

Exclusivity clauses

Sometimes employers include 'exclusivity clauses' in their employees' contracts. These clauses are to stop the employee from either:

- · working for another employer
- · working for another employer without consent

If someone's on a zero-hours contract

By law (Employment Rights Act 1996), if someone is on a zero-hours contract, their employer must not:

- try to stop them working for another employer by putting an exclusivity clause in their contract
- treat them less favourably if they also work for another employer
- dismiss them for working for more than one employer but only those <u>legally classed as an employee</u> can claim unfair dismissal

If someone earns below the lower earnings limit

From 5 December 2022, the law banning the use of exclusivity clauses also applies to employees and workers whose weekly income is below or equivalent to the lower earnings limit (LEL).

The government sets this limit each tax year. The lower earnings limit for 6 April 2023 to 5 April 2024 is £123 per week.

If you have any questions about the lower earnings limit, contact HM Revenue and Customs (HMRC).

If an employer includes an exclusivity clause that's against the law

The law banning the use of exclusivity clauses still applies even if the employer:

- · has included an exclusivity clause in the contract
- · says their employee has broken their contract by working for another employer

This is because an employer cannot enforce a clause that is against the law.