

What's coming up? Quarterly horizon scan

Topic	Summary	Timescale	What can you do to prepare?
Legislation on the statute books			
Data protection	<p>The Data (Use and Access) Act 2025 (DUAA) makes several changes to UK data protection law that are relevant to employers, including:</p> <ul style="list-style-type: none"> making it clear that organisations are only required to conduct reasonable and proportionate searches when responding to data subject access requests and allowing employers to extend the time limit for response by two months for complex or multiple requests; removing many of the previous restrictions on making important decisions solely through automated processes, if suitable safeguards are in place; creating a formal statutory right for individuals to raise complaints directly with organisations, including employers, if they believe the organisation has breached their data protection rights; and introducing a new lawful basis for processing data, "recognised legitimate interests". <p>The ICO is consulting on draft guidance covering the right to make a complaint and the "recognised legitimate interests".</p>	<p>The "reasonable and proportionate" searches provision is already in force. The government will introduce secondary legislation to bring the other provision into force.</p>	<p>Review and update your internal DSAR protocols to reflect these clarified requirements and ensure you handle any requests for additional information or fees promptly and transparently.</p> <p>If you use algorithmic tools for recruitment, performance management or scheduling, review systems to ensure they include mechanisms for human oversight and make sure that you communicate clearly with affected individuals.</p> <p>Implement an internal complaints procedure or update your existing procedure, to comply with the new requirements.</p> <p>You will find more information in our recent insight (here) and on the ICO draft guidance in our recent blog (here).</p>
Non-disclosure agreements	<p>The government is bringing into force provisions of the Victims and Prisoners Act 2024, which render a non-disclosure agreement void in England and Wales if it purports to prevent a victim of crime from making a disclosure relating to such crime. The Ministry of Justice has issued guidance to inform</p>	1 October 2025	<p>Review the confidentiality wording in your contracts and policies to ensure that it does not go further than the new legislation allows. The law will not affect any agreements already in place, but those made on or after 1 October 2025, which seek to</p>

	businesses and individuals who use non-disclosure agreements on how to ensure compliance with the new law.		prevent employees from making any of the new permitted disclosures, will be unenforceable to the extent they contradict the new law. You will find more information in our recent blog (here).
Paternity leave for bereaved parents	The legislation introduces a "day-one" statutory right to paternity leave of up to 52 weeks for a father or partner if the child's mother or adoptive parent dies. Employees who take bereavement paternity leave will be able to take keeping-in-touch days and separate regulations may provide enhanced redundancy protection during and on return from extended paternity leave.	There is not yet a date for this to come into force.	Once we have a date for the new right to come into effect, update your paternity leave policy to reflect it.
Pensions: automatic enrolment	Provides the Secretary of State with the power to reduce the lower age threshold for automatic enrolment into a pension scheme from 22 to 18.	There is not yet a date for this to come into force.	Watch out for our updates on these provisions coming into force.
Employment Rights Bill proposals			
Bereavement leave	<p>The Bill would make one week of unpaid bereavement leave available to all workers by adapting the existing parental bereavement leave regime to provide unpaid leave to all eligible bereaved people. The government would set out in secondary legislation the types of relationship to a deceased person that will qualify for bereavement leave. Parents would remain entitled to two weeks' paid leave where a child under the age of 18 dies.</p> <p>The government has introduced amendments to the Bill to extend the new right to one week's unpaid bereavement leave to employees who experience pregnancy loss before 24 weeks.</p>	The government plans to consult on the scope of the new right to unpaid bereavement leave in autumn 2025, with a view to it coming into force in 2027.	Nothing to do yet. In due course, you would need to update any policy covering bereavement leave, or consider introducing one, and ensure managers are aware of the new entitlement.
Collective consultation	The Bill would double the cap on protective awards (for failure to follow the collective consultation process properly) to 180 days' pay.	This is likely to come into force in April 2026, with a consultation taking place in the winter or early 2026.	Ensure managers are aware of the importance of proper consultation with trade unions or other appropriate representatives in redundancy situations.
Day-one rights	The Bill would make certain "basic" rights available from day one of employment, including:	The government plans to bring the day-one rights to paternity and	Be ready to update your policies if these changes come into effect. Consider if you wish to maintain a

	<ul style="list-style-type: none"> • protection from "ordinary" unfair dismissal; • paternity leave; and • parental leave. <p>The government will consult on introducing a statutory probation period and has indicated that its preference is for this to last nine months. For more information, please see the "Unfair dismissal" entry below.</p> <p>The Bill will also make entitlement to statutory maternity pay, paternity leave and parental leave day-one rights.</p>	<p>parental leave into force in April 2026 and the day-one protection from unfair dismissal in 2027. It will consult on the removal of the qualifying period and the dismissal process during the probationary period this autumn.</p>	<p>qualifying service entitlement for any enhanced maternity pay you offer and ensure you make this clear in your policy.</p>
Fire and rehire	<p>The original proposal in the Bill was to make it automatically unfair to dismiss an employee if the reason for dismissal was:</p> <ul style="list-style-type: none"> • that the employee did not agree to a variation of their contract; or • to enable the employer to employ another person, or re-engage the employee, under a varied contract of employment to carry out substantially the same duties as the employee carried out before their dismissal. <p>There would be an exception where the employer shows that the reason for the variation was to address financial difficulties that were affecting (or were likely to affect) the employer's ability to carry on the business as a going concern and the employer could not reasonably avoid the need to make the variation in the circumstances.</p> <p>Over the summer, the government amended the proposals so that the new protection will only apply to "restricted variations". Broadly speaking, "restricted variations" relate to pay, working hours or holidays.</p>	<p>The government proposes bringing this into force in October 2026, following a consultation this autumn.</p>	<p>Ensure you follow the existing code of practice on dismissal and re-engagement, which came into force in July 2024. Having a variation clause in your employment contracts will not allow you to avoid the impact of these provisions, but you may wish to consider updating your contracts to ensure they contain an appropriately worded variation clause.</p>

	<p>The government also proposed an amendment to make it automatically unfair to dismiss employees to enable the employer to replace them with individuals who are not employees.</p> <p>The government plans to update the statutory Code of Practice on dismissal and re-engagement (the Code) to reflect the new provisions of the Bill, if passed. The Code gives employment tribunals discretion to increase a protective award by up to 25% if the employer unreasonably fails to comply with its provisions. With the planned increase in the cap on protective awards to 180 days' pay, this could result in an award of up to 225 days' pay in the most serious cases.</p> <p>Employees who have not yet started work will not benefit from protection from this type of dismissal.</p>		
Flexible working	<p>The Bill contains provisions to make flexible working the default from day one by requiring an employer's refusal to be both from the list of specified grounds and to be reasonable. The employer would also have to explain in writing to the employee why their refusal is reasonable.</p>	<p>The government will consult on these proposals in winter 2025 or early 2026, with the provisions likely to come into force in 2027.</p>	<p>You would need to prepare to accommodate flexible working for all roles, except where it is not reasonably feasible. It might be helpful to carry out an audit of where flexibility already exists and consider how you can overcome any barriers to flexible working in particular roles.</p>
Gender pay gap	<p>The Bill would require employers with more than 250 employees to publish and implement an equality action plan showing the steps they are taking in relation to prescribed matters related to gender equality, which include addressing the gender pay gap and supporting employees through the menopause.</p> <p>Secondary legislation is likely to follow setting out various other requirements that an equality action plan must meet.</p>	<p>The government plans to introduce equality action plans on a voluntary basis in April 2026. They will become compulsory in 2027.</p>	<p>If you have or expect to have more than 250 employees and do not already have an action plan for closing your gender pay gap, you would need to work on putting one in place. Many employers already publish an action plan alongside their gender pay gap data and you may wish to consider publishing your plan before it becomes a legal requirement. It makes sense to start implementing your plan before you are required to do so.</p>
Harassment	<p>The Bill would re-introduce employer liability for harassment of employees by third parties.</p>	<p>These provisions will come into force in October 2026.</p>	<p>Consider the risks of third parties harassing employees and take steps to mitigate those risks in advance of the new liability taking effect.</p>

	<p>This provision covers harassment on the grounds of any relevant protected characteristic, not just sexual harassment. The relevant protected characteristics for the purposes of harassment are age, disability, gender reassignment, race, religion or belief, sex or sexual orientation. Harassment related to marriage and civil partnership, or pregnancy and maternity, is not covered, but harassment because of these protected characteristics is likely to give rise to a claim of harassment on the grounds of sex or sexual orientation. The government's fact sheet on these provisions indicates that expectations in respect of preventing third-party harassment will be lower than what an employer should do to prevent harassment by its own employees.</p>		
Holidays	<p>The government has introduced an amendment that would require employers to keep for six years adequate records to show that it complied with its workers' statutory entitlements to holiday and holiday pay.</p> <p>Failure to comply with this obligation would be a criminal offence.</p>	<p>This provision is not mentioned in the government's implementation plan so timing is still uncertain.</p>	<p>Carry out an audit of your record-keeping and assess if you would need to keep additional records to fulfil this requirement.</p>
Maternity and other statutory family leave: dismissal protection	<p>The Bill would pave the way for enhanced protection against dismissal during pregnancy and for six months upon return from leave for workers on maternity leave and on return from other statutory family leave.</p>	<p>The government is likely to consult on enhanced rights for pregnant workers this autumn but those rights will not come into force until 2027.</p>	<p>Nothing to do yet. If the new protection comes into force, you would need to ensure managers are aware of it. This protection against dismissal is wider than the enhanced protection introduced in April 2024, which covers redundancy situations only.</p>
Menopause	<p>The Bill would require employers with more than 250 employees to produce an equality action plan (see the "Gender pay gap" entry above), which includes the steps they are taking to support employees going through the menopause.</p>	<p>The government plans to introduce equality action plans on a voluntary basis in April 2026. They will become compulsory in 2027.</p>	<p>You could consider preparing a menopause action plan now, ahead of it becoming a legal requirement.</p>
Minimum service levels during industrial action	<p>The Bill would repeal the legislation that allows employers in certain sectors to impose minimum service levels in the event of strikes.</p>	<p>This will take effect on the day the Bill receives Royal Assent.</p>	<p>The government has encouraged employers not to impose minimum service levels pending repeal of the legislation.</p>

Non-disclosure agreements	<p>The government proposed an amendment in July 2025, which would restrict the use of non-disclosure agreements related to harassment or discrimination. Under the proposals, any part of an agreement that attempts to prevent a worker from alleging or disclosing certain acts of harassment or victimisation would be invalid. The provisions would also cover disclosures about the employer's response to harassment and discrimination claims, not just the discrimination/harassment itself.</p> <p>The proposals would still permit some "excepted agreements" if they meet specific conditions that the government would set out in regulations. Even an "excepted agreement" might be considered void if they try to stop a worker from raising a valid concern or making a disclosure.</p>	<p>This amendment is not mentioned in the government's implementation plan so timing is uncertain.</p>	<p>Employers should be aware that their handling of complaints and internal investigations would be subject to these new requirements, which may limit the use of confidentiality provisions and require greater transparency in addressing such matters at work.</p>
Parental leave	<p>The Bill would make eligibility for statutory parental leave a day-one right.</p>	<p>The government plans to bring the day-one right to parental leave into force in April 2026.</p>	<p>You would need to update your policies and procedures in due course.</p>
Paternity leave	<p>The Bill would make eligibility for statutory paternity leave a day-one right and would allow employees to take paternity leave after taking shared parental leave.</p>	<p>The government plans to bring the day-one rights to paternity and parental leave into force in April 2026.</p>	<p>You would need to update your policies and procedures in due course.</p>
Redundancy	<p>The Bill initially required employers to consult collectively if the number of people impacted across the business meets the threshold, rather than treating each workplace separately. In response to feedback, the government now proposes that the trigger for consulting collectively will be either:</p> <ul style="list-style-type: none"> • 20 or more employees at one establishment; or • at least the "threshold number of employees". <p>The government would have the power to make regulations specifying the threshold number, which might be a particular number or could be a particular percentage of employees, or it could be calculated in some other way. No matter the method</p>	<p>The implementation plan indicates this will come into force in 2027. The government plans to consult on the proposals in winter 2025 or early 2026.</p>	<p>Nothing to do yet. This would impact future redundancy exercises and is likely to mean that more proposals trigger an obligation to consult collectively.</p>

	of calculation, the provision will stipulate that the threshold number must not be lower than 20 employees.		
Sexual harassment	<p>The Bill would strengthen the new duty to take reasonable steps to prevent sexual harassment in the workplace by requiring employers to take all reasonable steps to prevent it.</p> <p>It would also give the government the power to make regulations setting out what steps are to be regarded as "reasonable" for the purposes of this duty.</p>	The duty to take all reasonable steps will come into force in October 2026 according to the implementation plan. The power to make regulations setting out what steps are "reasonable" will come into force in 2027.	<p>The duty to take reasonable steps to prevent sexual harassment came into effect on 26 October 2024. For more information, see our recent insight and blogs. For now, you need only show you have taken "reasonable steps", but this will change to taking "all reasonable steps" if these provisions in the Bill come into force.</p> <p>In the meantime, ensure you have taken reasonable steps to prevent sexual harassment in the workplace and pay particular attention to assessing the risk of sexual harassment by third parties so that you are well placed to defend any claims if the new liability for harassment by third parties takes effect.</p>
Sick pay	<p>The Bill would remove the lower earnings limit and three-day waiting period for SSP.</p> <p>The government consulted on what the percentage weekly rate of SSP should be for those who earn less than the current flat SSP rate. After publishing its response to that consultation, the government has introduced an amendment that would ensure that all employees receive the lower of the existing flat rate (£118.75 from 6 April 2025) and 80% of their normal weekly earnings.</p>	These changes are likely to come into force in April 2026.	You would need to update your policies and procedures on sick pay to reflect the new requirements and ensure your payroll team is ready to implement them.
Single enforcement body	<p>The Bill would create a single enforcement body called the Fair Work Agency. The new body's role would be to ensure greater protection of workers' rights, with representation from trade unions and businesses to improve cooperation.</p> <p>Amendments to the Bill would give wide-ranging powers to the Fair Work Agency, which would be able to:</p>	The government will establish the Fair Work Agency in April 2026, but it has not set a date for bringing into force its enforcement powers. It is likely to be several years before the Agency is fully operational.	No action needed from employers. The Fair Work Agency would work with employers to provide support on employment law compliance.

	<ul style="list-style-type: none"> • pursue employers for underpayments of national minimum wage, holiday pay and sick pay, with potential financial penalties payable to the government in addition to the unpaid amount due to employees; • pursue employment tribunal claims on behalf of workers; and • offer legal assistance for employment tribunal claims, with a losing employer potentially having to pay the Fair Work Agency's costs. 		
Social care for adults	The Bill would enable a framework for a Fair Pay Agreement process in the adult social care sector.	The government plans to consult on the proposed framework in autumn 2025. It would then lay regulations to establish the negotiating body in October 2026.	Nothing to do yet for employers in this sector.
Tips and gratuities	<p>The Bill would require employers to consult with a recognised trade union or employee representatives (or affected workers if there is neither) before producing the first version of a written policy about the allocation of tips.</p> <p>It would require employers to review that policy at least once every three years.</p>	The government proposes to consult on these proposals in winter 2025 or early 2026 and bring into force the changes in October 2026.	Nothing to do yet. Prepare to review your allocation of tips policy on a three-yearly basis if these provisions come into force. The government will consult on updating the existing Code of Practice after the Bill receives Royal Assent.
Trade unions	<p>The government consulted on several of its proposals for a modern industrial relations framework. This has resulted in the government proposing some amendments to the Bill's original provisions. If the Bill passes in its amended form, the key provisions on industrial relations would:</p> <ul style="list-style-type: none"> • remove the requirement for at least 40% of those entitled to vote in a ballot for industrial action in "important public services" to vote in favour of the action; 	<p>Most measures will come into force in October 2026 under the implementation plan. Some measures will take effect two months after the Bill receives Royal Assent:</p> <ul style="list-style-type: none"> • the repeal of the 40% support threshold in "important public services"; 	<p>If you recognise a trade union, you would need to comply with the new right to reasonable access to workplaces and respect the new rights for equalities representatives if they come into force.</p> <p>All employers would need to update documentation for new joiners to inform them of their right to join a union and devise a process for reminding employees of this on a regular basis.</p>

	<ul style="list-style-type: none"> • simplify the information a trade union must provide in a notice of an industrial action ballot and a notice of industrial action; • reduce the required period of notice before industrial action from 14 to 10 days; • extend the period for which a ballot for industrial action is valid to 12 months (with no possibility of extension); • introduce protection from detriment on the grounds of industrial action; • give trade unions a reasonable right to access workplaces, including by digital means as well as physical access, and put in place a framework for entering into an access agreement with an employer; • place a duty on employers to inform new employees of their right to join a union at the same time as providing their section 1 statement of conditions of employment and to remind employees on a regular basis; • give equalities representatives statutory rights to ensure they have adequate time to support colleagues facing discrimination or inequality and to contribute to changes in the workplace; and • require employers to provide accommodation and other reasonable facilities where requested by an employee granted time off to carry out trade union duties or as a union learning representative. 	<ul style="list-style-type: none"> • the provisions simplifying the information a trade union must provide in a notice of an industrial action ballot and a notice of industrial action; • the reduction of the required period of notice before industrial action from 14 to 10 days; and • the extension of mandates for industrial action to 12 months. <p>The government plans to introduce electronic balloting from April 2026. It will consult on many of the trade union reforms, including electronic balloting this autumn and winter.</p>	
Tribunal time limits	The Bill would increase the time limit for lodging any tribunal claim from three months to six months.	The government's implementation plan indicates the increased limit will take effect in October 2026.	No action required for employers but be aware that, if this proposal becomes law, employees will have much longer to lodge a tribunal claim.
Umbrella companies	The government has responded to the previous government's consultation on umbrella company market non-compliance. As	The government plans to consult on these proposals this autumn,	If you have umbrella companies in your labour supply chain:

	<p>a result, it introduced an amendment to the Bill that would extend the regulation of employment businesses to cover umbrella companies.</p>	<p>with a view to the changes coming into force in 2027.</p>	<ul style="list-style-type: none"> • conduct regular and robust audits of umbrella companies' compliance with their PAYE obligations; • review and update your contractual arrangements; • carry out careful due diligence on any new umbrella companies before engagement; and • provide comprehensive training to the staff who manage your labour supply chains. <p>You can read more on the proposals in our blog (here).</p>
<p>Unfair dismissal</p>	<p>As set out above, the Bill would remove the two-year qualifying period for unfair dismissal claims so that protection from "ordinary" unfair dismissal becomes a day-one right.</p> <p>The government will consult on introducing a statutory probation period and has indicated that its preference is for this to last nine months. The Bill would allow the government to make regulations disapplying the "day-one" unfair dismissal protection during that statutory probation period where the reason for dismissal is capability, conduct, legal bar or some other substantial reason relating to the employee.</p> <p>The government will consult on a lighter touch process for businesses to follow before dismissing someone during the statutory probation period. It will also consult on what compensation should be available in successful claims.</p> <p>Employees who have not yet started work will not receive unfair dismissal protection.</p>	<p>The government plans to consult on removal of the qualifying period and the dismissal process during the statutory probation period this autumn. The day-one protection would come into force in 2027.</p>	<p>Review the probationary period clauses in your template employment contracts. Consider your process for assessing performance during a probationary period and put in place a/review your policy on this.</p>

Whistleblowing	<p>The Bill would provide employees who report sexual harassment with the same protections as other whistleblowers by specifying that a disclosure that sexual harassment has occurred, is occurring or is likely to occur, is a disclosure qualifying for protection.</p>	<p>The government plans to bring this provision into force in April 2026.</p>	<p>You would need to train managers so that they are aware that employees who report sexual harassment benefit from the same protections as other whistleblowers. We recommend training should already be on this basis.</p>
Zero-hours contracts	<p>The Bill would introduce a right for workers on zero-hours or low-hours contracts to:</p> <ul style="list-style-type: none"> • a "guaranteed-hours" contract that reflects the employee's normal hours, based on a 12-week reference period; • reasonable notice of changes to shifts or working time; and • proportionate compensation for cancelled or curtailed shifts. <p>Workers would be able to bring tribunal claims in relation to breach of these rights and for detriment or unfair dismissal in relation to the operation of these rights.</p> <p>The government has proposed to allow exceptions to the duty on employers to offer guaranteed working hours. Any exception would apply during a set period and the Secretary of State must consider the benefit to workers and the impact on employers facing unusual situations.</p> <p>The government has consulted on how to apply these reforms effectively and appropriately to agency workers. It has decided to extend each of the above rights to agency workers to prevent employers using agency workers to get round these new rights. There would be some modifications to reflect the nature of agency work, including who is responsible for each of these rights:</p> <ul style="list-style-type: none"> • The obligation to provide a guaranteed hours offer to an agency worker will rest with the end hirer. 	<p>These measures will take effect in 2027, following consultation this autumn.</p>	<p>If you use zero-hours contracts, you should carry out an audit of your existing practices and consider how you would manage these new rights. You should budget for providing proportionate compensation for cancelled or curtailed shifts and ensure managers are aware of these new rights.</p>

	<ul style="list-style-type: none"> • The agency and end hirer will be jointly responsible for providing reasonable notice of shifts. • Employment agencies will have responsibility for paying compensation for the short notice of cancelled or curtailed shifts, but they will be able to recoup the compensation from the end hirer in some circumstances. <p>The government has also introduced amendments containing anti-avoidance measures. A separate amendment would allow an employer to enter into a collective agreement with a recognised trade union to exclude these new rights.</p> <p>It also plans to consult on:</p> <ul style="list-style-type: none"> • how reference review periods should work so that, if a worker's regular hours increase over time, workers have the opportunity to reflect this in their contract; and • what constitutes "low hours" for each measure. 		
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Longer-term plans

Proposal	Further details/timescale
Call for Evidence on unpaid internships	Launched in July and open until 9 October 2025.
Working group on the use of secure electronic balloting for trade union statutory ballots	To be launched "in the coming months".
Right to switch off through a statutory Code of Practice	To be developed alongside the Employment Rights Bill's passage and beyond Royal Assent. Media reports have suggested this will not proceed.
Equality (Race and Disability) Bill, which would introduce mandatory ethnicity and disability pay gap reporting for large employers	Draft Bill to be published during this parliamentary session for pre-legislative scrutiny. The government will also consult prior to making secondary legislation to implement the reforms set out in this Bill. In March, the government launched a consultation on mandatory ethnicity and disability pay gap reporting for large employers, which closed on 10 June. It launched a separate call for evidence on other aspects of equality law in April, which closed on 30 June.
Consultation on a single status of worker and a simpler two-part framework for employment status	Longer-term delivery.
Call for Evidence to examine a variety of issues relating to TUPE regulations and related processes	Longer-term delivery.
Consultation with Acas on enabling employees to raise collective grievances about conduct in their place of work	Longer-term delivery.
Review of health and safety guidance and regulations	Longer-term delivery.
Review of the parental leave and carers' leave systems	Longer-term delivery.