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What is the Employment Rights Bill 2024?

The Employment Rights Bill 2024 marks a pivotal moment in UK employment law, promising the most significant reforms in over three decades. Patrick Simpson, an employment solicitor at West End law firm RIAA Barker Gillette (UK), delves into the key provisions and implications of the Bill for both employers and workers.

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Despite its transformative potential, the Employment Rights Bill 2024 represents a gradual shift rather than an immediate overhaul. Many key reforms have been postponed, diluted, or subject to further consultation. The Bill's staggered approach offers employers time to adapt, but it signals a new direction for worker rights in the UK.

A gradual introduction of reforms

Fulfilling the government's election promise to publish the Bill within 100 days of their landslide election victory led to compromises and unfinished business. Several ambitious reforms outlined in the government's Make Work Pay manifesto, aimed at addressing low pay, job insecurity, and poor working conditions, were scaled back under pressure from employers. Consequently, some of the most impactful provisions remain under consultation or will be phased in over time.

Alongside the Bill, a companion paper, Next Steps, outlines how the government intends to deliver on its election promises not yet covered by the Bill. With implementation unlikely before mid-2025 and some measures delayed until at least 2026, the Bill reassures employers that there will be no sudden shifts in the legal landscape.

Fundamental changes and what's missing

Unfair dismissal rights from day one

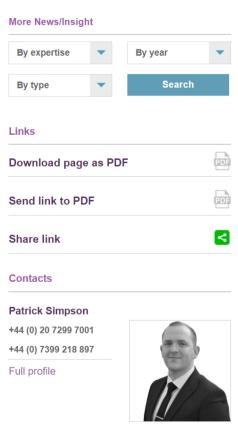
One of the most anticipated changes is the introduction of unfair dismissal protections from the first day of employment. Currently, employees need two years of continuous service to qualify for such protection. The Bill proposes a statutory probationary period, likely between six and nine months, giving employers time to assess an employee's suitability. While media reports hint at this timeframe, the final details remain subject to consultation.

Flexible working as a day-one right

Building on previous legislation, the Bill makes flexible working a statutory right from the first day of employment. Employers can still refuse requests based on the eight permissible business reasons for refusal, but the refusal must be reasonable. This shift is expected to encourage greater workplace flexibility and make it easier for employees to challenge refusals.

Regulation of zero-hours contracts

While zero-hours contracts remain lawful, the Bill introduces protections for workers. Employers must provide contracts that reflect the average number of hours worked and give reasonable notice of shifts. Workers will also be compensated if shifts are cancelled without adequate notice, offering more security to



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those in precarious employment.

Protections against 'fire and rehire'

The Bill introduces significant protections against the controversial practice of "fire and rehire," where employers dismiss staff and offer reemployment on less favourable terms. Under the new law, dismissing an employee for refusing changes to their contract will be considered automatically unfair, closing a loophole that has allowed employers to pressure workers into accepting less favourable conditions.

Strengthened protections for new parents

Pregnant women and new mothers will enjoy extended protections under the Bill. It will become unlawful to dismiss a woman on maternity leave and for six months after her return, except under specific circumstances. Additionally, paternity and parental leave will become day-one rights, with no qualifying period required, making it easier for employees to access these entitlements.

Reforms still in consultation

Single worker status

A key reform absent from the Bill is the proposed single-worker status, which aims to simplify employment categories by merging the current distinctions between "worker" and "employee." This proposal is still under consultation, but its implementation would represent a significant step toward greater clarity in employment rights, especially for the gig economy and freelance workers.

The right to disconnect

Another highly anticipated reform, the right to disconnect, was left out of the Bill. Designed to protect employees' time outside of work, particularly in an era of increasing remote work, this provision will be addressed through a forthcoming code of practice instead. Consultation on this issue is expected next year.

Other notable reforms

Statutory Sick Pay (SSP)

Under the current system, Statutory Sick Pay (SSP) is only available after four days of sickness and for those earning over £123 per week. The Bill removes both the waiting period and the earnings threshold, making SSP available to all employees from the first day of illness. This reform is expected to be one of the first to take effect.

Tougher harassment laws

The Bill significantly strengthens employer responsibilities regarding workplace harassment. Employers will now have a duty to take "all reasonable steps" to prevent harassment, a marked increase from the current standard. This includes liability for harassment by third parties, not limited to sexual harassment, making it easier for employees to seek redress.

The Fair Work Agency

A new Fair Work Agency will be established to oversee the enforcement of workers' rights, including issues such as holiday pay. By unifying various enforcement bodies, this agency aims to streamline the process for employees seeking justice and ensure greater compliance with employment law across the board.

Implications for employers

While many reforms will not take effect until 2025 or later, employers should begin preparing for the upcoming changes. The phased approach gives businesses time to review their policies, contracts, and dismissal procedures to ensure compliance with the new laws. Particularly important areas of focus include:

- Revising employment contracts to reflect new rights around dismissal, flexible working, and zero-hours contracts.
- Implementing stronger anti-harassment policies to meet the higher legal standards.
- Monitoring developments around pending consultations on single worker status and the right to disconnect.

Key Takeaways for Employers

- Unfair dismissal protections will apply from day one, with a probationary period allowing employers to assess new hires.
- · Flexible working becomes a day-one right, with stricter criteria for employers refusing requests.
- Zero-hours contracts will remain lawful but must reflect actual working patterns, and cancellations will
 require compensation.
- Fire and rehire practices will be significantly restricted, making enforcing contract changes harder.

- Statutory sick pay will be available from day one, and parental leave rights will apply immediately without a qualifying period.
- Stronger harassment laws will require employers to take all reasonable steps to prevent harassment, including from third parties.
- The Fair Work Agency will be established to enforce workers' rights and provide guidance on employment law.

For expert advice on navigating these changes, speak to Patrick Simpson to stay ahead of developments and ensure they are fully prepared when the Employment Rights Bill 2024 comes into force.