



Good Salon Guide Fact Sheet Changing an employee's contract

We have been contacted recently by several salons who wanted to know if they could change the terms of an employee's contract and if so how.

Changing the terms of an employee's contract is something you may need to do as a result of a change in the business requirements, e.g. the number of hours or days worked.

You are able to change the terms of an employee's contract (written or verbal) if one of the following apply:

1. There is a clause in the contract that allows you to do so.

As long as the contract allows for you to make changes, e.g. hours worked, and you and the employee agree it's a reasonable change then you can make the change. It's a good idea to give the member of staff reasonable notice of the change.

2. The employee agrees to the change.

If the employee agrees to the change then this can be put into effect immediately, or after an agreed period of time. You need to provide the employee with an amended written statement (which forms part of their employment contract) within one month of the change taking place.

3. You give the employee the correct notice period of the change.

You may be able to change the terms of an employee's contract by ending their current one and re-engaging them under a new contract. This is more complex than when the employee agrees to the change so it's always good to try and get them to agree to a change, when possible, first. Before making a change in this way you need to ensure that there is a genuine business need for the change and that you follow a fair procedure. This means you need to consult with your employees for a reasonable time and discuss alternatives with them. After the consultation period has ended, and it is clear there is no alternative but to introduce the change, then you give each employee the correct period of notice to end their contract (this may be different for each member of staff). Once the notice period has ended you then immediately re-engage the employees on the new contract terms.

The exception to this rule is if the employee is on a zero hours contract, or if the business has been transferred (TUPE). If the change is covered by the TUPE regulations, then we recommend taking legal advice.

Flexible Working

All employers have a duty to consider all requests for flexible working in a reasonable manner; but have the right to refuse requests on business grounds. As an example, a flexible working request may come to you when an employee is due to return from Maternity Leave.

This means that you have to consider a request from any member of staff but can refuse the request as long as there are business grounds to do so e.g. the business needs a certain number of stylists or therapists per day.

There are certain key points you have to consider:

Key points

- Employees must have 26 weeks continuous employment at the date the application is made
- Employers have statutory duty to consider applications
- Once agreed it becomes a permanent change to the contract of employment (see above)
- An employee has the right to appeal if necessary, against the outcome
- Try to negotiate an agreement if the requested hours are not possible
- Only one application can be made in a 12-month period

There are many forms of flexible working. It can describe a temporary contract, part-time working, flexitime, job sharing and shift working etc. The request can cover hours of work, times of work and place of work and may include requests for different patterns of work.

Parents of children aged 16 or under, or disabled children under the age of eighteen (**Parental Leave**), have the right to apply to their employer to work more flexibly if they have:

- worked for their employer for 26 weeks continuously at the date that the application is made
- not have made another application to work flexibly under the right during the past 12 months

When deciding where to accept a request for flexible working it's important you consider the impact on the business of any change, as well as on other staff and the employee who's requested the change. Once you've agreed to a change this permanently changes that member of staff's contract of employment so we'd advice considering changes carefully before accepting and getting everything down in writing (copy for you and copy for the employee).