**On Company headed paper (Replace our Logo)**

**A close up of a logo

Description automatically generated**

**CONTRACT OF EMPLOYMENT**

**[COMPANY NAME]**

**AND**

**[EMPLOYEE NAME]**

**[Date]**

# Draft Contract of Employment

**THIS AGREEMENT** is made on 20[Year]

BETWEEN:

[Company] (“the Company”) whose registered office is at [Company Address], under Registration Number: [Number].

AND

[Employee’s Name] of [Employee’s Address] (“You”).

# **Commencement of Employment**

Your employment with the Company will begin on [Date]. No period of previous employment with any former employer will count as part of Your continuous period of employment with the Company. There are no collective agreements that directly affect the Terms and Conditions of Your employment.

# **[Probationary Period]**

[You are required to complete a probationary period of [three months] to assess whether You are suitable for the job. During Your probationary period You will be assessed on Your attendance, performance and conduct. The Notice Period clause below sets out the notice period should either party wish to terminate the employment during or at the end of the probationary period. If You reach the required standard at the end of Your probationary period You will receive written confirmation of Your continued employment.]

# **Job Title**

## You will be employed by the Company as [Job Title].

## You will report to [Name].

## You agree to carry out such duties as required to fulfil Your job. The Company reserves the right to vary Your duties from time to time according to the needs of its business. You will be expected to comply with all reasonable directions given by the Company and carry out Your duties in a professional manner. Failure to do so may result in disciplinary proceedings.

# **Hours of Work**

## Your normal working hours are [between 8.30am and 5.00pm each day of the week from Monday to Friday (inclusive), with one hour for lunch].

## You will, however, be expected to work such additional hours [without additional pay] as the needs of the business dictate.

## [The Company reserves the right to require You to work different hours of work according to the needs of the business, whether on a temporary or a permanent basis. This may involve shorter or longer hours of work, or working on different days of the week or at different times of the day in accordance with operational requirements. It is a condition of Your employment that You agree to work different hours if requested to do so by the Company.]

## The Working Time Regulations 1998 (the "Regulations") provides that a worker's average working time, including overtime, shall not exceed 48 hours for each seven day period (to be averaged over a period of 17 weeks). If Your working hours are likely to exceed this amount You must discuss this immediately with Your Manager. If You agree that this provision of the Regulation shall not apply to Your employment You must complete a Working Time Waiver Agreement to opt out of this provision. A copy can be obtained from Your Manager.

# **Place of Work**

## You will be based at the Company's offices at [place]. The Company reserves the right to appoint You to other positions (whether within the Company or any Group Company) and to base You at other locations, whether temporarily or permanently, as the needs of the business require.

## The Company may require You to travel in the performance of Your duties, in particular, but not limited to, assisting the needs of the business as we determine from time to time.

# **Remuneration Details**

## Your basic pay on commencement will be £[Amount] (gross) per [week/hour/annum]. Your salary will be payable in [12/52] instalments [monthly/weekly in arrears] on or about [Pay Day] of each [month/week] less any statutory and voluntary deductions, by direct bank transfer to Your nominated bank account.

## If You are, for any reason, indebted to the Company for any amount however arising, You hereby agree and authorise the Company to deduct such amount from Your pay or from any other allowances, expenses or payments payable from the Company to You. You shall be notified of any such deductions not less than seven days in advance of the date on which the deduction shall be made, unless this is not reasonably practicable.

## Your salary shall be reviewed by the Company annually on or around [Date] and written notification of any salary increase will be given to You. Any increase will take effect from the following [Date]. However, a salary review will not necessarily result in a salary increase. [There will be no review of Your salary after notice has been given by either party to terminate Your employment.]

## The Company may, at its sole discretion, provide You with equipment as may be necessary to assist in the role of [Job Title]. All such equipment shall remain the property of the Company. The Company reserves the right to levy charges equivalent to the reasonable replacement cost in respect of each item of equipment not returned or damaged beyond repair and to deduct such charges from Your pay or from any other allowances, expenses or payments due from the Company to You. You will be notified, in writing, detailing the levy of charge in respect of each item of equipment not returned or damaged beyond repair, however arising.

# **[Training Costs]**

[The Company endeavours to ensure that You receive any necessary and proper training to enable You to perform Your role. Where the Company has met the cost of a training course You will be required to reimburse the Company if:

1. You voluntarily withdraw from or terminate the course early without the Company’s prior written consent;
2. You are dismissed or otherwise compulsorily discharged from the course, unless the dismissal or discharge arises out of the discontinuance generally of the course;
3. Your employment is terminated by the Company for any reason either prior to completion of the course or within one year after the end of the course, except that, in the latter case, the amount which would otherwise be due to the Company shall be reduced by 1/12th part for each complete calendar month after the end of the Course during which You remain employed by the Company; or
4. You resign from the employment of the Company either prior to completion of the course or within one year after the end of the course, except that, in the latter case, the amount which would otherwise be due to the Company shall be reduced by 1/12th part for each complete calendar month after the end of the course during which You remain employed by the Company.

## The Company will deduct a sum equal to the whole or part of the costs due from Your final salary payment or from any other allowances, expenses or other payments due from the Company to You. If Your final salary payment is not sufficient to meet the debt due to the Company, You agree that You will repay the outstanding balance to the Company within one calendar month of the date of termination of Your employment, such payment to be made as agreed with the Company].

# **[Commission]**

## [You will be entitled to commission in accordance with Company guidelines. Please see the separate Commission Schedule for further details.]

## [Commission is subject to all Government taxes including Employers’ and Employees’ National Insurance and Income Tax. The Company reserves the right to vary, decline, withdraw or replace payment of commissionat any time at the Company’s sole discretion. For further information speak to Your Manager.]

## [You will not be entitled to receive any commission which falls due for payment after the termination of Your employment (whether by resignation or dismissal), even if the new business was introduced or the sale was completed by You during Your employment.]

# **[Bonus/Share Option Scheme]**

## [You may, at the sole discretion of the Company, be entitled to participate in a performance-related bonus scheme from time to time. Such bonus payments are entirely at the Company's sole discretion and any scheme You are invited to participate in will be notified to You separately.]

## [You may be invited to participate in [Share Option Schemes] operated by the Company, its Parent or any Group Company. It will be a Condition of participation in any such [Share Option Scheme] in which You participate that in the event Your employment terminates for whatever reason whether lawful or not or in circumstances which could give rise to a claim for wrongful and/or unfair dismissal that You shall not by reason of such termination become entitled to any damages or additional damages in respect of any rights or expectations of whatsoever nature You may have as a holder of share options under any such scheme.]

# **[Company Car and Fuel]**

## [You will be entitled to the use of a car, leased by the Company, up to a value of [£ ] per month.]

## [You are entitled to a car allowance of [£ ] per year, paid in addition to and with Your monthly salary.]

## [Where You use Your vehicle on Company business, a mileage allowance may be claimed provided You keep a proper log of the date(s) and length of all such journeys undertaken. For details of the current mileage allowance please refer to Your Manager.]

## [You will be provided with a Company fuel card to cover all fuel and oil costs associated with Your business and private mileage in the United Kingdom].

## [Full details of the Company Car Policy can be found in Part Two of the Employee Handbook. The Company reserves the right to amend this Policy at any time.]

## [In certain sections of the Company Car Policy, it provides for deductions to be made from Your pay. By signing this Agreement, You hereby consent to deductions being made from Your pay in the circumstances outlined in the Company Car Policy.]

# **[Accommodation (Provision of Residential Accommodation)]**

## [In order to enable You to properly carry out Your job duties and for the better performance of those duties, the Company will provide You with residential accommodation. The premises provided are only for as long as You remain in the Company’s employment and are provided entirely for the better performance of Your job duties. You occupy the premises as a service licensee only and that right to occupy the premises will cease immediately on the termination of Your employment for whatever reason. Upon expiry of Your notice period, or on the date of Your summary dismissal should You be dismissed without notice on the ground of gross misconduct, You must vacate the premises forthwith. The Company’s provision of residential accommodation to You does not under any circumstances give rise to a service tenancy.]

## [The residential premises provided to You are located at [Address]. They are [furnished/ unfurnished/part-furnished] and are available for occupation by [You alone/You and Your spouse or partner and any dependants]. [You must declare to the Company in writing the names of the members of Your family who will be living with You at the premises].]

## [During Your employment with the Company, You are required to reside at the premises and You must not reside elsewhere.]

## [You must keep the interior of the premises clean, tidy and in good decorative repair. Noise must be kept to an acceptable level at all times. You must immediately notify the Company of any damage to the premises or to its fixtures and fittings, and to any furnishings provided. The Company may seek to recoup any losses in the event of damage caused to the premises or to its fixtures, fittings or furnishings by Your negligence or wilful default (or due to the negligence or wilful default of any of Your family or guests). By signing this Agreement, You hereby consent to deductions being made from Your pay to cover the reasonable cost of repair of any such damage or the reasonable cost of replacement of the damaged item (as appropriate).]

## [The Company will pay any rent, service charge and buildings insurance in respect of the premises. The Company [will also/will not] be responsible for any gas, electricity, telephone, water, council tax, television licensing, contents insurance or other related charges. [You are responsible for the payment of all utility and associated bills].]

## [You are not permitted to assign, sub-let or part with possession of the premises, or to have anyone live with You at the premises [other than as set out above] or stay overnight as a guest without the prior written consent of the Company.]

## [The Company shall have the unrestricted right to enter the premises without notice at any time and from time to time and for any reason as it considers fit.]

# **Annual Leave**

## The Company’s annual leave year runs from [Date] to [Date]. You are entitled to take [xx] days' annual leave [including/excluding] the eight UK public/bank holidays. Entitlement to bank holidays will be pro rata’d for part-time employees.

## Annual leave entitlement will be calculated on a pro-rata basis in the first and last year of employment.

You will receive a certain number of days' annual leave entitlement for each month or part month worked.  Fractions of days resulting from the calculation may, at the Company's discretion, be rounded up to the nearest half day.

## [Generally, the office is closed on the eight UK public/bank holidays, but You will be given sufficient notice in the event that You are required to work on those days. If You are required to work a public/bank holiday You will be paid at [the normal rate] and You will be eligible for a day off in lieu in addition to Your annual leave entitlement.]

## [The Company may require that [ ] annual leave days per annum are taken on days nominated by the Company.]

## [Annual leave must be taken within the relevant holiday year and may not be carried forward into the following year except in special circumstances and subject to the Working Time Regulations 1998, and the prior written approval of the Company. Annual leave entitlement not used by the end of the holiday year will usually be lost and under no circumstances will payment be made for annual leave entitlement that is lost through not being exercised by the correct date.]

## A minimum of [four weeks'] annual leave needs to be taken in any one holiday year [including public/bank holidays].

## The Company will encourage You to take the minimum requirement of leave.

## You will comply with such Rules or Procedures regarding Annual Leave as may be published by the Company from time to time.

## **Sickness and Other Absences Leave and Pay**

## You will comply with such Rules or Procedures regarding sickness and other absences as may be published by the Company from time to time.

# **Notice**

## [The first [three months] of Your employment will be a probationary period during which either party may terminate the employment by serving [one week’s] written notice.]

## The period of written notice required from the Company to terminate Your employment [following satisfactory completion of your probationary period] shall be [x weeks/months]. [After [five] years this will increase by one week for every year of service, up to a maximum of 12 weeks.]

The period of written notice required from You to terminate Your employment shall be [x weeks/ months].

[The periods of notice provided for above may be waived by agreement in writing between You and the Company, subject to compliance by the Company with statutory minimum notice requirements.]

## The Company reserves the right, at its sole discretion, to pay You in lieu of any period of notice and any such payment will consist of basic salary only.

## The Company may at its discretion at any time including during any period of notice given by either party amend Your duties and/or suspend You from the performance of Your duties and/or exclude You from any premises of the Company and/or the Company’s clients' premises and/or require You to work from home. During such time the Company reserves the right for You to remain employed and to receive Your salary and benefits.

## You shall throughout any such period of suspension, exclusion and/or Company requirement(s) continue to be an employee of the Company and must comply with Your obligations under Your contract of employment.

## The Company reserves the right to terminate Your employment without notice in circumstances of gross misconduct.

# **Return of Company Property**

## You will comply with such Rules or Procedures regarding Return of Company Property, as may be published by the Company from time to time.

# **Pension Scheme**

## You will be automatically enrolled into the Company’s pension scheme from the commencement of your employment. The Company will contribute (insert %) on the condition that you contribute (insert %). Details of this scheme will be issued to you by our pension provider. Should you wish to opt out please notify HR, who will issue you the necessary opt out forms. Those who are members of the pension scheme will benefit from the life assurance scheme at (insert number e.g. 3x) basic annual salary.

# **Disciplinary Matters**

You will comply with such Rules or Procedures regarding Disciplinary Matters, as may be published by the Company from time to time.

The Company reserves the right to impose demotion (with a commensurate reduction in salary) as a disciplinary sanction as an alternative to dismissal.

# **Grievance Matters**

If You have any grievance relating to Your employment You should in the first instance refer the matter to Your Manager. If Your grievance is about Your Manager then You should refer the matter directly to [an alternative Manager]. .

## **Data Protection**

You will comply with such Rules or Procedures regarding Data Protection matters, as may be published by the Company from time to time..

## **Confidential Information**

## You will comply with such Rules or Procedures regarding Confidential Information matters as may be published by the Company from time to time.

# **[Restrictions]**

## [You acknowledge that during Your employment, it is likely that You will obtain knowledge of trade secrets, know-how, techniques, methods, lists, computer programs and software and other Confidential Information relating to the Company, or any Group Company and their employees and clients. In order to safeguard the goodwill of the Company and all Group Companies in connection with their clients and employees, You hereby agree to the restrictions set out in this clause.

## You agree that during Your employment You will not directly or indirectly:

### Either on Your own behalf, or for any other person, firm or company, approach, canvass, solicit or otherwise endeavour to entice away from the Company or from any Group Company the custom or services of any person, firm or company who is a Client or Supplier or prospective Supplier or Trade Partner of the Company or of any Group Company and You shall not use Your knowledge of or influence over any such Client or Supplier or Trade Partner for Your own benefit or for the benefit of any other person carrying on business in competition with the Company or any Group Company or otherwise to the detriment of the Company or any Group Company; and

### Either on Your own behalf, or for any other person, firm or company, endeavour to entice away from the Company or from any Group Company any person who is an employee of the Company or of any Group Company or otherwise encourage any employee to breach his or her contract of employment.

## You agree that for a period of [six] months after the termination of Your employment, You will not directly or indirectly:

## Either on Your own behalf, or for any other person, firm or company, approach, canvass, solicit or otherwise endeavour to entice away from the Company or from any Group Company the custom of any person, firm or company who at any time during the [twelve] months preceding the termination of Your employment has been a client or supplier or prospective supplier or Trade Partner of the Company or of any Group Company and with whom You shall personally have had significant dealings.

## Either on Your own behalf, or for any other person, firm or company, approach, canvass, solicit or otherwise endeavour to entice away from the Company any person who shall be [an employee] [a senior employee] of the Company or of any Group Company at the date of termination of Your employment with a view to the specific knowledge or skills of such person being used by or for the benefit of any person carrying on business in competition with the business carried on by the Company or any Group Company; and

## Either on Your own behalf, or for any other person, firm or company, be engaged, concerned or interested as an employee or in any other capacity in any business within [number] miles radius of Your place of work which is in direct competition with the business carried on at the date of termination of Your employment by the Company or any Group Company and where you are to be employed or engaged as a [Job Title] or in a substantially similar role.

## The period of the Restrictions set out in this clause shall be reduced pro-rata by any period during which You are required to remain at home on garden leave pursuant to the Notice Period clause above.

## Each of the sub-paragraphs above constitutes an entirely separate, severable and independent restriction upon You.

## The restrictions contained in this clause are considered reasonable by the parties but in the event that any such restrictions shall be found to be void but would have been valid if some part thereof was deleted, such restrictions shall apply with such modifications that may be necessary to make the restriction necessary and effective. You agree that the said restrictions are reasonable and necessary for the protection of the business of the Company and that they do not work harshly upon You.]

# **[Intellectual Property]**

## [You agree that all rights to all material created in the course of Your employment with the Company (including ownership of physical material) shall vest in the Company (except material created by You wholly outside Your normal working hours and which is completely unconnected with Your normal job duties or with job duties specifically assigned to You by the Company). In consideration of the Company entering into this contract of employment, You hereby assign the Intellectual Property Rights with full title guarantee to the Company absolutely for as long as such rights subsist (including all renewals, reversions, extensions and revivals of such rights).

## You agree that You will, at the discretion of the Company, do all such things and sign and execute all such documents and deeds as may be required to perfect, protect or enforce any of the Intellectual Property Rights assigned to the Company under this clause. You will not seek to register Your own ownership of any such rights and neither will You be entitled to receive any additional payment from the Company in respect of the Intellectual Property Rights.

## You herewith irrevocably and unconditionally waive all moral rights to which You may now or at any time in the future will be entitled under The Copyright Designs and Patents Act 1988 (and under any similar laws enforced from time to time throughout the world) in respect of the material created by You in the course of Your employment.]

# **[Definitions]**

|  |  |
| --- | --- |
| ["Group Company"  ***Optional*** | shall mean any Company which for the time being is a holding Company of the Company or any subsidiary of the Company or of any holding Company of the Company (as defined by Section 1159 of The Companies Act 2006).] |
| [“Confidential Information”  ***Optional*** | shall include any information or trade secrets used, obtained, or developed by or for the Company that are not routinely available to the general public, including without limitation to all such information and data whether of a business, technical, financial, operational, administrative or other nature and whether orally or in writing concerning the Company, its Parent or any Group Company, including information relating to know-how, techniques, methods, lists, computer programs, software expansion plans, business strategy, marketing plans, sales forecasts, details of any advertising, marketing or promotional campaigns, details of employees and Officers of the Company or its Parent or any Group Company; confidential reports or research commissioned by or provided to the Company, its Parent or to any Group Company; and any information which You are told is confidential or is given in confidence to the Company, its Parent or any Group Company. The foregoing list is not exhaustive.] |
| ["Senior Employee" | shall mean any employee of the Company or any Group Company working in a senior capacity and with whom You had material dealings during the 12-month period prior to the termination of Your employment.] |
| ["Trade Partner"  ***Optional*** | shall mean any person, firm, Company or other entity whom or which was working to develop the business projects, assignments or any other matter relating to the business of the Company or any Group Company including but not limited to advertisers, sponsors, and suppliers of the Company or any Group Company. | |
| ["Intellectual Property Rights" | shall mean all rights and in the nature of copyright, or database rights, patent rights, design rights (registered and/or unregistered), rights to trade marks (registered and/or unregistered) and all analogous rights whether now existing or created in the future to which You may now or at any time after the date of this contract of employment be entitled in respect of material created in the course of Your employment under this contract of employment.] | |

# **Undertaking**

You undertake that You are at liberty to take up employment with the Company and perform all the obligations set out in this contract of employment without limitation or breach of any obligations or duties You have to a third party.

# **Changes to Terms and Conditions of Employment**

## The Company may amend or vary any non-contractual Policies and Procedures from time to time for various reasons relating to business needs or to reflect legal developments.

## The Company may amend or vary Your contract of employment from time to time in order to reflect legislative or other legal developments. The Company may also make minor, non-fundamental changes to Your contract of employment from time to time. You will be notified of any such changes in writing.

## Unless a particular contractual provision permits amendments to be made without Your consent, if the Company wishes to make substantive or fundamental amendments to Your contract of employment for reasons relating to business needs, Your prior consent will be sought to the change.

# **[Lay-Off or Short-time Working] – NOTE: IF YOU INCORPORATE THIS CLAUSE YOU WILL NEED EXPLICIT EMPLOYEE CONSENT**

# [The Company reserves the right to lay You off or put You on short-time working where the needs of the Company’s business make this necessary.]

# [In the event that You are laid off or put on short time working, Your entitlement to pay on workless days in the period of lay-off or short time working will cease and instead, if You qualify, You will be paid statutory guarantee payments at the prevailing statutory rate during that period.]

|  |  |
| --- | --- |
| Signed by [Name]  For and on behalf of [Company Name] |  |
| Date: |  |
| **Acknowledgement by Employee**  I have read, understood and accept the Terms and Conditions of Employment, as laid out in this Contract and the documents referred to. | |
| Signed by [Name of Employee] |  |
| Date: |  |