

5 THINGS EMPLOYERS NEED TO KNOW ABOUT THE EMPLOYMENT RIGHTS BILL



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5 Things Employers Need to Know About the Employment Rights Bill

The **Employment Rights Bill** is set to reshape UK workplaces. Announced within Labour's first 100 days in office, it has been described as the most extensive overhaul of employment law in a generation. Millions of workers will gain new rights, and almost every employer will be affected.

Although the government's **July roadmap** confirmed a **phased rollout**, the scale of reform means businesses should act now to prepare. Here are the five key things you need to know:

1. Major Reforms Are Coming

The Bill introduces wide-ranging protections for workers. Some of the most significant include:

- **Stronger unfair dismissal rights** – employees will gain protection from day one, not after two years.
- **Limits on zero-hour contracts** – restrictions will reduce insecurity for casual workers.
- **Ban on “fire and rehire” practices** – employers will no longer be able to dismiss and re-engage staff on worse terms.
- **Extended flexible working rights** – requests will be easier to make and harder to refuse.

Together, these changes mean employers will need to rethink how they structure contracts, manage staff, and implement workplace policies.

2. The Bill Is Moving Through Parliament

The Bill has been progressing through the **House of Commons** and **House of Lords**:

- It has already completed its readings and committee stages.
- In July, the Lords completed their **Third Reading** and suggested amendments.
- This month, the Commons will review those amendments in the “**ping pong**” **stage**, where the Bill may move back and forth between Houses until both agree on the exact wording.

Once agreement is reached, the Bill will be sent to the reigning monarch for **Royal Assent**, at which point it will formally become law.

3. Politics May Affect the Outcome

The Bill has strong backing, but recent political changes could influence its final stages.

- **Angela Rayner’s resignation** matters: she was a driving force behind the Bill.
- A **cabinet reshuffle** also saw **Justin Madders** removed as Employment Rights Minister.

These shifts have created uncertainty. Trade union leaders are already warning there must be **no dilution** of the reforms. Employers should therefore watch developments closely in the coming weeks.

4. Rollout Will Be Gradual

Although the Bill is far-reaching, it won’t take effect all at once. The government’s roadmap sets out a **phased introduction** over the next couple of years.

This gives employers some breathing space, but it also means **staying on top of timelines** will be essential to avoid falling behind on compliance.

5. Employers Should Prepare Now

Even with political reshuffling, the Bill is not going away. Employers can get ahead by taking three practical steps:

1. **Audit contracts and policies**

Review existing contracts, staff handbooks, and workplace policies to ensure they're fit for purpose once the Bill becomes law.

2. **Train managers**

Make sure managers understand new obligations around dismissals, harassment prevention, family-friendly rights, and flexible working.

3. **Engage early**

Begin conversations with employees and trade unions about potential changes to reduce resistance and smooth the transition.

The Bottom Line

The Employment Rights Bill represents a **seismic shift in UK employment law**. While its exact form is still being debated in Parliament, its direction of travel is clear.

Employers who **start planning now—by reviewing policies, upskilling managers, and engaging with staff—will be best placed to navigate the changes smoothly.**

 **Don't wait for Royal Assent—take action early.**

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