INSIGHT GUIDE

The Employment Rights Act 2025

‘At a Glance’



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The Employment Rights Act 2025
‘At a Glance’

The Employment Rights Act 2025 (‘ERA 2025’) introduces significant changes for employers, with measures taking effect in phases (and some already in force). The ERA 2025 will lead to fundamental changes in key HR processes at every stage of the employment lifecycle, changes to employee relations and union rights and an increased focus on employment law compliance and enforcement.

This ‘At a Glance’ guide gives employers an overview of what’s changing, the timings for implementation and general steps on how to prepare.

Timings in this guide are based on the Government’s published anticipated timeline which is subject to change. This guide is updated from time to time to reflect changes in the timeline and/or when timings become concrete through provisions being brought into force. It was last updated on 22 October 2026.

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Key Timings

TIMELINE



TIMINGS[1]

18 December 2025

- Repeal of Strikes (Minimum Service Levels) Act 2023

6 January 2026

- Repeal of the Workers (Predictable Terms and Conditions) Act 2023 (never been brought into force)

18 February 2026

- Trade union changes, including:
  - Repeal of the great majority of the Trade Union Act 2016 and including but not limited to removal of the support thresholds for industrial action ballots in important public services and simplifying industrial action notices and industrial action ballot notices
  - Strengthened protections against dismissal for taking industrial action
- Employees that are newly eligible for 'Day 1' Paternity Leave and Unpaid Parental Leave can give notice (see 6 April 2026 below)

6 April 2026

- Collective redundancy protective award doubled (from 90 to 180 days' gross pay per employee)
- 'Day 1' rights to paternity leave and parental leave
- Whistleblowing protections expressly include sexual harassment
- Bereaved Partner's Paternity Leave (this is a non-ERA 2025 measure but has been included here)
- Statutory Sick Pay – removal of the lower earnings limit and waiting period and new pay rate calculation for low earners
- Action plans on gender equality and supporting employees through the menopause on a voluntary basis (mandatory from 2027)

Continued

1 This demonstrates the key changes only, some changes including some specific trade union changes and sector specific changes (such as to seafarers, ships' crews and children working on heritage railways) are not included.

Key Timings

TIMELINE



TIMINGS[1]

6 April 2026 *(continued)*

- Menopause guidance
- Simplifying trade union recognition process
- Requirement to keep adequate records to demonstrate compliance with annual leave and pay requirements

7 April 2026

- Fair Work Agency body established (some powers due to take effect immediately and others expected in phases)

25 August 2026

- Electronic and workplace balloting for Statutory Trade Union Ballots

1 October 2026

- Employment tribunal time limits increasing from 3 to 6 months, for breach of employment contract claims in Scotland this change will take place on 9 November 2026.

30 October 2026

- Trade union changes: strengthening trade unions' right of access; unfair practices in the trade union recognition process; new rights and protections for trade union representatives; and extending protections against detriments for taking industrial action
- Employer duty to prevent sexual harassment – increasing to "all reasonable steps"
- Introducing an obligation on employers not to permit harassment by third parties
- Regulation power to set out (at a later date) specific steps employers must take to prevent sexual harassment

1 January 2027

- Reduction of unfair dismissal qualifying period to 6 months, and uncapping compensatory awards, for dismissals where the effective date of termination falls on or after 1 January 2027
- Duty to inform workers of their right to join a trade union
- Strengthening of tipping law (including employers to consult on tipping policies)

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Key Timings

TIMELINE



TIMINGS[1]

March 2027

- Fire and rehire/replace protections
- Action plans on gender equality and supporting employees through the menopause (mandatory for public authorities)

April 2027

- Action plans on gender equality and supporting employees through the menopause (mandatory for private and voluntary sector employers)
- Bereavement leave (to provide protection for various types of bereavement, including pregnancy loss)
- Extending blacklisting protections
- New additional collective consultation threshold to trigger collective consultation obligations where a minimum number of employees are to be made redundant across a business (rather than just at one site)

August 2027

- Electronic and workplace balloting for recognition and derecognition ballots

September 2027

- Restrictions making the term of any agreement between a worker and employer void if they try to stop a worker from making allegations or disclosures of harassment or discrimination

October 2027

- Enhanced dismissal protections for pregnant women, new mothers and certain other forms of family leave
- Flexible working changes (increased requirement to justify any refusal and demonstrate reasonableness, and specific consultation steps to be followed)

December 2027

- Regulation of umbrella companies as employment businesses

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Key Timings

TIMELINE



TIMINGS[1]

Unknown

- Potential changes to time off for public duties (subject to a review under ERA 2025)
- Procurement – reinstatement and strengthening of 'two tier workforce code' in relation to outsourcing (public sector)
- Restrictions on the use of zero hours contracts and applying the measures to agency workers (employers and hirers required to make guaranteed hours offers, workers entitled to reasonable notice of shifts and compensation for short notice changes) - timing to be confirmed following the Government's consultation process

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Key Changes and Key Actions for Employers

How Littler Can Help

Our ERA 2025 Readiness Review provides a tailored, proportionate assessment of how the new legislation impacts your business.

We can help you to:

- Understand and assess the specific impacts of the ERA 2025 on your business
- Identify the key risk areas that require immediate attention and produce a tailored action plan
- Take the necessary steps by providing you with hands-on delivery support

How Can Employers Prepare?

Employers will want to assign responsibility in the business to track developments and update stakeholders as details evolve. You can use our online Reform Hub and sign up to our newsletter for regular updates.

With some measures already in force and others due to take effect soon, acting now will mitigate against operational and legal risk. Actions such as training managers on key processes to take account of the reforms (including effective use of probation periods), strengthening employee engagement and relations practices, understanding your current compliance position and reviewing existing practices and processes will create stronger foundations and reduce the likelihood of issues arising as the new laws take effect.

We have identified below some of the high level actions employers may wish to consider for some of the key reforms that will affect most businesses. For example, it does not include all trade union measures and those in certain sectors who may have sector specific reforms.

Please note:

- This is a general resource and is not exhaustive and will be subject to change.
- We encourage early engagement and to seek legal advice before implementing major policy or practice changes or undertaking any compliance reviews. Explore our ERA 2025 services.
- For tailored advice on preparing your business or for information on our full training programme, please contact your usual Littler United Kingdom lawyer or info@littler.co.uk

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- Apr 2026
- Oct 2026
- Jan - Jun 2027
- Jul - Dec 2027
- Unkown

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STEPS	ACTIONS
Collective Consultation Protective Awards Doubled	• Assess impact of increased penalties for current and future redundancies • Review affected policies and procedures and train managers on consultation processes • Factor increased costs into risk assessments
'Day 1' Rights To Paternity and Parental Leave and New Bereaved Partner's Paternity Leave	• Review and amend any affected family leave policies and template contracts • Ensure HR systems can process leave requests from new starters • Prepare Bereaved Partner's Paternity Leave policy
Whistleblowing To Expressly Include Sexual Harassment	• Review and amend affected whistleblowing and sexual harassment policies and procedures • Review and amend template contracts, including to check NDAs will not prevent workers from making protected disclosures about sexual harassment
Statutory Sick Pay (SSP) Changes	• Budget higher costs for SSP (e.g. if employers pay SSP only) • Inform payroll of changes • Review and amend sickness absence or attendance policies and procedures and consider wellbeing strategies • Review and amend any template contracts
Simplifying Statutory Trade Union Recognition Process	• If not currently unionised, consider likelihood of new requests for recognition (which may become easier with the changes) • Consider any potential improvements to existing employee relations and your wider employee relations strategies
Fair Work Agency - New Statutory Enforcement Body	• Assess compliance risks (e.g. for holiday and National Minimum Wage) and consider any remedial steps to mitigate against future enforcement (note some enforcement powers took effect immediately on 7 April 2026 and others are expected in phases) • Ensure records for key areas are maintained and up to date (including for the new requirement to keep adequate records for annual leave/pay) • Understand impact on complaints handling for the business
Annual Leave And Pay Records	• Ensure records for key areas are maintained and up to date • Assess risks for holiday entitlements and consider taking remedial steps to mitigate future enforcement

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STEPS	ACTIONS
Tribunal Time Limits Increased From 3 To 6 Months	• Consider employee relations and dispute strategies
Duty To Prevent Sexual Harassment Increased To "All Reasonable Steps"	• Assess compliance for current duty to prevent sexual harassment • Review and amend risk assessments to reflect the new enhanced duty • Review and amend any sexual harassment or harassment policies • Ensure all reasonable steps identified to prevent sexual harassment have been put into effect including staff training
Employer Liability For Third Party Harassment	• Undertake risk assessments to help identify all reasonable steps that can be taken to prevent third party harassment • Review and amend any harassment policies or other equal opportunities policies and template contracts • Ensure all reasonable steps identified to prevent third party harassment have been put into effect including staff training
Trade Union New Duties & Rights (Including Rights Of Access, Detriments For Industrial Action and New Rights For Trade Union Representatives)	• Consider likelihood of requests for access and possible improvements to existing employee relations and your wider employee relations strategies • Ensure new rights for union representatives and equality representatives can be accommodated (e.g. for facilities)

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Unfair Dismissal - Reduction Of Qualifyng Period and Uncapped Compensation *(1 January 2027)*	• Review hiring processes to ensure suitable • Train line managers on probation and performance management • Review and amend template contracts • Review and amend affected policies and procedures (e.g. disciplinary, capability and absence) • Review suitability of remuneration documents (e.g. bonus schemes) • Review strategies, in particular around senior exits
Trade union duties - Duty To Inform Of Right To Join a Union *(1 January 2027)*	• Review and amend recruitment processes and HR procedures to incorporate provision of new statement for new joiners and existing workers
Tightening Of Tipping Laws *(1 January 2027)*	• Review and amend processes around tipping policy to align with new consultation requirements
Fire and Rehire / Replace Protections *(March 2027)*	• Consider if appropriate to make any necessary contractual changes prior to restrictions being implemented • Consider including flexibility provisions in template contracts • Review and amend any dismissal policies and procedures • Ensure any dismissals and any plans to amend terms and conditions are risk assessed
Redundancy Collective Consultation - New Threshold *(April 2027)*	• Plan to establish central administration/record keeping systems to keep track of any proposed redundancies across different sites and to manage such proposals • Track redundancies across the business in accordance with new threshold requirements once known • Train managers on new requirements, including tracking and record keeping systems
New Bereavement Leave *(April 2027)*	• Review and amend any affected family leave policies or affected template contracts
Pay Gap Reporting Equality Action Plans *(April 2027)*	• Preparatory work will be required in advance of implementation to ensure equality action plans are ready for publication

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STEPS	ACTIONS
Non-Disclosure Agreements *(September 2027)*	• Review and amend affected equalities policies and procedures • Review and amend template contracts, including any NDAs and settlement agreements • Review and consider strategies around termination and settlement
Enhanced Dismissal Protections for Pregnant Women, New Mothers and Other Family Leave *(October 2027)*	• Track family leave taken • Review and amend any affected family leave policies and any affected dismissal procedures • Risk assess future dismissals in line with new protections
Flexible Working Changes *(October 2027)*	• Consider where flexible working requests may come from to prepare for requests • Review and amend any affected flexible working policies and documents • Train managers on new requirements, including employee consultation

We note that all examples provided are illustrative only and not exhaustive - organisations should consider what is appropriate for their business

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STEPS	ACTIONS
Zero Hours Contracts (Guaranteed Hours Offers and Shifts) and Umbrella Company Reforms	• Consider resourcing and staffing models and assess budgetary and operational impacts of changes • Risk assess labour supply chains • Establish central administration systems for working hours, guaranteed hours offers, reasonable notice for shifts and any cancellations/changes • Review and update template contracts • Set up payroll mechanism for compensation rights

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