

## GUIDANCE – MANAGEMENT OF GUARANTEED HOURS CONTRACTS

It is important that managers are aware of the principles and key features of **Guaranteed Hours** (GH) contracts.

GH contracts are contracts where an employee is guaranteed to be offered a stated minimum number of hours of work in a defined period of time – *the Guaranteed Hours Period*. GH contracts are typically appropriate where work is not evenly spread e.g. there are weeks or months where no work is offered; where the total hours to be offered cannot be reasonably predicted; and the number of hours worked is likely to vary in each GH period. These contracts are managed in three main ways:

- 1) The minimum guaranteed hours to be offered are stated for the GH period. At the end of the GH period the revised minimum number of GH hours are stated in writing for the next GH period.
- 2) The minimum guaranteed hours to be offered are stated for the GH period. There is a review at the end of each GH period and only if the minimum number of guaranteed hours to be offered has changed will the employee be notified in writing.
- 3) The minimum guaranteed hours to be offered are stated for the GH period. The GH period is the same as the duration of the fixed-term contract, therefore no review is applicable as the contract ends.

The *Guaranteed Hours Period* is typically an academic year or a calendar year or matches the length of a fixed-term contract but may be for a different period of time. The dates of the Guaranteed Hours Period are stated in the contract of employment.

### Key Features:

- 4) GH contracts provide greater flexibility for both the employer and employee than some other forms of contracts. The employer is obliged to offer the stated minimum hours of work in the GH Period – the employee is not obligated to accept the offer of work. However, once the employee has agreed to work at a specified time or to a schedule of work then the employee is obligated to carry out that work.
- 5) The employer can vary the minimum amount of hours to be offered in each GH period to fit the amount of work known to be available at the beginning of the GH period. Managers must generally offer the minimum amount of hours specified within each GH period.
- 6) The minimum guaranteed hours specified should be based on a reasonable estimate of the hours the manager expects to be able to offer in the GH period.
- 7) Employees on GH contracts are entitled to equivalent treatment to employees on other types of contracts e.g. entitlement to occupational sick pay, occupational maternity pay and leave.

- 8) Annual leave is paid as an extra % allowance on top of the hourly rate, as typically there will be weeks where no work is offered. Managers must ensure that employees do not work more than 44 weeks' of the year (over all GH contracts held) to ensure appropriate periods of annual leave/rest can be taken.
- 9) The actual hours offered can exceed the minimum amount of hours offered in each GH period, however, if the minimum GH hours are not offered in the GH period then the employee may be entitled to payment. There is no entitlement to payment where the employee declines to work the offered hours.
- 10) In comparison to other types of contracts a greater amount of administration is required for both employer and employee. The GH contract should be reviewed periodically to ensure that the type of contract remains appropriate.

### **Summary of Managers Obligations**

1. Each College or Support Group will define the GH period or GH periods used in each area.
2. Managers must plan in advance of the end of each GH period/beginning of new GH period and ensure that each employee's minimum guaranteed hours are confirmed as far in advance as possible of the start of the new GH period.
3. Managers must keep track of the minimum GH hours to be offered to each employee in each GH period and as far as possible ensure that the stated guaranteed hours of work are offered to each employee.
4. Managers must keep records to explain negative variations between contracted guaranteed hours and actual hours worked e.g. an email from an employee advising that they are unable to accept work that has been offered or an email from the manager confirming that the employee has declined hours offered.
5. An employee cannot normally remain on the University payroll without any allocated hours for a full Guaranteed Hours Period unless there are acceptable reasons e.g. period of maternity leave.
6. Managers offer work *on behalf of the University of Edinburgh* and therefore should ensure that work offered is grade appropriate and complies with University regulations.
7. Management of GH employees is required as would be appropriate for any other employee e.g. probationary period, capability management and feedback on performance.

The following table provides a number of typical situations that may occur in relation to employees on guaranteed hours contracts and how a manager should typically manage the situation:

<b>Situation</b>	<b>Responsibility of Managers</b>
<p>A Guaranteed Hours employee advises that they are not available for all of the next GH period.</p>	<p>The manager needs to understand why the employee is unavailable.</p> <p>If the employee advises they have accepted other employment, either within the University or elsewhere, and this employment is full-time or substantial to the extent that they will be unavailable for work under their guaranteed hours contract for the full GH period and/or beyond then this would effectively be considered a resignation. Similarly if the employee is not available because they wish to focus on their studies this would also be considered as a resignation. It is not normally possible for a GH contract to be retained with zero hours <i>allocated</i> for the entire GH period. The manager may ask the employee to contact them if the employee anticipates being interested/available in work in the future but should not commit to further re-employment.</p> <p>If the employee is unable to work for reasons covered by University policies (e.g. sickness absence, maternity leave) the manager or employee should advise their local College or Support Group HR team in order that the correct procedures can be followed. Where an employee on a Student Experience contract temporarily interrupts their studies for a period of 3 months or more the local College or Support Group HR team should be contacted as the associated employment contract <u>may</u> be suspended.</p>
<p>The manager does not intend to offer work to the employee for a further GH period.</p>	<p>The manager should contact their local administrator of GH contracts or local College or Support Group HR team to explain the reason why they do not intend to offer further work. If it is known that the work will cease or will diminish then there may be a potential redundancy situation.</p> <p>Depending on the reason, the manager may be obligated to offer a further period of guaranteed hours if e.g. there is work still available, there were performance issues but the manager has not formally addressed these.</p>

	Managers should ensure they prioritise allocation of work to existing GH employees before recruiting any new employees.
An employee advises that they are available for the period of guaranteed hours but does not accept all hours offered and therefore total hours worked are less than guaranteed hours stated for the period.	Managers must confirm to their local administrator of GH contracts by the end of the GH period that the employee has declined a specified number of hours offered to them. Where possible the manager should keep a paper record e.g. email between manager and employee or note of the details of the verbal conversation.
A manager offers some but not all of the guaranteed hours for the defined period.	The employee is entitled to be offered all of the guaranteed hours stated for the period. Where not offered the employee will normally be entitled to payment for the balance of hours not offered at the end of the GH period.
An employee advises that they are unwell and cannot work the scheduled hours.	The manager and employee should treat this as normal sickness absence. Subject to normal reporting procedures being followed and entitlement to occupational sick pay (based on qualifying service <sup>1</sup> ) the employee would normally be paid as if the hours had been worked.
A manager knows that they have a requirement for cover e.g. teaching cover, for a limited period of time.	A manager should request a <i>fixed-term</i> contract rather than an open-ended contract. Depending on the pattern and total estimated hours a guaranteed hours contract may be the most appropriate form of contract. Hours can be guaranteed either for the duration of the contract or for the initial defined period within the term of the contract e.g. per academic year.
An employee wishes to undertake work at a date which differs to that originally agreed.	Where a GH or part-time employee wishes to work at a different time to that originally agreed or swap shift or work activity with another employee this should be agreed with the manager or person responsible for organisation of work. The administration for payment purposes, should reflect any agreed changes to work arrangements if necessary.

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<sup>1</sup> Entitlement to Occupational Sick Pay is contained within the [Conditions of Employment](#).

<p>A manager offers guaranteed hours but it becomes apparent that due to specific circumstances the employee will not be required.</p>	<p>The manager should contact their local administrator of GH contracts /local College or Support Group HR team. If the GH contract is fixed term to provide cover then it may be possible to end the contract earlier with appropriate notice. If the contract is open-ended then there may be a redundancy situation depending on the circumstances.</p>
<p>A manager wishes to offer a current UoE student work that is related to their engagement as a student e.g. employment as a Student Ambassador, employment as a Tutor.</p>	<p>The contract will usually be offered for a fixed-term duration no longer than the period of time the student is expected to be a matriculated student. Managers must not offer work beyond the period of study to ensure that work is available for future students. See guidance on Student Experience contracts:</p> <p><a href="#">Fixed Term Contracts Reason Codes</a></p> <p>If the offer of work is unrelated to status as a current University of Edinburgh student then a Student Experience contract would not be appropriate e.g. employment as a Cleaner.</p>
<p>A manager wishes to extend a Student Experience contract beyond the date the employee will also be a matriculated student of the University of Edinburgh.</p>	<p>The University aims to ensure there are sufficient and meaningful employment opportunities for current UoE students. Recently qualified PhD students wishing to pursue a career in academia should be encouraged to seek a post-doc fellowship or similar opportunity. Managers should contact their local College or Support Group HR team where they wish to extend the employment of an employee contracted on a Student Experience contract.</p>
<p>A manager wishes hourly paid employees to attend a training and development session and is not sure whether this should be paid.</p>	<p>If there is a requirement for an hourly paid employee to undertake training and development (including an employee induction) then this should be paid at the employee's hourly rate. Attendance at training and development events (as with all employees) should be agreed with the manager in advance. As with any employee, the amount of paid training and development should usually be proportionate and directly relevant to the individual's post. There may be circumstances where a manager mandates all employees undertake training considered to be of particular importance regardless of contract size e.g. equality training.</p>

<p>An employee requires access to resources in the course of their employment.</p>	<p>All employees should be provided with access to the resources required to carry out their job. This would include access to office resources if these are required and the appropriate contact person to assist them with arrangements. Where it is not possible to provide access to all the resources required e.g. specialist materials, with prior agreement the employee may purchase these and claim for this expenditure<sup>2</sup> in accordance with University policy.</p>
<p>A manager wishes to review whether an hourly paid contract is most appropriate.</p>	<p>Contact your local College or Support Group HR team. As a general indicator where average annual hours worked equate to a day or more per week over a number of years, e.g. 300 plus hours per annum excluding holiday hours, and have a degree of regularity/do not fluctuate greatly (or are not expected to) then an alternative type of contract may be more appropriate.</p>
<p>A manager wishes a tutor to write and deliver a new lecture.</p>	<p>Managers should ensure that work offered is appropriate to the employee's job description and grade.</p> <p><a href="#">Grade Profiles</a></p>

### Other Relevant Guidance and Documentation

Those who are responsible for the overall management or administration of hourly paid employees in your School or Department should normally be contacted in the first instance in relation to queries about or from hourly paid employees. Your local College or Support Group HR team can also be contacted.

In addition to the guidance above and any local School or Department guidance other sources of information can be found as follows:

[Policy for the recruitment, support and development of tutors and demonstrators](#)

[A-Z of HR Policies](#)

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<sup>2</sup> [Staff Expenses](#)