



Employment Rights Act 2025 - Upcoming Changes

What's new?

Since our last bulletin, dates have been confirmed for the next phase of the Employment Rights Act 2025. Several important changes take effect this month, with further significant changes following in January 2027. Acas has also consulted on an updated Code of Practice on disciplinary and grievance procedures.

1. Changes from October 2026

a. Employment Tribunal Time Limits - 1st October 2026

The time limit for bringing most employment tribunal claims has increased from 3 months to 6 months from 1st October 2026. This means employees will have longer to bring claims such as unfair dismissal, discrimination and unlawful deductions from wages.

b. Sexual Harassment and Third-Party Harassment - 30th October 2026

Employers already have a duty to take reasonable steps to prevent sexual harassment of their workers. From 30th October 2026, this will be strengthened to a duty to take '**all reasonable steps**'.

In addition, employers will become liable for harassment of their workers by third parties unless they have taken all reasonable steps to prevent it. Third parties include customers, clients, service users, contractors, event attendees and members of the public, whether in person or online.

What counts as 'all reasonable steps' will depend on the size of an organisation, the sector and the type of work, but Acas recommends that employers:

- i. carry out a risk assessment, including the risk of harassment from third parties;
- ii. review and update their bullying and harassment policy;
- iii. provide meaningful training for staff and managers;
- iv. ensure workers know how to report concerns and that reports are dealt with promptly; and
- v. review contracts with clients and suppliers, and make customers aware of expected behaviour (for example, through signage).

c. Trade Union Rights - 30th October 2026

As highlighted in our June bulletin, the new statutory right for trade unions to access workplaces where there are 21 workers or more, will come into force this month. Rights include:

- i. reasonable accommodation and facilities for trade union representatives to carry out their duties, such as computer access or a private meeting room;



- ii. time off for trade union equality representatives to carry out their duties; and
- iii. protection for workers against being treated less favourably for taking part in lawful industrial action.

2. **Changes from January 2027**

a. Unfair Dismissal - 1st January 2027

The qualifying period for protection from ordinary unfair dismissal will reduce from **2 years to 6 months'** service from 1st January 2027. The statutory cap on compensation for unfair dismissal will also be removed.

This is one of the most significant changes for employers. Many employees who are already in post, or who start in the coming months, will gain unfair dismissal protection once the change takes effect, so employers should review their approach now, in particular:

- i. ensuring probationary periods are no longer than 6 months, with regular documented reviews and clear objectives;
- ii. dealing with performance or conduct concerns promptly and following a fair process; and
- iii. remembering that employees are already protected from day one against discrimination, whistleblowing detriment and breach of contract, whatever their length of service.

b. Dismissal and Re-engagement ('Fire and Rehire') – 1st January 2027

Dismissing employees for refusing to agree to a change to their contract and re-engaging them on new terms will, in most cases, become an automatically unfair dismissal from 1st January 2027. An updated Code of Practice on dismissal and re-engagement is expected in 2027.

c. Trade Union Membership – 1st January 2027

Employers will have a duty to inform workers of their right to join a trade union from 1st January 2027. Further details will be provided as and when announcements are made.

3. **Acas Code of Practice on Disciplinary and Grievance Procedures**

Acas have consulted on a draft updated Code of Practice on disciplinary and grievance procedures, the first full revision since 2009. The draft focuses on encouraging early, informal resolution of workplace issues, as well as improving how formal procedures are handled. Employment tribunals can adjust compensation by up to 25% where an employer or employee unreasonably fails to follow the Code, so we will update you once the final version is published.



4. **Further Changes**

Other changes expected, with dates still to be confirmed, include:

- i. employers required to show that refusing a flexible working request is reasonable;
- ii. zero and low-hours contracts to include guaranteed hours, reasonable notice of shifts and payment for short-notice cancellations;
- iii. a new statutory right to bereavement leave;
- iv. stronger protection from dismissal for pregnant women and new mothers;
- v. restrictions on the use of non-disclosure agreements to prevent workers disclosing harassment or discrimination; and
- vi. changes to collective redundancy consultation requirements.

Further details will follow as the government make announcements.

What do I need to do?

Familiarise yourself with the above changes and consider how these will impact your business and whether your policies and procedures may need to be amended. In particular, we recommend that you:

- i. review your harassment policy, risk assessments and training, as well as your contracts and probationary processes;
- ii. ensure records relating to employees and HR decisions are retained for long enough to reflect the longer tribunal time limits; and
- iii. brief managers on the changes, particularly the new unfair dismissal rules.

Do get in touch should you require assistance in navigating the above changes, via telephone on Tel: 0116 216 9224 - Option 4 (HR) Option 1 / 07904 151008 or email jacqui@greensconsultancy.co.uk