

# **Changes to your contract**

### 1. When changes might happen

An employment contract between an employer and an employee or worker is a legally binding agreement.?

The terms and conditions of your contract can be agreed:

- in writing, for example, in a job offer letter
- verbally, for example during a conversation when you're offered your job

You or your employer can propose changes to your terms and conditions.

Any changes must be agreed by both you and your employer.

In some circumstances, your employer might have an agreement with a trade union. This allows the union to negotiate and agree certain contract changes on your behalf.

Changing a contract is sometimes called 'varying a contract'.

## Where to find your terms and conditions?

All employees and workers have a legal right to a 'written statement of employment particulars'. This is a written document summarising the main terms and conditions of your employment.

You have a legal right to a written statement even if your contract is agreed verbally.

A written statement can be given to you:

- in a separate document
- · as part of a written employment contract, if you have one

A written employment contract usually includes:

- details legally required in your written statement
- details about other terms and conditions
- information about the organisation's policies and procedures

Some terms and conditions might be in other places too, for example:

- on your organisation's intranet
- in a staff handbook
- in a 'key information document' if you're an agency worker

These resources should clearly indicate if any sections form part of your contractual terms and conditions.

Find out more about:

- employment contracts and written statements
- working through an agency

### Ways employment contract changes can be agreed

Changes to employment contracts can be agreed in different ways, including when:

- a change is proposed by either you or your employer, which you then discuss and agree with your employer
- your employer has a 'collective agreement' with a trade union and the union agrees changes to your terms and conditions on your behalf
- you agreed to a term in your contract that allows your employer to make changes to certain terms of your employment in some circumstances sometimes known as a 'flexibility clause' or 'variation clause'
- a change happens through 'custom and practice' your terms and conditions change over time and everyone's agreement can be implied

## When your employer might propose contract changes

Examples of when your employer may need to consider employment contract changes include:

- to make sure your contract is up to date with new laws or regulations
- to better reflect your job role, if it has changed
- to introduce or change terms and conditions for staff, for example contractual redundancy pay, enhanced maternity or paternity leave, or details of a pension scheme
- to reflect changes to your organisation, for example if it's considering moving to a different location
- to help your organisation better adapt to changing customer needs
- economic reasons, for example if your organisation is considering a restructure or other changes to stay competitive in a changing market

Find out what should happen if your employer proposes contract changes

#### If you've transferred to a new employer under TUPE

TUPE regulations protect your rights when you transfer to a new employer. TUPE stands for Transfer of Undertakings (Protection of Employment).

There are important additional things to consider if your employer is proposing changes to your contract after a TUPE transfer.

Find out more about changing a contract after a TUPE transfer

#### When you might propose contract changes

In some circumstances, you might want to propose an employment contract change to your employer. For example, if:

- your job role has changed since you started working for your employer
- · you want to ask for improved terms and conditions, such as a pay rise or extra holiday
- you want to make a flexible working request

Your employer does not have to agree to every change you propose, but they should always listen to you and consider your proposal.

Find out more about proposing changes to your employment contract

## 2. Proposing changes to your employer

If you want to propose an employment contract change to your employer, you should consider if it's because:

- something about your work has already changed through <u>custom and practice</u> for example, you've regularly been doing work that is different to what was originally agreed
- you want to change something in your terms and conditions for example, your pay or working hours

## If something about your work has already changed

You have a legal right to a 'written statement of employment particulars'. This is a written document summarising the main terms and conditions of your employment.

If your terms of employment have changed, your employer must put the changes in writing. They must do this within 1 month of the change.

For example, if your hourly pay rate has changed, your employer must give you the new pay rate in writing.

This could be in a letter or email. Your employer could choose to update your written statement but they do not have to.

Find out what your employer should do when contract changes are agreed

## If you want to change your terms and conditions

If you're considering asking for an employment contract change, you should think about:

- what outcome you want to achieve
- if a contract change is needed to achieve it

It's important to consider that a change to your contract will usually be permanent. There may be other ways to achieve the outcome you're looking for without changing your contract.

For example, if you need to temporarily change your working hours, you might ask your employer if you can swap shifts with someone during that time, instead of proposing a permanent contract change.

It can be helpful to talk to a trade union or other employee representatives if you're thinking about proposing a contract change. This can help you consider your options and decide what to do.

You might have legal rights that apply when you're asking for certain contract changes. For example:

- the right to request flexible working
- the right to reasonable adjustments if you're disabled

### Making a flexible working request

By law, you have the right to ask for a contract change through a 'flexible working request' if you're legally classed as an employee.

For example, you might want to have more flexibility with your work location or working hours.

Your employer must take certain steps to handle a flexible working request in a reasonable way.

Find out more about flexible working requests

### Asking for a reasonable adjustment if you're disabled

If you have a disability, by law your employer must make reasonable adjustments to remove or reduce a disadvantage related to it.

Many types of reasonable adjustment will not need a contract change. But you can ask for a contract change if you think it's needed.

Find out more about reasonable adjustments

#### Other types of contract changes

You might want to propose a contract change for other reasons, for example because:

- you've started a new job in the same organisation
- you want to change your hours to work part-time
- you want to work more flexibly but do not have a legal right to make a flexible working request
- you feel you deserve a pay rise

#### Check any relevant policies and procedures

You should check your employer's policies and procedures to find out if there's a set process for proposing the type of contract change you're looking for.

If you're not sure, you should get advice from your line manager or your organisation's human resources (HR) department if there is one.

#### Telling your employer about your proposed change

It's usually helpful to put in writing to your employer:

- the change you're asking for
- the reasons why you're asking for the change
- when you'd like the change to happen

For example, you might write a letter or send an email.

You should be as clear as possible about what you're asking for and why. This will help your employer to fully consider the proposed change and make an informed decision about it.

#### How your employer should respond

Your employer should consult with you and any relevant employee representatives, to:

- listen to your reasons about why a change may be needed
- make sure they understand the details of the proposed change
- · consider the potential benefits of the change, and any potential issues, for both you and the organisation

If your employer feels it is not possible or appropriate to make your proposed change, they should explain the reasons why. They should talk with you about any other options that could work instead.

### 3. If your employer proposes changes

If your employer is proposing employment contract changes that affect you, they must inform:

- you and other employees and workers who might be affected
- any relevant employee representatives, for example trade union or other elected employee representatives

#### The importance of following a fair procedure

Your employer should follow the <u>Code of Practice on dismissal and re-engagement on GOV.UK</u>. Your organisation might have its own policy, but the Code is the minimum procedure an organisation must follow.

If a case is taken to an employment tribunal, judges will take into consideration whether the employer has followed the Code in a fair way.

### How your employer should inform you

Your employer must provide relevant information about the proposed changes. They should provide this clearly and as early as possible.

Information should be shared with you in private if any proposed changes are specific to you. For example, in a meeting between you and your line manager.

If the proposed changes apply to a number of employees or workers, your employer might arrange initial group meetings to discuss the broad context of the proposed changes.

After any meeting, your employer should put information in writing and share it with you.

#### If there are trade union representatives

If the proposed changes are covered by a 'collective agreement' with a trade union, your employer must inform trade union representatives.

Your employer should follow the Acas Code of Practice on disclosure of information to trade unions for collective bargaining purposes.

### What information your employer should provide

The information your employer should provide to you or any employee representatives will depend on the circumstances.

They should usually include the following in the initial information:

- · what the proposed changes are
- who might be affected
- · why your employer believes the changes may be needed
- · their view on how the changes could benefit employees
- · their view on how the organisation may be affected if the changes are not made
- · when they propose to introduce the changes

• any other options that have been considered

The information should also explain:

- that you and other affected employees should consider the proposed changes
- a consultation process will follow to consider any questions, concerns or suggestions
- if any discussions have already taken place with relevant employee representatives, such as a recognised trade union or a joint consultative committee
- how you can ask questions and give feedback about the proposed changes, or make any alternative suggestions
- where you can get help or support if you're finding a period of change difficult, for example if there's an employee assistance programme (EAP)

If you need any more information about the proposed changes, your employer should be as open and helpful as possible in responding to any requests.

Find out more about how your employer should consult on proposed contract changes

## If your employer does not provide relevant information

In some circumstances, it may be reasonable for your employer to refuse a request for certain information. For example, if information cannot be shared because it is confidential or commercially sensitive.

If they feel they need to refuse a request, they should explain the reasons as clearly as possible.

#### If your employer unreasonably refuses to provide information

If your employer unreasonably refuses to provide information and then makes a contract change, you might be able to challenge this at an employment tribunal.

For example, it might be a relevant factor in claims of breach of contract or constructive dismissal.

A trade union might legally challenge your employer if they have not followed the <u>Acas Code of Practice on disclosure of information to</u> trade unions for collective bargaining purposes.

#### If your employer excludes or overlooks someone

It could be unlawful discrimination if, for example, your employer excludes or accidentally overlooks:

- anyone who is absent, for example if someone is off sick or on adoption, maternity or paternity leave
- anyone who needs information communicated in a certain way, for example because of a disability or if English is not their first language

Find out more about discrimination and the law

### **Flexibility clauses**

You might have previously agreed a clause in your contract that may allow your employer to change certain terms and conditions in some circumstances. These are sometimes called 'flexibility' or 'variation' terms or clauses.

For example, your contract might say that in certain circumstances your working days or work location can be changed.

Your employer should make sure any flexibility clause:

- is clear and easy to understand
- provides a reasonable notice period before introducing any relevant changes

#### Before your employer uses a flexibility clause

Before using a flexibility clause, your employer should always consult with you and any employee representatives to:

- make sure you are clear about what has been proposed
- understand your circumstances and how the proposed changes might affect you
- listen to and resolve any concerns you may have
- · avoid any misunderstandings
- reduce any risks of discrimination
- · check if the clause is reasonable to use in the circumstances

Find out more about how your employer should consult on proposed contract changes

#### Using flexibility clauses reasonably

Flexibility clauses must only be used to make reasonable changes.

For example, it may be unreasonable to expect someone to move at short notice to another work location which is not within reasonable commuting distance. If it's not reasonable, doing this might be a breach of contract even if there is a flexibility clause that appears to allow it.

If an employer uses a flexibility clause without taking into account someone's individual circumstances, it could sometimes be unlawful discrimination.

For example, it could be disability discrimination if an employer changes an employee's contractual working hours and this makes it difficult for them to effectively manage their disability.

#### **Resolving concerns about flexibility clauses**

If your employer is proposing to use a flexibility clause to make a change that you feel is unreasonable or unlawful, you should first try to resolve your concerns with your employer.

It can sometimes help to discuss with your employer if there is an alternative solution that might work for both of you.

Find out what to consider if contract changes are difficult to agree

### Get more advice and support

If you have any questions about contract changes, you can:

- contact the Acas helpline
- · talk to a trade union representative, if you have one

## 4. Consulting

If your employer is proposing employment contract changes that affect you, they should fully consult with you and any relevant employee representatives.

Your employer must have already provided you with initial information about the proposed contract changes.

## What consultation is

Consultation is when your employer talks and listens to you, other affected employees or workers, and any representatives, to:

- help you understand the reasons for the proposed changes
- ask for your feedback
- listen to any reasons you may have to object to the proposed changes
- · respond to any questions or concerns
- consider any other proposals you may put forward
- consider if they should make any revisions to the proposed changes to address any points raised

## Why consultation is important

Effective consultation can help everyone involved to:

- work together to find the best solution in the circumstances
- share relevant knowledge and insights, for example about employees' roles or customer needs
- build trust and keep good working relations during periods of uncertainty about change
- prevent potential disagreements, tensions or conflict
- make sure the process towards any change is fair and reasonable

There could be legal implications if your employer makes a contract change without holding genuine and meaningful consultation with employees and their representatives.

For example, if you feel your contract was changed without your agreement, you may be able to make a claim to an employment tribunal. The tribunal would consider how your employer consulted with you.

Find out more about your options if:

- your employer introduces a change without your agreement
- your employer proposes to dismiss and rehire you

### Who your employer should consult

Who your employer should consult with depends on the circumstances. They might need to consult with you directly, with your representatives, or both.

#### Consulting with you directly

Unless there's a formal arrangement that allows representatives to negotiate contract changes on your behalf, your employer should always consult directly with you.

#### **Consulting trade union representatives**

If your employer has a recognised trade union, they may have a 'collective agreement' to consult with the union about certain contract changes.

If you're a trade union member, the union will usually ask for your views to inform negotiations with your employer.

Even if you're not a trade union member, trade union representatives might be able to negotiate and agree contract changes on your behalf.

For example, there may be a collective agreement that the trade union can negotiate annual changes to pay on behalf of all employees who are in a particular role or who work in a certain department.

#### Consulting information and consultation (ICE) representatives

If there are 50 or more employees in your organisation, you have the right to request a formal agreement to be informed and consulted. This is known as an ICE agreement (as it's part of the 'Information and Consultation of Employees' regulations).

If there's already an ICE agreement in your organisation that covers areas affected by your employer's proposed contract changes, your employer must consult with the elected representatives.

Find out more about information and consultation (ICE) agreements

#### **Consulting employee forums**

Your employer may already have an arrangement in your organisation to consult employee representatives on specific areas of terms and conditions.

For example, they might have a pay review forum that considers annual changes to employees' pay, or a forum that looks at health and safety at work.

Representatives in these forums should be chosen in an appropriate way and consulted on areas in which they have expertise.

Find out more about employee forums

#### Keeping everyone informed

Your employer should keep you updated while they're consulting with employee representatives. For example, you might not be a member of a trade union so your employer should not rely on you receiving updates from the union representatives.

#### If someone is not included in consultation

When consulting, your employer must include all employees and workers who might be affected. It could be unlawful discrimination if, for example, they exclude or accidentally overlook:

- anyone who is absent, for example people who are off sick or on adoption, maternity or paternity leave
- anyone who needs information communicated in a certain way, for example because of a disability or if English is not their first language

If you're concerned that you or someone else has not been included in consultation, you should raise this with your employer. Employee representatives might also be able to raise this on your behalf.

### What should happen during consultation

Consultation must always be a genuine and meaningful two-way discussion about whether a change is needed and what kind of change is appropriate. Your employer must listen openly to any concerns or suggestions and genuinely consider them before they make a decision about the change.

In some situations, consultation might involve negotiations about proposed changes, especially in organisations with an established collective agreement. In negotiations, you or employee representatives discuss a change with your employer to try to reach an agreement.

If you or your representatives raise any questions, concerns or suggestions, your employer must:

- · take them seriously
- try to understand everyone's needs and interests
- do everything they reasonably can to answer questions and address any concerns

#### Helpful and unhelpful behaviours during consultation

Negotiating contract changes can sometimes be complex, challenging and stressful. It's likely there'll be different views so it's important that everyone is open-minded.

Those involved should be prepared to reconsider their views and proposals, for example if:

- there's something they may have overlooked
- another proposal is put forward that might work better

Behaviours on both sides can sometimes increase or reduce the chances of reaching an agreement.

Helpful behaviours include:

- listening to each other effectively
- genuinely exploring each other's needs and interests
- · being willing to consider things objectively
- · being open to creative ways of finding workable solutions

It's important to avoid unhelpful behaviours like:

- being impatient
- using confrontational language or appearing aggressive
- making assumptions about others
- insisting on a fixed outcome and refusing to consider other suggestions
- · adopting an attitude where someone must win and someone must lose

#### Training for employee representatives and managers

Acas can provide training to help employee representatives and managers take part in consultation and negotiations constructively. This can help:

- make discussions more effective
- · increase the chances of reaching solutions that work well for everyone

If you think training might be useful in your organisation, you should discuss this with your employer. For more information, you can contact the Acas helpline.

## If it's difficult to reach agreement at first

If you or employee representatives simply reject your employer's proposed changes, it's likely to make discussions more difficult.

If you're finding it difficult to agree, you should discuss if there might be a suitable compromise. Everyone should:

- keep focused on trying to reach agreement for as long as reasonably possible
- consider if they can look at the problem from a different angle, including other people's perspectives
- consider what could happen if agreement cannot be reached
- encourage others to suggest alternatives they might consider more acceptable
- be patient and keep talking finding agreed solutions can take time

Find out more about what you can do if changes are difficult to agree

## If your employer intimidates or threatens you

Employers must never intimidate or threaten you or your representatives to try to force you to agree to a contract change.

Your employer may need to explain how you and the organisation might be affected if appropriate changes cannot be agreed. However, they must never present a potential outcome as a threat about what they will do if you do not accept their proposed change.

There may also be legal implications. For example, any contract change agreed 'under duress' will not be legally enforceable – this is when you've been forced to agree through intimidation or threats.

An employer must not cause you 'detriment' because of trade union membership or activities.

Detriment means you experience one or both of the following:

- being treated worse than before
- having your situation made worse

Examples of detriment could be:

- your employer reduces your hours
- you experience bullying
- you experience harassment
- your employer turns down your training requests without good reason
- you are overlooked for promotions or development opportunities

### 5. If changes are agreed

If a contract change has been agreed between you, your employer and any relevant representatives, your employer should:

- put any changes into writing
- make sure everyone is clear about the details, such as how and when the changes will take effect and if it's a temporary or permanent change
- monitor how the changes are working for an appropriate period of time

## Putting changes in writing

If changes are made to your main terms of employment, your employer must put them in writing. For example, they might send you a letter or email.

It's a good idea for them to put all contract changes in writing. This helps to make sure everyone is clear about what is changing so there is less chance of misunderstandings or disagreements.

Your employer might choose to update your <u>written statement of employment particulars</u> but they do not have to. This is a written document summarising the main terms and conditions of your employment.

If a change only affects you, your employer must write to you individually.

If a change affects other people, your employer may not have to write to everyone individually. This applies when the change is about something that's in a document everyone can access, for example in a policy. They can put the changes in writing for the whole group at the same time, for example in a group email.

By law, your employer must put a change in writing within 1 month of the change.

## Understanding how the change affects you

Your employer should make sure you are clear about how the change affects you.

They should explain to you details such as:

- · what the change is
- why it has been introduced
- · when and how it will take effect
- · for how long it will last, if it's a temporary change
- what's expected of you
- · who you should talk with if you have any questions or concerns

If your employer negotiated the change with employee representatives, they might both write to you about it. For example, to explain to everyone affected that employee representatives have influenced and support the change.

### **Checking the changes**

When your employer has put the changes in writing, you should:

- check the changes are accurate
- · let them know if you have any questions or concerns

If a change affects many employees who work across different teams or locations, it's a good idea to check if there is one person or department handling all the questions.

## After changes have been introduced

Your employer should continue to communicate with you and other employees for an appropriate period, to check:

- · if the changes are working as expected
- · if the changes are being applied consistently and fairly
- how you and anyone else affected are adapting to the changes
- if you have any other issues or concerns

If you have any ongoing concerns or suggestions, you should raise these with your employer. It might also be useful to talk to a trade union or other employee representative if you have one.

#### If you're finding a period of change difficult

Changes to terms and conditions can sometimes affect the way people feel emotionally, mentally and physically.

If you need more support, you should consider:

- talking to any trained members of staff, for example a mental health first aider or health and wellbeing representative
- using your organisation's employee assistance programme (EAP), if there's one available
- talking to your trade union representative

Find out more about supporting mental health at work

## 6. If changes are difficult to agree

Reaching agreement on changes to employment contracts can sometimes be difficult. You, your employer and any employee representatives, should continue to explore all options for as long as is reasonably possible.

It can be particularly difficult if proposed changes are complex. Negotiations can take time, there may be disagreements and there might be times when it seems like there's no way forward.

It can be helpful to remember that disagreements often generate new ideas and lead to solutions.

## **Keep discussions constructive**

To stay focused on keeping discussions constructive, it can help to:

- share any more relevant information being transparent about your reasons can help others understand them better and make discussions more effective
- continue to ask questions and listen to answers taking time to understand other people's views can help you find common
  ground
- be prepared to consider proposals that are different to your preferred outcome be open-minded to finding other solutions
- try to agree one change at a time it can help to break down complex problems into smaller ones, for example start with 'what' might need to change, then move on to 'how' and 'when'
- recognise that differences of opinion are normal and to be expected considering different views can lead to new possibilities to explore
- try to find a solution that includes something for everyone do not assume that someone must win and someone must lose

### Explore if alternative solutions might be possible

If proposed changes seem difficult to accept, it can be helpful to explore if there's anything that might make the proposal more attractive.

For example, if your employer proposes a change that requires staff to work unsociable hours, they might be able to offer extra pay for those hours.

You could also consider if:

- a change could be introduced gradually rather than all at once
- a change could be introduced on a temporary basis only
- all parts of a proposed change are needed, or if some aims could be achieved in other ways
- there are solutions that may not need a contract change

However, if there's a 'collective agreement' with a trade union, it should set out a 'collective bargaining' procedure for negotiations between your employer and the union.

Your employer must not make direct offers to you as an incentive to give up any of your terms that are covered by the agreement, unless they've followed and genuinely believe they've exhausted the agreed collective bargaining procedure.

If they make direct offers without first exhausting the agreed procedure, you can make a claim to an employment tribunal.

You should talk to a trade union representative if you are in this situation.

#### How Acas can help

Acas offers a range of services that can help you, employee representatives and employers resolve disagreements.

Find out more about Acas support and training on changing employment contracts

### 7. If changes happen without your agreement

If a contract change has not been agreed, your employer might decide to 'impose' a change and tell you it will take effect from a certain date.

Your employer should:

- explain the reasons why they feel they must make the change
- put the change in writing, for example in a letter or email

They might also ask you to sign a document to:

- confirm you understand that the change will be introduced
- · let your employer know if you accept the change

You'll need to decide whether or not you want to accept the change and how to respond.

### Accepting the change

If you decide to accept the change, you should continue to work for your employer under the changed terms.

You may choose to tell your employer about your decision to help avoid any misunderstandings.

Even if you do not sign anything, your actions could legally count as 'affirming' (agreeing to) the change if both of the following apply:

- · you continue to work under the changed terms and conditions
- you do not put in writing to your employer that you object to the change, for example in a letter or email

#### Working under protest

'Working under protest' is when you continue to work for your employer but make it clear to them that you do not agree to the change and take steps to raise it.

You should normally only work under protest for a short time while you try to resolve your concerns with your employer or take legal action.

You should tell your employer that:

- you do not agree to the change
- · you're working under protest
- you may need to consider taking legal action if your concerns are not resolved

You should put this in writing, for example in a letter or an email.

You should do this on a regular basis, while the disagreement with your employer is ongoing. For example, every time you get paid, if the change affects your pay.

#### Taking legal action while working under protest

If you're considering taking legal action, you should get advice about your options. You can:

- contact the Acas helpline
- get legal advice
- · talk to a trade union representative, if you have one

Your options will depend on the circumstances. For example, you might be able to make a legal claim for:

- breach of contract
- unlawful deduction from wages, if the change affects your pay
- unlawful discrimination, if the change means you're treated unfairly in relation to a 'protected characteristic' under the law

If your employer imposes a change that makes your terms and conditions significantly worse than before, you might be able to claim <u>unfair dismissal</u> while continuing to work under the changed terms. This is a very complex claim to make. You should get advice if you're in this situation.

## If you're considering resigning

If you believe an imposed contract change seriously breaches your contract, you might be able to resign and make an employment tribunal claim of constructive dismissal.

Before resigning, you should get legal advice. A constructive dismissal claim can be very difficult to win at a tribunal.

### If there is a trade union

If your employer imposes a contract change after failing to reach agreement with a trade union, the union might consider:

- taking industrial action
- supporting you to take legal action

If you're a trade union member, you should talk to a trade union representative for advice on your options.

## 8. Dismissal and rehire

If a contract change has not been agreed, your employer might propose to introduce the change by dismissing and rehiring you. Some people call this 'fire and rehire' or 'dismissal and re-engagement'.

This is when your employer gives you notice that they propose to:

- dismiss you from your existing contract
- offer to rehire you on new terms

Your employer should only do this as a last resort. They should follow the <u>Code of Practice on dismissal and re-engagement on</u> GOV.UK.

Before dismissing you, they must have made all reasonable attempts to reach agreement through a <u>full and thorough consultation</u> about changing your contract.

### Your rights if your employer proposes to dismiss you

For a dismissal to be fair, your employer must:

- have a fair reason for the dismissal
- · follow a fair dismissal procedure
- · give you the right amount of notice
- offer you the right of appeal against their dismissal

This applies even if you accept a new contract and continue to work for your employer.

Find out more about:

- fair and unfair dismissals
- notice periods and notice pay when being dismissed

## If the reason for dismissal is redundancy

The reason for dismissal could be redundancy even if you're offered a new contract. For example, it could be a redundancy situation if:

- the number or types of roles needed to do certain work have changed
- your employer is proposing to significantly change your role

If the reason for dismissal is redundancy, your employer must follow a certain process and you might be entitled to redundancy pay.

The Code of Practice on dismissal and re-engagement does not apply to redundancy dismissals.

Find out about your rights during redundancy

### Other reasons for dismissal

If it is not a redundancy situation, your employer must have 'some other substantial reason' for dismissing and rehiring you.

It can only be a fair dismissal for 'some other substantial reason' in certain circumstances.

For example, it might be considered 'some other substantial reason' if:

- · your employer's business is in severe financial distress
- they've already made exhaustive attempts to reach agreement on changes
- there's genuinely no other option but to dismiss and offer to rehire you

If you make a legal claim that your dismissal is unfair, the law will take into account factors such as:

- if your employer had a good business reason for wanting to introduce the change to your contract
- if they reasonably and genuinely consulted with you or employee representatives, including making any compromises where appropriate
- if it was reasonable for your employer to decide that the benefits of the change for the organisation outweighed the disadvantages for affected employees
- the extent to which they considered alternatives to dismissal
- if there's a recognised trade union, whether they recommended or objected to the proposed change
- · how many employees accepted the change and how many rejected it
- if it was reasonable for you to refuse the change in the circumstances

If you believe your employer's decision to dismiss you is unfair, you should appeal against their decision.

Find out more about unfair dismissal and how to appeal

### If your employer proposes to dismiss and rehire 20 or more employees

By law, your employer must 'collectively consult' if they're proposing to dismiss and rehire 20 or more employees:

- at one establishment
- within a period of 90 days or less

An 'establishment' might be wider than a single workplace, but not necessarily as wide as your whole organisation.

Collective consultation is when your employer consults with a recognised trade union or other elected employee representatives.

Your employer must collectively consult to explore how to:

- avoid the dismissals
- reduce the number of dismissals
- · limit the consequences of the dismissals within the organisation

#### When your employer must start collective consultation

The law says your employer must start this consultation 'in good time'. What counts as 'in good time' will depend on the circumstances. However, they must start consultation for:

- 20 to 99 employees at least 30 days before the first proposed dismissal
- 100 or more employees at least 45 days before the first proposed dismissal

#### The process your employer must follow for collective consultation

Your employer must follow the same process as for <u>collective consultation in redundancy situations</u>. This applies even if the reason they're proposing to dismiss and rehire you is not redundancy but 'some other substantial reason'.

#### If your employer fails to collectively consult

You may be entitled to claim compensation, known as a 'protective award' at an employment tribunal.

If the employer has not followed the <u>Code of Practice on dismissal and re-engagement on GOV.UK</u>, this could be taken into account. If it is found they unreasonably failed to comply, from 20 January 2025, the employment tribunal could increase the award by up to 25%.

Employees must also follow the Code of Practice on dismissal and re-engagement. If you unreasonably fail to comply with the Code, from 20 January 2025, the award may be reduced by up to 25%.

For more information, you can:

- contact the Acas helpline
- talk to a trade union representative, if you have one

### If you agree to be rehired on new terms

If you decide to accept your employer's offer to rehire you, you should let them know your decision.

Your employer might ask you to sign a new contract. If they do, you should read it carefully and let them know if you have any concerns.

Your new terms should not take effect until your old contract has ended. Your employer must give you the right amount of notice.

You will usually keep your 'period of continuous employment' – this is your length of service with your employer. In some circumstances, this could apply even if there is a short break between the contracts. For example, if you accepted the new contract before the break.

If you believe the dismissal is unfair, you might be able to make a claim for unfair dismissal from your old contract. You can do this while you continue to work for your employer under the new contract. This is a complex situation and you should get legal advice.

### If you do not accept an offer to be rehired on new terms

You do not have to accept your employer's offer to be rehired on new terms. You should let your employer know your decision to avoid any misunderstandings.

If you do not accept it because you believe the dismissal is unfair, you should appeal against your employer's decision. <u>Find out more</u> about unfair dismissal and how to appeal.

If your appeal is not successful, your employment will end when your notice period ends. You should:

- check your final pay is correct
- check if you have the right to redundancy pay, if the reason for dismissal is redundancy

If you still believe your dismissal is unfair, you might be able to make a claim to an employment tribunal.

## If you believe you have been discriminated against

Your employer must not treat you unfairly because of certain 'protected characteristics' under discrimination law (Equality Act 2010). This includes when making a decision to dismiss you, or in the circumstances leading to your dismissal.

Find out more about discrimination and the law

# If you're considering taking legal action

You should get advice on your options before making any legal claim. For example, you could:

- contact the Acas helpline
- get legal advice
- talk to your trade union representative, if you have one