

# Employment Rights Bill 2024

## Implications for employers

### Introduction

The Employment Rights Bill seeks to bring about seismic change to the employment law landscape, requiring employers to adapt their current practices and policies.

Our latest webinar focused on the key provisions of the Bill and how these will impact on current practices and procedures. We also looked at what further changes may be coming down the line and what steps organisations can take to prepare for them. The key takeaway points are set out below:

### Overview

- The Bill was introduced into Parliament on 10 October 2024 and marks the first phase of the government delivering the Plan to Make Work Pay.
- The Bill brings forward 28 employment law reforms although most of the changes will not come into force straight away and some require further Regulations or Codes of Practice to set out the detail.
- Consultations on these Regulations and Codes of Practice have been promised and, in fact, consultation on some areas has already started.
- It is therefore likely the majority of reforms will take effect no earlier than 2026.
- Once in force, employers may have to make changes to the way they recruit, contract with and manage their workforce.
- A policy paper entitled 'Next Steps to Make Work Pay' has also been published and sets out plans for future consultations and reforms.

### Key provisions

- Unfair dismissal:
  - Removal of the two-year qualifying period for unfair dismissal claims from Autumn 2026.
  - Initial period of employment (suggested 9 months) during which a modified process will be required to ensure a fairness where reason for dismissal is related to the employee.
- Fire and re-hire: Automatically unfair unless dire financial circumstances or variation cannot be reasonably avoided.
- Collective consultation: Removal of one establishment trigger.
- Harassment:
  - Duty on employers to take all reasonable steps to prevent sexual harassment.
  - Duty on employers to take all reasonable steps to prevent harassment of staff by third parties.
- Equality:
  - Prohibition on dismissal during pregnancy or after a protected period (suggested 6 months) of maternity, adoption or shared parental leave (other than for redundancy).
  - Employers to develop and publish equality action plans.
- Family leave: Removal of qualifying periods for parental leave and paternity leave together with a new statutory right to one week's bereavement leave.
- Flexible working: Employers to state grounds for refusing and explain in writing why it is reasonable for them to refuse a request on those grounds.
- Zero hours contracts:
  - Employer must make guaranteed hours offer to worker after the end of a set period (suggested 12 weeks).

- Worker to receive reasonable notice of cancellation of or change to a shift.
- Compensation to be paid to the worker where a shift is cancelled, moved or curtailed at short notice.
- Trade unions:
  - Employers to confirm in written statement employee's right to join a TU.
  - TU's to request 'access to workplace agreement'.
  - Changes to triggers for statutory recognition.
  - Simplification of industrial action ballot process.
- Statutory sick pay: removal of waiting period and lower earnings limit.

### **Future changes**

- Right to switch off via a statutory code of practice.
- Equality (Race and Disability) Bill:
  - Will make it mandatory for large employers to report ethnicity and disability pay gap.
  - Extends equal pay rights to protect workers suffering discrimination on the basis of race or disability.
- Regulations to ensure that outsourcing of services can no longer be used to avoid paying equal pay.
- Implementing a Regulatory Enforcement Unit for equal pay.
- Consultation on moving towards a single status of worker.
- Reviews into the parental leave and carers leave systems.
- Call for evidence to examine TUPE regulations and process.
- Consultation with Acas on enabling employees to collectively raise grievances about conduct at work.

Given the popularity of this event, we will be hosting a follow on Question and Answer session in the New Year – invite to follow.