



Can the British Gas example stop you from getting into hot water?

By **Kate Richards** - 30 April 2021

The UK energy company British Gas has recently been in hot water regarding unpopular changes to the terms and conditions of its engineers' employment contracts. On 14 April 2021 there was strike action after British gas had threatened to dismiss its employees if they refused to sign new contract terms by the end of the week, almost 500 employees had lost their jobs after refusing to sign onto the new terms.

With lockdown restrictions beginning to ease and employers considering how the workplace will operate in the "new normal", changing terms and conditions may become a hot topic for other employers implementing specific proposals relating to the place of work or pay structure, or any programmes to harmonise terms.

How can employers change terms and conditions?

Where there is no existing contractual right to change an employment contract, employers have three options:

- Obtain express agreement to the new terms.
- Unilaterally impose the change and use the employee's conduct (or failure to object) to establish implied agreement to the new terms. There are several options open to employees to object where a change is imposed this way, so this is not always straightforward.
- Terminate the existing employment contract and offer re-employment on the new terms (sometimes called "dismiss and re-engage"), as seen with British Gas.

There are factors and risks to consider for each of these options, however option 1 (seeking express agreement) will often be the simplest route.

Practical tips for agreeing changes to terms and conditions

We have therefore set out a list of practical tips for approaching a change to terms and conditions via express agreement:

What's the alternative?

If changes are being proposed where a more formal restructuring (with potential job losses) is the other option for the business, then communicating this to employees may give a sense of perspective and present the changes as the better option.

What's the timetable?

If changes can be implemented over time and with transitional arrangements, this can help address concerns of the employees. Sometimes the timing can feel more worrying than the actual proposed change.

What's the incentive?

If an employer can offer an additional benefit (which does not have to be financial) in return for the proposed changes, this may secure agreement more readily.

What do they think?

If an employer provides an opportunity for employees to raise questions and concerns, even if ultimately the employer cannot accommodate every point, it gives the opportunity for employees to say their piece and feel listened to by the business.

What's the general mood?

If there can be flexibility to the timing of proposals, then employers should aim to introduce the change at the same time as something beneficial – for example during annual salary reviews, where a salary increase could be presented as a benefit in exchange for the detrimental change.

Whilst there is no guarantee of agreement by employees, the points above are a good starting point and the communication with employees may assist later in the process (if termination and re-engagement is ultimately offered) to demonstrate a fair procedure.

If you have any questions about this article, please get in touch with [Kate Richards](#).