Changes to employment contracts

What is a contract of employment?

A contract of employment is an agreement between you and your employer. There is always a contract between you and your employer, even if you do not have anything in writing, because you have agreed to work for your employer in return for pay.

Your contract of employment will include a number of other details that have been agreed between you or your employer. These are called **terms and conditions**, and can either be spoken arrangements, or be in writing. They would normally be about the following things:-

- pay
- hours of work
- holiday entitlement
- sick leave and sick pay entitlement
- fringe benefits or perks
- place of work
- the job duties and responsibilities
- maternity rights
- redundancy rights

If you do not have a written statement or contract from your employer you can ask for one. You have a right to receive a written statement within two months of starting work. The statement should describe the main terms and conditions of your contract of employment.

Changes your employer might make

Changes your employer may want to make to your contract include:

Pay cuts
There are a number of ways in which your pay could be cut, for example:

- cutting your basic rate of pay
- reducing your bonus or overtime rate
- reducing your paid holiday entitlement
- reducing the amount of sick pay you can get
- refusing to give you a pay rise that you are entitled to under your contract.

Changing your hours of work
Your employer may want to change your hours of work hours by:

- cutting your hours so you earn less; or
- increasing the hours you work; or
- changing the hours that you work without changing the total number of hours, for example, moving from night shift to day shift.

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Changing your place of work
Your employer may want to change your place of work

Changing your job duties
Your employer may want you to do a different type of work than you originally agreed to.

Can your employer make these changes?

Whether or not your employer can make any of the changes listed above will depend on:

- whether your firm has recently changed hands
- your contract of employment
- whether you agree to the change

Your firm has recently changed hands
If your firm has recently changed hands and your new employers want to make changes to your contract of employment, the information in the rest of this fact sheet may not apply to you. If you are in this situation, you should get help from an experienced employment adviser or solicitor as soon as possible (see below).

Your contract of employment
Some contracts of employment contain a term or condition which allows your employer to make certain changes.

If your contract includes a **variation term,** this allows your employer to change a particular term or condition in your contract without asking you first.
The variation term must be about something specific such as the number of hours you work, your pay, or a requirement for you to do overtime. You cannot have a variation term in your contract of employment that allows your employer to make any changes that they like to your contract. Check your contract of employment to see if it has a variation term. If there is no variation term about the change your employer wants to make to your terms and conditions of employment, they may be breaking your contract. But even if your contract does contain a variation term, you may still be able to challenge the change your employer wants to make.

If your contract includes a **flexibility clause**, this allows your employer to change the duties of your job. This term will often be at the end of your job description, and may say, for example, that along with your main duties, you will also be expected to carry out any other duties that are reasonably asked of you. In this case, your employer can change your job duties, but it must be within reason. If your contract does not have a flexibility clause and your employer wants to change the duties of your job, they may be breaking your contract.

If your contract of employment contains a **mobility clause**, your employer may be able to change your place of work. A mobility clause may say, for example, that you may be called upon to work anywhere in the UK, or at any of your employer's sites. If your contract does not have a mobility clause, your employer may be breaking your contract if they want to change your place of work. Even if your contract does have a mobility clause, your employer must be reasonable about asking you to

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change your place of work. For example, they must give you sufficient notice, and pay relocation expenses where appropriate.

Do you have to agree to a change?

If there is no variation term, mobility clause or flexibility clause in your contract, your employer is not allowed to make a change to your contract unless you agree to it. If you do agree, you don't have to say anything to your employer, or to sign a new agreement. As long as you carry on working, this will be taken to mean you have accepted the change. However, if you **do not** agree to the change you must make this clear to your employer, otherwise this will be taken to mean that you have accepted it. You must tell your employer that you object to the change, and give your reasons. You should do this in writing, sign and date your letter, and keep a copy. This letter will count as a written grievance, if you need to take the matter further. You should do this straight away, or as soon as possible after the change has been introduced. You can continue to **work 'under protest'** for a while but you cannot do this indefinitely without taking some form of further action. This may mean making a claim to an employment tribunal, or, in some extreme situations, resigning from your job and claiming '**constructive unfair dismissal**. You should not consider doing either of these things before talking to an experienced employment adviser or solicitor. If you do not want to do either of these things, you may eventually have to accept the changes to your contract. There are strict time limits for making a claim to an employment tribunal – see below.

The change was negotiated by your trade union
If you work for an organisation in which a trade union has **bargaining rights,** you may not be able to stop a change to your contract by objecting to it. Bargaining rights mean that the union has the right to negotiate with your employer on your behalf about the terms and conditions in your contract. It makes no difference whether you are a member of the trade union or not - any agreements negotiated by the trade union will automatically be included in your contract of employment.

If you do want to object to a change in your contract which has been negotiated by a trade union you should talk to an experienced employment adviser or solicitor (see below).

Taking action about changes to your contract

If you want to object to a change to your contract, **write to your employer** telling them that you do not agree to the change and the reasons why. Keep the tone of the letter polite. If your employer has not given you any notice about the changes, or not consulted with you in any way, the letter should say this. It should also ask about the reasons for the changes and, where possible, suggest **alternative ways of meeting your employer's needs**. Sign and date the letter, send it by **recorded delivery**, and **keep a copy**. This letter will count as a written grievance if you need to make a claim to an employment tribunal. You may wish to get help from your trade union representative, an experienced adviser or an employment solicitor in writing this letter (see below).

If your employer does not want to talk to you after getting your letter, or if talking to

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your employer does not work, you may have to think about making a claim to an **employment tribunal**, or suing your employer for breaking your contract (**breach of contract**). You should not do either of these things without talking to an experienced adviser or employment solicitor first (see below). If you want to stay in your job, you also need to think about the effect that taking this kind of action might have on your relationship with your employer.

Time limits for making a claim to an employment tribunal

If you want to make a claim to an employment tribunal, you've only got three months minus one day from the date when your contract was changed to put in your claim. The Acas early conciliation process starts on 6 April 2014 and applies to most employment tribunal claims. It affects the time limit for your claim. It is compulsory from 6 May 2014. You may want to get the help of an experienced employment adviser to make sure you don't miss the deadline.

Further help

Citizens Advice Bureau
Citizens Advice Bureaux give free, confidential, impartial and independent advice to help you solve problems. To find your nearest CAB, including those that give advice by e-mail, click on nearest CAB, or look under C in your phone book.

Other fact sheets on Adviceguide which might help

- Employer withholds your pay
- Holidays and holiday pay
- Working hours
- Maternity rights at work
- Rights of working fathers
- Notice at work
- Resolving disputes at work

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