

Guidance for Managers

What contract of employment should I request?

The following is intended to be a quick guide to the different types of contracts and employment arrangements available within the University.

1. Open-ended contracts of employment

Open-ended contracts are issued where there is no reasonably foreseeable conclusion to the requirement for a role.

Open-ended contracts may be for specified hours or annualised hours depending on the nature of the role or duties.

Employees on open-ended contracts will be paid through the normal payroll.

Employees on open-ended contracts accrue annual leave based on the number of hours actually worked, and on the basis of a full-time equivalent of 27 days annual leave, 4 Closed Days and 8 Bank Holiday days.

2. Fixed-term contracts

Fixed-term contracts are issued where there is an objectively-justified reason for doing so, and where an open-ended contract of employment would not be appropriate. Fixed term contracts may be for specified hours or annualised hours, depending on the nature of the role.

An example of a justifiable fixed-term contract would be to appoint an individual to cover a period of maternity leave, where the substantive role-holder will be returning to work.

A fixed-term contract may also be objectively justified on the grounds that the piece of work or project is for a finite period and where there is no expectation of a continuing requirement for that role beyond that period.

Fixed-term contracts will only be issued for a maximum of two years in the first instance unless the post is externally funded. Four months before the conclusion of the fixed term contract a department will be asked if the contract should be extended or if the contract is concluding. If a department indicates that the requirement for the role is continuing a review will be conducted with the Head of Department / Faculty PVC and the HR Business Partner as to whether the contract should be extended for a further fixed period (no longer than a further two years), or if the post can be made open-ended. Where a response has not been received at the point that contractual notice needs to be served, the HR Department will write to the employee to advise them that their contract will terminate on normal expiry of the fixed term contract.

Individuals on fixed-term contracts will be paid through the normal payroll where the hours of work are specified. Any additional hours of work agreed would be paid on the submission of an authorised timesheet.

The rate of pay for a fixed-term contract will depend upon the nature of the work. For example, a fixed-term Lecturer would be paid in accordance with the Framework Agreement and the relevant role profile.

Employees on fixed term contracts accrue annual leave based on the number of hours actually worked, and on the basis of a full-time equivalent of 27 days annual leave, 4 Closed Days and 8 Bank Holiday days. If an employee has set hours of work their annual leave entitlement will be recorded in ABW and the individual will be required to take the

accrued annual leave during the contractual period. Where additional hours are paid on submission of a timesheet, an automatic payment in lieu of holidays accrued will be made at the end of the contract term if the individual has not already booked this leave via ABW.

Fixed-term contracts are based on the Framework Agreement terms and conditions, and as such staff are entitled to all terms & conditions appropriate to the grade of the role.

3. Casual contracts (3 months maximum)

Casual contracts can only be issued for a maximum period of three months to enable the short-term need to be met or to enable the department to engage in the recruitment process to fill the role on a longer term basis.

Casual contracts can only be issued where there is an immediate and urgent requirement for a role or task to be covered where there is insufficient time to undertake the normal recruitment process. Casual appointments are exempt from the University's Recruitment & Selection Policy but must be undertaken in line with the Management of Conflict of Interest in the Workplace policy. However, managers are expected to ensure that the individual appointed has the skills and aptitude required and advise their line manager if there is a conflict of interest arising from the casual appointment. To maintain equality of opportunity however it is therefore important that such contracts are not extended beyond the initial three month contract term.

Casual contracts may be for specified hours or the equivalent annualised hours, depending on the nature of the role or duties. An example of such a role would be where somebody is asked to undertake duties at short notice to cover a colleague who has started their maternity leave earlier than anticipated.

Employees on casual contracts are paid through the payroll and hours of work must be specified in the contract. Only additional hours to those contained in the contract should be paid on the submission of an authorised timesheet.

The rate of pay for a casual contract will depend upon the nature of the work. For example, a casual administrative assistant would be paid the equivalent rate as other administrative assistants doing a comparative role.

Employees on casual contracts accrue annual leave based on the number of hours actually worked, and on the basis of a full-time equivalent of 27 days annual leave, 4 closed days and 8 bank holiday days. If an employee has set hours of work their annual leave entitlement will be recorded in ABW and the individual will be required to take the accrued annual leave during the casual contract period. Where additional hours are paid on submission of a timesheet, an automatic payment in lieu of holidays accrued will be made at the end of the contract term if the individual has not already booked this leave via ABW.

Casual contracts are based on the Framework Agreement terms and conditions apart from notice provisions. As such staff are entitled to all terms & conditions appropriate to the grade of the role. Please note, that the statutory notice period for these types of contracts is built into the offer letter and no further notice of end of contract will be provided.

4. Zero hours contracts

Definition of zero hours An agreement where individuals are not contracted to work a set number of hours. They are paid for the hours they actually work and the employer does not guarantee to offer any work.

Zero hours will only be issued where there is a requirement for an individual to undertake intermittent work on an ad hoc basis and where it is not possible to determine in advance

the number of hours or times of work. An example of such a role would be a Relief Lifeguard who may cover for unexpected staff absences due to sickness.

The employment relationship will be such that there is no mutuality of obligation, which means that there is **no commitment** on the part of the employer to offer work and **no commitment** on the individual to accept the work offered. Individuals are paid on the submission of an authorised time-sheet. An individual does **not** accrue continuity of service during the periods in which they are not working.

To reiterate, zero hours contracts are **not** appropriate where there is a mutually agreed expectation of working hours or where an individual is rota'd to do work. Nor can they be used to provide cover for a specific situation which creates a regular working pattern over a continuous period exceeding 4 weeks as if this occurs, the nature of the engagement changes to one in which that expectation or work exists.

The rate of pay for a zero hours contract will depend upon the nature of the work. For example, a Relief Lifeguard would be paid the equivalent rate as other Lifeguards on open-ended contracts.

Individuals on zero hours contracts accrue annual leave based on the number of hours actually worked, and on the basis of a full-time equivalent of 28 days. An automatic payment in lieu of holidays accrued will be made no later than the next pay period for all hours worked in that last engagement.

Zero hours contracts are not normally based on the Framework Agreement terms and conditions, and as such workers are not entitled to enhanced rates of pay for working on Public Holidays or Closed Days etc.

Departments are responsible for continually reviewing the pool of zero hours workers on a regular basis, taking advice from the appropriate HR Business Partner when appropriate. This information will be reported on a regular basis to the University Executive, JCNC and Governance and Compliance Committee.

Where a zero hours worker has not worked during the previous 6 month period, the line manager may request that the HR Department write to the individual to inform them that their payroll record has been closed.

5. Self-employed individuals

A manager who wishes an individual to provide services to the university on a self employed basis must complete an Employment Status Questionnaire and submit this for the Finance Department to assess the employment status in accordance with HMRC guidelines. A flow chart to guide managers through this process can be found at <https://www.aber.ac.uk/en/finance/information-for-staff/payind/>

Individuals who provide services to the university are not recognised as employees of the university and are not entitled to annual leave or sickness benefits, or any other benefits.

If assessed as self-employed in accordance with the process outlined in the link above payment is on submission of an invoice and is processed through the payroll system in accordance with IR35 rules.

6. University Reporting

The University recognises the importance of monitoring the appropriate use of the various contracts detailed above, and has agreed, in conjunction with the recognised Trade Unions, to report on a regular basis on contract use with the following criteria:

Fixed Term contracts – To report on the number of fixed term contracts. A standard report would be based upon all internally and externally funded posts of more than 3 months duration. The report would exclude all AberWorkers and AberForwards and seasonal summer employment

Zero hour contracts – To report on the number of zero hour contracts. A report would be based upon all contracts with no specified hours of work of more than three months duration. This report would include both internally and externally funded posts.

Casual contracts - To report on the number of casual contracts. A report would be based upon all contracts of up to 3 months duration irrespective of hours of work, and irrespective of whether the post is externally or internally funded.

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