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Employment Rights Act 2025

The Employment Rights Act 2025 brings far-reaching change for employers, with new obligations that will shape everyday people management for years to come. We know staying on top of legal reform alongside the day job can feel overwhelming, which is why we have created this document: to provide clear, supportive guidance that helps you understand what is changing, prioritise what matters and take control of the changes in a way that feels achievable.

For more information about the changes and what you need to do, please visit www.wardhadaway.com/employment-rights-act or scan the QR code.

Repeal of minimum service levels during a strike

Since 2023 the Secretary of State has had the right to prescribe that certain sectors, including education, health and transport, provided a minimum service level of service during a strike. This has been repealed.

Proposed implementation date
Immediately – occurred on 18 December 2025.

Governmental review of time off for public duties

The government has 12 months from 18 December 2025 to carry out a review of the time off given to employees to undertake public duties, such as being a member of a relevant education body. Similarly, the Office of Rail and Road and the Health and Safety Executive have 12 months to review the public guidance on the employment of children on heritage railways.

Proposed implementation date
18 December 2025.

Industrial action: increased dismissal protection

Employees participating in industrial action will be provided with increased protection from dismissal.

Proposed implementation date
18 February 2026.

Employees will also be protected from suffering a detriment which is done to discourage them from taking part in protected industrial action. However, consultation has not yet begun.

Proposed implementation date
30 October 2026.

Trade unions: strikes, picketing supervision, public sector check-off, facilities time and blacklists

A number of trade union laws will be amended or repealed.

Proposed implementation date
18 February 2026 – removal of requirement to appoint a specific supervisor for picket lines.

Currently the ERA 1996 provides that lists are prohibited if they are prepared for the purposes of discrimination. The Act will extend blacklisting protection to lists that are not prepared for the purposes of discrimination but that are subsequently used for that.

Proposed implementation date
Currently TBC. Government expects to launch public consultation on detriments for taking industrial action in Spring 2026.

Paternity leave and unpaid parental leave

Currently, up to two weeks of paid paternity leave is available to be taken in the first year of the child's life provided that 15 weeks before the child is due to be born, the employee has been employed for 26 weeks. Similarly, parental leave, i.e. the right to 18 weeks of unpaid leave, currently requires an employee to have one year's service. Both of these will become day-one rights.

Parental leave becomes a day-one right where it is taken because the mother or adopter has died. Similarly, paternity leave can also be taken after shared parental leave if the child's mother or adopter has died (see below).

All employees will gain day-one entitlement to both statutory paternity leave and unpaid parental leave for babies born, or due to be born, on or after 6 April 2026 or who are placed for adoption on or after 6 April 2026. The current prohibition on taking paternity leave and receiving statutory paternity leave following receipt of shared parental leave and shared parental pay will be removed.

Proposed implementation date
6 April 2026.

Collective redundancy protective award

The maximum protected award (i.e. the sum paid to employees by employers who fail to inform and consult about collective redundancies) will increase from 90 to 180 days' pay per affected employee.

Proposed implementation date
6 April 2026.

Increased whistleblowing/sexual harassment protection

The definition of a qualifying public interest disclosure (a.k.a. 'whistleblowing') will be widened to expressly cover disclosures that sexual harassment has occurred, is occurring or is likely to occur.

Proposed implementation date
6 April 2026

Statutory Sick Pay

SSP will be payable from the first day of absence and all employees will be entitled to the lower of the SSP weekly flat rate or 80% of average earnings. Currently, employees must earn a minimum of £118.75 and must be incapacitated for four days to be eligible for SSP.

Proposed implementation date
6 April 2026.

Simplification of trade union recognition & balloting

For a union to successfully apply to the CAC for formal recognition, it must show that 10% of the bargaining unit are members of the union and that the majority of the workers in that unit would support recognition. The threshold for trade union recognition will change from 10% to between 2% - 10% and the requirement for majority support will be removed.

If the CAC orders a recognition ballot, a majority of those voting must agree to recognition.

There are also other changes to the recognition process and to the threshold required for industrial action.

Proposed implementation date
31 August 2026.

Fair Work Agency ("FWA")

The FWA will be a public agency that brings together the existing enforcement functions of:

- HMRC in relation to the national minimum wage;
- the Employment Agency Standards Inspectorate (which deals with employment agencies and employment businesses) and;
- the Gangmasters and Labour Abuse Authority.

Proposed implementation date
Set up in April 2026 but no date has yet been provided for when the FWA's enforcement powers will be brought into effect.

Worker's statement of trade union rights

When a worker receives their contract (and at other times – yet to be prescribed), the employer will also be required to issue a statement regarding the worker's right to trade union membership.

Proposed implementation date
This has been pushed by the government back until January 2027.

Trade union right of access & facilities

Unions will be able to request "access agreements" to enable union officials to access an employer's workforce for various purposes but excluding organising industrial action. The employer can respond but ultimately the CAC can determine an application.

Proposed implementation date
30 October 2026.

Changes to facilities for trade union officials and learning representatives will also be introduced.

Proposed implementation date
30 October 2026.

Third-party harassment

Since October 2024, all employers have been required to take proactive 'reasonable steps' to prevent the sexual harassment of their employees from third parties. This will be extended to require employers to take 'all reasonable steps' to prevent third-party harassment due to a protected characteristic.

Any requirements specified will be reasonable for the employers to which they apply.

The steps that may be specified in regulations include, among others:

- carrying out assessments of a specified description
- publishing plans or policies of a specified description
- steps relating to the reporting of sexual harassment
- steps relating to the handling of complaints

Proposed implementation date
30 October 2026. Regulations expected in 2027 will clarify what constitutes to "reasonable steps".

Time limit for bringing a claim

For most types of claims the employee or worker has 3 months to bring a claim but this will be extended to 6 months, giving employees and workers more time to bring claims.

Proposed implementation date
1 October 2026.

Unfair dismissal

Currently an employee needs to have been continuously employed for 2 years before they can bring a claim for ordinary unfair dismissal. This will now be reduced to 6 months.

Proposed implementation date
1 January 2027.

This was initially intended to be a 'day one' right so, as a compromise, the cap on unfair dismissal compensation will be removed.

Proposed implementation date
The date that the compensation cap will be removed is 1 January 2027.

Fire and rehire

Except in cases of financial difficulty, it will be automatically unfair to dismiss an employee for refusing to accept changes to specific contractual terms, such as pay, working hours, holidays and pension. Changes to other terms will not be automatically unfair but may amount to an ordinary unfair dismissal as the legislation will also introduce additional factors to be considered when determining whether the dismissal was fair or not.

Proposed implementation date
1 January 2027.

It will also be automatically unfair to dismiss or to re-engage the employee or replace them with an agency worker or contractor on varied terms to carry out substantially the same role.

Proposed implementation date
1 January 2027.

Bereavement leave

The day-one right to two weeks' parental bereavement leave following the death of a child or a stillbirth after 24 weeks will be widened to a general right for bereavement leave, which is to include pregnancy loss before 24 weeks. If the employee has lost a child, they will be entitled to two weeks' parental bereavement pay but otherwise it will be unpaid.

Proposed implementation date
April 2027. Further regulations are required to detail how the leave is taken and what relationship the employee is required to have to the deceased person.

Collective redundancy

Currently collective redundancy applies where 20 or more people are at risk of being made redundant in a 90-day period in one establishment.

A new 'threshold test' has been added meaning that the trigger will be:

(i) 20 or more redundancies at one establishment or

(ii) a new higher threshold trigger (to be defined in regulations) is met, possibly based on a percentage or a higher number of employees across the whole business.

Proposed implementation date
Likely 2027. Consultation is expected to take place in early 2026.

Enhanced family-friendly rights

The amended legislation allows for the current protection against redundancy during and after a pregnancy to be extended to other reasons for dismissal.

The legislation also enables the Secretary of State to extend the protection to people who have taken other types of statutory leave, such as maternity/adoption leave, shared parental leave, neonatal care leave and bereaved partners' paternity leave.

Consultation has recently taken place on these measures.

Proposed implementation date
Likely 2027.

Zero hours contracts

Workers on zero hours contracts as well as agency workers who work regular hours over a defined period, will gain new rights to be offered guaranteed hours. Employers will also be required to give reasonable notice of shifts and shift changes. Compensation will be payable to the worker where changes are made at short notice.

Proposed implementation date
2027. Consultation is expected in 2026.

Flexible working

Employers will need to give clearer consideration to flexible working requests. In addition to relying on one of the permitted statutory grounds for refusal, any refusal must be reasonable and the grounds for refusal must be explained to the employee clearly and in writing.

Proposed implementation date
2027. Consultation is expected in early 2026.

Equality action plans

Employers with 250+ employees will be required to publish equality action plans regarding gender equality, how the gender pay gap is being addressed and how employees going through the menopause are supported.

Proposed implementation date
2027

Working time records

Employers will be required to keep adequate records to show that they have complied with annual leave and holiday pay entitlements.

Proposed implementation date
No date has been provided.

Please note, this document does not cover the changes to tips and gratuities, public sector outsourcing or social care negotiating bodies, or changes which apply to seafarers. It is designed to be informative, not advisory, and represents our understanding of English law and practice as at the date indicated. We would always recommend that you seek specific guidance on any particular legal issue.

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