

PART FIVE WORKING LIFE

MODULE 18

BASIC EMPLOYMENT RIGHTS

CONTRACTOF EMPLOYEES HOLIDAY PAY

SEEKING SKILLS



MODULE 18

Basic employment rights

So, you're entering the world of work!

You will probably be given a lot of information that sounds very formal or complicated including details about your pay, taking holidays and what happens if you're off ill.

As an employee you have certain statutory rights that employers are legally required to provide.

If you know about your rights, it will stop you from being treated unfairly or missing out on what you are entitled to.

Right to a contract of employment.

"STATUTORY RIGHTS

are what you are entitled to according to the law."

When you accept a job offer, you enter into a contract with the employer.

In brief, this is an agreement about what work you will do for the employer and how much they will pay you.

A contract of employment can be made either verbally or as a formal written agreement. An employee has the right to receive a written statement as soon as they start work, which includes the following:-

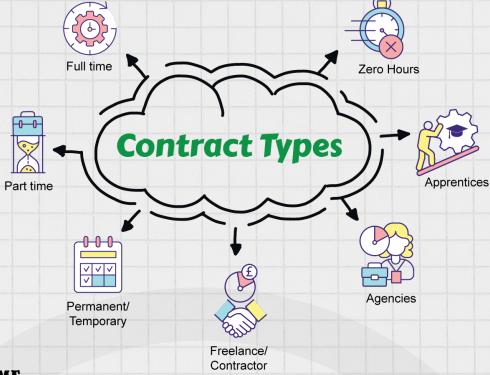
- Information on pay. This could be a yearly salary (sometimes referred to as 'per annum'), a weekly/monthly wage or an hourly rate of pay.
- Terms of employment (such as the start date and the length of the contract)
 are included. This helps to protect employees from being released from their
 job before the contracted period is completed.
- The hours of employment. This prevents employees from being asked to do overtime without payment and guarantees a minimum amount of hours each week.
- Details of other employee entitlements such as sick leave, holiday pay, and notice period.
- An outline of disciplinary and grievance procedures. This details what will happen if an employee gets into a dispute with their employer.



More details of these are covered in the following sections.

WHAT TYPES OF CONTRACTS ARE THERE?

When you see jobs advertised, you'll see that there are a number of different contract types that employers offer. Here is an explanation.



FULL TIME

This is one of the most common types of contract and is usually permanent, although sometimes they can be temporary for a fixed period, for example, 12 months.

Hours for a full time contract can range from 35 hours a week, up to a maximum of 48 (if you are under 18 the maximum hours are less.)

You would earn either an hourly rate or annual salary, and usually be entitled to other benefits such as holiday pay, sick pay and a pension.

PART TIME

For this type of contract, you would work fewer than 35 hours a week. Again, it could be permanent or temporary and you would earn an hourly rate or annual salary.

Thanks to regulations, part time workers cannot be treated any differently when it comes to the terms of contract, so you would receive the same benefits as a full time worker. This is on what is called a pro-rata basis. This means what you receive is a proportion of the full time benefits based on the number of hours you work.

For example, you work 17.5 hours a week which is half the number of hours a full time employee works. So, if a full time employee in the company is entitled to 20 days paid annual leave, you would be entitled to 10 days annual leave.

PERMANENT/TEMPORARY

Contracts can be on a permanent or temporary basis. If the contract is temporary, it is usually for a specific length of time, and the end date of the contract is included. This is sometimes called a fixed term contract. Temporary employees are entitled to the same benefits as permanent employees - however, their holiday entitlement and pay will be pro-rata, determined by the length of their contract.

FREELANCE/CONTRACTOR

This means that you are self-employed, so you don't have an official contract of employment. You would agree with the company what you will earn for a certain amount of work you do, but you do not have any benefits such as holiday pay, sick pay or a pension.

You would be responsible for paying your own tax and National Insurance contributions to HMRC (tax office).

AGENCIES

In this case, your contract of employment is with the agency. This could be a recruitment or temping agency, or entertainment agency. Whilst you may end up working for different companies, you will always be employed and paid by the agency.

By law, you would be entitled to holiday allowance.

APPRENTICES

Apprentices are entitled to a contract of employment which will detail holiday leave, working hours and other entitlements. Most apprentices are expected to work at least 30 hours a week and are employed for the duration of their apprenticeship of 2 to 3 years.

ZERO HOUR

This type of contract means that you only work the hours that your employer needs you to. You also have the choice of accepting or rejecting the hours offered. There are no set hours meaning that your hours can vary from week to week.

2. Right to fair and equal pay

The National Minimum Wage (NMW) laws apply to nearly all workers regardless of the type of work they do or the size or type of company they work for. You don't have to be working full time, or on employers' premises. It does not matter whether you are paid weekly or monthly, into your bank account, cash or in any other way.

You can get the NMW if you are:

- employed by an agency
- a home worker
- a part time worker
- a disabled worker
- a casual worker or a worker on a short term contract
- a foreign worker
- a seafarer (except share fishermen)
- a trainee or on probation
- an apprentice
- an offshore worker.







Note that you are **not** necessarily entitled to the NMW if you are:



- a worker under the school leaving age
- genuinely self-employed
 - in some government schemes or employment programmes
 - living in your employer's household, for example an au pair
 - in the armed services
 - a voluntary worker
- a student in further or higher education
 - on a work placement of up to 12 months.



Agricultural workers have separate pay rates, set by the **Scottish Agricultural Wages Board**.



The Low Pay Commission, an independent advisory body, monitors the National Minimum Wage (NMW), called the National Living Wage (NLW) for those aged 21 and over, and advises the government on rates.

The National Living Wage (for those aged 21 and over) and the National Minimum Wage

The rates from 1 April 2025 are:

- adult rate 21 and over: £12.21 an hour
- age 18-20: £10.00 an hour
- under 18: £7.55 an hour
- the minimum pay rate for apprentices, including Modern Apprentices: £7.55 an hour.

The apprentice rate applies to:

- apprentices under 19
- apprentices aged 19 and over who are in the first year of their apprenticeship.

3. Right to an itemised payslip

You are entitled to an individual, itemised, written pay statement (payslip), on or before your pay date.

Your payslip doesn't have to be on paper, it could be sent to you by email, or accessed through an employer's intranet website.

We cover exactly what your pay statement should include in Module 21.

4. Right to time off work

HOLIDAYS

Apart from pay, this is usually what employees want to know!

Almost all employees are entitled to 5.6 weeks' (if you work full time 5 days a week this equals 28 days) paid holiday a year. This is known as **statutory leave entitlement**, but often referred to as annual leave or holiday allowance.

This amount is based on those working full time. If you work part time, your holiday allowance is calculated pro-rata depending on the number of hours or days you work.

There are also a number of **public holidays** throughout the year and an employer can include these as part of the statutory allowance. Some generous employers may give them as extra days!

WHEN CAN YOU TAKE YOUR HOLIDAYS?

When you can take your leave is decided by your employer. When requesting time off, you need to give a notice period.

This is twice as long as the amount of time you want off. So, if you want 5 days off, you must give 10 working days' notice to your employer. Where possible, it's good practice to try and give as much notice as possible. Your contract may state something different to this, and many employers will try and accommodate your needs

Employers can:

- refuse a request for time off, but must give the correct notice period
- tell their employees when to take leave, for example at Christmas
- say when leave can be taken, for example at busy times or if a company closes at set times during the year.



But, you will always be able to take your holiday allowance at some point during the year.

SICKNESS

Sometimes we get ill. It's a fact of life. But what happens when you are employed?

You can take time off work if you are ill and your contract of employment or your written terms and conditions will outline what you need to do if this happens. For example, who you need to tell and when.

General rules that apply

- If you are off ill for any number of days up to 7, then this is called self-certification. You do not need to provide proof to your employer.
- If you are ill for more than 7 days in a row, you must provide your employer with a 'fit note' (sometimes called 'sick note') from your doctor.
- The number of days counted include non-working days, such as weekends and public holidays.

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Sick pay

You are entitled to sick pay when you are off ill, but how much depends on your employer and the terms of your contract.

Some employers offer occupational sick pay, which means that you still receive your wage or salary if off ill.

However, some employers don't, but you will still receive Statutory Sick Pay (SSP).

It is paid by your employer and you can receive this for up to 28 weeks. The amount can change each year.

5. Termination of employment and unfair dismissal

If you are in the situation where you have been told that you are being sacked (or fired) from your job, then you need to know your rights and if it is fair.

Unless your contract is for a fixed period, where you will have agreed to finish work after a certain amount of time or on a set date, your employer must usually give you a notice period of when your employment will end.

This should be at least the notice period in your contract, or the statutory minimum notice period, whichever is longer.

THE STATUTORY MINIMUM NOTICE PERIOD IS:

- at least one week's notice if you've been employed between one month and two years
- one weeks' notice for each year if you've been employed between two and 12 years
- 12 weeks' notice if you've been employed 12 years or more.

The law for dismissal can be complicated, depending on the situation, but the types of dismissal include the following.



- Constructive dismissal is where you feel that you have to leave your job because the employer isn't treating you fairly.
 - Unfair dismissal is where a fair reason hasn't been given by the employer for you losing your job (you are usually protected against this if you have been with the same employer for more than two continuous years).
- Wrongful dismissal is where your employment has been terminated without being given the required notice period.

There are situations where an employer is entitled to end your employment.

For example, if you lied about qualifications and are unable to do the job, you display antisocial behaviour in the workplace, or if you are made redundant, which we cover next.



Here are some examples of what you can and can't be dismissed for:

- You're looking for another job
- You've been late for work a couple of times
- You've been violent in the workplace
- You made one mistake in your work
- You're pregnant
- You have a long-term illness that prevents you from doing your job
- You are unable to do your job due to lack of skills or ability
- It's the end of your contract.



Also note, many jobs have a probation period, usually between 1 and 6 months.

Your employer may be entitled to dismiss you at shorter notice within this period. Details will be in your contract.

6. Redundancy rights

Redundancy happens when employers need to reduce their workforce.

If you are selected for redundancy, it must be for a fair reason.

Common ways include:

- · choosing employees with the shortest length of service
- · asking for volunteers
- looking at disciplinary records
- looking at staff appraisal records (skills, qualifications, experience and performance).

There are many reasons that employers cannot use when selecting employers for redundancy, including gender, marital status, race, disability and age. This would be classed as unfair dismissal.

If you're made redundant, you might be eligible for certain things, such as:



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redundancy pay
a notice period
consultation with your employer

the option to take another job within the company time off to job search.

If you find yourself in this situation, you should be given information and support from your employer.

This is a lot of information to try and understand!

But remember, there is lots of information available online and in the workplace.

You just need to be aware of your basic employment rights and where you can get more information if you need it.

There are other employment rights that we haven't covered here, such as right to equal pay, right to a safe environment and right to parental leave, but you can find more information on these and everything else we've covered in the links below. You can explore more information in your own time.

Information for workers under 18



NMW information

The Low Pay Commission

General advice on employment rights from Acas

GOV.UK information on working, jobs and pensions

There are also a number of agencies that can support you with employment rights, such as your workplace union, <u>Citizens Advice Scotland</u> and <u>Young Scot</u>.





Activity 1: Quiz

Have a go at the questions on the <u>Activity 1 worksheet</u> to reinforce some of the information you've read.



Activity 2: Case studies

Look at example case studies on the <u>Activity 2 worksheet</u> to see if you can answer some more in-depth questions.

Now you have learned about your basic employment rights, you can move on to

Module 19 - Employee behaviour in the workplace

Or click here to return to the main screen.



