

Notice periods and pay

When an employer dismisses an employee, they should give them notice of when their job will end.

In most cases, the employee will carry on working until the end of their notice period. How much notice they get depends on:

- how long they've worked for their employer
- what's in their employment contract

3. How much notice an employee should get

The employee should get at least the statutory notice period (the legal minimum notice period) if:

- they have 'employee' [employment status](#)
- they've worked for the employer for more than a month

Statutory notice

If you've worked for your employer for:

- 1 month to 2 years – the minimum notice is 1 week
- 2 to 12 years – the minimum notice is 1 week for each year you've worked
- 12 years or more – the minimum notice is 12 weeks

For example, if an employee's worked for their employer for 4 years and 9 months, they're entitled to at least 4 weeks' notice.

Contractual notice

The employee's contract or a staff policy might say a different amount of notice. This is called 'contractual' notice.

An employer can give more than statutory notice, but they cannot give the employee less.

This means that:

- if the contractual notice is less than statutory notice, the employee must get statutory notice
- if the contractual notice is higher than the statutory amount, the employee should get the contractual notice

Employees should talk to their employer if they're not sure how much notice they'll get.

When the notice period starts

It's a good idea to check the employee's contract as it might say when a notice period starts.

If an employer gives an employee notice in person, their notice period should start from the next day.

If they're only given the notice by email or post, the notice period should start when they've had a reasonable amount of time to read it.

Examples

If the employee is only told in a letter sent by registered post, their notice period might start the day after they've received the letter so they've had time to read it.

If the employee is on holiday and is only told by letter, their notice period might start after they've returned home and had time to read it.

Leaving during a notice period

The employee can ask if they can leave before their notice period ends, for example if they have another job to go to.

They should get agreement from their employer in writing.

If the employee leaves early, the employer does not have to pay them for the full notice period.

Notice pay

In most cases, the person who's been dismissed is entitled to the same pay they'd normally get if they work their notice period.

The employee's final pay may be different from their usual monthly or weekly pay because of things like how much holiday they've taken.

They may need to get paid other outstanding money, for example bonuses or pay for working overtime.

[Find out more about final pay when someone leaves a job.](#)

If the employee is off work

An employee may be off work during their notice period if they're:

- on holiday (annual leave)
- on sick leave
- on maternity, paternity, adoption or Shared Parental leave
- temporarily laid off or on short-time working

They're entitled to full pay if either:

- their employer's notice period is the legal minimum
- their employer's notice period is 1 to 6 days longer than the legal minimum

They're not entitled to full pay if:

- their employer's notice period is 1 or more weeks longer than the legal minimum

Employees should check their contract or talk to their employer to find out how much they'll be paid.

Furlough and notice pay

If an employee's dismissed while they're on ['furlough' \(temporary leave\)](#), their employer can still claim payments from HMRC's Coronavirus Job Retention Scheme during the notice period.

If they have a statutory notice period, notice pay must be the employee's full normal pay, even if they've been getting paid recently at a reduced rate due to furlough.

[Find out more about notice pay and furlough.](#)

Payment in lieu of notice

An employer can give an employee 'payment in lieu of notice' (or PILON). This means they get paid instead of having a notice period and stop working for their employer straight away.

It might say in the person's contract what the payment should be, for example if they should get any work benefits they'd normally get, such as pension contributions.

An employer can still offer payment in lieu of notice if it's not in the contract. It should be agreed between the employer and employee in writing.

When it's not in the contract, it's a good idea for the employer to offer full pay including any usual work benefits. If the employer does not do this it could be seen as a breach of contract.

The employer should tell the person in writing the date their job ends. This is particularly important if there's nothing about payment in lieu of notice in their contract.

Garden leave

Garden leave (or gardening leave) is when an employer tells an employee not to work for all or some of their notice period.

This could be because the employer does not want the employee to have access to sensitive or confidential information they could use in a new job.

The employee must get paid as usual during their notice period, including for any work benefits in their contract.

The person is still employed during garden leave, even if they're not working.

Dismissal without notice for gross misconduct

An employer can dismiss an employee without giving notice if it's because of gross misconduct (when an employee has done something that's very serious or has very serious effects). The employer must have followed a fair procedure.

If this happens, the employee would leave straight away. They would not have a notice period and would not get paid any notice pay.

The employer will still need to pay them for:

- any work they've not been paid for yet
- any holiday they've built up ('accrued') but not used by the date they leave
- any expenses they're owed

The employer may also need to pay them for other work benefits, unless their contract says something different.

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