

## Employment contracts and the law

### What an employment contract is

Employment contracts are legally binding agreements between employers and workers.

They can be agreed:

- verbally – through conversations
- in writing – for example, a job offer letter or through emails
- through conduct – when people's actions show there's an agreement

Some employment contract terms can also come from the law. For example, all employment contracts include the right to be paid at least the minimum wage.

### Employment status

Employment status is someone's legal status at work. It affects:

- the employment rights they're entitled to
- both theirs and their employer's responsibilities

The terms of a contract can help work out someone's employment status.

### Employees

Anyone with the [legal status of employee](#) has either a 'contract of employment' or a 'contract of service' with their employer.

Someone is not likely to be an employee if they're:

- an agency worker
- a casual worker
- on a zero-hours contract

By law, there are certain terms that employees are always entitled to. For example, employees have the right to a minimum notice period if they're dismissed or made redundant.

### Workers

Anyone with the [legal status of worker](#) has a different kind of contract with their employer. Workers are sometimes referred to as 'limb (b)' workers. This term comes from the Employment Rights Act 1996.

A limb (b) worker is someone who has a contract to perform work or services personally for someone else. This is different to a contract of employment.

Workers have some employment rights, but not as many as employees.

## The difference between a contract and a written statement

Someone has the right to a 'written statement of employment particulars' if they are:

- an employee
- a worker – unless they started the job before 6 April 2020

A written statement includes the main terms of someone's employment, for example pay and working hours.

This document is often referred to as the 'employment contract'. But by law, the employment contract is broader than just the written statement.

For example, an employment contract might also include:

- other clauses – for example about keeping sensitive company information confidential
- the organisation's code of conduct
- policies – for example on social media or data protection (GDPR)

[Find out more about the written statement](#)

## When the employment contract begins

An employment contract begins when someone starts work.

This is the case even if the employer has:

- failed to provide the written statement
- not put any other parts of the employment contract in writing

The contract might be formed earlier if all the following apply:

- the employer set out the terms of the job in a clear and definite way, verbally or in writing
- the [job offer](#) was unconditional or the person met all the conditions – for example, the employer was satisfied with their references
- someone accepted the job offer verbally or in writing

## If there's no written statement

Employers must provide the written statement on or before the first day of work.

Workers and employees should raise the issue with their employer if they've not received the written statement. It's a good idea to do this informally first by [talking with their employer](#).

## Training

Acas also provides:

- [training courses on employment contracts](#)

- [free e-learning on employment contracts and written statements](#)