



Guidance on Employing Staff in Parishes

A brief introduction

EMPLOYMENT IN PARISHES – A BRIEF INTRODUCTION

1 Introduction

- 1.1 Whether you already have employees in your Parish or you are contemplating this for the first time, it is important that you are aware of your obligations as an employer and the rights of those in your employment. Ever increasing and complex employment legislation places significant responsibility on employers to comply and the penalties for not doing so can be considerable.
- 1.2 However, we should not lose sight of the reason for employing someone in the first place, and to keep this as the focus throughout the time that someone is employed. A positive intent to support an individual in their work, so that you receive the most benefit from their employment is the best position to start from.
- 1.3 The purpose of this guide is not to set out all the information which a parish employing staff needs to know but to give an overview of the central issues and the sources of information to turn to for more detailed help. See Annex A for more details. We hope it will be particularly useful for parishes considering employing staff for the first time. Many small employers feel they don't have sufficient time or resources to devote to employment issues. It is however worth spending time and effort getting the employment relationship right. As well as avoiding problems further down the line, it is an opportunity to model good employment practice and enhance the mission of the parish. There are some basic things which all employers are legally required to do. You will find these summarised in the 'Employing people checklist' at Annex B.

2 Recruitment

- 2.1 The starting point of any recruitment is to work out what job you want done, how many hours are required to do the job and what rate of pay you are offering. If you don't know exactly what you want done, it will be hard to choose who would be suitable to do it. Once you know what you want done it is reasonably simple to draw this together into a job description. This will then make it possible to draw up a person specification which will set out what skills and qualifications a person will need to undertake the role. It is usually most appropriate to divide these into essential requirements and desirable requirements.
- 2.2 The basic principle of advertising a post is that you should seek to make any employment opportunity available to a wide range of people so that no one who might be suitable is excluded from applying. This does not mean that you have to spend vast sums of money advertising since there are usually low cost or no cost alternatives: e.g., web sites such as www.dosomethingyoubelievein.com, job centres, local shops
- 2.3 In considering applicants, the key is to ensure that you have the same range of information about each candidate before you make a decision. Using an application form will mean the information about each candidate is presented in the same format.
- 2.4 Prepare a set of interview questions in advance and make sure you cover the same areas for each candidate so you will be able to make fair comparisons between candidates. If you ask some candidates about a particular area but not others you may be in danger of assuming that the person you failed to ask knows nothing about the area concerned. Remember discrimination law applies and you should not ask questions which could lead to the impression that you are seeking to use as a selection criterion something which is unlawful.

E.g. if you only ask female candidates about child care arrangements then, whatever your intentions, it might be assumed that you are seeking to apply a criterion to female candidates which you would not apply to males.

- 2.5 It is now generally unlawful to ask job applicants about their health or any disability until after they have been offered a job. So, you should not include health-related questions on application forms or in interviews. There are however a few specific circumstances when early questions about health and disability are allowed. These include finding out if any adjustments need to be made for the interview, or in relation to an intrinsic part of the job. For example, an intrinsic part of a caretaker job may be to lift and move furniture, so you can ask health questions to determine whether they are able to do that.
- 2.6 It is worth considering devising some simple tests as part of the selection procedure, making sure that they are focused on skills which are essential to the job. So, when recruiting a secretary, it may be helpful to give a typing test or ask them to draft a letter.
- 2.7 There are now document checks which have to be carried out by a prospective employer before anyone can begin working for them. These are to make sure that employees are entitled to work in the UK. Gov.uk has clear guidance on this.
- 2.8 You will also need to be aware of and follow the procedures in the diocesan safeguarding manual, A Safe Church that provides more information about matters relating to employees who will be working children and vulnerable adults. **It will be important to discuss the role with the Parish Safeguarding Officer at the earliest opportunity, so that the process follows 'safer recruitment' good practice.**

3 Pay, national insurance and income tax

- 3.1 If your parish pays anyone for services rendered, then unless it is for reimbursement of expenses incurred or they are genuinely a self-employed contractor who supplies a legitimate invoice, it is likely that an employment relationship exists. You need to make National Insurance and income tax deductions for any employee who earns over a certain amount. The latest figures can be found at <https://www.gov.uk/government/publications/rates-and-allowances-national-insurance-contributions/rates-and-allowances-national-insurance-contributions>.

Even if they earn less than that, or are self-employed, you are obliged to provide HMRC with a certain amount of information.

- 3.2 You should contact HMRC for detailed advice on your obligations regarding reporting, tax and national insurance. The information provided through the government website is helpful. <https://www.gov.uk/pay-for-employers>. There is more guidance for churches and local religious centres, in their 'Guide to PAYE/NIC for Local Religious Centres' - see <http://www.hmrc.gov.uk/manuals/pommanual/PAYE23030.htm>
- 3.3 Employees have certain rights regarding pay, including:
 - 3.4 To be told when, how and how much they will be paid
 - 3.5 To be paid at least the minimum wage
 - 3.6 To have itemised pay statements
 - 3.7 Not to have unlawful deductions made from their pay
 - 3.8 Where appropriate, statutory levels of maternity, paternity, adoption and sick pay

3.9 There are computer packages available to help you run your payroll, including free HMRC software. You can outsource it – most accountants offer payroll services - though obviously it will be cheaper to do it in-house if you have the resources. The links provided above give more details.

3.11 For small employers, it may be possible to claim back the national insurance that has been paid. Further information can be found at <https://www.gov.uk/claim-employment-allowance>

4 Pensions

4.1 All employees who meet certain age (over 22 and below State Pension Age) and earnings criteria will have entitlement to a workplace pension by 2018 under the Pensions Act, auto-enrolment provisions. The full guidelines for employers can be found at: <http://www.thepensionsregulator.gov.uk/employers/the-essential-guide-to-automatic-enrolment.aspx>

4.2 There are various options for the type of pension that you can offer. One option is to offer a pension provided by the Church Workers Pension Fund, or through the government supported NEST scheme particularly aimed at small employers. Details are provided below in Annex A.

5 Changing a contract

5.1 Most changes to a contract of employment need the consent of both employer and employee. They can be agreed either orally or in writing but written consent can avoid later disagreement. Contracts can also be changed if an employee works under new terms without objecting to the changes, or through a 'flexibility clause' which might require them to transfer to a different location with the job. It is important that any such changes are discussed and agreed and that this is recorded somewhere.

5.2 A contract can be ended by the employer or the employee, normally by giving the required notice of termination. Where the employer gives notice, this is usually deemed to be a dismissal. In order for a dismissal to be fair, it must be for one of the potentially fair reasons:

- a reason connected with the employee's conduct, capability or qualifications
- that the employee was redundant
- that there was some statutory bar to the continuance of the employment

5.3 Whatever the reason, you need to be able to demonstrate that you have acted reasonably and in line with any procedures. We strongly advise that you seek advice before terminating someone's employment.

6 In conclusion

6.1 We'd like to emphasise again that this is not a comprehensive guide to employing staff. It should also be borne in mind that employment law is changing all the time and it is important to seek out the most up to date information and guidance.

6.2 Do feel free to contact us with your queries or if you just want to check your understanding of something. Please also let us have any suggestions for improving the guidance we provide.

Sources of further advice and help

The Diocesan HR team

The Diocese currently doesn't have a HR Officer. Ann Treacy is the first point of contact regarding employment matters and is available to give general guidance and advice to parishes. She is unable to give advice on individual complex matters but can 'signpost' you to the correct information.

Ann Treacy is the Finance Director and Deputy Diocesan Secretary, Ann is accountable for HR and her contact details are:

ann.treacy@lincoln.anglican.org (01522 504054)

'A Safe Church' manual

The Diocesan Safeguarding Adviser is Jack Redeyeff and his contact details are:

Jack.redeyeff@lincoln.anglican.org (07885 999907)

Pension Information:

The government's NEST (National Employment Savings Trust) scheme, which was set up purposively for small employers with auto-enrolment obligations.

<http://www.nestpensions.org.uk/schemeweb/NestWeb/includes/public/docs/Employers-guide-to-automatic-enrolment,PDF.pdf>

You can write to the Church of England Pensions Board, 29 Great Smith Street, London SW1P 3PS or contact them on:

cepb.enquiries@churchofengland.org 020 7898 1800 (Switchboard)
020 7898 1802 (Pensions Helpline)

Gov.uk

From October 2012, a new government website (replacing Business Link and Direct gov) was launched, with two sections which are particularly useful: 'Employing people' and 'Working, jobs and pensions.' These provide information; advice and guidance on virtually every aspect of employing staff and a number of interactive tools are provided.

<http://www.gov.uk>

ACAS

ACAS have their own site with additional material to those provided on the www.gov.uk website, including sample policies. They also have a free telephone helpline. They are particularly useful in helping to resolve problems and disputes that may occur during employment.

www.acas.co.uk

08457 47 47 47

Their guide for people new to employment and HR issues can be found at:

[ACAS - New to HR Guidance](#)

'Employing people checklist'

RECRUITMENT

You must make your recruitment decisions in a fair and non-discriminatory way.

You must check the eligibility of new staff to work in the UK.

You must give your employees a written statement of employment particulars on the day that they start working for you.

An example is provided at Annex C

PAY, TAX AND PENSIONS

Your employees' tax and NI contributions must be deducted from wages and paid to HM Revenue & Customs.

Your pay rates must comply with the national minimum wage legislation.

Your employees must be provided with itemised pay statements.

You must not make unauthorised deductions from your workers' wages.

You must pay statutory sick pay to all qualifying workers from the fourth day of incapacity onwards.

You may have to automatically enroll an employee into a pension scheme, or offer a pension scheme, if the employee meets the necessary criteria.

WORKING HOURS AND TIME OFF

You must give your workers a minimum of 5.6 weeks' paid annual leave a year. *[NB this can include public and bank holidays]*

You must not ask your workers to work an average of more than 48 hours per week, unless they give you their voluntary consent in writing. You must also allow workers to have minimum daily and weekly rest periods.

You must allow your employees time off work in specified circumstances other than annual leave, e.g. to deal with an emergency involving a dependent or attend an antenatal appointment.

You must give serious consideration to requests from employees to work flexibly.

MATERNITY, PATERNITY AND ADOPTION RIGHTS

You must ensure that entitlements to maternity, paternity and adoption leave and pay (including unpaid leave) are correctly calculated and given.

CONTRACTUAL CHANGES

You must ensure that changes to employment contracts are discussed and agreed with your employees or, where there is a collective agreement, with their trade union representatives.

EQUAL TREATMENT

You must treat part-time workers no less favourably than their full-time equivalents, and fixed-term employees no less favourably than permanent ones.

You must ensure that work of equal value gets paid at equal rates.

You must not treat any of your workers less favourably on the grounds of their race, nationality, colour, national or ethnic origin, sex (e.g. in connection with maternity), gender reassignment, disability, age, sexual orientation, religion or belief, membership or non-membership of a trade union, or marital/civil partnership status. You must meet this requirement at every stage of employment, i.e. from recruitment to dismissal.

You must make reasonable adjustments to enable people with disabilities to work.

HEALTH, SAFETY AND WORKING ENVIRONMENT

You must provide your workers with a secure, safe and healthy working environment. You must also have a written health and safety policy if you employ five or more people.

You must ensure that valid employer liability insurance cover is in force at all times.

GRIEVANCES, DISCIPLINE AND DISMISSAL

You must ensure that you set your disciplinary/dismissal and grievance procedures in each employee's written statement of employment particulars.

You must ensure that any dismissals are not unlawful or unfair.

You must ensure that employees who are dismissed are given the correct notice period. Where redundancy applies, you must pay eligible employees the correct amount of statutory redundancy pay.

Sample contract for parishes

Parish of **NAME**

This contract incorporates a statement of the main particulars of employment as required by the Employment Rights Act 1996

1. **Employee: Name**
2. **Employer:** You are employed by the Parochial Church Council (PCC) of **Name**
3. **Place of Work**

Your place of work is **Location**. You may be required to work at other locations within the parish on a temporary or permanent basis.

[this is included in case they have a 'roving' role or if for some reason you have to use other accommodation on a temporary/permanent basis]

4. Post, Duties and Start Date

You are appointed as **Name of post**. The duties of this post are as set out in the Job Description. Your line manager is **Name of post**.

Your employment in this post began on **Start date**
[the date they took up their duties]

For the purpose of employment protection legislation your period of continuous service started on **Date**

[this would be the date they originally began working for you. If they had been working for you before in an employed capacity and there had been no break in service the date would be that of their starting their original job with you. NB Maternity leave does not count as a gap.]

[Include this next paragraph for Fixed-Term contracts only – otherwise delete]

This is an **e.g. 12 month** fixed term contract, though it may be extended by mutual agreement. Unless an extension is agreed this contract will run from **Date** to **Date**.

5. Probation

You will be on probation for **X** months. Your appointment will be confirmed by the PCC if your performance, attendance and conduct have been satisfactory. If you do not reach the required standard your appointment will be terminated by the PCC with the required notice. Your appointment may be terminated during the probationary period in the case of misconduct or if your service is unsatisfactory. [This last sentence appears to be duplication but it covers problems that must be dealt with before the end of the probation period] [If the person has already been in post some time then this paragraph will clearly not apply and should be deleted]

6. Remuneration

Your rate of pay is **Amount per hour or week or month or per annum** payable **Named interval** e.g. weekly by **Method** e.g. **Cash/Cheque/Directly into your bank account**.

Pay will be subject to any deductions from your gross salary that the PCC may be obliged by law to make from time to time. In addition, for the purposes of Part II of the Employment Rights Act 1996,

you hereby authorise the PCC to deduct from your salary any sums due to them, including any overpayments, loans or advances made to you by them.

7. Accommodation

[include if accommodation is provided with the job and it is important that they reside there i.e. it is not just a 'perk', because it would then be liable to tax: otherwise delete]

It is necessary for the proper performance of your duties that you reside in accommodation provided by the parish at **Location**, such accommodation being provided for you for so long as you remain employed as the **Name of post** and/or until the appropriate notice period is given by either party as laid down in the Agreement attached to this contract. The License to reside in the premises is personal to you as the employee and is not assignable. Neither is the Agreement intended to establish any form of tenancy. [This assumes that you will have a separate document detailing the 'minutiae' of the arrangements]

During the period of occupancy, the PCC will pay those bills laid down in the Agreement.

8. Hours of Work

You will normally work on average for **X** hours per week, with times of work to be agreed with your line manager. If, by prior arrangement with your line manager, you are required to work hours in excess of your normal working week such additional hours will attract time off in lieu.

[add this next paragraph if this is a requirement, e.g. for a youth worker, – if not just use the first paragraph and delete this second one]

The nature of the post means that your working week will include weekends, but you will be entitled to two 'days off' in any week, the timing of which is to be agreed with your line manager.

9. Holiday Entitlement

You are entitled to 5.6 of your normal working weeks as paid holidays during the year, including bank and public holidays i.e. **X days** [or hours per annum if it is easier to express it that way because the amount does easily translate into days or their working week is comprised of days of different length], such absences to be taken by arrangement with your line manager.

[*5.6 x average hours - this is the statutory minimum entitlement and covers bank holidays, but you can give more if you wish. You can break the figures down into 'annual leave' and bank holidays if you wish provided the grand total comes to at least 5.6 weeks]

If, on the termination of your employment, you have exceeded your accrued holiday entitlement, the PCC will be entitled to deduct the excess from any sums due to you, including payments of salary. If, on the other hand, you have any unused holiday entitlement, the PCC may require you to take it during your notice period, or may alternatively pay the appropriate sum in lieu thereof.

There will be no entitlement to payment for accrued leave over and above any statutory amount owing at the termination of your employment if you left your employment without giving due notice.

10. Sickness Absence

If you are unable to carry out your duties through sickness you should notify your line manager as soon as possible on your first day of absence.

If you want to pay more than the statutory requirement it should be detailed here, but should mention that full/half pay whilst off sick will incorporate any SSP payable. For example you could say:

Continued payment of your normal salary during any period of sickness absence will be made at the discretion of your line manager, up to a maximum of two months in total in any 12 month-rolling period (counting back from the first day of a new absence). This will take account of any statutory sick pay that you may be entitled to and the combined effect will be to maintain your salary at normal levels.

Where entitlement to full pay is exhausted you may continue to receive any statutory entitlement to sick pay/sickness benefits.

If you only want to pay SSP then use this instead:

The post is covered by the statutory provisions for Sick Pay. If you are off work for four or more days, and meet the qualifying criteria, you may be entitled to sick pay for up to 28 weeks. Details of the Scheme are contained in the relevant leaflet issued by the DWP or online at <https://www.gov.uk/statutory-sick-pay>

11. Other Absences

If you are absent for any reason, you should notify your line manager as soon as possible on the first day of absence.

[You may be granted up to X day's paid [unpaid] compassionate leave at any one time at the discretion of your line manager.] [This is discretionary on your part – you don't have to give compassionate leave and if you do it doesn't have to be paid. If you don't want to give it, then the delete this phrase and change the title above to read "Absences"]

Under Section 50 (1) – (3) of the Employment Rights Act 1996, you will be entitled to reasonable unpaid time off to undertake the public duties specified in that section. Unpaid time off may also be granted for Jury Service. Any loss of earnings may be claimed from the Court direct.

You will be entitled to the leave and pay under the statutory regulations for Maternity, Paternity and, Adoption Leave, Parental Leave and Shared Parental Leave. Guidelines on these rights are available on request from your line manager. They can be viewed on <https://www.gov.uk/browse/working/time-off> [which is where you can look for and download up-to-date guidelines when requested. The assumption is that you will only offer the statutory minimum time off, and rates of pay. You may choose to pay at higher rates, but this should be included in a separate policy, and referred to here].

Time off for Dependents is provided for by Section 57A of the Employment Rights Act 1996, as amended by the Employment Relations Act 1999.

12. Expenses

You will be entitled to re-imbusement of all reasonable [agreed] expenses in connection with your work on production of appropriate receipts.

[Only put this paragraph in if the employee might have to buy something to do his/her job]

13. Pension (please check update (April 2019))

Either [if you just want to meet the minimum requirements for auto-enrolment]

The PCC will provide a pension scheme in accordance with the Pensions Act 2008 and its associated regulations. The scheme will only be offered if you meet the eligibility criteria within the regulations, and if you meet the criteria you will automatically be enrolled. Details of the scheme are provided separately, and are available from your line manager. The terms of the scheme may be changed from time to time.

OR [if you want to provide a pension to all employees, even if they do not meet the criteria for pensions auto-enrolment]

All employees are entitled to join the pension scheme provided by the PCC, details of which are provided separately, and the terms of which may change from time to time. If you meet the criteria for eligibility within the regulations of the Pensions Act 2008, you will be automatically enrolled into the scheme.

14. Redundancy

Should your post cease to exist, the PCC will consider redeploying you. If it becomes necessary to discontinue your employment, statutory redundancy terms will apply.

15. Grievance Procedure

If you have a grievance concerning your employment, you should contact your line manager in the first instance in an attempt to resolve the matter. If the matter cannot be satisfactorily resolved at this stage you may seek redress through the Parish Grievance Procedure, a copy of which is attached to this contract. The Parish reserves the right to vary the procedure from time to time.

16. Disciplinary Procedure

Matters of discipline will be dealt with under the Parish Disciplinary Procedure, a copy of which is attached to this contract. You have the right of appeal against any disciplinary penalty to the PCC. The Parish reserves the right to vary the procedure from time to time.

17. Notice of Termination

[delete whichever of the following two paragraphs does not apply]

Your employment is intended to be for an indefinite period, but may be terminated as follows:

Your employment is for a fixed-term of **Duration** (e.g. 1 year) and, unless an extension to it is agreed, will come to an end on **Date**. However it may also be terminated as follows:

[delete this next paragraph if there is no probationary period]

During the probationary period you are entitled to give and receive one week's notice. Thereafter:

Should you wish to resign a minimum of **[period - e.g. one month's]** notice is required in writing.

Should the PCC decide to terminate your employment it will give you one week's notice per complete year of service up to a maximum of 12 weeks.

The PCC may terminate your employment by summary dismissal without notice or pay in lieu of notice in cases of gross misconduct.

[The law says you must give the employee at least one week's notice during the first two years and a week per year of service thereafter e.g. 5 years' service = 5 weeks, so it is easier to simplify it as above. If dismissing for gross misconduct however the sentence above would come into play]

18. Acceptance

I have read and understood the above Contract of Employment and accept the terms and conditions as set out.

Signed..... Date.....