

GUIDANCE – TYPES OF EMPLOYMENT CONTRACTS

This guidance is applicable to employees and managers of employees whose pay is based on the University of Edinburgh Grade Structure/National Framework Agreement for Pay in Higher Education.

Summary

In principle, the type of contract offered to an individual should best reflect how the work is to be organised and the purpose of the work. Whilst not an exhaustive list the most common types of contracts offered to employees or workers in the University are summarised as follows:

Type of Contract	Description	Examples/Points to Note
Full-time Contract, Open-Ended	Working hours are full-time: 35 per week or averaging 35 per week. Salary is paid in 12 equal monthly instalments and annual leave must be taken. There is an indefinite requirement and funding for the post to be carried out as far as can be reasonably predicted.	The term 'open-ended contract' is more commonly referred to as 'permanent contract' by other employers but the meaning is the same.
Full-time Contract, Fixed Term¹	Working hours are full-time: 35 per week or averaging 35 per week. Salary is paid in equal monthly instalments and annual leave must be taken. There is a finite requirement and/or funding for the post or there is another objective justification for the fixed term basis.	Examples of time limited posts: a post to support a specific conference or project; a post that is funded by an external provider for a specific purpose. An employee on a fixed term contract for 4 years or more, with at least one renewal, will automatically become a permanent employee unless a justifiable business reason for the continuation of fixed term status is provided.
Part-time contract, Open Ended	Working hours required are specified as a number of weekly hours that are less than 35 (full-time hours). The part-time hours specified are the same each week or average the same per week.	The term 'open-ended contract' is more commonly referred to as 'permanent

¹ [Fixed Term Contract Reason Codes](#): The University Policy on Fixed Term Contract Reason Codes should be used as a guide to identify the correct reason for the fixed term contract.

<p>See also <i>Annualised Hours</i></p>	<p>Salary is paid in 12 equal monthly instalments and annual leave must be taken. There is an indefinite requirement and funding for the post to be carried out as far as can be reasonably predicted.</p>	<p>contract' by other employers but the meaning is the same.</p>
<p>Part-time contract, Fixed Term</p> <p>See also: - Annualised Hours - Student Experience</p>	<p>Working hours required are specified as a number of weekly hours that are less than 35 hours (full-time hours). The part-time hours specified are the same each week or average the same per week. Salary is paid in equal monthly instalments and annual leave must be taken. There is a finite requirement and/or funding for the post or there is another objective justification for the fixed term basis.</p>	<p>Examples of time limited posts: a post to provide cover for a particular reason such as maternity, absence or research leave; a post where internal funding has been approved for a fixed period of time.</p>
<p>Annualised Hours, Open Ended or Fixed Term</p>	<p>Appropriate where there are known fluctuations in demand for work during the calendar/academic year or other period of time. Typically, contracts are based on a total number of hours each year and/or a total number of weeks of work each year, often including periods where no work is required. Salary is pro-rated over a full year and contractual benefits/ entitlements are also pro-rated based on hours and weeks worked. Where fixed term, there is a finite requirement and/or funding for the post or there is another objective justification for the fixed term basis.</p>	<p>This type of contract is based on average weekly hours over the calendar year of up to 35 hours per week. There may be weeks where hours are zero. Working hours and/or weeks should be notified as far as possible in advance. From an administrative perspective annualised hours contracts should ideally be calculated for a full year at a time.</p>
<p>Fractional Contracts, Open Ended or Fixed Term (similar to annualised hours contracts, used in relation to certain academic contracts)</p>	<p>Typically, the term 'fractional' is used to denote contractual arrangements for 'term-time' working for academic employees in the University sector. Pay is spread evenly over a full year and contractual benefits/ entitlements are pro rata. The manager will be able to calculate the total number of hours required (for all teaching, preparation, meetings etc.) and, in advance, schedule much of the work because it relates to the teaching timetable. Typically, much less work will be required in non-teaching weeks except for (e.g.) some preparation, planning meetings. Where fixed term, there is a finite requirement and/or funding for the</p>	<p>In practice, a part-time contract is issued reflecting the total hours to be worked over 52 weeks of the calendar year. Where work is available, primarily in semester, the majority of contractual hours may be condensed into 22-26 weeks. The job description should clearly advise of the requirement for the condensed working pattern.</p>

	post or there is another objective justification for the fixed term basis.	
Guaranteed Hours Contract² , Open-ended or Fixed term	Where an employee is guaranteed to be offered a specific minimum number of hours of work in the Guaranteed Hours Period (typically a calendar or academic year). At the end of the defined guaranteed hours period a further amount of guaranteed minimum hours is specified for the next guaranteed hours period. Guaranteed Hours contracts are typically appropriate where work is not evenly spread over most weeks or months of the period; where there are weeks or months where no work is offered; where the total hours to be offered cannot be reasonably predicted - only the minimum total number of hours; and, the minimum number of total hours offered will vary from one guaranteed hours period to the next. Usually the total hours over a calendar year will be equivalent to the total working hours available in a small part-time contract e.g. equivalent of less than one day/7 hours per week over the period of a full year. Payment for hours worked is usually made in the following month and a payment is made in respect of annual leave via a paper or electronic timesheet. Where fixed term, there is a finite requirement and/or funding for the post or there is another objective justification for the fixed term basis.	Guaranteed hours arrangements should be reviewed annually. Where the total annual hours worked regularly exceed 300 hours per annum the contract type should be reconsidered.
Guaranteed Recurrent Hours Contract, Open-ended or Fixed term	Where an employee is guaranteed to be offered the <i>same</i> minimum number of hours of work in each Guaranteed Hours Period. For example, the employee will be guaranteed to be offered 100 hours of work in <u>each</u> academic year. Whilst hours may vary from week to week or month to month within each defined period of time and there are weeks or months where no	For example, this type of 'set hours' arrangement may be appropriate for tutors who are offered work to teach a similar minimum number of guaranteed hours every year but where cover requirements arise at short notice. Guaranteed Set Hours

² Also see [Management of Guaranteed Hours Contracts](#)

	work is offered, this type of contract would be appropriate where the <i>total</i> minimum hours worked in each guaranteed hours period is reasonably predictable. However, as with Guaranteed Hours contracts, the total minimum hours may fluctuate considerably during each period. Set hours arrangements can be varied with reasonable notice. Payment for hours worked is usually made in the following month and a payment is made in respect of annual leave. Where fixed term, there is a finite requirement and/or funding for the post or there is another objective justification for the fixed term basis.	Contracts may also be appropriate in areas where work requirements are seasonal and/or difficult predict, for example, in areas where the volume of work available is dependent on bookings.
Student Experience Contract, Fixed Term, Part-Time or Guaranteed Hours	Where the contract is to provide employment linked to a specific programme of study for a fixed period of time as determined by the College/Support Group for current University of Edinburgh matriculated students. Typically, contracts will be offered on a guaranteed hours basis but may also be offered on a part-time contract where the number of hours per week are specified. This type of contract will always be fixed term and should not extend beyond the expected date the student will no longer be a matriculated student of the University of Edinburgh. Payment for guaranteed hours worked is usually made in the following month and a payment is made in respect of annual leave.	For fuller guidance please see Appendix A ³ - <i>Student Experience Guidance</i> of the Fixed Term Contracts Reason Codes.
Casual Engagement	Where there is no obligation to offer the individual work, nor an obligation for the individual to accept the work then the individual can be engaged to carry out the work on a casual basis. Examples of the types of activities that may constitute casual working arrangements could include: engagement for 2 to 3 days to provide assistance with an office move; assistance at Open Days, Recruitment Events, Post Application Visit Days etc.; one-off	Subject to certain exceptions, these parameters should be met if a manager wishes to offer engagement on a casual contract: i) the work is irregular/unpredictable;

³ [Fixed Term Contracts Reason Codes](#)

	<p>demonstrating sessions in the lab; examination scribing. Casual workers are <u>not employees</u> therefore benefits and policies applicable to employees only do not apply. Payment for hours worked is usually made in the following month and a payment is made in respect of annual leave. For fuller details please refer to <i>Use of the Casual Payroll</i>⁴ .</p>	<ul style="list-style-type: none">ii) the engagement of the individual is for a period of less than 8 consecutive weeks;iii) the work is subject to management direction on a day-to-day basis with the individual having little or no discretion over the work to be done/how the work is done;iv) there is no expectation that the individual will necessarily be available to work when the need arises; andv) the individual can refuse work offered to them, even if they have previously agreed to do it.
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⁴ [Use of Casual Payroll](#)