

Employment Rights Act 2025

– a summary

This table contains a summary of the provisions of the Employment Rights Act 2025 which will implement sweeping changes to employment law in Great Britain.

This information is based on the final wording of the Act, which became law on 18 December 2025.

On 1 July 2025, the Government released its “roadmap for delivering change” which sets out the expected timeline for implementation of measures in the Bill. The Government has not indicated that these plans will change.

At Royal Assent or shortly afterwards	Provision	Points to note
	Trade union reform including enhancing rights and protections in areas such as political funds, balloting, industrial action and recognition.	Several of the provisions will directly overturn laws implemented by the previous Government including the Strikes (Minimum Service Levels) Act 2023.
April 2026	Statutory sick pay (SSP) to be paid to all workers from first day of absence at a rate of either 80% of weekly earnings or the flat rate, whichever is lower.	Currently, employees need to earn at least the lower earnings limit to get SSP and it's paid from the fourth day of sickness absence. Will apply to GB and NI.
	Parental leave to become a day one right.	Before an employee can take parental leave under the current rules, they must currently have one year's service with their employer.
	Paternity leave to become a day one right.	Paternity leave is, under current rules, available to employees who have 26 weeks' service with their employer counted at the 15th week before the expected week of childbirth, or in the week their partner is notified of being matched for adoption.
	A new Fair Work Agency will be established to bring together different government enforcement bodies. The agency will have the powers to enforce payment of statutory payments, bring employment tribunal claims on behalf of individuals, and provide legal assistance, support, or representation where individuals have raised a claim themselves.	There are currently various separate agencies that deal with enforcement, for example, HMRC, the Gangmasters and Labour Abuse Authority. Currently there are no provisions for someone to make an employment tribunal claim on behalf of someone else.
	Increase the maximum protective award a tribunal can make when a business has failed to follow their obligations on collective consultation.	The maximum award will increase from 90 days' pay to 180 days' pay.

October 2026

"Bullying" fire and rehire practices will be brought to an end.	"Fire and rehire", where an employer dismisses and re- engages an employee to push through changes to terms and conditions, will be an automatic unfair dismissal where it relates to certain "restricted variations" except where a business is in serious financial trouble affecting its continuation, and the employer could not reasonably have avoided the need to make the change.
Extended time limit for tribunal claims.	The time limit for employees to bring a claim to a tribunal will be increased from three to six months.
Employers will be required to take all reasonable steps to prevent sexual harassment in the workplace.	Under a proactive duty in place from October 2024, employers must take "reasonable steps" to prevent sexual harassment in the workplace. This obligation will be strengthened to taking "all reasonable steps".
Employers to be liable for third party harassment .	Currently, employers are not liable for third party harassment (harassment from a client, customer, member of the public etc) although under a proactive duty in place from October 2024, employers must take reasonable steps to prevent third party sexual harassment.
Trade union statement and right of access.	Employers will have to provide a statement to employees to inform them of their right to join a trade union. The right to access will be restricted to workplaces that are not also dwellings, and they must be a 'qualifying' trade union with an independent certificate.

2027

Unfair dismissal qualifying service will be reduced from two years to six months from 1 January 2027, and compensation limits for unfair dismissal claims will be removed.	Employees must currently wait for two years until they have protection from ordinary unfair dismissal. From 1 January 2027, employees who have six months service will be able to bring an unfair dismissal claim. Also, the cap on unfair dismissal awards will be lifted. This means compensation will no longer be limited to 52 weeks or £118,223.
A new right to bereavement leave of at least one week to apply from day one of employment.	Parental bereavement leave is the only legal entitlement to time off to grieve, and this only applies to parents whose child, under the age of 18, dies. Under this, the right to unpaid bereavement leave will cover a wider set of circumstances including miscarriages before the 24th week of pregnancy.
Flexible working will be made the default unless the employer can show its unreasonable.	Employers can currently decline flexible working requests if one or more of eight specific grounds apply. Under the new rules, they will also need to show why it was reasonable to refuse the request.
Collective redundancy procedures to be extended.	A new threshold to trigger collective consultation will be introduced for multi-site redundancies.
Employees will be given more protection from dismissal whilst pregnant, on maternity leave and within six months of returning to work.	This group of employees were given enhanced protection against redundancy in April 2024. The new provision will strengthen the position further and prevent dismissal in other circumstances except where specific rules apply.
Zero hours workers (including agency workers) will be entitled to reasonable notice of shifts and changes to their shifts, and compensation for shifts which are cancelled, moved or ended early.	This will be a brand-new addition; there are no similar rules currently in place. Future regulations will set out how much notice the employer needs to give. These rules will apply to all shifts set by the employer, either 'required' or 'requested'.

Those working on zero hours or 'low hours' contracts (including agency workers) will have the right to be offered a **guaranteed hours contract** to reflect regular hours they have worked over a defined period

Employers will be required provide information upon employment, and continually throughout for workers who may later be eligible for a guaranteed hours offer. They will also be required to provide supporting information when making the offer. Workers will be able to remain on the zero-hour contract if they choose. Importantly, this law will apply to 'low hour' contracts too.

Large employers will be required to create **action plans** on supporting employees through menopause and reducing their gender pay gap.

It is likely that "large employer" will be defined as those with 250+ employees. It's worth noting that an action plan is different to a policy.

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