

Business Legal Requirements (Part 1)

The following clauses are required by law to be given to your staff in the first 2 months of their employment.

Names of Employer & Employee – Your details and the employee's full name.

Type of Contract – Here you list whether the contract is permanent or for a fixed term.

Start Date – This is important as it also includes a brief statement to say that employment with a previous employer does not count towards the various rights that are gained by employees after one and two years of service.

Job Title – This usually follows the job title and description specified in any recruitment advertisement and subsequent offer letter.

Salary – This details the employee's gross salary before tax, national insurance and any deductions. It also specifies when and how payment is made.

Hours of Work – The employee's hours are specified; however the employee also agrees to work additional hours if the employer reasonably requests it.

Place of Work – This allows you to specify the location where the employee will work, but also to require the employee to move to another location in the future, giving you much greater flexibility.

Requirement to Work Outside the UK – Legally required to show the employee which country's legislation applies.

Holiday Entitlement – This clause also allows you to specify the number of days per year that an employee can take, (subject to a statutory minimum of 28 days) and whether bank and public holidays are included or excluded from this.

Sickness Arrangements – This clause states whether the employee will receive statutory or contractual sick pay.

Pension Arrangements – If you employ more than 5 employees this should state whether the employee will be included within the employer's company pension scheme, a stakeholder pension scheme or whether the employment comes without a pension provision.

Notice Requirements – The notice period to be given by either the employer or the employee.

Disciplinary & Grievance Procedures – The notice period to be given by either the employer or the employee.

Collective Agreements – This explains whether the employee works under any pre-agreed methods of working, usually created by Unions.

Business Legal Requirements (Part 2)

In addition to the above legally required information, there is additional information that we feel strengthens the content of a contract and helps with situations that may occur in the future:

Overtime Arrangements – Clarifying when and how paid, and only with prior consent of Line Manager.

Bank Holiday Working – This details whether the employee is or isn't required to work them, and how they will be reimbursed.

Compulsory Holiday Periods – We discuss a Summer or 'Christmas Shutdown' if you have one.

Overpayments/Deductions – This clause details all the circumstances in which you can make deductions from the employee's salary.

Expenses – You can agree with the employee which work-related expenses you will cover and when the employee will be reimbursed.

Medical Status – We ask that we are kept fully informed of any changes to the employee's health.

Health & Safety – Referring to your handbook.

Other Employment – This clause ensures that you are in control of your employee working for others.

Confidentiality – Ensuring your employee keeps their mouth shut!

Intellectual Property – Ensuring your employee doesn't steal your trade secrets!

Restrictive Covenants – This prevents an employee from setting up a competing business whilst still employed, and for a set period of time and within a defined geographical area once they have left. Other restrictions include attempts to encourage other employees to leave and work in a competing business. Finally, the clause states that any breaches will entitle the employer to seek legal redress, including damages for any loss.

Short-time Working/Temporary Lay-Offs – Legally required in times of emergencies.

Personal Details – Explaining which information is required.

Probationary Period – You can specify a trial period and if the employee does not fulfil expectations, you can also extend the trial period.

Data Protection – Explaining what will be kept on file.

Company Vehicle, Mobile or Laptop – This explains that they remain the property of the company.

Business Legal Requirements (Part 3)

On Benefits —Detailing items such as childcare vouchers, cycle to work schemes etc.

Training and Development – Details of training and development repayments.

Severability – This standard paragraph states that each paragraph, sub-paragraph or clause is independent of each other, so if one is invalid or does not apply to the employee the rest of the contract remains valid.

Prior Agreements – Another standard paragraph, stating that the employment contract contains all the terms agreed between the employer and the employee and that no previous agreement (written or verbal) counts.

We also recommend the use of a non-contractual handbook detailing all the policies and procedures that you follow:

- Alcohol & Drugs
- Grievance Procedure
- Attendance & Time-keeping
- Health & Safety including Lone Working
- Annual Leave
- Leave (Compassionate/Public Duties etc.)
- Benefits
- Mobile Phones
- Bonus Scheme
- Notice
- Bribery Policy
- Redundancy
- Bullying & Harassment
- Right of Search
- Computer Usage
- Short-Time Working
- Company Equipment
- Sickness Procedure
- Data Protection
- Security
- Disciplinary Policy
- Smoking
- Dress Code
- Social Media
- Driving / Company Cars
- Temporary Layoffs
- Equal Opportunities
- Training and Development
- Expenses
- Whistle-Blowing
- Family-Friendly Policies
- Working on Customer Premises