



# **The Employment Rights Act 2025: Employer Guide**

## Summary of Key Provisions

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## Basic rights and employment tribunals

### 1 Unfair dismissal

Brief details of the reform and likely impact	Likely timescale	Practical steps you can take
<p><b>Reform:</b> The 2-year qualifying period for unfair dismissal claims will be replaced with a 6-month qualifying period. The cap on the compensatory award for unfair dismissal claims will be removed entirely.</p>	<p>Reports suggest the government no longer considers consultation necessary on these reforms and intends to implement them 1 January 2027.</p>	<ul style="list-style-type: none"> <li>Ahead of the changes coming in, consider implementing more robust recruitment procedures and conducting a performance review for all those with under 2-years' service.</li> </ul>
<p><b>Impact:</b> Likely to increase the number of unfair dismissals claims and require enhanced recruitment procedures and probation management. The removal of the cap on the compensatory award may result in longer and more complex claims for higher earners, with detailed arguments about financial loss and mitigation. Employers may become more risk-averse in their approach to performance management/dismissal. On the flip side, the removal of the cap on the compensatory award may simplify other claims, removing the incentive for claimants to construct complex cases involving discrimination/whistleblowing in order to access uncapped compensation.</p>		<ul style="list-style-type: none"> <li>Reflect on how you might formalise any probation management once the reforms take effect. Consider your expectations for different roles, performance review points and notice periods.</li> <li>In due course, review and update HR systems, policies and procedures and employment contracts to reflect changes. Ensure managers are trained regularly on dismissal procedures.</li> </ul>

### 2 Employment tribunal time limits

Brief details of the reform and likely impact	Likely timescale	Practical steps you can take
<p><b>Reform:</b> The time limit within which someone can bring an employment tribunal claim will be increased from 3 to 6 months (except for breach of contract claims arising or outstanding on termination of employment).</p>	<p>Due to take effect in October 2026.</p>	<ul style="list-style-type: none"> <li>Consider reviewing early dispute resolution mechanisms including budget sign off procedures, to encourage early resolution.</li> </ul>
<p><b>Impact:</b> May increase exposure to employment tribunal claims if employees have longer to bring a claim, but equally it may also allow longer for settlement/mediation.</p>		<ul style="list-style-type: none"> <li>Consider revising record systems to ensure witnesses have accurate data/information to draw on to combat memories fading over the increased time-period.</li> </ul>

3 Statutory sick pay (SSP)		
Brief details of the reform and likely impact	Likely timescale	Practical steps you can take
<p><b>Reform:</b> The 3-day waiting period and lower earnings limit for SSP will be removed. SSP will be payable from "day one" at 80% average weekly earnings or the current rate of SSP, whichever is lower.</p> <p><b>Impact:</b> Increase in SSP costs. There are concerns that these changes may result in malingering by employees.</p>	Due to take effect in April 2026.	<ul style="list-style-type: none"> <li>Budget for increased SSP costs from April 2026.</li> <li>Review your payroll processes and HR systems as a priority to ensure that you are ready by April 2026.</li> <li>Update your absence management policy/procedures and contracts and ensure HR/managers are informed/trained ahead of April 2026.</li> <li>Consider employee messaging about absenteeism.</li> </ul>
Harassment and whistleblowing		
4 Sexual harassment and whistleblowing		
Brief details of the reform and likely impact	Likely timescale	Practical steps you can take
<p><b>Reform:</b> A report that sexual harassment has occurred, is occurring or is likely to occur will be a type of "protected disclosure" for whistleblowing purposes.</p> <p><b>Impact:</b> Workers who make a protected disclosure in relation to sexual harassment will be protected from detriment. The dismissal of an employee will be automatically unfair where the reason (or principal reason) for their dismissal is the protected disclosure and there will be no cap on the compensation available in a successful claim. Any attempt to prevent an employee from speaking out about a report of sexual harassment (e.g. in confidentiality clauses in settlement agreements) will be void.</p>	Due to take effect in April 2026.	<ul style="list-style-type: none"> <li>Review contract and settlement agreement terms to ensure they are compliant. See also "Ban on non-disclosure agreements" at 13 below.</li> <li>Update policies and procedures before April 2026.</li> <li>Ensure that HR and relevant managers receive training on dealing with reports of sexual harassment as protected disclosures.</li> </ul>
5 Duty to take all reasonable steps to prevent sexual harassment		
Brief details of the reform and likely impact	Likely timescale	Practical steps you can take
<b>Reform:</b> Employers will be under a duty to take "all reasonable steps" to prevent		

<p>sexual harassment of their employees during the course of their employment. This is wider than the current duty to take "reasonable steps". The government will have the power to specify in regulations what is meant by "all reasonable steps" but has indicated that this will depend on the specific circumstances of the employer.</p>	<p>Due to take effect in October 2026. The government is expected to define "all reasonable steps" in regulations during 2027, possibly after consultation.</p>	<ul style="list-style-type: none"> <li>Keep a watching brief for regulations setting out expectations for employers. As these are not due until sometime after the duty takes effect, there may be uncertainty for employers during this time. Consider what "all reasonable steps" could entail within your organisation and consider undertaking updated risk assessments.</li> <li>In due course, update HR policies as required.</li> <li>Roll out sexual harassment training to all staff and train HR/managers on preventing and dealing with sexual harassment.</li> </ul>
<b>Impact:</b> It is likely to become more difficult for employers to defend claims for sexual harassment. There is a risk that, where sexual harassment has taken place, an employer will never be able to show that it took "all" reasonable steps to prevent it.		

## 6 Third party harassment

Brief details of the reform and likely impact	Likely timescale	Practical steps you can take
<p><b>Reform:</b> Employers will be under a duty to take "all reasonable steps" to prevent third party harassment of their employees; this includes sexual harassment and harassment in relation to all protected characteristics under the Equality Act 2010.</p>	<p>Due to take effect in October 2026.</p>	<ul style="list-style-type: none"> <li>Factor third party harassment into updated risk assessments to the extent not already covered. Consider what "all reasonable steps" could entail within your organisation.</li> </ul>
<p><b>Impact:</b> As above, it is likely to be difficult for employers to defend claims for third party harassment. The extent to which an employer will be required to investigate such allegations is also unclear.</p>		<ul style="list-style-type: none"> <li>Update existing policies on third-party harassment and consider including appropriate wording in any supplier/customer contracts.</li> <li>Schedule training for HR/managers on the changes and train employees on how to report third party harassment at work.</li> </ul>

## Family-friendly rights

## 7 Bereavement leave

Brief details of the reform and likely impact	Likely timescale	Practical steps you can take
<p><b>Reform:</b> Right to unpaid bereavement leave for all workers (not just parents) from "day one" of their employment. Where the person who has died is not a child, the minimum period of leave will be one week, and a bereaved person will be entitled to leave in respect of each person who has died (if more than one). Regulations will set out further</p>	<p>Consultation is now open until 15 January 2026. Due to take effect in 2027.</p>	<ul style="list-style-type: none"> <li>Review the consultation and consider responding to it before the deadline of 15 January 2026.</li> <li>Update HR systems and leave policies and procedures in due course, and ensure HR and</li> </ul>

details. Those who take bereavement leave will have the right not to suffer detriment or be dismissed for reasons relating to that leave.		managers are trained on new criteria and procedures. <ul style="list-style-type: none"><li>Consider training for managers on empathy and sensitivity.</li><li>Consider whether you intend to pay employees during this leave despite it likely being an unpaid right.</li></ul>
<b>Impact:</b> Possible increased uptake of bereavement leave. However, as it is unpaid, employees may not utilise it.		

## 8 Pregnancy loss bereavement leave (pre 24 weeks)

Brief details of the reform and likely impact	Likely timescale	Practical steps you can take
<b>Reform:</b> New right to bereavement leave for pregnancy loss before 24 weeks. This appears to be unpaid. Regulations will set out further details.	Consultation is now open until 15 January 2026.	<ul style="list-style-type: none"><li>Review the consultation and consider responding to it before the deadline of 15 January 2026.</li><li>Update HR systems and leave policies and procedures in due course, and ensure HR and managers are trained on new criteria and procedures.</li><li>Consider training for managers on empathy and sensitivity.</li><li>Consider whether you intend to pay employees during this leave despite it likely being an unpaid right.</li></ul>
<b>Impact:</b> Increased uptake of bereavement leave. However, as it is unpaid, employees may not utilise it.	Implementation date TBC. Likely to come into force at the same time as statutory bereavement leave (2027).	

## 9 "Day one" right to paternity leave and unpaid parental leave

Brief details of the reform and likely impact	Likely timescale	Practical steps you can take
<b>Reform:</b> The 26 week service requirements for paternity leave is being removed as is the rule preventing employees from taking paternity leave after shared parental leave. Removal of one year service requirement for unpaid parental leave entitlement so that it becomes a "day one" right.	Due to come into force in April 2026.	<ul style="list-style-type: none"><li>Review your policies, procedures, contracts and HR systems to make any necessary changes before April 2026.</li><li>Ensure that HR and managers receive training on the updated law ahead of April 2026.</li></ul>
<b>Impact:</b> Increased uptake of paternity leave and parental leave.		

## 10 Protection against dismissal strengthened for pregnant women

Brief details of the reform and likely impact	Likely timescale	Practical steps you can take
<b>Reform:</b> Currently, employees in their 'protected period' (i.e. who are pregnant, on maternity leave or who have recently returned from such leave) receive	Consultation is now open until	<ul style="list-style-type: none"><li>Review the consultation and consider responding to it before the deadline of 15 January 2026.</li></ul>

<p>priority in redundancy situations. The government has given itself the power to make regulations to extend this protection to cover dismissals for reasons other than redundancy (except in specific circumstances). Regulations can also be made extending dismissal protection to parents who are taking or have taken other types of statutory family leave (likely to exclude statutory paternity leave).</p>	<p>15 January 2026. Due to come into effect in 2027.</p>	<ul style="list-style-type: none"> <li>Review dismissal procedures and update HR systems and policies in due course. Ensure that managers are trained on new laws.</li> </ul>
<p><b>Impact:</b> Subject to the forthcoming regulations, there is likely to be an increased risk in dismissing employees for a reason other than redundancy where they are in their 'protected period' or taking or returning from a period of statutory family leave.</p>		

## Equality and diversity

### 11 Equality action plans

Brief details of the reform and likely impact	Likely timescale	Practical steps you can take
<p><b>Reform:</b> Future regulations will require employers with 250 employees or more to produce equality action plans which will not be required "more frequently than every 12 months." These will include measures to address the gender pay gap and to support employees going through the menopause.</p>	<p>Due to come into effect in 2027 (future regulations are required).</p>	<ul style="list-style-type: none"> <li>Prepare for any duty by auditing pay and progression data and identifying gaps, and ensuring measures are taken to support employees through the menopause.</li> <li>If you do not have one, reflect on whether to implement a menopause action plan at an early stage.</li> </ul>
<p><b>Impact:</b> Increased public scrutiny of large employers' equality strategies.</p>		

### 12 Equality information about service providers

Brief details of the reform and likely impact	Likely timescale	Practical steps you can take
<p><b>Reform:</b> Regulations can be made to require private and voluntary sector employers with 250 or more employees in Great Britain to publish equality data about service providers that they engage for outsourced services.</p>	<p>Due to come into effect in 2027 subject to the government's timetable for other proposed pay-gap reporting changes.</p>	<ul style="list-style-type: none"> <li>Ensure you have up-to-date records of all service providers, and that internal reporting mechanisms are established.</li> <li>Keep a watching brief for the progress of related measures in the draft Equality (Race and Disability) Bill.</li> </ul>
<p><b>Impact:</b> Increased public scrutiny of large employers' equality strategies.</p>		

## Zero hours workers, contracts, wages and working time

### 13 Ban on non-disclosure agreements

Brief details of the reform and likely impact	Likely timescale	Practical steps you can take
<b>Reform:</b> Confidentiality clauses will be void (i.e. unenforceable) where they prevent a worker from disclosing or alleging "relevant harassment or discrimination" (unless such clauses are in an "excepted agreement" which is yet to be defined). This would include disclosing an employer's response to the harassment or discrimination, or the making of the allegation or disclosure. It would apply to workers who are victims of harassment and discrimination as well as those who have witnessed it happening to someone else.	No timeframe has been given; it is likely that consultation will take place first.	<ul style="list-style-type: none"> <li>Review employment contract and settlement agreement templates, as well as any relevant contractual policies, to see whether amendments may be required.</li> <li>As an employer's response to allegations of discrimination or harassment is also covered by the ban, consider implementing additional training for HR and managers on dealing with grievances and disciplinaries, and tackle any existing cultural issues in the workplace.</li> <li>Regulations may extend the protections to independent contractors and individuals undertaking work experience or training. In time, it may be necessary to review other agreement templates.</li> <li>Keep a watching brief for any government consultation and consider responding to it.</li> </ul>
<b>Impact:</b> The government has suggested that provisions within settlement agreements will be included in this ban. Settling discrimination claims could therefore become less attractive for employers where a risk of reputational damage remains. As such, there is a risk that this reform could increase the number of claims in the (already stretched) tribunal system and significantly inflate costs for those bringing and defending claims.		

### 14 Zero and low hours workers (including agency workers)

Brief details of the reform and likely impact	Likely timescale	Practical steps you can take
<p><b>Reform:</b> The government is introducing a highly complex set of rules regarding zero and low hours workers, a broad summary of which is as follows:</p> <p><u>Guaranteed Hours Contracts</u></p> <ul style="list-style-type: none"> <li>Employers must offer a guaranteed hours contract (GHC) to zero and "low hours" workers (to be defined), including agency workers, reflecting hours regularly worked over a reference period (expected to be 12 weeks) unless an exception applies.</li> <li>Employers must inform relevant workers of their right to receive a</li> </ul>	Consultation was due to take place in Autumn 2025 but is expected to be delayed until 2026. Due to take effect in 2027.	<ul style="list-style-type: none"> <li>Determine the likely impact of the reforms on your organisation by auditing your use of zero and low hours workers (including agency workers) and considering what this would look like if a 12-week reference period applied.</li> <li>Start looking at patterns in workload and staff requirements, including identifying any busy periods. Consider revising shift management procedures now (investigating whether any technology may be available) to reduce administrative burden of</li> </ul>

<p>GHC during an "initial information period". The worker can accept or reject the offer of a GHC during the "response period". If rejected, the employer must continue to offer a GHC to the worker at the end of every subsequent reference period.</p> <ul style="list-style-type: none"> <li>• A GHC can be an offer to vary existing terms and conditions or a new contract. Specific requirements apply in each case, and a fixed-term contract will only be permitted where this is "reasonable" (as defined) which is likely to cover seasonal workers.</li> <li>• In relation to agency workers, the hirer will be responsible for offering a GHC. If a GHC is accepted, the agency worker becomes a worker of the hirer. Complex provisions are included to ensure that a GHC does not contain less favourable terms for an agency worker.</li> <li>• Qualifying workers are given automatic unfair dismissal rights and the right not to be subjected to a detriment. In addition, they will be able to bring a tribunal claim for failure by their employer to comply with requirements relating to GHCs. Anti-avoidance provisions have also been introduced.</li> </ul> <p><b><u>Reasonable notice of shifts</u></b>  Employers must provide qualifying workers (to be defined but including zero hours workers and agency workers) with reasonable notice of shifts – specifying the date, start and end times and number of hours to be worked. The meaning of "reasonable" is yet to be defined. In relation to agency workers, this duty will be jointly shared by the hirer and the agency.</p> <ul style="list-style-type: none"> <li>• Qualifying workers can bring a tribunal claim against their employer for failure to comply. They are also given the right not to be subjected to a detriment.</li> </ul> <p><b><u>Compensation for shifts cancelled, moved or curtailed at short notice</u></b></p> <ul style="list-style-type: none"> <li>• Workers (including agency workers) will have the right to compensation if a "qualifying shift" is cancelled, moved or curtailed at "short notice"</li> </ul>		<p>tracking hours and making offers when the new laws come into force.</p> <ul style="list-style-type: none"> <li>• Review HR systems and scheduling processes in due course to enable compliance with the new laws.</li> <li>• In due course, ensure that HR and managers dealing with zero or low hours workers have a full understanding of the law in this area. Keep a watching brief for the consultation which may give more details about the government's intended approach (for example, what "low hours" means) and consider responding to it.</li> </ul>
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<p>(to be defined) unless an exception applies. This will include where an employer makes a "multi-worker request". The amount of compensation payable will be set out in regulations.</p> <ul style="list-style-type: none"> <li>Workers are also given the right not to be subjected to a detriment in relation to this new obligation.</li> </ul> <p>Employment tribunals will be able to impose financial penalties on respondents in relation to claims brought under the above zero hours reforms where there are aggravating circumstances.</p> <p>An employer can only contract out of the above obligations by way of a collective agreement.</p>		
<p><b>Impact:</b> Likely to impose a significant administrative burden on employers who use zero and low hours workers (tracking hours and making offers) and likely to reduce their operational flexibility. The complexity of the new provisions may deter employers from using zero or low hours workers at all.</p>		

## 15 Fire and re-hire

Brief details of the reform and likely impact	Likely timescale	Practical steps you can take
<p><b>Reform:</b> It will be automatically unfair to dismiss an employee for refusing to agree to a "restricted variation" to their contract of employment except where the employer can satisfy a "financial difficulties" exception (which is slightly different for public sector and local authority employers).</p> <p>It is proposed that a "restricted variation" will broadly include terms relating to pay, hours and holidays (the Secretary of State can add to this). The insertion of a variation clause enabling variations without the employee's consent will also be regarded as a "restricted variation".</p> <p>Where an employer can satisfy the "financial difficulties" exception, the employee's dismissal will not be automatically unfair and the usual test for ordinary unfair dismissal will apply.</p> <p>It will also be automatically unfair to dismiss an employee for the purposes of replacing them with a non-employee (e.g. an agency worker or a contractor)</p>	<p>Consultation was due to take place in Autumn 2025, but is likely to be delayed until 2026.</p> <p>Due to take effect in October 2026.</p> <p>The government intends to update the statutory Code of Practice to reflect the changes.</p>	<ul style="list-style-type: none"> <li>Ensure robust financial documentation is being maintained to aid in deciding whether the "financial difficulties" exception is met.</li> <li>This reform will impact the entirety of an employee's contractual terms, whether they are in an employment contract or another document, and whether express or implied. Consider conducting a full audit.</li> <li>Consider whether you need to take any action in relation to staff terms and conditions before the stricter provisions come into force in October – in particular, whether to include a variation clause.</li> <li>Keep a watching brief for the government consultation (to assist with future planning) and consider responding to the consultation.</li> </ul>

who will carry out the same (or substantially the same) duties under a varied contract of employment.		
<b>Impact:</b> The "financial difficulties" exception looks to be an extremely high bar, meaning that employers will only be able to use fire and rehire to bring about contractual changes in exceptional circumstances.		

## 16 Flexible working

Brief details of the reform and likely impact	Likely timescale	Practical steps you can take
<b>Reform:</b> Employers can only refuse flexible working requests if it is reasonable to do so on prescribed statutory grounds.	Consultation was due in Winter 2025/early 2026 so is now likely to take place in 2026.  Due to take effect in 2027.	<ul style="list-style-type: none"> <li>Consider reviewing flexible working policies and preparing enhanced justification processes. It will be particularly important to document the reasons for decisions taken; train managers on this.</li> <li>Keep a watching brief for the government consultation (to assist with future planning) and consider responding to the consultation.</li> </ul>
<b>Impact:</b> This is likely to make it more difficult to refuse flexible working requests, and employers may see an increase in employment tribunal claims (challenging the reasonableness of decisions rather than just procedural breaches). However, no amendments have been made to the compensation limit of 8 weeks' pay and so the financial impact remains limited.		

## 17 Tips and gratuities

Brief details of the reform and likely impact	Likely timescale	Practical steps you can take
<b>Reform:</b> Before producing the first version of a written tips policy, an employer must consult with a recognised trade union or worker representatives (or workers directly if there are none). Employers must review (and consult) on a tips policy at least once every three years. An anonymised summary of the views expressed in the consultation must be available to all workers at the place of business where the policy applies.	Consultation was due to take place in Winter 2025/early 2026 so is now likely to take place in 2026.  Due to take effect in October 2026 following the government's planned update to the Statutory Code of Practice.	<ul style="list-style-type: none"> <li>Keep a watching brief for the consultation and the updated Statutory Code of Practice. Consider responding to the consultation.</li> <li>In due course, review current tips policies and consultation processes, identify appropriate worker/union representatives and consider timing of policy reviews if you already have policies in place.</li> </ul>
<b>Impact:</b> Employers are already required to produce a written tips policy, but these reforms will make the obligations around tip policies more onerous.		

## 18 Working time records

Brief details of the reform and likely impact	Likely timescale	Practical steps you can take
<b>Reform:</b> New obligations on employers to keep records to show compliance with legal requirements for annual leave and holiday pay. Records must be kept for 6 years.	No timeframe has been provided.	<ul style="list-style-type: none"> <li>Keep a watching brief for developments.</li> <li>In due course, consider reviewing current holiday record-keeping systems and the tracking of all holiday entitlement, payments and carry-over provisions.</li> </ul>
<b>Impact:</b> Additional administrative burden on employers.		

## 19 Time off for public duties

Brief details of the reform and likely impact	Likely timescale	Practical steps you can take
<b>Reform:</b> The Secretary of State will publish a review of the purposes for which employees should be entitled to take time off for public duties (in particular, for the purposes of being a special constable).	Within 12 months of Royal Assent.	<ul style="list-style-type: none"> <li>Keep a watching brief for developments and amend policies and procedures as necessary in due course.</li> </ul>
<b>Impact:</b> May increase employee uptake of time off for public duties.		

## Redundancy and TUPE

## 20 Collective redundancy

Brief details of the reform and likely impact	Likely timescale	Practical steps you can take
<b>Reform:</b> Key aspects of the reform include: <ul style="list-style-type: none"> <li>The obligation to collectively consult will be triggered when an employer is proposing to dismiss as redundant within a period of 90 days or less either: (i) 20 employees at one establishment; or (ii) at least the "threshold number of employees" (to be confirmed in regulations but not lower than 20).</li> <li>An employer will not be required to consult all representatives together or to carry out consultation with a view to reaching the same agreement with all representatives.</li> <li>Where it is proposed employees will be dismissed as redundant at more</li> </ul>	<p>Consultation was due to take place in Winter 2025/early 2026 so is now likely to take place in 2026.</p> <p>The government intends to consult further on strengthening the collective redundancy framework, for example, by doubling the</p>	<ul style="list-style-type: none"> <li>Reflect on the necessity of any organisational changes now, before the new provisions come into force.</li> <li>Keep a watching brief for further details about the "threshold number of employees", which may be indicated in the consultation. Consider whether to respond to the consultation.</li> <li>In anticipation of the "threshold number of employees" being confirmed, review HR systems and processes to ensure that the business can be alerted when the requisite number of redundancies are being proposed across different establishments.</li> </ul>

<p>than one establishment, an employer must inform representatives about the total number of employees affected and the establishment they work in.</p>	<p>minimum consultation period where 100+ dismissals are proposed.</p>	
<p><b>Impact:</b> Employers will need to track redundancies across the entire organisation, rather than at each establishment. However, there will be greater flexibility for employers in terms of consultation with representatives.</p>	<p>Due to take effect in 2027.</p>	

## 21 Protective award

Brief details of the reform and likely impact	Likely timescale	Practical steps you can take
<p><b>Reform:</b> Increase to the protective award for failure to comply with collective redundancy obligations from 90 to 180 days' gross pay per affected employee.</p>	<p>Due to take effect in April 2026.</p>	<ul style="list-style-type: none"> <li>When assessing the risks of collective consultation, factor in that there will be significantly higher penalties for failing to comply with the relevant obligations from April 2026 onwards.</li> </ul>
<p><b>Impact:</b> The financial risk of non-compliance will be doubled, and this may increase employee bargaining power. Additionally, the protective award may be increased by up to 25% for failure to comply with the Statutory Code of Practice on Dismissal and Re-Engagement, meaning that the total maximum penalty could be 225 days' gross pay per affected employee.</p>	<p>The government intends to produce guidance for employers on compliance with collective consultation obligations "in due course".</p>	<ul style="list-style-type: none"> <li>Keep a watching brief for the promised government guidance.</li> </ul>

## Enforcement

### 22 Fair Work Agency (FWA)

Brief details of the reform and likely impact	Likely timescale	Practical steps you can take
<p><b>Reform:</b> Creation of a new public authority to carry out labour market enforcement functions (including but not limited to the enforcement of statutory sick pay, the national minimum wage, and holiday pay).</p> <p>Notably, the FWA will be able to bring employment tribunal proceedings (in relation to all types of claim) on behalf of workers.</p>	<p>Anticipated that the FWA will be created in April 2026. However, it is not clear when its full enforcement powers will be brought into effect.</p>	<ul style="list-style-type: none"> <li>Consider what you can do to improve record-keeping.</li> <li>Ensure compliance with sick pay, national minimum wage, and holiday pay legislation.</li> </ul>
<p><b>Impact:</b> Will depend on the resources allocated to the FWA (currently unclear).</p>		

## Industrial relations

### 23 Removal of the minimum service levels legislation

Brief details of the reform and likely impact	Likely timescale	Practical steps you can take
<b>Reform:</b> The Strikes (Minimum Service Levels) Act 2023 has been repealed. This Act enabled the government to set minimum service levels for strikes in "relevant services" such as health, education, transport, border control etc.	Repeal took effect on date of Royal Assent (18 December 2025).	<ul style="list-style-type: none"> <li>If you operate in a "relevant service", inform/train HR and relevant managers on the change to the law as a priority and update any policies, as applicable.</li> </ul>
<b>Impact:</b> Minimum service levels will no longer be required in these services.		

### 24 Duty to inform staff of their right to join a union

Brief details of the reform and likely impact	Likely timescale	Practical steps you can take
<b>Reform:</b> New legal duty for employers to give workers a written statement advising them of their right to join a trade union. This is to be provided at the same time as the worker's section 1 statement and at "other prescribed times" (TBC).  Regulations will confirm the form the statement must take, what information it must include and how it must be given.	Consultation closes on 18 December 2025.  Due to take effect in October 2026.	<ul style="list-style-type: none"> <li>In due course, review current onboarding processes and documentation, prepare template statements and update HR systems to ensure compliance. Ensure HR/relevant managers are trained/informed.</li> <li>Prepare for potentially higher union membership.</li> </ul>
<b>Impact:</b> May result in potentially higher union membership, particularly in non-unionised sectors.		

### 25 Right of access for trade unions

Brief details of the reform and likely impact	Likely timescale	Practical steps you can take
<b>Reform:</b> Qualifying trade union officials have the right to request access to workplaces (whether that be in person or via digital communication) to meet, support, represent, recruit or organise workers (regardless of whether they are members of a trade union) and/or to facilitate collective bargaining – but not to organise industrial action.  There will be a process for trade unions and employers to agree "access agreements" for this purpose and an	Consultation closes on 18 December 2025.  Due to take effect in October 2026.	<ul style="list-style-type: none"> <li>Prepare for potentially increased union activity and visibility, particularly in non-unionised sectors.</li> <li>Consider your current arrangements (i.e. what you currently provide in terms of union access and what you allow union officials to do) to understand if you need to make changes and</li> </ul>

<p>application to determine access can be made to the Central Arbitration Centre (<b>CAC</b>) by the union if the employer fails to respond or negotiations are not successful.</p> <p>If an access agreement is breached, a party may complain to the CAC and there may be financial penalties for employers.</p> <p><b>Impact:</b> Potentially increased union activity and visibility, particularly in non-unionised sectors. However, the impact is likely to depend on the capacity of the unions to request access; they may target larger employers first or those employers where there is no existing union recognition and/or where voluntary recognition has been refused in the past.</p>		<p>frameworks for access agreements.</p> <ul style="list-style-type: none"> <li>• Inform/train relevant HR and relevant managers as appropriate.</li> </ul>
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## 26 Facilities for trade union officials and union equality representatives

Brief details of the reform and likely impact	Likely timescale	Practical steps you can take
<p><b>Reform:</b> Broadly speaking, where trade union officials are entitled to take time off for duties or training, employers will be required to provide reasonable accommodation and other facilities for the same.</p> <p>Employers will also be required to allow trade union equality representatives reasonable time off for specific equality-related activities (where certain conditions are met) and to provide reasonable accommodation and other facilities for the same.</p>	<p>Acas consultation, expected in Autumn 2025, is likely delayed to 2026 and should result in a Code of Practice.</p> <p>Due to take effect in October 2026.</p>	<ul style="list-style-type: none"> <li>• Keep a watching brief for the Acas consultation and consider whether to respond.</li> <li>• Assess current time off and facility provision for union representatives. Consider whether any employees are also union equality representatives.</li> <li>• Consider whether further provisions/budgets are required.</li> <li>• Inform/train relevant HR and relevant managers as appropriate.</li> </ul>
<p><b>Impact:</b> May increase costs for employers and require further provision of accommodation/facilities.</p>		

## 27 Simplification of statutory trade union recognition process

Brief details of the reform and likely impact	Likely timescale	Practical steps you can take
<p><b>Reform:</b> Key aspects of the reform include:</p> <ul style="list-style-type: none"> <li>• The current 10% support threshold for the CAC to accept an application for recognition will be replaced with a threshold of between 2% and 10% (TBC) and the requirement for majority support for union</li> </ul>	<p>Consultation was expected to take place in Autumn 2025 but is likely to be delayed to 2026.</p>	<ul style="list-style-type: none"> <li>• Keep a watching brief for any developments and for the consultation. Consider whether to respond to the consultation, if appropriate.</li> <li>• Inform/train relevant HR and relevant managers as appropriate.</li> </ul>

<p>recognition (at application stage) will be removed.</p> <ul style="list-style-type: none"> <li>Where the CAC orders a recognition ballot, the requirement that a union is supported by both a majority of the workers voting and at least 40% of the workers in the bargaining unit will be removed. Instead, only a simple majority of those voting will be required.</li> <li>There will be a duty for employers to provide specified worker information (including numbers in a bargaining unit) to the CAC within five working days of being notified of receipt of a trade union's application for recognition (or such longer period as the CAC may specify). The number of workers provided will then remain fixed for the purposes of the recognition process.</li> <li>Where the CAC accepts a trade union's application for recognition, there will be a timetable for agreeing arrangements for the union to communicate with workers in the proposed bargaining unit.</li> </ul>	<p>Due to take effect in April 2026 after further regulations have been passed.</p>	<ul style="list-style-type: none"> <li>In due course, update any processes/policies as appropriate.</li> </ul>
<p><b>Impact:</b> Union recognition will become easier to achieve and employer administrative burden will increase.</p>		

## 28 Strengthening provisions on unfair practices

Brief details of the reform and likely impact	Likely timescale	Practical steps you can take
<p><b>Reform:</b> The existing provisions on unfair practices during trade union recognition or derecognition will be strengthened. For example, the time limit for bringing an unfair practice complaint will be increased (to five working days after the ballot closes) and the CAC's Code of Practice: Access and Unfair Practices during Recognition and De-recognition Ballots would be applicable during the entire recognition process.</p>	<p>Timeframe is unclear, but likely to be around the same time as simplification of the recognition process (April 2026).</p> <p>The CAC's Code of Practice will be updated following consultation.</p>	<ul style="list-style-type: none"> <li>If appropriate, consider refresher training for relevant HR and managers on avoiding unfair practices.</li> <li>Keep a watching brief for developments, and ensure your organisation is aware of updates to the list of unfair practices as and when they are made.</li> </ul>
<p><b>Impact:</b> Limited impact on employers who do not engage in unfair practices.</p>		

## 29 Notices of industrial action

Brief details of the reform and likely impact	Likely timescale	Practical steps you can take
<p><b>Reform:</b> Notice of industrial action will be reduced from 14 to 10 days.</p> <p>The notice will no longer need to disclose the number of employees in each category that are expected to take part in the action.</p>	Due to take effect 2 months after Royal Assent.	<ul style="list-style-type: none"> <li>Inform/train HR and relevant managers as appropriate.</li> <li>Develop more agile response protocols for strike preparation given that there will be less time to prepare for strikes.</li> <li>Review business continuity plans for industrial action scenarios.</li> </ul>
<b>Impact:</b> Employers will have less time to prepare for strikes.		

## 30 Mandates for industrial action

Brief details of the reform and likely impact	Likely timescale	Practical steps you can take
<p><b>Reform:</b> The mandate period for industrial action will be extended to 12 months (with no possibility of extension).</p>	Due to take effect 2 months after Royal Assent.	<ul style="list-style-type: none"> <li>Inform/train HR and relevant managers as appropriate.</li> <li>Review business continuity plans for industrial action scenarios and ensure that they look forward over a 12 (not 6) month period.</li> </ul>
<b>Impact:</b> Unions will have a longer period to strike.		

## 31 Supervision of picketing

Brief details of the reform and likely impact	Likely timescale	Practical steps you can take
<b>Reform:</b> The requirement for union supervision of picketing will be removed.	Due to take effect 2 months after Royal Assent.	<ul style="list-style-type: none"> <li>Inform/train HR and relevant managers as appropriate.</li> </ul>
<b>Impact:</b> Employers will no longer be able to challenge picketing for lack of supervision.		

## 32 Industrial action ballots: thresholds

Brief details of the reform and likely impact	Likely timescale	Practical steps you can take
<p><b>Reform:</b> Amendments are proposed to both the "turnout" and "support" thresholds.</p> <ul style="list-style-type: none"> <li>The turnout threshold requirement for 50% of all eligible members to have voted (in addition to there being a majority voting in favour) will be removed.</li> <li>For workers engaged in "important public services", the support</li> </ul>	<p><b>Support threshold:</b> Due to take effect 2 months after Royal Assent.</p> <p><b>Turnout threshold:</b> To be brought into force by</p>	<ul style="list-style-type: none"> <li>Keep a watching brief for developments.</li> <li>Inform/train relevant HR and relevant managers as appropriate.</li> <li>Review business continuity plans for industrial action scenarios.</li> </ul>

threshold (where at least 40% of those entitled to vote have voted in favour of the action) will be removed.	regulations on a date TBC, after the government has considered the effect of the introduction of non-postal balloting.	
<b>Impact:</b> Industrial action is likely to be lawful in more scenarios.		

### 33 Industrial action ballots: papers and notice

Brief details of the reform and likely impact	Likely timescale	Practical steps you can take
<b>Reform:</b> Ballot (or voting) papers will be simplified so that the union will just have to ask which type of industrial action members want to take part in, expressed in terms of whether it is strike action, or action short of a strike. The type of action that is voted for will then become protected (assuming the other legal requirements are met).  The requirements for written notices of intention to ballot will also be simplified.	Due to take effect 2 months after Royal Assent.	<ul style="list-style-type: none"> <li>Inform/train HR and relevant managers as appropriate.</li> </ul>
<b>Impact:</b> The administrative burden on unions trying to ballot for industrial action will be reduced.		

### 34 Industrial action ballots: provision of information

Brief details of the reform and likely impact	Likely timescale	Practical steps you can take
<b>Reform:</b> The following information requirements (which must be given to all those entitled to vote in a ballot) will be removed:  (a) number of individuals who were entitled to vote in the ballot;  (b) whether the number of votes cast was at least 50% of the number of individuals entitled to vote; and  (c) where the additional balloting rules on important public services apply, whether the number of people voting "yes" met the 40% threshold.  Additionally, unions will no longer be required to include information regarding industrial action taken within their annual return to the Certification Officer (CO).	<b>Information requirements (a) and (b):</b> to be removed by regulations – timeframe TBC.  <b>Information requirement (c):</b> to be removed 2 months after Royal Assent.  <b>CO information requirement:</b> removal timeframe TBC.	<ul style="list-style-type: none"> <li>Keep a watching brief for developments, particularly any updates to the likely timing of the reforms.</li> <li>Inform/train HR and relevant managers as appropriate.</li> </ul>

<b>Impact:</b> The administrative burden on unions trying to ballot for industrial action will be reduced.		
<b>35 Electronic balloting</b>		
<b>Brief details of the reform and likely impact</b>	<b>Likely timescale</b>	<b>Practical steps you can take</b>
<p><b>Reform:</b> The government intends to introduce modern and secure electronic balloting for statutory ballots.</p> <p><b>Impact:</b> Potentially higher ballot participation rates.</p>		
	Consultation is now open until 28 January 2026.  Due to take effect in April 2026.	<ul style="list-style-type: none"> <li>Keep a watching brief for any developments and consider responding to the consultation by the deadline of 28 January 2026.</li> <li>Prepare for potentially higher ballot participation rates.</li> </ul>
<b>36 Protection against detriment on the grounds of protected industrial action</b>		
<b>Brief details of the reform and likely impact</b>	<b>Likely timescale</b>	<b>Practical steps you can take</b>
<b>Reform:</b> Workers will be protected from detriment (i.e. a sanction short of dismissal) for taking part in industrial action.	Consultation was due in Winter 2025/early 2026 so is now likely to take place in 2026.	<ul style="list-style-type: none"> <li>Keep a watching brief for any developments and for the consultation. Consider responding to the consultation if appropriate.</li> </ul>
<b>Impact:</b> Intended mainly to address a gap in the law.	Due to take effect in October 2026.	<ul style="list-style-type: none"> <li>Review current policies on pay deduction and other sanctions short of dismissal during industrial action.</li> <li>Train HR and managers on appropriate responses to industrial action participation.</li> </ul>
<b>37 Enhanced protection against dismissal for taking industrial action</b>		
<b>Brief details of the reform and likely impact</b>	<b>Likely timescale</b>	<b>Practical steps you can take</b>
<b>Reform:</b> Protection to be provided against dismissal for the full duration of protected industrial action and after it has concluded (i.e. removal of the current protected period of 12 weeks).  An employee will be automatically unfairly dismissed where the reason (or, if more than one, the principal reason) for the dismissal is that the employee took protected industrial action.	This reform will be brought into force by regulations and the government has suggested that it will come into force soon after Royal Assent.	<ul style="list-style-type: none"> <li>Keep a watching brief for any developments, particularly in relation to when this reform will take effect.</li> <li>Inform/train HR and relevant managers as appropriate. Consider refresher training for HR/managers on unfair dismissal in the context of industrial action.</li> </ul>
<b>Impact:</b> Limited impact on employers who already take steps to avoid unfair dismissal in the context of industrial action.		

## 38 Strengthened blacklisting protection

Brief details of the reform and likely impact	Likely timescale	Practical steps you can take
<p><b>Reform:</b> The government will be able to make regulations strengthening protections against blacklisting. It is anticipated that the government will use this power to extend the prohibition on blacklists to those which are (i) used for the purposes of discrimination despite not having been prepared for that purpose originally, or (ii) complied by third parties.</p>	<p>Consultation was due in Winter 2025/early 2026 so is now likely to take place in 2026. New regulations are likely to come into effect during 2027.</p>	<ul style="list-style-type: none"> <li>Keep a watching brief for any developments and the consultation. Consider responding to the consultation if appropriate.</li> <li>Audit recruitment and HR practices to ensure compliance with current blacklisting laws.</li> <li>In due course, inform/train HR and relevant managers as appropriate.</li> </ul>
<p><b>Impact:</b> Limited impact on employers who already take steps to ensure compliance with blacklisting legislation.</p>		

## 39 The Trade Union and Labour Relations (Consolidation) Act 1992 (TULRCA 1992)

Brief details of the reform and likely impact	Likely timescale	Practical steps you can take
<p><b>Reform:</b> TULRCA 1992 will be amended to clarify that certain provisions (relating to access to employment, inducements and detriment, time off for trade union activities and the duty to notify the Secretary of State of redundancies) will not apply where an employee or worker "ordinarily" works outside Great Britain.</p>	<p>Due to take effect 2 months after Royal Assent.</p>	<ul style="list-style-type: none"> <li>In due course, inform/train HR and relevant managers as appropriate.</li> </ul>
<p><b>Impact:</b> Reduced compliance requirements for those with workers operating outside Great Britain.</p>		

## Public sector

## 40 Outsourcing

Brief details of the reform and likely impact	Likely timescale	Practical steps you can take
<p><b>Reform:</b> Contracting authorities will be required to take "all reasonable steps" to include contractual provisions ensuring that workers transferring from the public sector, and the contractor's existing workers, are treated no less favourably than public sector employees, preventing a "two-tier workforce". A</p>	<p>This reform will be brought into force by regulations and the government has suggested that it will come</p>	<ul style="list-style-type: none"> <li>Keep a watching brief for the statutory code of practice and regulations setting out the requirements.</li> <li>Audit all current outsourcing contracts and procurement procedures to identify any gaps</li> </ul>

statutory code of practice will provide guidance on compliance with these worker-protection requirements.	into force in October 2026.	and engage with current and potential contractors about the implications of the new requirements.
<b>Impact:</b> Increased compliance obligations and potential cost increases as contractors price in public sector equivalent terms.		<ul style="list-style-type: none"> <li>Prepare to update procurement templates and processes to reflect compliance with the no "less favourable treatment" once the regulations and code are issued.</li> <li>Factor in and budget for potential costs increases.</li> <li>In due course, ensure procurement and management teams understand the new requirements.</li> </ul>

## 41 The School Support Staff Negotiating Body (SSSNB) – England only

Brief details of the reform and likely impact	Likely timescale	Practical steps you can take
<b>Reform:</b> The SSSNB will be reinstated to consider and negotiate matters relating to pay, terms and conditions of employment, training and career progression for school support staff in state-funded schools in England. An agreement reached by the SSSNB may be ratified by the Secretary of State through regulations.	This reform will be brought into force by regulations, date TBC.	<ul style="list-style-type: none"> <li>Keep a watching brief for further developments. Keep a watching brief on when the SSSNB is established and consider any roles available as employer representatives.</li> <li>Audit existing school support staff contracts to understand how they may be affected.</li> </ul>
<b>Impact:</b> Employers' ability to set pay and employment terms may be constrained.		

## 42 Social Care Negotiating Bodies

Brief details of the reform and likely impact	Likely timescale	Practical steps you can take
<b>Reform:</b> The Act enables social care negotiating bodies to be established in England, Scotland and Wales to consider and negotiate on matters relating to remuneration, terms and conditions of employment for social care workers.	Consultation is now open until 16 January 2026.	<ul style="list-style-type: none"> <li>Consider responding to the consultation by 16 January 2026.</li> <li>Keep a watching brief for developments on the establishment of social care negotiating bodies and consider any roles available as employer representatives.</li> </ul>
<b>Impact:</b> Employers' ability to set pay and employment terms may be constrained.	Regulations to establish the social care negotiating body for adults in England are anticipated in October 2026.	

43 Facility time		
Brief details of the reform and likely impact	Likely timescale	Practical steps you can take
<b>Reform:</b> The requirement to publish information about facility time taken by trade union officials and "reserve powers" in the public sector will be removed.	Due to take effect 2 months after Royal Assent.	<ul style="list-style-type: none"> <li>Review and update current facility time policies and discontinue mandatory facility time reporting requirements.</li> </ul>
<b>Impact:</b> Reduced administrative burden as employers will no longer need to collect and publish information about facility time.		
44 Trade union subscriptions		
Brief details of the reform and likely impact	Likely timescale	Practical steps you can take
<b>Reform:</b> Existing requirements when operating a check-off service will be removed: (i) ensuring affected workers have the option to pay their trade union subscriptions by alternative means; and (ii) making arrangements for the union to make reasonable payments to the employer for operating the check-off service.	Due to take effect 2 months after Royal Assent.	<ul style="list-style-type: none"> <li>Review and update any internal processes or systems that will be impacted and update policies, as necessary.</li> <li>Ensure relevant staff understand that the requirements have been lifted.</li> </ul>
<b>Impact:</b> Reduced administrative burden on employers.		

TLT LLP

18 December 2025

This publication is intended for general guidance and represents our understanding of the relevant law and practice as at 18 December 2025. Specific advice should be sought for specific cases. For more information see our [terms & conditions](#).

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