

The Employment Rights Bill:

Your ultimate
guide to the
changes



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Last year, the Employment Rights Bill was published - a 150-page document that outlines around 28 employment law changes, hailed by the Government as “the biggest upgrade to rights at work for a generation”. After the amendments, the Bill now sits at over 300 pages. That’s a lot to get prepared for.

Although the Bill gives some considerable new rights to workers, the Government does also view it as ‘pro-business, pro-worker’ as they think it’ll create a more secure workforce, which in turn will be more productive and have more confidence to spend in the economy. But what exactly does that mean for your business?

While we still don’t know the exact ins and outs of some of the proposals, we can highlight what’s included in the Bill and amendments and how they’re likely to impact businesses. Some experts are predicting we could see a rise in employment tribunal claims as the changes come into force, as workers will have new day-one rights and employers could be unprepared to deal with them.

So, read on to find out exactly what you need to be ready for.

Research suggests that more than half of businesses believe the new obligations will need more resources* – and the Government have warned the full legislative package could cost businesses **£5 billion** a year.





Group one: New (or updated) rights and protections for workers

Unfair dismissal rights from day one and probationary periods

The government believes that the two-year wait to earn unfair dismissal rights acts a deterrent to people moving jobs, which in turn has a detrimental impact on productivity. They're therefore **removing the service requirement to make the right to claim unfair dismissal a day-one right**.

Unfair dismissals are the change most businesses are worried about, with **76%** of employers concerned about it.

They point out that this won't prevent fair dismissals, and employers will still be able to exercise probationary periods with "fair and transparent rules and processes". There was some talk in the Bill about an "initial period of employment" – we're assuming this is referring to probationary periods – it's now been confirmed that probationary periods can be between three and nine months long.

These changes will mean that it'll be more important than ever for employers to **handle conduct and capability problems correctly** from the very start of the employment.





Changes to zero-hours contract use

The government has committed to ending 'one-sided flexibility' and ensuring that all jobs provide a baseline level of security and predictability. This is one of the more complex parts of the Bill, and we still don't have a clear picture of how this will work – but here's what we do know.

The Government haven't outright banned zero-hours contracts – and if it works well for both the employer and the employee, there won't be any rule saying you can't continue. But the Bill introduces a **"right to guaranteed hours"** and puts a new duty on employers to offer a "guaranteed hours" contract to certain workers once they've completed a certain amount of work. It's not yet been defined what that certain amount of work will be.

- This right will apply to people who are working under either a **zero-hours contract or under a contract with fewer working hours each week than the specified maximum.**
- This maximum is likely to be a small amount of hours, but this exact number is still to be decided
- **The right will apply where these workers undertake work for a certain number or pattern of hours in a relevant period,** and the offer should reflect this number or pattern of hours
- The most recent amendments confirmed that this right would also apply to agency workers. The guaranteed hours offer will be the responsibility of the hiring company rather than the agency.

They will also introduce new measures to make sure all workers **get reasonable notice of changes to shifts or working hours**, with compensation that's proportionate to the notice given for any shifts which are cancelled or curtailed.

In an agency arrangement, the hirer and the agency can arrange between themselves who will give notice, and the compensation will be payable by the agency, but they can recover it from the hirer.

Preventing abuse of fire and rehire practices

The Bill will make it automatically unfair to **dismiss an employee for not agreeing to a variation in their contract** and to **dismiss an employee when planning to re-engage them (or employ another person) on varied terms to carry out substantially the same duties.**

Strengthened redundancy rights and protections

The Government is changing collective consultation rules for redundancy to make sure that, when looking at the numbers of people affected by changes that require a collective consultation process, these could be triggered by either a certain number at each individual site, or a certain number or percentage of the workforce across the whole business.

Making flexible working the default

Last year already saw significant changes to flexible working, but these reforms don't go far enough for the new Government, which has committed to **making flexible working the default from day one for all workers**, except where it isn't "reasonably feasible". The Bill has amended the Employment Rights Act 1996 to say that an employer can only refuse a request if:

1. They believe the application should be refused on one or more of the existing grounds
2. They explain to the employee why it's reasonable for them to do that



Reviewing parental leave

Parental leave is currently available to employees with one year's service – the Bill will remove that and make it a day-one right.

Tackling harassment

On 26 October 2024, the Worker Protection (Amendment of Equality Act 2010) Act 2023 came into force, and put a new duty on employers to take reasonable steps to prevent sexual harassment. The Employment Rights Bill extends this to **include “all reasonable steps” and include harassment by third parties for all categories of harassment**. It'll also give the Secretary of State the power to make regulations that set out exactly what would be viewed as “reasonable steps.”

To find out more about this and what you need to do now, [read our full guide to the Worker Protection Act](#).

Paternity leave

This is currently available to employees with 26 weeks' service by the qualifying week. The Bill makes this a day-one right.

Bereavement leave

At the moment, employees have a right to take up to two weeks' parental bereavement leave if they have a child who dies under the age of 18. The Bill will extend this beyond parents to others who suffer a bereavement. This new right will only be for one week's leave though, as opposed to the two weeks' parental bereavement leave (but the two weeks will still remain the case for bereaved parents).





Group two: Fair pay, terms, and working conditions

Statutory Sick Pay (SSP)

The government will remove the lower earnings limit to make **SSP available to all workers**. However, it's now proposed that employees on low wages will receive 80% of their average weekly earnings or the current rate of SSP, whichever is lower. They will also remove the current three-day waiting period, meaning SSP will be **payable from the first day of sickness absence**.

Fair allocation of tips

The Employment (Allocation of Tips) Act 2023 came into force in October 2024, and the Bill proposes some changes to this Act, introducing:

1. A requirement that employers **consult with recognised trade unions, worker representatives or workers who will be affected by the policy** before they produce their tipping policy
2. A requirement to **review their policy** from time to time – the first review must be within three years of introducing the policy
3. A requirement to **consult with workers as part of the review process**

A new Adult Social Care Negotiating Body (ASCNB)

The Bill will create a new Adult Social Care Negotiating Body, which will oversee pay and terms and conditions for social care workers in England and Wales. This will be made up of employer and trade union representatives.

The School Support Staff Negotiating Body (SSSNB)

This body will be responsible for regulating the employment of support staff in schools in England, and it'll cover pay, terms and conditions, training and career progression of school support staff.

Equality Action Plans

The Bill introduces a new requirement for larger companies (over 250 employees) to produce an annual 'Equality Action Plan' that shows what actions they've taken to support and push forward gender equality in their workplace.

There should be a focus on steps taken to address **gender pay gaps** and **support employees going through the menopause**. The Government have also added in their 'Next Steps to Make Work Pay' guidance (more on this later) that there will be a Regulatory Enforcement Unit for equal pay.



Tribunal time limits

The time limit for bringing a tribunal claim will be increased from three months to six months. While this might not affect day-to-day work that much, it could mean longer periods of uncertainty if an employee does bring a claim. The idea behind this is to give employees who might not be in a good position more time to consider their options, take advice and take action.



Group three: Enforcement and trade unions

Establishing a Single Enforcement Body (the Fair Work Agency)

The government considers the current enforcement system to be ineffective. By introducing the Single Enforcement Body, they promise to deliver “swifter access to justice” for workers, and this body will be called the Fair Work Agency. It’ll include trade union representatives, employer representatives and independent experts, and it’ll have strong powers to inspect workplaces and enforce employment rights – and the enforcement officers will have the right to enter business premises to do so.

Plus, the most recent set of amendments to the Bill included powers for the Fair Work Agency to bring their own tribunal claims on behalf of workers, provide legal assistance to workers and recover the costs of their own enforcement actions from the employer.

Unions

All major trade union legislation introduced by Conservative Governments from 2010 onwards will be repealed. The changes they’re proposing include:

- Rights to reasonable access within workplaces via new access agreements
- A new obligation for employers to provide all workers with a written statement of their right to join a union. This will need to be reissued to longer-standing staff on a regular basis and if an employer doesn’t provide this, a worker can make a claim to the tribunal and could be awarded between **two and four weeks’ pay**.
- Simplification of the rules on ballots for union recognition and for industrial action or strikes – this will make it easier for unions to be recognised and to have successful votes for strike action.

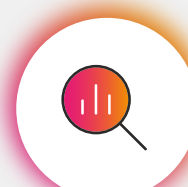
Beyond the Bill: other changes

The Government has also published the next steps for its “Make Work Pay” plan. The next phase of changes include:



Introducing an Equality (Race and Disability) Bill:

making it mandatory for large businesses to report their ethnicity and disability pay gaps.



Reviews into the current parental leave and carers leave systems.



So what's happening and when? Here's your timeline for change...

Although the Employment Rights Bill isn't expected to become law until September or early October, the Government have now set out their roadmap for rolling out the changes. The reform will come in stages – but the headlines? Statutory Sick Pay changes are set for April 2026, while zero-hours contract reforms and day-one unfair dismissal rights will land in 2027.

Consultation roadmap

In summer/autumn 2025, the Government will consult on...

- Day-one unfair dismissal rights
- Reinstating the School Support Staff Negotiating Body (SSSNB)
- Fair Pay Agreement for the adult social care sector

In autumn 2025, consultation will expand to key areas...

- Zero-hours contracts
- Trade union measures including balloting, simplified recognition, the duty to inform workers about joining unions and union reps' rights
- Fire and rehire practices
- Regulation of umbrella companies
- Bereavement leave

In winter 2025/early 2026, the final consultations will happen on...

- Further trade union protections like detriment protections for industrial action and blacklisting
- Tightening tipping laws
- Collective redundancy processes
- Flexible working





Planned implementation dates

In autumn 2025 (when the Bill becomes law), we'll see...

- Repeal of the Strikes (Minimum Service Levels) Act 2023
- Repeal of most provisions of the Trade Union Act 2016
- Removal of the 10-year ballot renewal requirement for trade union political funds
- Simplifying industrial action notices
- New protections from dismissal for taking industrial action

In April 2026...

- Statutory Sick Pay – removal of waiting days and Lower Earnings Limit
- Establishment of the Fair Work Agency
- Doubling maximum protective award for collective redundancy breaches
- Day-one rights to paternity leave and unpaid parental leave
- Strengthened whistleblowing protections
- Simplified trade union recognition process
- Enable electronic and workplace balloting
- Introduction of voluntary gender pay gap and menopause action plans

In October 2026...

- Employers required to take "all reasonable steps" to prevent sexual harassment
- New obligation to prevent third-party harassment
- Fire and rehire reforms come into force
- Tribunal claim time limits extended to six months
- Regulations for the Fair Pay Agreement Adult Social Care Negotiating Body
- Duty to inform workers about union rights and strengthen union reps' protections
- Tighter tipping laws



2027 – key measures take effect...

- Day-one unfair dismissal rights
- Zero-hours contract reforms (including agency workers)
- Gender pay gap and menopause action plans made mandatory
- Rights for pregnant workers
- New powers defining “reasonable steps” on harassment
- Updated industrial relations framework
- Regulation of umbrella companies
- Changes to collective redundancy consultation thresholds
- Flexible working reforms
- New bereavement leave rights

While some of this seems like a long time away, time goes quickly, and these changes could mean a fundamental shift in the way you manage your business – and that shift will take longer than you think. Understanding these laws and collecting the information you need so you can see how much change you need to make is critical so you’re prepared for the laws to come into force.



How Citation can help

With more than 300 HR experts, Employment Law solicitors and Health & Safety consultants on your side, Citation makes sure you're always compliant and confident, no matter the changes coming your way. Our 24/7 support and unrivalled advice guarantee means we're here to help you navigate any challenges and keep your business running smoothly.

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*Brightmine survey, 2024

