

When changes are not agreed

If an employer and employee cannot agree a change, it's often best for them to keep talking for as long as possible and make every effort to reach a compromise.

It can help both the employer and employee if they:

- keep talking
- consider all options
- follow their workplace's policies, for example, employees should use the employer's grievance procedure if they are not happy with the proposed change

If there's no flexibility clause and changes cannot be agreed, the employer might still be able to make a change.

6. Forcing a change by dismissing and rehiring someone

If agreement cannot be reached, an employer might decide to dismiss and rehire ('re-engage') the same employee under a new contract.

This should be a last resort, and only after [consulting the employee](#).

If you're an employer considering this option, first think about:

- whether you've done everything you can to reach agreement
- whether the changes are absolutely necessary
- the risk to employee engagement and morale
- the risk of legal action

If deciding to dismiss and rehire, the employer should:

- follow a fair dismissal procedure
- give the employee enough notice (statutory notice or what's in the contract – whichever is longest)
- offer the employee a right of appeal against their dismissal

Changes should not take place until the employee has been fairly dismissed and then rehired under the new contract.

The employee keeps continuous service if the new contract starts immediately after the old contract ends.

[Find out more about dismissing someone fairly.](#)

Risks for employers who dismiss and rehire

If an employee feels they've been unfairly dismissed from the original contract, they might be able to [make a claim to an employment tribunal](#). They would usually need to have worked for 2 years for the employer to make a claim.

If 20 or more employees are being dismissed and rehired, the employer can face legal action if they do not hold 'collective consultation' with any recognised trade unions or employee representatives.

Employers can be fined up to 90 days' pay per affected employee.

If you are an employer considering dismissing and rehiring employees, it is best to [get legal advice](#) first to check you are making the right decision.

When forcing a change might break a contract

An employer might be breaking a contract's terms and conditions (in 'breach of contract') if they:

- force a change without the employee's agreement or a flexibility clause in the contract
- dismiss and rehire an employee without [notice](#)

Breach of contract could lead to legal action.

Forcing a change without discussion or agreement could also lead to:

- disputes
- lower levels of engagement and performance in the workplace
- employees working under protest

If there has been a breach of contract, an employee could make a claim against the employer for:

- damages at a civil court
- unlawful deduction from wages at an employment tribunal, if the change affects pay
- [constructive dismissal](#) at an employment tribunal, if they have at least 2 years' service and the breach is fundamental and significant. For example, an employee felt forced to leave a job because the employer made their pay a lot less

Making changes to employment contracts can be a complex legal matter.

You can also speak to an [Acas helpline](#) adviser who will explain possible next steps and the risks and benefits of each. Acas advisers cannot tell you what to do or give [legal advice](#).

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