

What's coming up? Quarterly horizon scan

Topic	Summary	Timescale	What can you do to prepare?
Employment Rights Act 2025: coming into force on 1 October 2026			
Tribunal time limits	The ERA 25 will increase the time limit for lodging most tribunal claims from three months to six months. The government has also published separate regulations that will extend the time limit under various pieces of secondary legislation that were not included in the ERA 25. These include claims in relation to part-time or fixed-term status, exclusivity clauses in zero hours contracts and breach of contract claims.	The time limit will increase on 1 October 2026. The exception to this is breach of contract claims in Scotland, where the increase in the time limit will take effect on 9 November 2026.	Be aware that employees will have much longer to lodge a tribunal claim. Update data retention policies to reflect the new time limit.
Employment Rights Act 2025: coming into force on 30 October 2026			
Harassment	The ERA 25 will re-introduce employer liability for harassment of employees by third parties. 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.	These provisions will come into force on 30 October 2026.	Consider the risks of third parties harassing employees and take steps to mitigate those risks in advance of the new liability taking effect. Update risk assessments and train managers on how to respond where harassment is perpetrated by clients, customers or contractors. Review client-facing engagement terms and, where possible, introduce behavioural standards and zero-tolerance statements where appropriate. Introduce or strengthen incident-reporting routes specifically for third-party harassment. Consider visible zero-tolerance statements in

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			customer-facing environments. Review and strengthen anti-harassment policies.
Sexual harassment	The duty on employers to take reasonable steps to prevent sexual harassment in the workplace will become a duty to take all reasonable steps to prevent it. The government will have the power to make regulations setting out what steps are to be regarded as "reasonable" for the purposes of this duty.	The duty to take all reasonable steps will come into force on 30 October 2026. The power to make regulations setting out what steps are "reasonable" will come into force on the same date but we do not expect the government to make any regulations until 2027.	The duty to take reasonable steps to prevent sexual harassment came into effect on 26 October 2024. For more information, see our insight and blogs. 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 when the new liability for harassment by third parties takes effect. Review and update risk assessments – reconsider what action you can take to mitigate the risks. These must be tailored – a generic assessment will not be sufficient. Review training provision – ensure it is role-specific, refreshed regularly and you have clear records of (recent) completion. Update policies covering the prevention of sexual harassment. Consider board-level reporting on harassment risk and mitigation.
Trade unions	The ERA 25 will: - 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	These provisions will come into force on 30 October 2026.	If you recognise a trade union, you will need to respect the new rights for equalities representatives when they come into force. All employers will need to update documentation for new joiners to inform them of their right to join a union and devise a process for reminding

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	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.		employees of this on a regular basis. The government will lay regulations prescribing the information that the statement must include, what form it must take and how employers must give the statement to workers. All employers must be prepared to agree access to workplaces. See our insight (here) for more information.
Employment Rights Act 2025: coming into force in October 2026			
Public sector outsourcing	The ERA 25 will reinstate the Code of Practice on the outsourcing of public services to ensure a contractor cannot treat its direct hires less favourably than transferred public sector workers (and vice versa).	The government intends to bring into force the provisions that will enable this change in October 2026.	Review current pay and terms for directly hired workers compared with transferred public sector employees and identify any discrepancies. Assess outsourcing contracts to understand equalisation obligations. Plan for adjustments to pay structures or contractual terms to ensure compliance with the reinstated Code of Practice.
Social care for adults	The ERA 25 will enable a framework for a Fair Pay Agreement process in the adult social care sector.	The government plans to lay regulations to establish the negotiating body in October 2026.	Nothing to do yet for employers in this sector.
Employment Rights Act 2025: coming into force by the end of 2026			
Tips and gratuities	Employers will have to consult with a recognised trade union or employee representatives (or affected workers if there is	The government is consulting on a revised draft statutory Code of Practice on the distribution of tips.	Prepare to review your allocation of tips policy on a three-yearly basis when these provisions come into force.

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	neither) before producing the first version of a written policy about the allocation of tips. Employers will have to review that policy at least once every three years.	The consultation closes on 29 September 2026.	
Employment Rights Act 2025: coming into force on 1 January 2027			
Fire and rehire	It will be automatically unfair to dismiss an employee if the reason for dismissal was: - that the employee did not agree to a variation of their contract; - 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; or - to enable the employer to replace them with individuals who are not employees. There will 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. The new protection will only apply to "restricted variations". Broadly speaking, "restricted variations" relate to pay, working hours or holidays, but also include the insertion of a variation clause. The government plans to update the statutory Code of Practice on dismissal and re-engagement (the Code) to reflect the ERA 25's provisions. The Code gives employment tribunals	These provisions will come into force on 1 January 2027.	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 full impact of these provisions, but you may wish to consider updating your template contracts to ensure they contain an appropriately worded variation clause and consider negotiating a change to existing employees' contracts to include a variation clause. Time is running out to do this. Audit contracts for variation clauses to establish what, if any, flexibility you have at the moment.

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	discretion to increase a protective award by up to 25% if the employer unreasonably fails to comply with its provisions. With the April 2026 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. Employees who have not yet started work will not benefit from protection from this type of dismissal.		
Unfair dismissal	The qualifying period for "ordinary" unfair dismissal claims will drop from two years to six months. The cap on compensation for unfair dismissal will no longer apply.	These provisions will come into force on 1 January 2027. Acas launched a consultation on a revised draft Code of Practice on disciplinary and grievance procedures to reflect the new rules on unfair dismissal. The consultation closes on 23 September 2026.	Ensure HR, operations and senior managers are aware of the change in qualifying period and the importance this places on assessing performance during the first six months/probationary period. Review the probationary period clauses, and the notice entitlement during probation, in your template employment contracts. Ensure you have a standardised process for monitoring and reviewing performance during probationary periods. Provide training on the process to line managers. Review performance of those with less than two years' service and take action where necessary. Tighten documentation standards – avoid vague language such as "not a good fit". Review and audit remuneration structures, particularly leaver provisions. Review drafting of bonus schemes and discretion clauses.

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			Revisit template settlement agreements and negotiation strategy. Consider board-level briefing on increased risk exposure. Review litigation strategy and appetite for early settlement. Monitor progress of the draft revised Acas Code of Practice on disciplinary and grievance procedures.
Employment Rights Act 2025: coming into force later in 2027			
Bereavement leave	One week of unpaid bereavement leave will be available to all workers, including employees who experience pregnancy loss before 24 weeks. Secondary legislation will set out the types of relationship to a deceased person that will qualify for bereavement leave. Parents will remain entitled to two weeks' paid leave where a child under the age of 18 dies.	The new entitlement will come into force at some point in 2027. A consultation on the scope of the new right to unpaid bereavement leave closed on 15 January 2026.	In due course, update any policy covering bereavement leave, or consider introducing one, and ensure managers are aware of the new entitlement.
Blacklisting	The ERA 25 will strengthen protection against blacklisting. Lists that employers may have compiled for a non-discriminatory purpose will become a prohibited list if someone later uses it for the purposes of discrimination. Restrictions on third-party use of prohibited lists will also be tightened. Enforcement mechanisms and remedies for affected workers will be enhanced.	The new protections will come into force at some point in 2027. The government may consult on these measures before they come into force.	Ensure HR, operations and senior managers are aware of the wider protections that the legislation brings. Ensure your recruitment, vetting and labour supply practices do not involve prohibited lists or informal information-sharing.
Electronic and workplace balloting	Introduction of electronic and workplace balloting for recognition and derecognition ballots.	The ability to use electronic and workplace balloting for recognition and derecognition ballots will come into force at some point in 2027.	Ensure HR, operations and senior managers are aware of the possibility of workplace balloting and who is responsible for taking decisions.

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Equality action plans	Employers with more than 250 employees will have 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. Secondary legislation is likely to follow setting out various other requirements that an equality action plan must meet. In the meantime, the government has published guidance on creating an action plan, which includes lists of recommended actions.	Equality action plans will become compulsory in April 2027 for the 2027/28 reporting year.	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 will 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.
Flexible working	Employers will only be able to refuse a flexible working request if the reason is on the list of specified grounds for refusing a request and the refusal is reasonable. The employer will also have to explain in writing to the employee why their refusal is reasonable. The government may make regulations setting out what steps an employer must take to consult the employee before making a decision.	A consultation on these changes closed on 30 April 2026. The provisions will come into force at some point in 2027.	Ensure your flexible working policy sets out the eight business reasons for which an employer may refuse a request and update it to reflect the new requirements for refusal of a request to be reasonable and to explain in writing why the business believes it is reasonable to refuse. Further updates may be necessary depending on the outcome of the consultation on what steps an employer must take to consult the employee.
Maternity and other statutory family leave: dismissal protection	The ERA 25 paves 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.	Any new protections will come into force at some point in 2027. The government consulted on the scope of enhanced dismissal protections for pregnant workers and new parents. The consultation closed on 15 January 2026.	When the new protections come into force, you will need to ensure managers are aware of it. This protection against dismissal will be wider than the enhanced protection introduced in April 2024, which covers redundancy situations only.
Redundancy: collective consultation threshold	The ERA 25 will change the trigger for consulting collectively so that it will be either: 20 or more employees at one establishment; or - at least the "threshold number of employees".	The change will come into force at some point in 2027. The government published a consultation on the proposals, which closed on 21 May 2026.	This will impact future redundancy exercises and is likely to mean that more proposals trigger an obligation to consult collectively. Ensure HR, operations and senior managers are aware of the change once regulations are made.

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	The government has 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 of calculation, the provision will stipulate that the threshold number must not be lower than 20 employees.		Review what, if any, forums you have for consulting employees at present. Consider introducing standing employee bodies with a suitable remit to cover collective redundancy consultation. Think about how you will ensure there is central oversight of redundancy exercises in different parts of the business to monitor whether you are triggering the threshold. Conduct refresher training for senior managers on collective consultation triggers (and process).
Umbrella companies	The ERA 25 will extend the regulation of employment businesses to cover umbrella companies.	The change will come into force at some point in 2027. The government published a consultation, which closed on 1 May 2026.	If you have umbrella companies in your labour supply chain: - 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. You can read more on the proposals in our blog (here) and recent insight (here).
Zero-hours contracts	Workers on zero-hours or low-hours contracts will have rights to:	These measures will take effect at some point in 2027. A consultation	If you use zero-hours contracts, carry out an audit of your existing practices and consider how you will

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	• 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. Workers will 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. The provisions contain a power for the Secretary of State to provide for an exception from the duty on employers to offer guaranteed working hours, primarily where the duty would have a severe adverse impact. This type of exception will apply during a set period and the Secretary of State must consider the benefit to workers and the impact on employers facing exceptional circumstances. The government consulted on how to apply these reforms effectively and appropriately to agency workers. It decided to extend each of the above rights to agency workers to prevent employers using agency workers to get round these new rights. There will be some modifications to reflect the nature of agency work, including who is responsible for each of these rights: • The obligation to provide a guaranteed hours offer to an agency worker will rest with the end hirer. • 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	covering the practical detail of these measures closed on 25 August 2026.	manage these new rights. Budget for providing proportionate compensation for cancelled or curtailed shifts and ensure managers are aware of these new rights. Engage with agencies early to clarify allocation of responsibilities and indemnities.

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	shifts, but they will be able to recoup the compensation from the end hirer in some circumstances. The provisions include anti-avoidance measures and the ability for an employer to enter into a collective agreement with a recognised trade union to exclude these new rights.		
Non-disclosure agreements	The ERA 25 will restrict the use of non-disclosure agreements related to harassment or discrimination. Any part of an agreement that attempts to prevent a worker from alleging or disclosing certain acts of harassment or victimisation will be invalid. The provisions will also cover disclosures about the employer's response to harassment and discrimination claims, not just the discrimination/harassment itself. The proposals will still permit some "excepted agreements" if they meet specific conditions that the government will set out in regulations. Even an "excepted agreement" might be considered void if it tries to stop a worker from raising a valid concern or making a disclosure.	These changes will take effect at some point in 2027. A consultation on what will constitute an excepted agreement, and other details, closed on 8 July 2026.	Be aware that handling of complaints and internal investigations will be subject to these new requirements, which may limit the use of confidentiality provisions and require greater transparency in addressing such matters at work.

Longer-term plans

Proposal	Further details/timescale
Call for Evidence on unpaid internships	The government published its response to the Call for Evidence on 2 March 2026. It indicates the government will publish clearer guidance, improve communication campaigns to help young people understand their rights and strengthen enforcement through the new FWA.
Right to switch off through a statutory Code of Practice	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	The government plans to publish a draft Bill for pre-legislative scrutiny. The government has consulted on mandatory ethnicity and disability pay gap reporting for large employers and launched a separate call for evidence on other aspects of equality law in April 2026. Both have now closed and the government has since confirmed it plans to introduce mandatory ethnicity and disability pay gap reporting for large employers. A consultation on equal pay reforms and measures to combat race and disability pay discrimination is open until 27 October 2026.
Consultation on a single status of worker and a simpler two-part framework for employment status	The government has indicated it will consult on the topic of employment status as soon as possible.
Call for Evidence to examine a variety of issues relating to TUPE regulations and related processes	The government launched a call for evidence to explore ways of (i) modernising TUPE to make it more efficient and (ii) strengthening existing employee protections. The call for evidence closed on 1 July 2026.
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	The government launched its review of parental leave and pay in July 2025. An initial call for evidence closed in August 2025 and the review will last approximately 18 months. The government published the terms of reference for its review of the employment rights for unpaid carers in November 2025. The government has also conducted a consultation on employment rights for unpaid carers and parents of seriously ill children, which closed on 1 September 2026.