

## Quick Guide

# Using and managing fixed term contracts

### Why it matters...

Fixed term contracts should only be used where there is an objective and justifiable reason why the appointment is limited. The default contract at the University should be a permanent one.

If the limited nature of the post cannot be justified on objective grounds, the individual may have a right to stay in the post on a permanent basis, and claim unfair dismissal if we try to end the contract.

Using fixed term contracts unnecessarily can have a negative impact on the individual and the wider team – it can undermine trust and commitment.

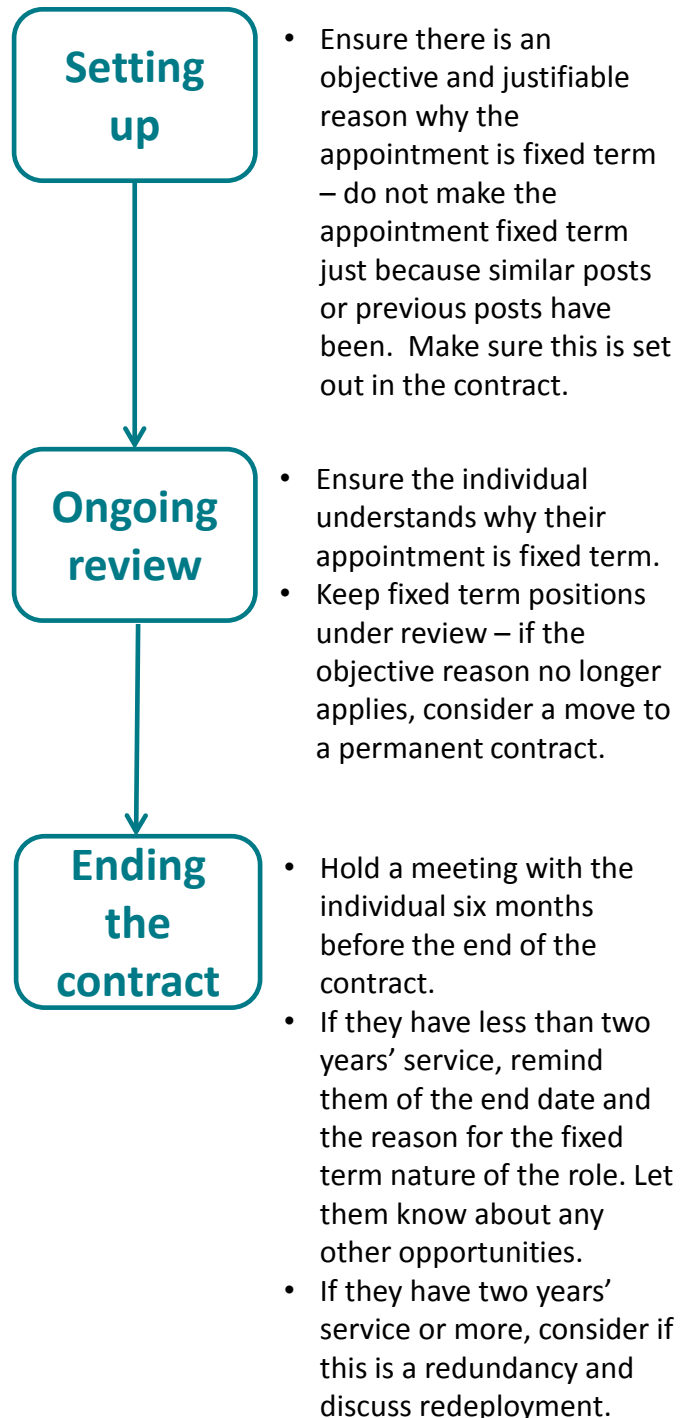
### What do I need to do?

Fully consider whether the appointment or extension is fixed term.

Keep fixed term appointments under review– in particular, those over 12 months or recurrent appointments. During the annual planning round, consider with your Senior Employee Relations Adviser whether the posts should remain fixed term and if there is still a justifiable reason for it to be fixed term.

Communicate with the individual concerned – they should know why their position is fixed term. As the fixed term comes to an end, it is especially important to keep in touch.

### How it works



## Objective and justifiable reasons for using fixed term contracts

- Temporary cover for staff absence.
- Specialisms are required for a limited time to undertake particular, time-limited work, recent experience, or specialist practitioners not available within the University.
- Business demand above generally accepted fluctuations. Student or other business demands can be clearly demonstrated as particularly uncertain.
- The post has been established to deliver a specific project/task finite in nature.
- Where funding is limited to a specific period and there is no reasonable or foreseeable prospect from the outset of this being extended.
- Compelling and specified reason for rotation of appointments.

## Where fixed term contracts should not be used

- To test someone in the post and end the contract if they cannot perform well enough.
- Some fluctuation in the work available, although work has been subject to minor variation in a number of previous years.
- Not wanting to commit to a permanent appointment even though there is no objective reason that the post is time limited.
- To avoid having permanent staff with enhanced employment rights such as redundancy pay.
- Some uncertainty about the work or future of the Department over the next few years but not specific to that post.

These are not justifiable or objective reasons. In these cases, the individual would have a claim to a permanent post and may be able to claim unfair dismissal.

## Common questions

- **Do I need to pay redundancy?**

If there is 2 years service or more and the work being undertaken by the fixed term employee is ending when they leave, then redundancy pay is required.

- **Can there be successive fixed term contracts?**

Successive fixed term contracts must not be used where there is an ongoing need. After four years, the employee is very likely to be considered permanent and would certainly have a claim to any vacancy covering the same work.

- **What is the alternative to fixed term contracts?**

If there is a general uncertainty about long term funding which is not related to specific posts, a redundancy process will be necessary.

If there is uncertainty about the level of work needed from that particular post, for example where student numbers may vary, a permanent contract may contain a variable hours clause where the hours for the post can be set on an annual basis.

***“Keep fixed term positions under review – if the objective reason no longer applies, consider a move to a permanent contract. “***