**CONTRACTS OF EMPLOYMENT/CONTRACTS FOR SERVICES – EXPRESS TERMS AUDIT**

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| **CONTRACT TYPE** | **YES/NO** |
| Permanent |  |
| Fixed-Term |  |
| Part-Time |  |
| Annualised Hours |  |
| Zero Hours |  |
| Consultant |  |

|  |  |
| --- | --- |
| **STAFFING LEVELS** | **YES/NO** |
| Directors |  |
| Senior Managers |  |
| Junior Managers |  |
| Employees – Hourly Paid |  |
| Employees - salaried |  |

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| **CLAUSE** | **Y/N** | **Employer's Review/Action** |
| **Parties** |  |  |
| Correct employer |  |  |
| Correct registered employer address |  |  |
| **General** |  |  |
| Commencement date |  |  |
| Continuity of Service |  |  |
| Contract duration |  |  |
| **Probationary Period** |  |  |
| Duration |  |  |
| Notice period during probation |  |  |
| If absent, can probation period be extended |  |  |
| Right to extend |  |  |
| Written confirmation on completion |  |  |
| **Warranties** |  |  |
| Not in breach of any court order or contract |  |  |
| Right to work in UK |  |  |
| **Duties** |  |  |
| Does the contract specify the job title of the employee? Is the title clearly defined, and does it reflect the role the employee will perform? |  |  |
| Does the contract clearly state the employment status (e.g., full-time, part-time, temporary, permanent, or contractor)? |  |  |
| Does the contract outline the general duties of the employee? Does it refer to an attached job description for more detailed responsibilities? |  |  |
| If applicable, does the contract clarify whether the employee will be required to perform fiduciary duties or take on director-type responsibilities? Does it specify the duty to act in the best interests of the company? |  |  |
| Does the contract identify the employee’s line manager or the person to whom they will report directly? |  |  |
| Does the contract give the employer the right to assign the employee to other duties as required by the business (perhaps on a temporary or permanent basis)? |  |  |
| Does the contract reference the Employee Handbook (or equivalent), stating that compliance with its terms is expected? |  |  |
| Does it specify that the Handbook is not contractual, and if any conflict arises, the contract will prevail? |  |  |
| Does the contract specify that all documents, hardware, equipment, and software used by the employee in their role are property of the company? Does it outline the employee's responsibility to protect and return such property on termination of employment? |  |  |
| **Place of Work** |  |  |
| Normal place of work |  |  |
| Flexible working |  |  |
| Agreement to travel |  |  |
| Requirement to work outside of UK - duration |  |  |
| **Hours of Work** |  |  |
| Normal Hours and Days |  |  |
| Additional Hours |  |  |
| Is a 48h opt out needed? |  |  |
| **Salary** |  |  |
| Salary amount? Does the contract specify the amount of the basic salary and clarify whether it is calculated on an hourly, daily, or annual basis? |  |  |
| Does the contract specify how salary accrues in the event of absence (e.g., 1/365 for daily accrual, or 1/260 for weekly)? |  |  |
| Does the contract specify whether overtime is paid, and if so, the rate at which overtime is compensated (e.g., standard rate, time-and-a-half)? |  |  |
| Does the contract clarify whether the employee will be paid on a weekly or monthly basis? |  |  |
| Does the contract specify the pay date or pay period (e.g., monthly on the last working day of the month, or weekly every Friday)? |  |  |
| Does the contract have a deduction clause, clearly specifying what deductions can be made from the employee’s salary (e.g., tax, pension contributions, overpaid holiday, etc.)? |  |  |
| Does the contract outline any bonus scheme (e.g., performance-related bonus, company-wide bonus) and the criteria for eligibility, amount, and timing of payments? If not, are bonuses implied? |  |  |
| Does the contract specify commission payments (if applicable), including the structure, percentage, and conditions for earning commission (e.g., on sales, targets)? |  |  |
| **Benefits** |  |  |
| Medical Insurance |  |  |
| Permanent Health Insurance |  |  |
| Gym Membership |  |  |
| Any other health and well-being benefits |  |  |
| Contractual right to amend or withdraw |  |  |
| Any other implied benefits (regular team lunches etc.) |  |  |
| Are staff permitted to be reimbursed for mobile phone use? |  |  |
| Are staff permitted to be reimbursed for millage when using their own car? |  |  |
| **Drug and alcohol testing** |  |  |
| Is this permitted under the contract? |  |  |
| Is the purpose, frequency, and procedure for testing clearly outlined? |  |  |
| Does the clause reference consent, confidentiality, and alignment with data protection laws? |  |  |
| **Right to search** |  |  |
| Is this permitted under the contract? |  |  |
| Does the clause define the circumstances and scope of searches (e.g. personal belongings, lockers, vehicles)? |  |  |
| **Accommodation** |  |  |
| Is this permitted under the contract? |  |  |
| Are terms of use, deductions (if any), and termination of accommodation clearly defined? |  |  |
| Are the terms consistent with housing laws and minimum wage rules? |  |  |
| **DBS** |  |  |
| Is this permitted under the contract? |  |  |
| Does the contract set out when checks will be carried out (e.g. pre-employment, periodically) and who pays for them? |  |  |
| **Driving** |  |  |
| Is this permitted under the contract? |  |  |
| Are requirements for holding a valid license and using company/personal vehicles outlined? |  |  |
| Is there clarity on responsibilities, insurance, and accident reporting? |  |  |
| **Employee Monitoring** |  |  |
| Is this permitted under the contract? |  |  |
| Is the scope (e.g., email, internet, CCTV), purpose, and method of monitoring defined? |  |  |
| Is the monitoring proportionate and compliant with GDPR and privacy rights? |  |  |
| **Lay Off** |  |  |
| Is this permitted under the contract? |  |  |
| Are the circumstances for lay off and short-time working clearly defined? |  |  |
| Does the clause preserve statutory rights (e.g. guarantee pay)? |  |  |
| **Expenses** |  |  |
| Does the contract specify that expenses incurred during employment will be reimbursed, subject to submission of receipts and other evidence (e.g., invoices, proof of payment)? |  |  |
| Does the contract require the employee to abide by a company policy on expenses (likely referenced separately in the policy or handbooks)? |  |  |
| Does the contract include any restrictions on the use of company credit cards, if provided (e.g., what types of expenses can or cannot be charged to a company card)? |  |  |
| **Holidays** |  |  |
| Does the contract state the start and end date of the employer’s Holiday Year? |  |  |
| Does the contract state that during the first year of employment, annual leave accrues on a pro-rata basis (typically monthly)? |  |  |
| Does the contract specify the number of days' paid holiday per year? |  |  |
| Does it state whether the entitlement is inclusive or exclusive of the usual UK bank holidays? |  |  |
| Does the contract explain how holiday should be booked (e.g., minimum notice periods, line manager approval, right to refuse leave for business reasons)? |  |  |
| Does the contract address whether unused holiday can be carried over into the next holiday year? If carry over is allowed, does it set a time limit for use (e.g., must be used within 3 months or lost)? |  |  |
| Does the contract confirm that on termination of employment, the employee will receive pay in lieu of accrued but unused holiday (or be required to take it during notice)? |  |  |
| Does the contract state that if employment ends by summary dismissal (gross misconduct), the employee is only entitled to holiday pay accrued under the Working Time Regulations 1998 (5.6 weeks), not any additional contractual entitlement? |  |  |
| Does the contract state that if the employee has taken more holiday than they have accrued at the date of termination, the employer has the right to deduct the equivalent pay from any final salary or sums owed? |  |  |
| **Incapacity** |  |  |
| Who to notify and when |  |  |
| Does the contract refer the employee to a separate Sickness Absence Policy for further detail on absence reporting, certification, and management? |  |  |
| Does the contract state that self-certification is required for sickness absences of up to 7 calendar days? |  |  |
| Does the contract state that medical evidence (e.g., fit note/doctor’s certificate) is required for absences longer than 7 calendar days? |  |  |
| Does the contract explain the employee's entitlement to Statutory Sick Pay (SSP)? |  |  |
| Does the contract explain whether the employee is entitled to Company Sick Pay, and if so, under what conditions (e.g., eligibility, length of service)? |  |  |
| Does the contract state whether pension contributions (both employer and employee) continue during periods of sickness absence, and on what basis (e.g., based on normal salary or actual pay received)? |  |  |
| Does the contract state whether contractual benefits (e.g., car allowance, private medical insurance, bonuses) continue or are suspended during sickness absence, and under what conditions? |  |  |
| Does the contract state that the employee may be required to undergo a medical examination by an independent doctor, and that consent is required? |  |  |
| Does the contract allow the Company to recover Company Sick Pay if the employee successfully claims damages from a third party (e.g., if sickness results from a personal injury caused by someone else)? |  |  |
| **Other Paid Leave** |  |  |
| List all statutory leave |  |  |
| Clause permitting amendment or withdrawal of leave entitlements that go beyond statutory. |  |  |
| **Training** |  |  |
| List training entitlement required to be undertaken or offered and who is responsible for training. |  |  |
| Repayment of training costs clause required? |  |  |
| **Confidentiality & Intellectual Property** |  |  |
| Confidential information definition |  |  |
| Confidentiality requirements & exceptions |  |  |
| Intellectual Property requirements and ownership |  |  |
| **Pay in lieu** |  |  |
| Is payment of basic pay in lieu of notice permitted? |  |  |
| Can the right to PILON be excluded if employee commits gross misconduct or ceases to have the right to work in the UK? |  |  |
| **Termination** |  |  |
| Can notice be waived if employee commits gross misconduct? |  |  |
| Notice required by company (compliant with statutory minimum notice) |  |  |
| Notice required by employee |  |  |
| **Garden Leave** |  |  |
| Does the contract allow the Company to place the employee on Garden Leave after notice of termination is served by either party or if the employee breaches the contract? |  |  |
| Does the contract state that the Company has no obligation to provide work during Garden Leave? |  |  |
| Does the contract confirm that during Garden Leave the employee will continue to receive their basic salary and contractual benefits in the usual way, subject to benefit terms? |  |  |
| Does the contract allow the Company to restrict the employee’s contact with officers, employees, consultants, clients, customers, suppliers, agents, distributors, shareholders, advisers, or other business contacts? |  |  |
| What happens to company property if employee is on garden leave? |  |  |
| **Obligations on Termination** |  |  |
| Does the contract require the employee to immediately deliver all documents, materials, records, keys, credit cards, vehicles, and any other property belonging to the Company or any Group Company upon Termination (or at start of Garden Leave)? |  |  |
| Does the contract require the employee to irretrievably delete Company or Group Company information stored on personal devices or media outside Company premises? |  |  |
| Does the contract require the employee to provide a signed statement confirming full compliance with these obligations, with supporting evidence if requested? |  |  |
| **Restrictive Covenants** |  |  |
| Does the contract state that the employee must not solicit or entice business after Termination? |  |  |
| Does the contract state that the employee must not offer to employ, engage, or entice other employees after Termination? |  |  |
| Does the contract prohibit involvement with any competing business after Termination? |  |  |
| Does the contract prevent provision of goods or services to any customer in competition after Termination? |  |  |
| Does the contract state that the employee must not represent themselves as connected with the Company or any Group Company after Termination (other than as a former employee)? |  |  |
| Is the restricted period reasonable? |  |  |
| Does the contract state that Garden Leave periods reduce the length of post-termination restrictions? |  |  |
| Does the contract require the employee to notify the Company/Board in writing if they receive an approach or offer from a competing business? |  |  |
| Does the contract state that each restriction is severable, and can be modified to be valid if otherwise void? |  |  |
| **Disciplinary and Grievance Procedures** |  |  |
| Do these rules and procedures form part of the employment contract? |  |  |
| Do these rules apply during the first 24 months of employment? |  |  |
| Employee has been given access to the Company’s Disciplinary and Grievance Procedure and confirmed receipt. |  |  |
| Who to raise grievance to |  |  |
| Who to appeal to |  |  |
| Right to suspend and obligations during suspension |  |  |
| Right to demote or alternatives to dismissal |  |  |
| **Pension** |  |  |
| Is employee eligible to be enrolled into the pension scheme? |  |  |
| **Data Protection** |  |  |
| Privacy notice separately provided |  |  |
| Employee is aware of and complies with the Data Protection Policy. |  |  |
| Employee is aware that failure to comply with the Data Protection Policy or related policies may lead to disciplinary action |  |  |
| **Collective Agreements** |  |  |
| State if one exists which directly affects employment. |  |  |
| **Notices** |  |  |
| Any requirement that notices must be in writing? |  |  |
| How are notices accepted and deemed delivered? |  |  |
| **Entire Agreement** |  |  |
| The agreement (and any documents referred to within it) constitutes the full and complete agreement between the parties |  |  |
| Each party has acknowledged that it does not rely on any statement, representation, assurance, or warranty that is not included in this agreement. |  |  |
| **Variation** |  |  |
| Confirm that the contract (and any referenced documents) constitutes the full and complete agreement between the parties and that all previous agreements, promises, assurances, warranties, representations, and understandings (written or oral) are superseded and extinguished. |  |  |
| **Counterparts** |  |  |
| Has the document been executed in counterparts? |  |  |
| **Third Party Rights** |  |  |
| Can a third party enforce the agreement? |  |  |
| **Governing Law and Jursidiction** |  |  |
| England and Wales |  |  |
| **Other Implied Terms** |  |  |
| Are there implied benefits the employee is entitled to, even if not explicitly mentioned? |  |  |
| Is the employee required to maintain professional qualifications? |  |  |
| Are employee's hours or days of work variable? If so, how do they vary and how is that variation determined? |  |  |
| Has the company always provided overtime pay or time off in lieu for extra hours worked, even if this is not mentioned in the contract? |  |  |
| Is overtime regularly expected in practice, and does the company continue to pay employees for overtime regardless of what the contract says? |  |  |
| Does the company routinely give employees more notice than the minimum required by law or the contract in case of termination or resignation? |  |  |
| Is there a consistent practice of employees being given a period of grace to wrap up their duties when resigning or being terminated? |  |  |
| Is there a customary practice of giving employees more than the statutory minimum holiday entitlement? |  |  |
| Is there a custom/practice of giving staff extra time off over Christmas or after bank holidays? |  |  |
| What is the manner of calculation of holiday pay during employment and on termination? |  |  |
| Is flexible working (e.g., working from home or adjusted hours) something that has been routinely allowed by the employer? |  |  |
| Has the company informally permitted employees to request flexible working hours, and is there a consistent practice of doing so? |  |  |
| Does the company have a longstanding practice of conducting regular performance reviews, even if it’s not part of the contract? |  |  |
| Does the company have a practice of routinely conducting pay reviews? |  |  |
| Is there an established practice of providing employees with necessary safety equipment and ensuring a safe working environment? |  |  |
| Is there an established practice of providing employees with necessary tools or technology to perform their role? |  |  |
| Is there a longstanding custom of employees participating in company events, such as team-building activities, outings, or office parties? |  |  |
| What other workplace practices or benefits have been routinely allowed by the company that are not explicitly stated in the employment contract? |  |  |
| Is there a custom/practice of paying employees bonuses? If so, how often? |  |  |
| Is there a custom/practice of paying employees a Christmas payment? If so, how often? |  |  |
| Do employees routinely take longer breaks than contracted for or at specific times not detailed within the contract? |  |  |