

# **Notice periods**

# 1. What a notice period is

When an employee leaves a job they usually have to work a notice period.

A notice period is the amount of time an employee has to work for their employer after they resign, are dismissed or made redundant.

How much notice they get depends on:

- how long they have worked for their employer
- what's in their employment contract or written statement of employment particulars
- whether they have been dismissed, made redundant or have resigned

# 2. Dismissal or redundancy

An employee must get at least the 'statutory notice period'. This is the legal minimum notice period if they:

- are legally classed as an employee
- have worked for the employer for at least a month

If they have worked for the employer for:

- 1 month to 2 years statutory notice is 1 week
- 2 to 12 years statutory notice is 1 week for each full year they have worked
- 12 years or more statutory notice is 12 weeks

For example, if an employee has worked for their employer for 4 years and 9 months, they're entitled to a statutory notice period of 4 weeks.

The employee's contract, written statement of employment particulars or a staff policy might say a different amount of notice. This is called 'contractual' notice. The employer may give more notice than the statutory minimum, but they cannot give the employee less.

You should talk to your employer if you're not sure how much notice you'll get.

Find out more about employees' rights during redundancy

# Possible exceptions to the statutory notice period

There are exceptions to the rules on notice period and pay.

### **Gross misconduct**

If the employer believes the employee has done something serious enough to justify dismissing them for 'gross misconduct', the employee would not be entitled to the statutory notice period or any payment for it.

### An agreement between the employer and employee

The employer and employee can agree to reduce the notice period, if it works for both of them.

For example, an employee might prefer to give up some of their notice period and pay, so they can start a job earlier somewhere else. If an employer and employee have an agreement like this, it should be put into writing, like in an email.

Both these situations can be complicated. Find out more about:

- dismissals
- when an employee is not required to work their notice period

### Resigning in response to a serious breach of contract

If you intend to resign because you believe your employer has seriously breached your employment contract, you might be considering a claim of 'constructive dismissal'. This can also affect the notice period.

#### Read more about constructive dismissal

For more advice on exceptions to the statutory notice period, you can contact the Acas helpline.

# 3. Resignation

An employee's <u>written statement of employment particulars</u> must say how much notice they have to give their employer. This might also be in their employment contract.

By law, if an employee has worked for less than 1 month and their written statement does not say the notice period, they do not have to give any notice.

If they have worked for at least 1 month, they must give a minimum of 1 weeks' notice. This is unless:

- the employer has seriously breached the employee's contract for example by insisting they're moved to a workplace that's an unreasonable distance away
- the employee and employer instead come to an alternative arrangement that works for both of them for example taking leave instead of working the full notice period

### If an employee does not give enough notice when resigning

If an employee wants to leave their job without working all their notice, it's worth discussing options that could work for both them and the organisation. To avoid confusion, it's helpful to put any other agreement reached in writing, for example in a letter or email.

If an employee does not give enough notice, and the employer does not agree an alternative with them, the employee is likely to be breaching their contract.

If the employer has already seriously breached the contract in some way, the employee could be entitled to leave without working the contractual amount of notice.

Some employment contracts include possible implications for employees who do not give enough notice. For example, the employee might have to contribute to costs the employer pays to get in an agency worker as a quick replacement.

An employee could face other consequences, for example for their job references. This could be particularly important if their job is:

- in financial services
- · involves responsibility for others' welfare for example a care worker

Find out more about resignation

# 4. When the notice period starts

It's a good idea to check the employment contract as it might say when the notice period starts.

If the employment contract does not say when the notice period starts, your notice period starts the day after:

- you tell your employer you're resigning
- your employer tells you in person that you're being dismissed or made redundant

If your employer gives you notice in writing, your notice period would start when you've had a reasonable amount of time to read it.

### **Examples**

If the employee is only told in a letter sent by registered post, their notice period might start the day after they have received the letter so they have had time to read it.

If the employee is on holiday and is only told by letter, their notice period might start after they have returned home and had time to read it.

Related content <u>Dismissals</u> <u>Resignation</u> Your rights during redundancy

# 5. When an employee does not have to work notice

Instead of working their notice period, an employee may:

- ask to leave during their notice period
- be offered payment in lieu of notice (PILON)
- be offered garden leave

# Leaving during a notice period

The employee can ask if they can leave before their notice period ends.

They should get agreement from their employer in writing. If the employee does not get agreement to leave early they could be in breach of contract.

If the employee leaves early, the employer only has to pay them for the time that they've worked.

# Payment in lieu of notice (PILON)

A clause in an employee's contract might allow payment instead of working their notice. This is called 'payment in lieu of notice' or 'PILON'. This means they would stop working straight away.

Depending on the wording of the clause, the employer might be able to insist on payment in lieu of notice.

The employer must give the employee full pay for their notice period. The contract will end straight away, so it's unlikely they'll have to provide other contractual benefits.

### If it's not in the contract

The employer can ask the employee to agree to payment in lieu of notice.

If the employee agrees, the employer must give them full pay for their notice period. The employer might agree to provide other contractual benefits.

The employer cannot force an employee to agree to payment in lieu of notice if it's not in their contract.

An employee could make a claim to an employment tribunal for breach of contract if they're dismissed sooner than their notice period ends.

If you are an employer considering payment in lieu of notice and it's not in your employee's contract, you should get legal advice.

# **Garden leave**

Garden leave (or gardening leave) is when an employer tells an employee not to work either part or all of their notice period.

This could be because the employer does not want the employee to have access to sensitive or confidential information they could use in a new job.

The employee must get paid as usual during their notice period, including for any work benefits in their contract.

The employee is still employed during garden leave, even though they're not working.

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