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Your first contract: what to look out for

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Congratulations! You have been offered your first proper job but have you got the paperwork right before you start work? In all the excitement paperwork can be the last thing that you think of but if something goes wrong, you may discover that you and your employer have different views as to what has been agreed. This guide is designed to give you pointers to the things you should consider when starting employment, although of course it cannot be totally comprehensive.

The advertisement

There are lots of rules about the contents of employment adverts. The important thing to look at is whether or not there is a clear description of what the employer is looking for and whether you can gain any impression of the way in which your prospective employer may behave. Keep a copy of the advertisement because you may need to rely on its terms at a later stage.

The offer

You should read any offer letter carefully. Make sure that verbal offers

are confirmed in writing. Check that the letter includes the date when you start work, the amount of money you are going to be paid, and that you are clear about the things that you are going to do. Check that the offer letter agrees with the things that were discussed at interview and if there are any differences, are they acceptable to you? Is the offer letter conditional? Many offers are conditional on a health check or on suitable references (for first employment the reference would be a character reference).

The job description

This is likely to have been provided to you before or at the interview. Some employers do not provide the job description until you have started employment. Make sure that the document accords with your understanding of the job that you are to undertake. Is this the correct description? Does it include all the things you expected to be included? Are there things included which you would not want to see included at this point? Is the employer's expectation of you based on reality, especially if targets are set for your performance.

Terms and conditions

The law requires that certain basic terms and conditions be provided to you in writing within two months of starting employment. It is normal for most employers to provide all of the information in one document. Read it carefully and make sure that you understand it. If there are issues that you do not agree with raise them with your employer at this stage. Do not leave it until later.

Clearly, among the important factors are payment of salary and when it will be paid, holidays and when you can take them, what notice you have to give to terminate your contract, and what other benefits you are expecting. If the issues that you believe are important are not stated there they should be in the contract or the offer letter. Things such as maternity and parental leave may well be important, as well as any other family friendly policies.

If you do not receive terms and conditions (or a contract) within two months you can make a claim to a tribunal. Most employees find it best to approach their employer first and remind them of their responsibilities before taking that step. However, from next April there will be a financial penalty for employers who fail to provide terms and conditions in time.

The contract

This may be the same document that contains the terms and conditions of your employment and there is certainly no requirement that it should be a separate document. Please do not sign this document until you have read it and carefully considered it. If there are any terms in the contract you do not understand, ask for an explanation. If at a later stage there are variations to your contract, make sure that they are properly written down and signed by both your employer and yourself. Keep copies of all the documents safely and make sure that there is at least one copy at home.

The package

In addition to salary you will (except with those employers who employ fewer than five people) be entitled to join a

stakeholder pension scheme. Some employers also provide access to contributory or non-contributory pension schemes. Other benefits may include use of a car, life assurance and medical insurance. Make sure that you comply with any basic requirements to join any schemes you wish to join.

Bonus

You may have been lured into your new position by the prospect of a hefty bonus to supplement your salary. Be clear about what you are being offered – is the bonus a contractual entitlement that you will receive or is receipt of it at your employer’s discretion? If the latter, you are unlikely to have any redress in the event it is not paid.

Employer’s handbook

Some employers, mostly the large ones, have a handbook which contains terms and conditions as well as individual policies and procedures. It is not necessarily the case that policies in a handbook are contractual, ie, it does not necessarily mean that you can enforce them or the employer can enforce them against you.

Disability legislation

If you suffer from a disability you may be protected by the Disability Discrimination Act 1995. Notify your prospective employer if you require any adjustments to be made to the working arrangements/practices. Your employer will have a duty to make reasonable adjustments.

Employment

Or perhaps it is not employment. You could end up working for someone as an employee, a self-employed person, a partner, or a franchise. It is important to discover the basis on which you are to be carrying out your work. The tax treatment of any payments you receive will not necessarily define the basis on which you are working. If you are working normal working hours for an employer who directs the work that you do, in all likelihood you will be an “employee”. If you get a document which describes itself as a Franchise Agreement or a

Partnership Agreement, or something else, do not necessarily assume that that title correctly describes its contents. If in doubt seek some legal advice. If it is a Franchise Agreement or Partnership Deed you would be wise, in any event, to seek legal advice.

Grievance procedures

Although you will no doubt be viewing your new employment with optimism and enthusiasm you need to know what to do if things go wrong and you need to complain. Your contract should identify a formal procedure for you to use to make a complaint if discussing matters informally has not resolved the problem.

What if it all goes wrong?

If the job does not work out, the disciplinary procedure may be evoked by your employer or there may be a probationary period which may result in termination. If you do lose your job and you have more than one year’s employment you are entitled to ask for written reasons for your dismissal. If those are not provided then you are entitled to apply to the tribunal to have them stated. There are also a number of other claims that could be brought to a tribunal. Claims for unfair dismissal depend generally upon one year’s completed service of employment, but if the dismissal is for pregnancy related reasons, health and safety reasons or a variety of other reasons, often relating to discrimination, it may be possible to take action anyway. Discrimination claims have recently been extended to include sexual orientation and religion having previously covered race, sex and disability. In a few years time age discrimination will also be included.

Employment law need not be seen as complicated, as is often portrayed. There are three clear lessons. Read everything carefully, keep copies, and if there is anything you do not understand, clarify it, either with your employer or by seeking advice. ^x