
A comprehensive round-up of 2024 *and what to look forward to in 2025*

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2024 Timetable

Changes to:

- 01** Family friendly
- 02** Holiday pay
- 03** General Election
- 04** New Duty Prevent Sexual Harassment
- 06** Case Round-up
- 07** Immigration updates



2025 Timetable

Changes to:

- 01** Day One Rights
- 02** Changes to NMW / NLW
- 03** Trade Union Reform
- 04** Zero / Guaranteed Hours



2026 Timetable

Changes to:

- 01** Fire and Rehire
- 02** Collective Redundancies
- 03** Worker Status and Agency Workers
- 04** Unfair Dismissal
- 06** Employment Tribunals



2024:
*What's already
changed?*



Timetable

2024	Changes to: <ol style="list-style-type: none">1. Family Friendly2. Holiday Pay / WTR / TUPE3. General Election4. New Duty Prevent Sexual Harassment5. Case Round-up6. Immigration Updates7. Family Friendly8. Holiday Pay / WTR / TUPE9. General Election10. New Duty Prevent Sexual Harassment11. Case Round-up12. Immigration Updates
2025	
2026	

What's already changed in 2023/24?

Changes to family-friendly legislation, including:

Flexible working: Day 1 right to make flexible working requests and the ability to make 2 requests in a 12-month period.

Protection from Redundancy: Extension of the right to be offered a suitable alternative vacancy in a redundancy scenario to those who are pregnant or have returned from maternity, adoption and shared parental leave.

Carer's Leave: Statutory scheme which provides a day-one entitlement to up to one week's unpaid Carer's Leave in any 12-month period to care for dependants with a long-term care need.

Paternity leave: Fathers can take their two-week paternity leave entitlement as two separate one-week blocks, which can be taken at any time in the 52 weeks after birth/adoption, with only 28 days' notice.

What's already changed in 2023/24?

Changes to the rules on:

Holiday pay: Rolled-up holiday is permitted for irregular hours and part-year workers, and holiday entitlement is based on **12.07%** of the hours worked for irregular and part-time workers, and holiday pay at **12.07%** of pay received.

The Working Time Regulations: Removal of record-keeping requirements. Workers can carry over annual leave if they cannot take it due to family/sick leave. Employers to remind staff to take their holiday and that if they do not take it, it shall be **lost** at the end of the holiday year.

TUPE: Exemption from consulting with elected employee representatives on a TUPE transfer will be extended to businesses with fewer than 50 employees, or where there is a transfer of fewer than 10 employees.

Employment status: new “status” of irregular hours and part-year workers to accompany the existing employee, worker or contractor (self-employed).

What's already changed in 2023/24?

Restriction on non-compete clauses: proposal for a statutory cap of three months on restrictive covenants in employment and worker contracts.

Government consultation on the code of practice for fire and rehire (dismissal and re-engagement): Should only be used as a last resort. Employers to contact Acas at an early stage, before raising it with the workforce. A requirement to consult 'for as long as reasonably possible'. Explore alternatives and have meaningful discussions with employees and trade unions focused on reaching agreement.

Trade union-based changes and further protections for employees participating in industrial action: Protected if an employer subjects the striking employee to a detriment that does not amount to a dismissal.

Immigration law changes: increase in minimum salary requirements for Skilled Workers to £38,700. Fines have tripled to £60,000 for illegal working.



General Election 2024

How will Labour change UK Employment Law in 2024 and beyond?

- The General Election resulted in a Labour Government on **5 July**.
- Labour have promised to legislate to implement its “New Deal for Working People” (*which was re-launched on 24 May titled “Labour’s Plan to Make Work Pay”*), **within 100 days** of taking power.
- This will represent the biggest change to Employment Law in over 25 years giving both employees and workers significant new protections.
- Employers and HR teams will need to adapt their current practices, policies and processes to comply with new laws and reflect these changes.

2024:

***New Duty* to Prevent
Sexual Harassment**

2024: New Duty to Prevent Sexual Harassment

Previous position:

Employers must take 'reasonable steps' to prevent sexual harassment

Current Position:

Took effect on 26 October 2024

Positive obligation on employers to prevent sexual harassment

- Employers have a positive obligation to prevent the sexual harassment of their employees.

End of NDAs in Sexual Harassment Cases

- Sexual harassment disclosures have become new qualifying disclosures and cannot be muzzled by confidentiality agreements
- Disclosures about sexual harassment are specifically excluded from any non-disclosure agreements

Employers responsible for preventing sexual harassment by third parties

Employment Law round-up

2024
Case Round-up



2024 Case round-up: Harassment

Finn v British Bung Manufacturing Company Limited [2024]

Mr Finn (an employee) was called a “bald c**t” and threatened with physical violence by his manager, who admitted that he had intended to threaten and insult him in doing so.

They found that comments about baldness amounts to harassment relating to sex under s26(1) of the Equality Act 2010. The EAT upheld the tribunal’s decision concluding that baldness is more prevalent in men and as such inherently related to his sex.

This case confirmed that offensive remarks relating to traits predominantly associated with one sex can be classified as harassment under the Equality Act 2010.

2024 Case round-up: Harassment

Miss Crette Berry v Anglian Water Services Ltd [2024]

Anglian Water harassed worker post-surgery.

Miss Crette Berry (“The Claimant”) began working for Anglian Water Services Ltd (“The Respondent”) in May 2022 as a contact centre agent. Upon being offered the job a month earlier, she informed the respondent she would require a hysterectomy in the future.

The tribunal explained that although “the overwhelming majority” of correspondence from Anglian Water had been “polite and appropriate”, their conduct post-surgery wasn’t. Knowing the claimant’s recovery time, they stated she shouldn’t have been contacted until after 13 January.

With this in mind, the tribunal found three occasions where the respondent’s actions amounted to “unwanted conduct”. As such, they ruled Miss Berry had faced harassment in the workplace

2024 Case round-up: Gender Beliefs

Orwin v East Riding of Yorkshire Council [2024]

Gender critical beliefs are protected from discrimination under section 10 of the Equality Act 2010 (EqA).

An Employment Tribunal has dismissed an employee's claims of direct discrimination, unfair dismissal and wrongful dismissal against his former employer in relation to his gender critical views.

This case provides an example of an unacceptable manifestation. A public facing council employee objected to a new policy to add pronouns to email signature on the basis that it promoted a political ideology of self-identification. In protest he added the words '**XYchromosomeGuy/AdultHumanMale**' to his email signature.

Having refused numerous management instructions to remove the words, a tribunal found his dismissal was not on the grounds of his beliefs, but instead an inappropriate manifestation of his beliefs.

2024 Case Round-up: Equal Pay Cases

NEXT: Over 3,500 Next store workers have won their landmark 6-year equal pay claim.

ASDA: Over 89,000 ASDA store colleagues are claiming.

The Supreme Court Ruled their roles can be compared to distribution centre roles. The Tribunal process is now continuing.

Birmingham City Council: After declaring itself bankrupt, citing the £760million bill for equal pay claims, a settlement was reached in December.

Sainsbury's and Morrisons: Claims ongoing.

Next shop workers win six-year battle for equal pay in landmark case

Chain may have to foot £30m bill after tribunal hears firm paid 3,500 sales staff lower hourly wage than warehouse workers



2024:
Update on current
Immigration Rules



Immigration Rules

Previous Position:

- Reliance on outsourcing skilled workers from other countries.
- Businesses flouting sponsorship license-holder responsibilities.

Labour's Plans:

Plans to cut net migration

- Labour have serious plans to cut net migration.

Focus on upskilling the UK workforce

- Upskilling, rather than outsourcing

Increased monitoring by UK Visas and Immigration

- Businesses to be spot-checked to ensure compliance with rules.
- Hefty fines, suspensions or removal of sponsorship licenses if rules are not followed.

Increased salary thresholds

- Sponsorship salaries will need to be increased to meet the new threshold.

2025: **What are we expecting?**

Timetable

2024

All in

2025

Changes to:

1. Family Friendly
2. Holiday Pay / WTR / TUPE
3. General Election
4. New Duty Prevent Sexual Harassment

2026

2025: Day One Rights



Implementation of Day One Rights

Consultation for day one rights closed in December 2024.

So... what are we expecting?

- Entitlement to Statutory Sick Pay for all workers
- Parental Leave from day one of employment
- New right to protected Bereavement Leave
- Flexible Working as the default
- Neonatal Care Leave and Pay

Day One Rights: Statutory Sick Pay

Current position:

- An employee must have been sick for 4 days in a row to qualify for statutory sick pay (SSP)
- £116.75 per week for up to 28 weeks for employees earning at least £123 per week.

Labour's Plans:

Removal of the Waiting Period

- SSP will be payable from the first day of sickness.

Removal of the Lower Earnings Limit

- ALL Workers, including those below the current £123 earning limit will be entitled to sick pay from their first day of sickness.
- Those paid below £123 will likely receive a lower rate of SSP — The government is currently consulting on this.

Day One Rights: Parental Leave

Current position:

- Employee's must work for a year before they are eligible for Unpaid Parental Leave.
- If they leave their job to work for another employer, their entitlement is lost.

Labour's Plans:

Removal of Continuity of Service

- Employees will be entitled to Unpaid Parental Leave from their first day, subject to required notice.
- Brings parental leave into line with other parental leave entitlements, such as Maternity Leave and Adoption Leave

Day One Rights: Bereavement Leave

Current position:

- There is currently no statutory right for employees to take bereavement leave.
- Most employers respond compassionately; however, the current rules mean some people are not allowed the time to grieve.

Labour's Plans:

Establish an entitlement to Bereavement Leave

- Day one right to protected time off for employees to grieve the loss of a loved one.

Regulations will set out:

- The relationship to the deceased.
- How much leave can be taken — minimum one week, two weeks for a child.
- The period of time the leave must be taken — it must extend to at least 56 days after the person's death.

Day One Rights: Flexible Working

Current position:

- The right to request flexible working is already in force – staff can request flexible working arrangements.
- No duty on an employer to agree to these.

Labour's Plans:

Flexible Working Default

- Flexible working will be made the default for all workers, except where it is not reasonably feasible.
- Employers to provide written reasons if a request is denied.

The bill will provide a specified list of grounds for refusal, including:

- Burden of additional costs for the business
- Negative impact on meeting customer demands

Day One Rights: Neonatal Care Leave and Pay

Current position:

No right to Neonatal Care Leave

Labour's Plans:

- Neonatal Care Leave for parents of babies who are admitted into neonatal care up to 28 days' old and who have a continuous stay in hospital of 7 full days or longer.
- Eligible Parents will receive up to 12 weeks' leave (and potentially pay depending on eligibility) on top of other leave entitlements including maternity and paternity pay.

2025:
**Changes to National
Minimum & Living Wages**

National Minimum & Living Wages

Current Position:

- Those within the 18-20 age bracket must receive national minimum wage, at the very least (£8.60).
- Those 21 and above must receive national living wage, at the least (£11.44).

Labour's Plans:

National Minimum & Living Wages to be increased in April

- The cost of living will be taken into account when recommending the national living wage rates.
- National Minimum Wage for 18 – 20s to be increased to £10.00.
- National Living Wage for over 21s to be increased to £12.21.

Lower age limit to be removed

- The 18-20 age band will be removed, so all adult workers will be entitled to the National Living Wage pay.
- This will be a gradual change.

2025:

Trade Union Reform



Implementation of Trade Union Reforms

Consultation for trade union reforms closed in December 2024.

So... what are we expecting?

- Statement of Rights
- Rights to Access workplace
- Trade Union Recognition made easier
- Rights to time off for Trade Union activities
- Industrial Action Ballots made easier

Trade Union Reform: Statement of Rights

Current position:

- No obligation for employer to inform employees about rights to join a Trade Union.

Labour's plans:

Right to Statement of Trade Union Rights

- A right for workers to receive a written statement from their employers that they have a right to join a trade union.
- A duty on employers to inform workers of their right to join a union on a regular basis will be introduced, ensuring that officials have sufficient facilities and better protections.

Trade Union Reform: Right to access workplaces

Current position:

- No obligation for employer to allow trade union access to the workplace.

Labour's plans:

Right for Trade Unions to Access Workplaces

- A right for 'Listed Trade Unions' to request access to the workplace for "access purposes"
 - To meet, represent, recruit, organise or organise workers, and to facilitate collective bargaining.
 - Not for organising industrial action.
- Employers must take reasonable steps to facilitate access
- Employers may only refuse access entirely "*where it is reasonable in the circumstances to do so*"
- Disputes to be handled by the Central Arbitration Committee (CAC)

Trade Union Reform: Trade Union Recognition

Current position:

- At least 40% of workers in any bargaining unit must support a ballot for a union to be recognised.
- At application stage, at least 51% of workers in the bargaining unit must be likely to support recognition.

Labour's plans:

Removal of 40% requirement

- For a union to be recognised, it will suffice that the union is supported by a majority of the workers voting.

Removal of 51% requirement

- It will suffice for members of the union to meet the “required percentage” (currently 10%).

Secretary of State Powers

- The Secretary of State will have the power to reduce the “required percentage” from 10% to as low as 2%.

Trade Union Reform: Rights to Time Off

Current position:

- No obligation for employer to allow employees time off for Trade Union activities.
- Burden of Proof currently on the employee to demonstrate requests were unreasonably refused.

Labour's plans:

Introduction of a Right to Time Off for Trade Union Duties

- Employers will need to permit employees to take time off for:
 - Carrying out trade union duties
 - Union learning
 - Being an equality representative of a trade union
- Employers will need to provide employees with accommodations and other facilities for carrying out the duties “as is reasonable in all the circumstances”
- Equality Reps (of a trade union recognised by the employer) will have a right to take time off *during working hours* for certain purposes.

Employment Tribunals and Burden of Proof Reversal

- Employees able to enforce rights in Employment Tribunals
- Burden of proof placed on the employer to show that the time off requested was unreasonable.

Trade Union Reform: Industrial Action Ballots

Current position:

At least 50% of trade union members entitled to vote must do so for the ballot to be valid

Labour's plans:

50% requirement removed

- Requirement for at least 50% of members to vote for ballot to be valid will be **removed**.

Provision of information to members

- Remove the requirement for:
 - Summary of the matter(s) in issue in the TU dispute.
 - Specification of the type(s) of industrial action.
 - Specification of period(s) that the industrial action will take place.

Provision of information to employers

- Reduction of period of notice of industrial action from 14 days to 7 days.
- Ballots able to be made via modern technology rather than just post.

2025:

Zero hours and Guaranteed hours contracts



Implementation of Zero/ Guaranteed Hours Reforms

Consultation for zero / guaranteed hours reforms closed in December 2024.

So... what are we expecting?

- Implementation of guaranteed hours contracts
- New rights to reasonable notice of shifts
- Right to payment for shifts cancelled,
- curtailed or moved at short notice

Zero hours and Guaranteed hours contracts

Current Position:

Zero and low hours contracts offer flexibility but are often one-sided with workers bearing the financial risk.

Labour's Plans:

Implementation of guaranteed hours contracts

- Employers must offer qualifying workers guaranteed hours, reflecting the hours they worked during the reference period.
- The reference period is anticipated to be 12 weeks.
- Qualifying workers will be able to reject an offer of guaranteed hours and remain on their current contract.
- No prevention on seasonal work.

Rights to reasonable notice of shifts

- Employers required to give reasonable notice of shifts, and any changes.

Right to payment for shifts cancelled, curtailed or moved at short notice

- Details will be set out in regulations

Summer 2025

Consultations will begin for:

- Fire and Rehire
- Unfair Dismissal
- Worker Status



2026:
**What are we
expecting?**



Timetable

2024

2025

2026

Changes to:

1. Fire and Rehire
2. Collective Redundancies
3. Worker Status and Agency Workers
4. Unfair Dismissal
5. Employment Tribunals

2026: Fire and Rehire



Implementation of Fire and Rehire Reforms

Consultation for fire and rehire reforms will take place in Summer 2025.

So... what are we expecting?

- Employers will only be able to use fire and rehire, where there is 'genuinely no alternative'
- Contract change exercises will involve much more red tape

2026: Fire and Rehire

Current Position:

Prohibition on use of dismissal and re-engagement (“Fire and Rehire”) for making changes to contracts of employment.

Labour’s Plans:

Restrictions on the use of Fire and Rehire

- Fire and rehire will only be possible when the business might not survive without it and there’s ‘genuinely no alternative’ (it will still allow business to restructure).
- Makes it more difficult for business to reduce the same worker’s terms and conditions.
- Will provide effective remedies against abuse and strengthen the code of practice already in place.
- Workers can be safe in the knowledge that terms and conditions negotiated in good faith cannot be ripped up under threat of dismissal – this would be an automatically unfair dismissal.

2026:

Collective Redundancies

2026: Collective Redundancies

Current Position:

- Businesses must collectively consult when they propose to make 20 or more employees redundant at any one establishment within a 90-day period.
- No consultation is needed when less than 20 people at each site are being dismissed.

Labour's Plans:

The duty to collectively consult will be extended.

- Collective consultation will be required whenever an employer proposes to make 20 or more redundancies, regardless of whether they are at one site or not.
- Likely to lead to significant practical difficulties for larger employers.

Penalty increase for failing to collectively consult

- Two options under consideration within consultation:
 - Double the award from 90 to 180 days' pay per affected employee; or
 - Remove the cap on the award entirely.

Consultation period extension

- The consultation period may double from 45 to 90 days when proposing to dismiss 100 or more employees.

2026:

Worker Status and Agency Workers



Implementation of Worker Status and Agency Reforms

Consultation for worker status reforms will take place in Summer 2025.

So... what are we expecting?

- Creation of a single status of worker, rather than worker and employee
- Commercial relationship with agencies
- Considerations of policies and procedures for zero hours agency workers

2026: Worker Status and Agency Workers

Current Position:

Currently 3 categories of employment status:

- Worker
- Employee
- Self-Employed

Labour's Plans:

Creation of a “single status” of worker.

- There will become 2 categories of employment status:
 - A. Workers
 - B. Genuinely Self-Employed
- The distinction between Self-Employment and Worker has often been litigated in Employment Tribunals.
- Creation of “single status” of workers and a simpler two-part framework for employment status. NB — TAX.
- Labour will evaluate the way flexibility of ‘worker’ status is used across the workforce and its interaction with GENUINE self-employment.

Impact on Commercial Relationships

Current position:

Recruitment agencies are paid by companies trying to fill job positions, whether this is long or short-term.

Labour's Plans:

Impacts on Commercial Relationship with Employment Agencies

- Employers will need to consider their policies and terms they currently have in place with agencies.

Considerations for new policies:

- Consider how the new guaranteed hours contracts will interact with agency workers.
- Who will be responsible for paying any cancellation, curtailing, or short-notice payments?

2026: Unfair Dismissal



2026: Unfair Dismissal Changes

Consultation for unfair dismissal reforms will take place in Summer 2025.

So... what are we expecting?

- Removal of two-year qualifying period to bring claims of unfair dismissal
- Statutory Probationary Period to be implemented

2026: Unfair Dismissal Changes

Current Position:

- Employees must have two years' continuous employment to bring an unfair dismissal claim, known as the 'qualifying period'
- Currently, unfair dismissal is 'capped' at one years' salary or a bit below £100,000.

Labour's Plans:

Removal of the qualifying period

- Employees will have the right to bring an unfair dismissal claim from day one of employment.
- Reforms will not come into effect before Autumn 2026 – until then the current qualifying period will remain.

Compensation

- Labour's Plan makes no mention of removing the unfair dismissal cap.
- Company Directors to be personally liable for unpaid Tribunal awards.

Probation Periods

Current Position:

Probation periods are contractual and not statutory.

Labour's Plans:

Implementation of a Statutory Probationary Period

- Proposals of a nine-month probationary period to ensure the jobs is a good fit for both employer and employee.
- A lighter touch and less onerous process for businesses to fairly dismiss employees who aren't right for the job.
- Contractual probationary periods can still run parallel to new statutory probationary period.

2026:

Changes to Employment Tribunals

Further changes to Employment Tribunals

Current position:

- Time limit of 3 months to bring a tribunal claim
- Grievances dealt with in multiple claims

Labour's Plans:

Extended time limited to be implemented for bringing Tribunal claims

- Extension to 6 months from 3 months.
- Increased digitisation of processes

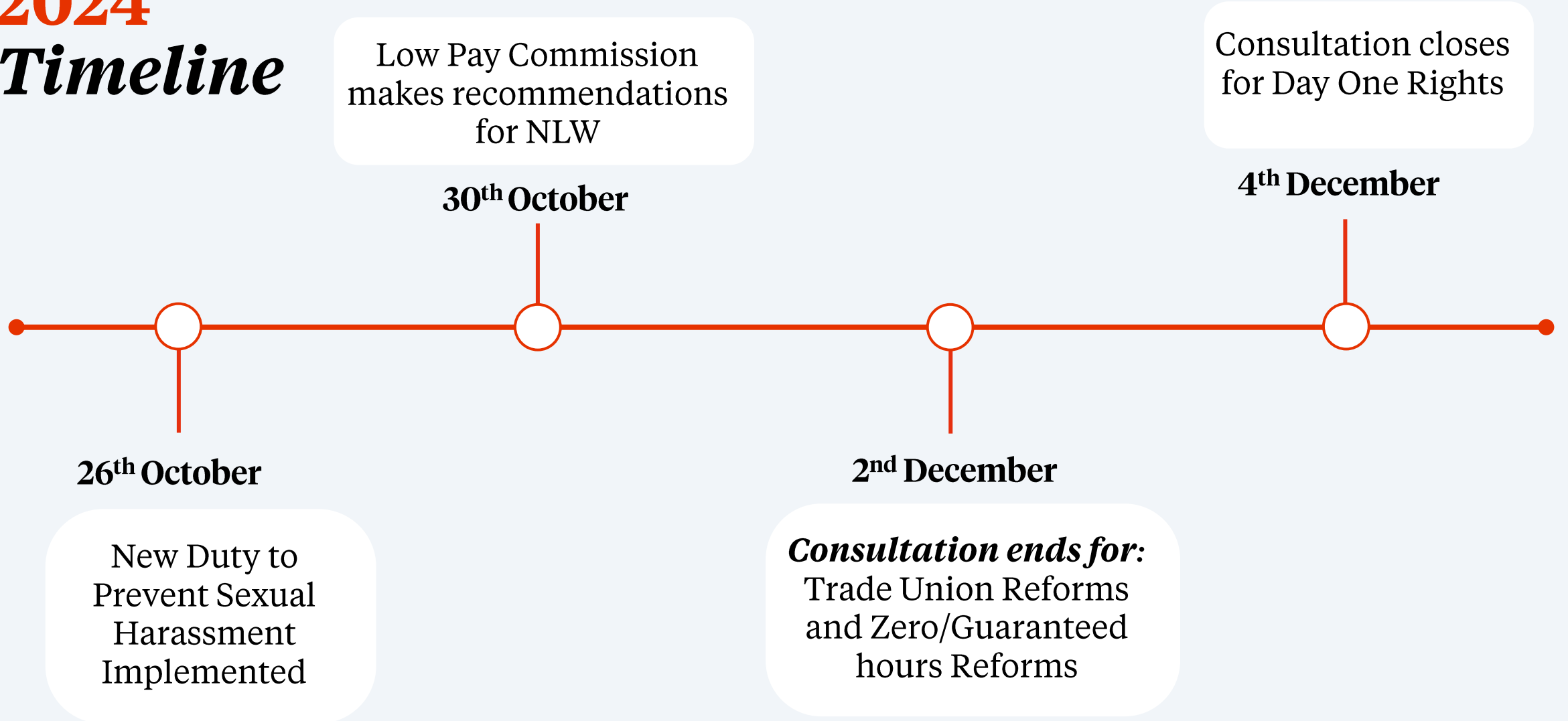
Collective grievances to be allowed

- Systemic issues will then be addressed together, instead of in multiple claims.

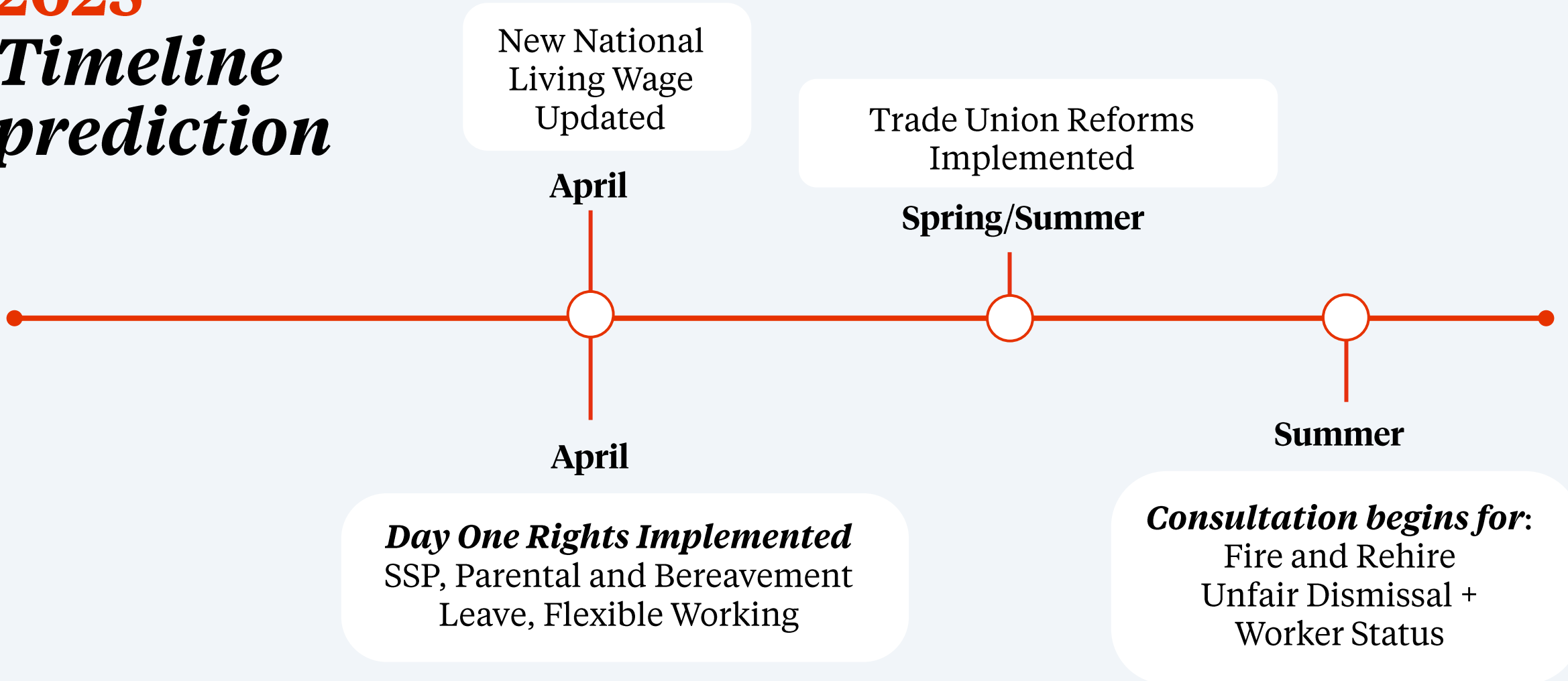
A reminder of when
we're expecting
these changes



2024 *Timeline*



2025 *Timeline prediction*



2026 *Timeline prediction*

Fire and Rehire + Collective
Redundancy Consultation
Trigger Change Implemented

Summer

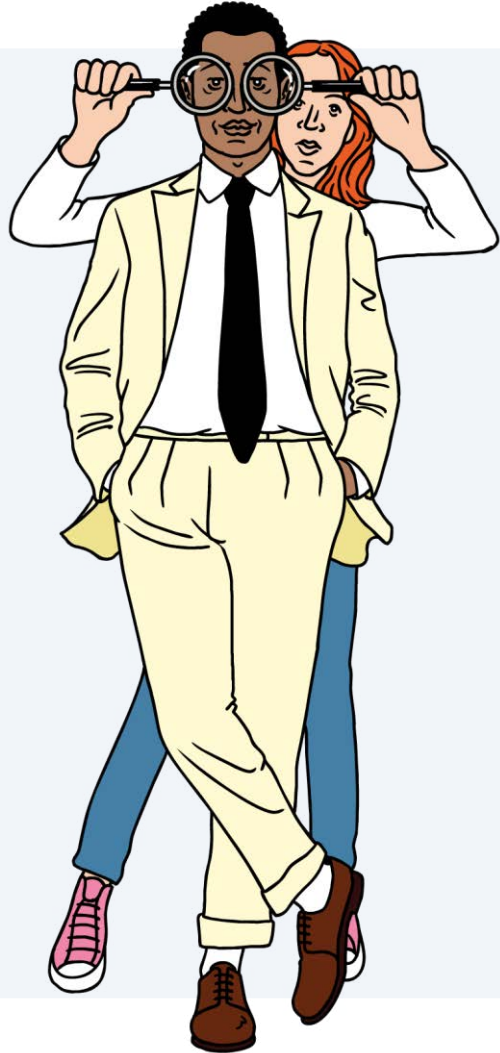
Autumn

Unfair Dismissal and
Worker Status and
Employment Tribunal
Reforms Implemented

What does this mean for you?



Labour's Plan for Employment Law: What it means



- Individuals will obtain **more employment rights**.
- Individuals will have **increased security** at work.
- Individuals will be **more likely to seek redress and compensation** from their employers.
- **Costs** for businesses will increase.
- Employment options will, for business, become more **inflexible**.
- **Enforcement will be enhanced** so that the current law would be made more effective and the new proposals have real teeth.

What should Employers/HR teams do?

- Be aware of the risks.
- Amend your internal policies and procedures.
- Update your employee handbooks.
- Read and comply with the Acas Code of Practice.
- Have an inclusive workplace.
- Attend management training.
- Employees to attend regular training and keep a record.

Talk to us

*Capital's Employment & Immigration team has **over 25 experienced employment lawyers and HR professionals** who can **advise and support you** as you prepare for these significant changes.*

Capital's HR Consultancy Services

Alongside our full range of legal employment support, we also offer HR Consultancy services.

Our HR Consultants can assist with all aspects of the employee lifecycle, providing practical HR Solutions to support the day-to-day operations to ensure your business is compliant.

Acting as an extension of your team, we provide flexible, bespoke support to meet your specific needs and will support you as you prepare for the upcoming changes.

Contact our HR Consultancy Team:



Amy Beecham
HR Consultant

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**Capital
Law**

Capital Employment Academy

Our new 13-part online employment law training series, covering:

- 01** Contracts of Employment, Service Agreements and Status
- 02** Discrimination and Harassment
- 03** Fire and Rehire
- 04** Agency Workers and Flexible Working
- 05** Disciplinary and Grievance Procedures
- 06** Family Friendly Rights
- 07** Dismissals, Protected Conversations and Settlement Agreements
Investigations
- 08** Redundancy
- 09** TUPE
- 10** Capability Procedures
- 11** Whistleblowing
- 12** ACAS Early Conciliation & the Employment Tribunal Process

Labour's reform proposals coming into force piecemeal throughout 2025 and 2026 means it is vital that you stay up to date with the fundamentals of employment law and how your existing practices may need to change in line with the reform proposals.

Our Capital Employment Academy sessions will equip delegates with an in-depth knowledge of the law as it applies to their organisation and provide HR professionals and organisation leads with the tools they need to navigate the evolving legal environment.



**Capital
Law**

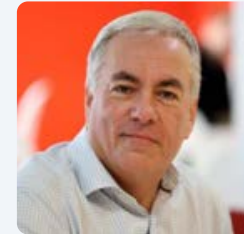
**Reed
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Free face-to-face event

Mental Health Issues & Employers' duties under the Equality Act 2010



Speakers:



Richard Thomas
Partner



Evie Williams
Solicitor

Tuesday 4th February
9:30am – 11:30am

Capital Law, Capital
Building, Tyndall Street,
Cardiff, CF10 4AZ

Capital Law



Breakfast Briefing:
**Managing difficult workplace
investigations — the importance
of getting this right**

**Tuesday 18th February
9:00am – 10:00am**



Capital Law



Breakfast Briefing:
Effectively managing a
multi-generational workforce

Tuesday 18th March
9:00am – 10:00am



If you missed them...

Scan the QR codes
to stream these
past webinars on
demand!



Breakfast Briefing:
Changes to the Equality Act 2010
(around the duty to prevent
sexual harassment)



Breakfast Briefing:
Employment Law Update
2023/2024



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