 - Must not attend your place of work unless otherwise requested
 - May not be required to carry out your normal duties during the remaining period of your employment, however, you will still be available for answering queries
 - Will continue to receive your normal salary
 - Must not undertake any other employment for the period of garden leave without prior authorisation from the company

In the event of dismissal for gross misconduct, we reserve the right to amend our normal notice provisions.

Return of company property

On the termination of your employment you must return all our property which is in your possession or for which you have responsibility by the last day of your employment. This includes, but is not limited to, the following: Company documents, books or other written material; keys; ID/access card; Company credit card; Company car.

Governing law and jurisdiction

This contract of employment is governed by the laws of [delete as appropriate] England and Wales/Scotland and any claim/dispute arising from its construction or enforceability will be governed by and in accordance with those laws. This extends to non-contractual disputes or claims for and on behalf of [insert name of Company].





Statement of work & statement of terms templates

The Principal Statement

You must give the Principal Statement to your new member of staff by the end of their first day of employment.

[Print template](#)

The Principal Statement must include at least:

- The employer's name
- The employee's or worker's name, job title, or description of work and start date
- How much and how often an employee or worker will get paid
- Hours and days of work and if and how they may vary (also if employees or workers will have to work Sundays, nights, or overtime)
- Holiday entitlement (and if that includes public holidays)
- Where an employee or worker will be working and whether they might have to relocate
- If an employee or worker works in different places, where these will be, and where the employer's address is
- How long a job is expected to last (and what the end date is if it's a fixed-term contract)
- The length of the probation period and any terms and conditions which apply
- Any other benefits (for example, childcare vouchers and lunch)
- Obligatory training, whether or not this is paid for by the employer

- If the worker is required to work outside the UK for over a month: arrangements for working outside the UK (including period, the currency of pay, additional pay and benefits, and return terms)
- The date that a previous job started if it counts towards a period of continuous employment

You must also ensure you confirm the following information in the contract of employment:

- Pensions and pension schemes. (Must be provided within 2 months of the start date)
- Collective Agreements (Must be provided within 2 months of the start date)
- Disciplinary and grievance procedures. (Must be provided within 2 months of the start date in the form of an employee handbook or separate policies)





Statement of Terms template (employees)

This statement lists the terms and conditions ('particulars') of your employment with us as of [date] which are required to be given to you under the Employment Rights Act 1996.

[Print template](#)

1. Names of the employee and employer

You [name of employee] began working for [name of employer].

2. Start date and continuous employment

Your employment [delete as appropriate] will start on/started on [date employment starts/started].

[Note: use either A or B.]

A. Your previous employment does not count as part of a period of 'continuous employment' (working for the same employer without a significant break).

B. Your previous employment with [name of previous employer or employers] counts as part of your 'continuous employment' (working for the same employer without a significant break) which began on [date continuous employment started].

3. Job title or a brief description of the job

[Note: use either job title or brief description of the job.]

Job title

You'll be employed as a [job title].

Brief description of the job

[Note: use either A or B.]

A. A brief description of your work is:...

B. Your responsibilities are set out in the job description attached to this statement.

[Optional:] Your job description may be amended by us and, in addition to duties set out in the job description, you may be required to undertake additional or other reasonable duties as necessary to meet the needs of our business.

4. Pay

Your pay will be [give terms of scale or rate of pay, or of the method of calculating pay]. You'll be paid [for example, daily, weekly, monthly].

5. Place of work

[Note: use either or both options.]

A. Your normal place of work is [address].

B. You may be required to work at [give details]

Working abroad **[optional]**

You may be required to travel outside of the UK for a total of up to [number of months] in any 12-month period.

[Note: if an employee may be required to travel abroad for longer than 1 month, use the relevant following options.]

A. You'll be paid in [insert currency] while you're working outside the UK.

B. While you're working outside the UK, in addition to your pay, you'll be paid [list any additional pay or payments].

C. While you're working outside the UK, you'll be entitled to [list any additional benefits, for example use of a company vehicle].

D. The terms and conditions relating to your return to the UK are [insert terms and conditions].

6. Working hours

Your normal working days and hours are..... with a daily [paid or unpaid] lunch break of... [depending on pro rata hours agreed].

7. Holiday entitlement

[Note: an employer must give enough information to make sure that entitlements, including accrued holiday pay on termination, can be precisely calculated.]

Your holiday entitlement is.....

Variable hours or days of work **[optional]**

Your [hours of work and/or days of work] may change. [Set out how the employee's hours of work and/or days of work can vary and how, for example if it's weekly or monthly].

8. Other benefits

[Note: use either A, B or C.]

A. You'll be entitled to [list additional benefits, for example health insurance, discounted gym or use of a company vehicle]. Your entitlement to these benefits will start [on your first day/after the completion of your probationary period].

B. You're also eligible for other benefits, as set out in our benefits policy, if you meet the qualifying criteria. Our benefits policy can change over time. The benefits policy is available from [the HR department/intranet/manager's name].

C. You're not entitled to any benefits other than those set out in this statement.

9. Absence and sick pay

If you're absent for work for any reason, you must [inform..... by telephone] as soon as possible, but no later than...

For absences of 7 days or less, you can self-certify.

[Optional:] On your return to work you must complete and return a self-certification form to your manager. This must be returned before the end of your first day back at work.

For absences of 7 days or more because of sickness or injury, you must get a [doctor's certificate or fit note].

All sickness or injury absences will be added to your employment record.

Sick pay

[Note: use either or both options.]

A. You may be entitled to be paid if you're not able to work due to sickness or injury ('incapacity'). [Give terms of pay as set out in Statutory Sick Pay guidance or in the organisation's sick pay terms for employees].

B. You may be eligible for contractual sick pay. [Give terms of contractual sick pay].

10. Other paid leave

[Note: use A, B and C.]

A. You may be eligible for statutory paid leave, including.....

[Note: the employer must state terms and conditions relating to statutory paid leave, including:

- maternity leave
- adoption leave
- paternity leave
- Shared Parental Leave
- time off for dependants
- bereavement leave]

B. You may be eligible for additional paid leave, including.....

[Note: the employer must state terms and conditions relating to any additional paid leave, for example:

- compassionate leave
- sabbatical leave
- training and study leave]

C. Further information can be found in the respective policies, which are available [give details on where and how employees can access policies].

11. Pension arrangements [can be provided later, but must be provided within 2 months of the start of employment]

[Note: use either A or B.]

A. If you're eligible, we'll automatically enrol you into our workplace pension scheme in accordance with our obligations under Part 1 of the Pensions Act 2008. If you do not opt out of automatic enrolment, details of the scheme will be provided once you join.

Particulars of pensions and pension schemes are...

B. Particulars of terms and conditions relating to pensions and pension schemes can be found in...

12. Training

[Note: use any of the following options. Option A can be provided later but must be provided within 2 months of the start of employment.]

A. We offer [for example, in-house and external] training and in some cases [for example, time off work to undertake training], subject to certain eligibility requirements and other conditions. Details of this training are set out in...

B. We require you to complete [list compulsory training courses that the organisation will pay for, for example induction training]. We will pay for the cost of this training.

C. You're required to complete [list compulsory training courses that the organisation will not cover the cost for] at your own expense.

13. Probationary period

[Note: use either A or B.]

There is no probationary period.

B. There is a probationary period of [number of weeks or months] for new employees. During this time, your probationary period terms include [give details of the terms].

14. Notice period

[Note: use A if an employee has different notice periods during and after their probationary period. Use B if the notice periods during and after probation are the same or if there is not a probationary period.]

A. During your probationary period, the notice that you or your employer must give to end your employment is [the number of weeks required to end employment].

After your probationary period, the notice that you must give to end your employment is [the number of weeks required to end employment].

We may end your employment at any time by giving you [specify notice period in weeks] or the statutory notice you're entitled to, whichever is longer.

B. The notice you must give to end your employment is [the number of weeks required to end employment].

We may end your employment at any time by giving you [specify notice period in weeks] or the statutory notice you're entitled to, whichever is longer.

15. Collective agreements [can be provided later, but must be provided within 2 months of the start of employment]

A 'collective agreement' is an agreement the employer has with employees' representatives (including trade unions) that allow terms and conditions like pay or working hours to be negotiated on behalf of employees.

[Note: use either A or B.]

A. There are no 'collective agreements'.

B. [Specify dates and parties involved in relevant collective agreements for this contract].

16. Grievances

If you wish to raise a grievance, you should put it in writing to [job title/your manager].

[Note: Use either A or B.]

A. The grievance procedure which applies to you [is attached to this statement/ can be found.....].

B. You should use this grievance procedure: [explain your grievance procedure here].

17. Disciplinary rules and procedures

[Note: Use either A or B.]

A. The disciplinary rules which apply to you are [explain the disciplinary rules that apply].

B. The disciplinary rules which apply to you are [attached to this statement/can be found.....].

If you're unhappy with any disciplinary decision taken in relation to you, you can appeal by writing to [job title].

Please sign and return the statement to confirm you've received and accepted these terms.



A note on casual worker contracts

In some cases, you may need someone to work on a flexible and casual basis. In this case, you could employ someone as a 'worker'. Casual workers are sometimes said to be on a 'zero-hours contract'.

If you wish to use workers, the most likely use is for casual work.

Casual workers:

- Generally, supply a **short-term or specific need**
- Typically, have periods of work followed by breaks without work
- Are offered and accept work **'as and when required'**
- Are under no obligation to accept the work
- Have no agreement on how many hours they work

Such an arrangement may suit people who want the flexibility to take work as and when it suits them. The arrangement may suit employers, to fill short-term needs, such as to cover shifts in a care home or to deal with occasional peaks in administrative workload.





Workers have some rights under employment law, but not as many as those who are also employees. For example, they do not have the right to claim unfair dismissal, notice pay, or redundancy pay. Workers do, however, have the following core employment rights:

- To have a written statement of terms and conditions. This is a right that takes effect for workers engaged **from 6 April 2020**
- The written statement for workers should **not** be the same as that for employees, but tailored to what you require workers to do
- To receive the **national minimum wage**
- Not to suffer **unlawful deductions** from wages
- To receive **itemised payslips**
- To receive a minimum of **5.6 weeks'** holiday per year
- Not to be **discriminated** against

As workers are not considered to be genuinely self-employed, in most cases, they should be paid via the payroll. You still need to take references, check their right to live and work in the UK and, if appropriate to the role, seek a Disclosure (criminal record check) on them from the DBS.



About breathe

Back in 2012, Breathe built their multi-award-winning software with one thing in mind: to set SMEs free from time-consuming HR admin so they can focus on their people, build strong company cultures & drive their organisations forward.

Owned by leading cloud-based solution provider, ELMO Software, Breathe offers simple & cost-effective software that makes it super-easy to manage up to 200 employees.

From employee data, leave, sickness and HR documents to training & performance, expenses, recruitment, rota scheduling and e-learning – Breathe already helps over 11,000 UK SMEs to leave time-consuming tasks behind, without breaking the bank.

Breathe is 100% cloud-based, GDPR-compliant and ISO27001-accredited, offering the highest level of data security.





About Breathe's Partner, HRrevolution

HR Revolution is the go-to HR support focused on revolutionising the employee experience. Our unique value proposition lies in providing personalised guidance and resources to businesses of all sizes so that their employees love what they do and can reach their full potential.

At HR Revolution, we believe every company should have access to quality human resources services, regardless of size or budget. That's why our mission is to empower companies with exceptional HR services designed to create strong workplace cultures that maximise employee engagement and productivity.

Our vision for every business is a working environment where everyone feels valued, respected, and appreciated—ultimately leading to greater success both professionally and personally for everyone involved.

We would love to work with you, so please get in touch for a free-of-charge consultation on:

 **+44 (0) 203 538 5311**

 **hello@hrrevolution.co.uk**

Or call our CEO, Wendy Read, directly on:

 **+44 (0) 7720 345329**



Disclaimer: Please note, the employment templates included in this guide are intended as overviews, to give you an outline of what you need to have in place for your employees. Business-specific circumstances will always apply.

If you're drawing up a contract (and are not an HR or legal professional with employment law experience), it's important to seek professional support. Doing this will make sure the document fully protects you & provides all the compliance elements you'll need to support your individual business.



Safe, secure & compliant

Looking for a secure online system to help you store employment contracts safely, while giving your team visibility when they need it?

Breathe could be just what you're looking for.

- ✓ GDPR-compliant & ISO-27001 accredited
- ✓ 100% cloud-based
- ✓ Unlimited document storage
- ✓ Designed for SMEs
- ✓ The most cost-effective solution available

Start your 14-day trial today (no credit card needed) and discover how Breathe could streamline your document management.

Try Breathe for free

