

The Employment Rights Act

What do all business leaders need to know – and do – now?

The Employment Rights Act is set to transform UK employment law, representing the most significant overhaul since 1996. Our recent Work Couch Live Event explored the thinking behind these sweeping changes and highlighted some practical steps to put your organisation in the best shape to absorb them.

Reform on a huge scale

- Unprecedented scale and complexity
 The Act runs to over 300 pages, introducing 28 reforms and at least 25 new employment rights. Much of the detail will be set out in secondary legislation, with up to 80 statutory instruments anticipated.

 Expect a phased rollout, with full implementation stretching into 2027.
- Pragmatic, not revolutionary
 While the Act addresses longstanding issues, it is seen by many as patching the current system rather than redesigning it for the future. Notably, it does not tackle emerging challenges such as artificial intelligence in the workplace.
- Stakeholder uncertainty
 Feedback from business leaders and HR professionals highlights confusion and concern, especially around unfair dismissal reforms, harassment, and family-related rights. Most do not believe the Act will achieve the government's stated aims to "Make Work Pay" without further clarity.
- Tribunal system under pressure
 The expansion of rights especially "day one" unfair dismissal rights – will increase tribunal caseloads,

- risking delays and procedural strain on an already creaking system, unless additional resources are provided.
- Consultations and regulations will shape the detail
 Many provisions will be fleshed out through
 consultations and secondary legislation, including
 rules on probationary periods, fire and rehire,
 bereavement leave, and rights for pregnant workers.
 The devil is very much going to be in this
 unconfirmed detail.

Practical tips for successful implementation

- Review and update policies early
 - Audit and revise probationary, capability and disciplinary policies to account for "day one" unfair dismissal rights.
 - Update family-friendly policies, including paternity, parental, and bereavement leave, ensuring eligibility from day one.
 - Strengthen documentation, policies and procedures on prevention of harassment, as well as equality, and whistleblowing.

Prepare for new compliance obligations

- Ensure payroll and HR systems can accommodate changes to Statutory Sick Pay (SSP) and holiday pay records, including six-year record-keeping requirements.
- Train workforce to respond appropriately to Fair Work Agency (FWA) enforcement visits ("dawn raids").
- Enhance recruitment and onboarding
- Bolster recruitment processes (eg with additional interviews and background checks) to mitigate risks under new unfair dismissal protections.

Monitor and engage with consultations

 Stay informed about ongoing government consultations and secondary legislation. Engage proactively to shape outcomes relevant to your organisation/sector.

Support flexible working and gender equality

 Prepare to accommodate more flexible working requests and develop a Gender Equality Action Plan (for organisations with over 250 employees), including support for employees experiencing menopause.

For further guidance please contact



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Manage zero-hours and low-hours contracts

 Implement systems to track hours worked and ensure compliance with new guaranteed hours requirements for zero/low hours and agency workers.

Strengthen supply chain contracts

 Update supplier contracts to include obligations around harassment and discrimination prevention and reporting, ensuring liability is appropriately apportioned.

Cross-functional collaboration

 Involve legal, HR, compliance, and procurement teams in planning and implementation to ensure a co-ordinated approach.

Start now...

- Begin early preparation to mitigate compliance risks and operational disruption.
- Monitor implementation dates and secondary legislation closely. Click <u>here</u> to access our up to date tracker.
- Engage with RPC's Employment team for tailored advice and expert support.



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