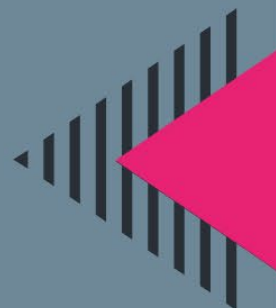




HR & EMPLOYMENT LAW INSIDER: YOUR MONTHLY UPDATE

June 2025



RECENT AND FUTURE CHANGES

RECENT CHANGES

EMPLOYMENT RIGHTS BILL UPDATE

Until very recently, we had anticipated that the Bill would become an Act of Law as early as July 2025 with the first of several implementation phases introduced around October 2025. However, following delays in the Bill progressing through parliament in recent weeks, we no longer believe this to be the case.

We now anticipate that the parliamentary process will pause during its summer recess and that it is more likely to be given Royal Assent early Autumn, possibly September 2025. Don't panic though, as there will be a phased implementation programme of the reforms because of the number of changes taking place. Many of the reforms will need further Regulations and Codes of Practices drafting by Acas.

The Government have always indicated that most of the reforms will not be introduced before 2026; and some even being introduced from 2027 and beyond. Now with factoring in the recent delays, it appears that the timeline could be pushed back even further. We set out in our Future Changes section of this newsletter our latest assessment of what may happen, when, based on what we know today of the process.

Remember to also keep informed by reading the latest developments in our Knowledge Base article 'Employment Rights Bill 2024'.

DATA (USE AND ACCESS) BILL GIVEN ROYAL ASSENT

The '[Data \(Use and Access\) Bill](#)' (DUAB) has completed its passing through both Houses of Parliament and has been given Royal Assent. This means, the Bill has become an act of law. The date however for it to come into effect is yet to be confirmed, but it is expected within approximately 12 months.

This new piece of legislation is about harnessing the power of data to grow the economy, improve public services and enable and support modern digital government and ultimately, to make people's lives easier. It will have wide implications for businesses, but in terms of employment practices, here is a summary of the forthcoming changes:

- Amend Article 22 of the General Data Protection Act by relaxing the restrictions around the use of automated decision-making (ADM) where special category data is not processed, although safeguards will still be required. The strongest restrictions regarding ADM will continue to remain in place for the data processing of special category data
- Significant decisions based solely on automated processing will be permitted if the person is informed about the decision, can make representations, it can be given human review or contest the outcome
- Align the UK GDPR provisions on data subject access requests (DSAR) with the ICO guidance. This means:
 - Limiting the scope of a DSAR to 'reasonable and proportionate searches', thus, aiming to reduce cost and administrative burdens for businesses
 - Organisations will be able to 'stop the clock' on requests if more information is required.
 - When information is withheld based on either legal professional privilege or client confidentiality, the organisation must be explicit in informing the data subject about the specific exemption applied and the reason for applying the exemption.
 - Data subjects will have the right to request the ICO review how exemptions have been applied.
- Align Privacy and Electronic Communication Regulations 2003 (PECR) with GDPR fines, and introduce a new PECR schedule to enable ICO enforcement
- The Secretary of State will be able to carry out a new data protection test against whether the destination country's standard of data protection is "not materially lower" than the standard in the UK (which mirrors the EU). Note, the current adequacy decision between the UK and EU is due to expire on 27 June 2025, but it has been announced that an exceptional six-month extension has been granted through to 27 December 2025. This is so that the UK can assess the impact of the Data (Use and Access) Bill on EU citizens' data protection rights.
- Data subjects will be required to raise a complaint with the Data Controller prior to raising a complaint with the ICO.

FUTURE CHANGES (CURRENT BILLS PROGRESSING THROUGH PARLIAMENT)

EMPLOYMENT RIGHTS BILL

As indicated in the first section above, we now believe the Employment Rights Bill to become an Act of Law (given Royal Assent) around September. However, it doesn't mean that the reforms suddenly come into force. For most, we need further Regulations, Codes of Practices and guidance, and so most reforms will come into force in 2026.

There are, however, several that still have the potential for commencing this year, and possibly late Autumn. This is because they don't need further Regulations, or any further guidance or statutory Codes of Practices developing and being consulted upon. We continue to monitor the Bill and research the latest thinking from leading employment Barristers and other specialists.

It is difficult at this point to know what to do to prepare and for what, but our advice would be to start planning now. Understand all the reforms, not just those anticipated for this year, keep up to date with developments and carry out your own impact assessment by considering the reforms in the context of your own business.

We have developed our own impact assessment templates to help your business prepare by understanding what the reforms mean to your business. Please [contact us](#) for further information.

THE DOMESTIC ABUSE (SAFE LEAVE) BILL

This [Bill](#) proposes to provide employees who are victims of domestic abuse with up to 10 days paid leave each year to support in dealing with the many challenges experienced when trying to leave the relationship. This is currently at the 2nd reading in the House of Commons, scheduled for 20 June 2025, so very early on in its passage through Parliament.

BULLYING AND RESPECT AT WORK BILL

This [private members Bill](#) if passed, would introduce a statutory definition of bullying at work. In addition, it would make a provision relating to bullying at work that includes enabling claims relating to workplace bullying to be considered by an employment tribunal. It would also introduce a Respect at Work Code that would set minimum standards for positive and respectful work environments and give powers to the Equality and Human Rights Commission to investigate workplaces and organisations where there is evidence of a culture of, or multiple incidents of, bullying and to take enforcement action. The Bill had its first reading in the House of Commons on 21 October 2024 and is due its second reading on 20 June 2025.

CHILDREN'S WELLBEING AND SCHOOLS BILL

This [Bill](#) is about the safeguarding and welfare of children, support for children in care, the regulation of care workers, establishments and agencies and independent educational

institutions and inspections of schools and colleges, as well as dealing with teach misconduct. This Bill is currently at the Committee Stage in the House of Lords, after which a report will be published before it is then passed for its third and final reading.

FUTURE CHANGES (LEGISLATION BY COMMENCEMENT DATE)

JUNE 2025

26 June 2025 – The Public Interest Disclosure (Prescribed Persons) (Amendment) Order 2025

This legislation amends the list of prescribed persons and matters whistleblowers are able to disclose as part of a protected disclosure.

AUGUST 2025

1 August 2025 – The Apprenticeships (Miscellaneous Provisions) (England) (Amendment) Regulations 2025

These regulations change the minimum duration of the practical period for when a person is expected to work and receive training from 12 months to 8 months.

SEPTEMBER 2025

1 September 2025 – The economic crime and corporate transparency Act 2023

This Act will make it an offence where certain organisations (turnover greater than £36 million and more than 250 employees) have failed to prevent, or to have in place reasonable policies and procedures designed to prevent fraud. It includes where there has been fraud, false accounting, fraud by false representation, fraudulent trading and cheating the public revenue. Employers will be liable even if the fraud is committed by an associated person such as self-employed contractors, agency workers.

OCTOBER 2025

1 October 2025 - The Victims and Prisoners Act 2024 (Commencement No.6) Regulations 2025

These Regulations make any provision in a settlement agreement void, when it purports to preclude the making of a protected disclosure by a victim of crime, or a person who reasonably believe to be a victim of crime to specified bodies void.

2026 AND BEYOND

June / July 2026 (date to be confirmed)

The Data Use and Access Act 2025 is expected to come into force within twelve months from becoming an act of law. This would therefore be around Summer 2026.

Date unknown - Data (Use and Access) Act 2025

The date is yet to be confirmed, but it is anticipated to be approximately 12 months from when the Bill was given Royal Assent (19 June 2025). The Act will amend certain sections of the General Data Protection Act in areas such

1 July 2026 – The Drivers' Hours, Tachographs, International Road Haulage and Licensing of Operators (Amendment) Regulations 2022

The purpose of the Regulations is to implement fully some of the international road transport provisions in the Trade and Cooperation Agreement between the European Union and the United Kingdom. This includes prospective provisions related to drivers' hours rules and tachograph equipment in goods vehicles (such as bringing into scope some light goods vehicles and the introduction of new tachograph equipment). It also applies to some specialised international provisions and removes some access rights for EU operators to reflect the market access in the TCA.

The Terrorism (Protection of Premises) Act 2025 (Martyn's Law) (date to be confirmed)

This Act received royal ascent on 3rd April 2025 however the regulator (Security Industry Authority - SIA) have said that there will be at least 24 months required in preparing for the law to come into force and so we expect to prepare for the law coming into force

In the meantime, premises and events seeking advice on preparing for Martyn's Law should continue to look for Home Office updates. They can also access free technical guidance and operational advice on protective security on the government partner websites of the National Protective Security Authority and ProtectUK.

6 April 2028 – Pension age increase

The new normal minimum pension age will become 57 years from 2028, following the amendment to Part 4 of the Finance Act 2004 (pension schemes etc).

Pensions (Extension of automatic enrolment) Act 2023 (date to be confirmed)

This legislation removes the current age requirements for eligible workers to be automatically enrolled into a workplace pension. The current minimum age is 22 years, but this will be reduced to 18 years. No date has been set for when this [legislation](#) comes into force.

Paternity Leave (Bereavement) Act 2024

New [legislation](#) is to come into force that will provide new statutory rights for those taking paternity leave in cases where a mother, or a primary adopter, passes away. In this tragic situation, it will provide the other parent or partner who would have taken paternity leave with an automatic day-one right to take immediate paternity leave.

This legislation received Royal Assent back in 2024 under the previous Government, but we are waiting a date for when it is to come into force. However, given the Employment Rights Bill and the reforms within that, particularly around family leave, it may be this statutory right comes into force around the same time.

LEGISLATION DATE UNKNOWN

SUNDAY TRADING – PROTECTION FOR SHOP WORKERS

The right of shop workers to opt out of working Sundays on religious or family grounds is to be extended to any 'additional' hours above their normal hours which they may normally be obliged to work if requested. The duty of employers to advise workers of these rights is also to be extended.

The Enterprise Act 2016 contains provisions to strengthen certain aspects of the protections given under the Employment Rights Act 1996 specific to shop and betting workers. This Act received Royal Assent, i.e. became law on 4 May 2016, but the provisions making the Sunday working amendments have not yet been brought into force.

In addition, the amendments to ERA 1996 envisaged the making of regulations as secondary legislation to fill in the detail of how the revised legislation would work, and that secondary legislation has not yet been published, although the power to make it is in force. With a change in Government since this came into force, the current government have not given any indication that it intends to enact this legislation and so we have no precise indication as to when these changes will take effect, or if they will ever come into force.

CHILDREN AND SOCIAL WORK ACT 2017 WHISTLEBLOWING – PROTECTION FOR CHILDREN'S SOCIAL CARE APPLICANTS

Section 32 of the Children and Social Work Act 2017 when it commences will allow the Employment Rights Act of 1996, s 49C to enable the introduction of regulations that prohibit relevant employers from discriminating against an applicant for a children's social care position because it appears that they have made a protected disclosure. At this time, draft regulations are yet to be published.

CONSULTATION AND GUIDANCE

OPEN CONSULTATION

CALL FOR EVIDENCE: 2026-2030 GENDER EQUALITY STRATEGY

The European Commission has launched a consultation on its [2026-2030 gender equality strategy](#). This particular initiative is about setting out a long-term vision for achieving full women's rights in Europe.

The aim is to further progress a gender-equal Europe and promote gender equality globally. This latest strategy builds on the previous of 2020-2025 and is Europe's roadmap for achieving their aim.

If you would like to contribute to this important call for evidence, you can do so [here](#). The closing date is 11 August, 2025 (midnight Brussels time).

CONSULTATION: LOCAL GOVERNMENT PENSION SCHEME IN ENGLAND AND WALES

The Ministry of Housing, Communities and Local Government have opened a new public consultation on proposed new reforms to tackle inequality and to help boost benefits. The consultation runs until 7 August 2025, and you can take part in this consultation [here](#).

Note, it applies only to England and Wales.

WELSH GOVERNMENT CONSULTATION: DISABLED PEOPLE'S RIGHTS PLAN 2025-2035

The Welsh Government have opened a [consultation](#) in which it is seeking views on existing rights for those with disabilities. It encompasses all aspects of society such as access to services, travel and employment and income.

From the perspective of employment and income, the Government are specifically wanting to know whether the proposed outcomes set out in 'Employment, Income and Education' will help reduce the problems and barriers that people with disabilities face? Therefore, what, if anything, should be added or removed from these outcomes? Views are sought on to what extent:

- Someone with a disability can access timely and co-ordinated advice and services to enable them to achieve equitable access to paid and unpaid volunteering/work experience, self-employment, and long-term job opportunities/careers.
- Someone with a disability engaged in promoting inclusive recruitment, retention, and progression practices.
- Someone with a disability is represented at all levels in the workforce, that employers are aware of their legal responsibilities and the employment rights of the employee.
- Employees with disabilities are represented at all levels within the Welsh workforce
- Are employers encouraged to adopt inclusive practices to eliminate prejudice and discrimination in the workplace
- Are employers encouraged to promote the equitable recruitment, retention, and progression of employees with disabilities
- Are employers aware that understanding that different treatment, through the provision of reasonable adjustments is often the means of achieving equity in employment outcomes.
- That jobseekers and workers with disabilities and of all ages understand their employment rights and have the means to exercise them, including through positive action to ensure equitable opportunities for lifelong learning.
- Employees with disabilities are not disadvantaged in the job market by barriers to education, training, or recruitment support.

As noted, this is a consultation specific to Wales.

NEW PUBLIC CONSULTATION GUIDANCE ON THE EQUALITY ACT 2010 MEANING OF 'SEX'

Following the Equality and Human Rights Commission's (EHRC) [interim guidance](#) on the practical implications of the UK Supreme Court's judgement in case '[For Women Scotland v The Scottish Ministers](#)', the EHRC have launched a new public consultation in which they are seeking views and feedback on a new Code of Practice.

As a reminder, the ruling now legally requires employers to treat 'sex' under the Equality Act 2010 to mean biological sex. In other words, a 'woman' is a biological woman (a person born female), a 'man' is a biological man (a person born male). That if somebody identifies as trans, they do not change sex for the purpose of the Equality Act, even if they have a Gender Recognition Certificate (GRC). Meaning a trans woman is a biological man and a trans man is a biological woman.

The consultation will run between 19 May to 30 June, 2025 and once closed, they will consider responses and submit a draft Code to the Minister for Women and Equalities for approval and laying in Parliament.

EMPLOYERS INVITED TO PARTICIPATED IN THE ANNUAL LOW PAY COMMISSION CONSULTATION

Each year, the Low Pay Commission (LPC) recommends to the Government new minimum wage rates for the coming April. In readiness for their submission this autumn, the LPC have opened a [public consultation](#) in which it seeks views from members of the public and employers.

The consultation is now open and runs until 30 June 2025. If you would like to have your say, you can participate [online here](#).

CLOSED PUBLIC CONSULTATIONS: RESPONSES BEING ANALYSED AND WAITING FORMAL RESPONSE:

EQUALITY (RACE AND DISABILITY) BILL: MANDATORY ETHNICITY AND DISABILITY PAY GAP REPORTING

Earlier this month, the public consultation on how ethnicity and disability pay gap reporting for large employers can be implemented closed. The aim of the consultation is to create a more equal society by focussing on inequalities in the areas of ethnic minority and those who have disabilities.

The Government are committed to ensuring that ethnicity and disability pay gap reporting will address that on average, ethnic minority groups earn less than white British peers and those with disabilities have lower average incomes than those who do not.

The responses are currently being analysed, and once published, we will provide an update.

TRIBUNAL PROCEDURE COMMITTEE

A consultation on further changes to the Employment Tribunal Rules where it is expected that rule changes will come into force later in 2025. The changes are unlikely to significantly impact current practice, however it is still worth employers knowing of the upcoming changes as it will impact on the technical procedures of managing a tribunal claims. The rules proposed include:

- More often be asked to submit a draft case management order
- Changes in the way an ET treats a failure to submit a reply to an employer's contract claim

We await the Government's response.

PATERNITY AND SHARED PARENTAL LEAVE

The Women and Equalities Committee (WEC) launched a call for written evidence on statutory paternity and shared parental leave to examine options for reform.

INQUIRY INTO GENDERED ISLAMOPHOBIA

This [public inquiry](#) ran between 13 February 2025 and 21 March 2025 and was in response to evidence that shows Muslim women and girls are much more likely to be victims of Islamophobic abuse than men.

COSTS PROTECTION IN DISCRIMINATION CLAIMS

In this consultation, the Government sought views in respect of the current arrangements for bringing discrimination claims under the Equality Act 2010. The proposals include:

- The Ministry of Justice is considering whether costs protection should be extended to all discrimination claims as currently it only applies in certain areas.
- Costs protection applies in certain circumstances, and when granted it means that if a claimant loses a case, they do not have to pay adverse costs. This of course is not the norm, since the general position in civil cases in England and Wales is that the loser pays the winner's legal costs as well as their own.
- Consultation which sought views in respect of the current arrangements for bringing discrimination claims under the Equality Act 2010
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PROPOSALS TO REGULATE NHS MANAGERS

The Government are proposing to introduce a Leadership and Management framework that will include a Code of Practice, a set of core standards and a development curriculum for managers.

NORTHERN IRELAND GENDER PAY GAP INFORMATION REGULATIONS

The Northern Ireland Government are considering consultation responses in connection with proposals in relation to section 19 of the Employment Act (Northern Ireland) 2016, which sets out an employer's obligation to publish gender pay gap information.

PRUDENTIAL REGULATION AUTHORITY AND THE FINANCIAL CONDUCT AUTHORITY – REMUNERATION REFORMS

This consultation sought views on how both the Prudential Regulation Authority (PRA) along with the Financial Conduct Authority (FCA) could make the remuneration regime for dual regulated firms, more effective, simple and proportionate in its aim in ensuring accountability for risk taking.

EUROPEAN DATA PROTECTION BOARD – GUIDELINES ON PSEUDONYMISATION

The European Data Protection Board's consultation sought public input on new guidelines proposed on Pseudonymisation.

FINANCIAL REPORTING COUNCIL – STEWARDSHIP CODE

This was a consultation to seek input on updates made to the Stewardship Code. This code promotes transparency, disclosure and accountability when it comes to the responsible allocation, management and oversight of capital by the institutional investment community.

GUIDANCE

NEW PUBLIC GUIDANCE ON THE EQUALITY ACT 2010 MEANING OF 'SEX'

We reported last month that the Equality and Human Rights Commission (EHRC) issued interim guidance following the UK Supreme Court's judgement in case '[For Women Scotland v The Scottish Ministers](#)'. This continues to remain the latest guidance, as the EHRC consult on the updated Code of Practice of Services, Public Functions and Associations.

This is an exceptionally sensitive area of law and requires careful and considerate handling due to its significant implications.

We would advise you seek advice if you have a situation that you are managing. For clarity, the ruling now legally requires employers to treat 'sex' under the Equality Act 2010 to mean biological sex. In other words:

- A 'woman' is a biological woman or girl (a person born female)
- A 'man' is a biological man or boy (a person born male)
- If somebody identifies as trans, they do not change sex for the purpose of the Equality Act, even if they have a Gender Recognition Certificate (GRC)
- A trans woman is a biological man
- A trans man is a biological woman.

CASE RULINGS

REMEMBER CASE 'HIGGS V FARMOR'S SCHOOL'? WE NOW HAVE A DEFINITIVE LEGAL POSITION

CASE OVERVIEW

This is a case that centred around whether it is direct discrimination to subject an employee to adverse treatment when they have displayed behaviour, content, or speech that most reasonable people would agree is offensive or inappropriate, regardless of personal preferences or whether it is belief protected under the Equality Act 2010.

WHAT HAPPENED?

Mrs. K Higgs had been employed by Farmor's School but was dismissed for gross misconduct for having posted on her Facebook account her own views which criticised the teaching of LGBTQ+ relationship education in primary schools, specifically in respect of transgender. As a Christian, Mrs. K Higgs believed that her belief that gender cannot be fluid and that an individual cannot change their biological sex or gender to be protected under the Equality Act 2010. The school subsequently received an anonymous complaint because they were seen as homophobic and prejudice towards the LGBTQ+ community.

Mrs. K Higgs lodged an employment tribunal claim for direct discrimination on the basis that she had been discriminated against on the grounds of religious belief. Firstly, for a lack of belief that someone could change their biological sex, and secondly, that marriage is an institution between a man and a woman. She believed her dismissal breached her freedom of speech and that she had been harassed during the investigation process because of intimidating questioning.

The original Employment Tribunal (ET) concluded that she had not been discriminated against, nor had she been harassed. The judgement found no underlying connection between her beliefs and the way in which the school had treated her and that her actions of posting her own views in private, despite it being a personal account, could have reasonably led people to believe that she was homophobic and transphobic.

The ET therefore concluded that the school was warranted in taking a reasonable belief that the negative views would impact on various groups of people both within the school community, such as parents, children, and staff, as well as the wider local community and therefore the dismissal was fair.

Mrs. K Higgs appealed, and the Employment Appeal Tribunal (EAT) overturned the ET's ruling saying that a "proportionality assessment" of the dismissal should have been carried out by Farmor's School. It therefore deemed the dismissal to be direct discrimination. Setting out the judgement, the EAT set out a list of factors to consider when assessing proportionality:

- The content of the manifestation
- The tone used
- The extent of the manifestation
- The worker's understanding of the likely audience
- The extent and nature of the intrusion on the right of others, and any consequential impact on the employer's ability to run its business
- Whether the worker has made clear that the views expressed are personal, or whether they might be seen as representing the views of the employer, and whether that might present a reputational risk
- Whether there is a potential power imbalance given the nature of the workers position or role and that of those whose rights are intruded upon
- The nature of the employer's business, in particular, whether there is a potential impact on vulnerable service users or clients
- Whether the limitation imposed is the least intrusive measure open to the employer

The case was progressed to the Court of Appeal (CA), but it also agreed with the EAT that her dismissal had been an act of direct discrimination because:

- the language of the re-posts was not grossly offensive
- the language was not the claimant's own (except for her repetition of the word 'brainwashing')
- the disciplinary panel accepted that there was no evidence that the reputation of the school had been damaged. Instead, the school's concern was about potential damage in the future
- the risk of widespread circulation was speculative at best because the posts were made on the claimant's personal Facebook account, in her maiden name and with no reference to the school

- by the time of the disciplinary hearing, which took place several weeks after the posts were made, only one person was known to have recognised who she was
- even if readers of the posts might fear that she would let her views influence her work, neither the disciplinary panel nor the tribunal believed that she would do so. This meant that there had been no reason to doubt her assertion that:
 - her concern was specifically about the content of sex education in primary schools
 - that she wouldn't bring this into school and
 - that she would never treat gay pupils or transgender pupils differently
 - there had indeed been no complaints about any aspect of her work for over six years
 - there had been no complaints about any aspect of her work for over six years
 - Despite it had been unwise of Mrs. K Higgs to have re-posted material that used provocative language and where people could potentially realise her connection with the school, it ultimately did not justify her dismissal

The CA emphasised however, that whilst in finding she had been discriminated against, it was no doubt unwise of Mrs. K Higgs to have re-posted material expressed in florid and provocative language.

THE SUPREME COURT

Farmor's School applied to the UK Supreme Court but was refused permission to appeal the EAT's judgement.

CONSIDERATIONS FOR EMPLOYERS

The EAT judgement, the final legal position on this case because an appeal request has been refused, shows that:

- It can be a difficult question of where to draw the line when considering if disciplinary action would be lawful or not, where you are dealing with the manifestation of an employee's belief and whether it may be objectionable by others.
- The Courts were critical of Mrs. K Higg's actions, and the CA agreed that the school had a right to investigate.
- Even though the case dealt with the issue of whether a dismissal was appropriate, it did not address whether a disciplinary warning would have been lawful or the potential repercussions if she had posted offensive content after having received a warning.

WHEN MANAGING REDUNDANCIES – MUST AN EMPLOYER CONSIDER ALTERNATIVE EMPLOYMENT?

OVERVIEW

In case [Hendy Group Ltd \(the Appellant\) and Mr. Daniel Kennedy \(the Respondent\)](#), the employment tribunal considered whether there had been a fair redundancy dismissal in light of Mr. Kennedy's claims that his employer failed in its legal duty to help him find another job within the business.

WHAT HAPPENED?

Mr. Kennedy was employed as a trainer within Hendy Group Ltd's Training Academy. In 2020, due to the COVID-19 pandemic, a redundancy situation arose. Mr. Kennedy accepted the redundancy situation and his selection for redundancy. However, he claimed that his dismissal was unfair because he believed his employer did not adequately consider alternative employment opportunities for him within the company.

He argued that he could only see job vacancies during his notice period in the same way as external applicants, not internal applicants. He had been given no guidance or support in identifying which available roles may be suitable for him. The HR team had failed to inform managers across the business that he was at risk of redundancy and ultimately there was no evidence of his employer trying to match him to available roles.

Furthermore, with a career history of having worked in sales for more than 10 years prior to working for the Hendry Group, he had several applications for sales roles within the company rejected. He was subsequently advised that as his motivation for applying for sales roles was in question due to the number of applications, he was told that he would be unsuccessful in any future application.

Mr. Kennedy argued he had ultimately received no support from the Human Resources department or his line manager and despite his proactive efforts, he was not offered any alternative roles and was eventually dismissed.



TRIBUNAL FINDINGS

The Employment Tribunal found that Mr. Kennedy was unfairly dismissed by the Hendy Group Ltd due to redundancy. The Tribunal concluded that the employer failed to consider alternative employment for Mr. Kennedy, leading to an unfair dismissal decision.

This case highlights the importance of employers taking proactive steps to find alternative roles for employees facing redundancy. The Tribunal found that:

- The Hendy Group Ltd failed to assist Mr. Kennedy in finding alternative employment within the company.
- The Human Resources department did not take any proactive steps to help Mr. Kennedy apply for internal positions.
- Mr. Kennedy's applications for alternative roles were not given fair consideration, and he was effectively blocked from securing another position within the company.
- The dismissal was deemed unfair because the employer did not fulfil its obligation to seek alternative employment for Mr. Kennedy.

The Tribunal ordered Hendy Group Ltd to pay compensation to Mr. Kennedy amounting to £19,566.73. However, they made no Polkey reduction because the EAT found that had the employer acted fairly, it is likely that Mr. Kennedy would have secured an alternative role within the business.

"Polkey" refers to a legal principle in employment law, stemming from the House of Lords case *Polkey v AE Dayton Services Ltd* [1987]. It is primarily concerned with the calculation of compensation in unfair dismissal claims.

LEARNINGS FOR EMPLOYERS

Employers can learn several key lessons from this case:

1. **Proactive Assistance:** Employers should actively assist employees facing redundancy in finding alternative roles within the company. This includes providing support during the application process and ensuring employees are aware of available positions.
2. **Fair Consideration:** All applications for internal positions should be given fair and unbiased consideration. Employers should not block or hinder employees' efforts to secure alternative employment.
3. **Communication:** Clear and timely communication is crucial. Employers should ensure that employees are kept informed about their redundancy status and any potential opportunities for alternative employment.
4. **Documentation:** Maintain thorough documentation of all steps taken to assist employees in finding alternative roles. This can help demonstrate that the employer has fulfilled its obligations in the event of a tribunal.



END OF YEAR REPORTING!

Employers must get ready to make their last full payment submission or employer payment summary, which must include up to and include 5 April 2025. Don't forget, HMRC require employers to indicate on the submissions that it is their final submission and that everything that needs to be sent has been. The deadline to report [expenses and benefits](#) is 6 July 2025. Failure to do so will lead to a penalty of £100 per 50 employees for each month or part month the P11D(b) is late.

EMPLOYERS INVITED TO PARTICIPATED IN THE ANNUAL LOW PAY COMMISSION CONSULTATION

Each year, the Low Pay Commission (LPC) recommends to the Government new minimum wage rates for the coming April. In readiness for their submission this autumn, the LPC have opened a [public consultation](#) in which it seeks views from members of the public and employers.

The consultation is now open and runs until 30 June 2025. If you would like to have your say, you can participate [online here](#).

THE EARNED WAGE ACCESS CODE OF PRACTICE

Did you know that there is a Code of Practice for managing what is known as 'earned wage access' (also known as Employer Salary Advance Schemes)? It is a benefit that allows employees to receive an element of their pay that has already been earned before payday, and we tend to see this operate in businesses that employ low paid and hourly paid workers.

The 'Earned Waged Access Code of Practice' was created between the Chartered Institute of Payroll Professionals (CIPP) and seven UK providers of earned wage access and is a set of ethical and operational guidelines for the purpose of ensuring earned wage access services are fair, transparent and beneficial to employees. You can [read the Code here](#).

NEW GUIDANCE FOR AGENCY WORKERS

As part of HMRC's continued plan in tackling tax avoidance, it has published new [guidance](#) specific to agency workers and contractors on how to identify if they have been involved in a tax avoidance scheme when moving between umbrella companies.

Within the guidance, it sets out warning signs of tax avoidance, what to do if the warning signs appear to apply to their circumstances, how to pay tax in the event of unpaid tax and how to get further information.

Employment status and IR35 rules are complex and since 6 April 2020, all medium and large private sector organisations have been responsible for deciding the status of workers and whether the off-payroll rules apply. For those working in small companies in the private sector, the rules have not changed, and it is the worker's intermediary that is responsible in deciding the employment status and whether the IR35 rules apply.

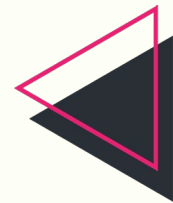
The latest [Government guidance is available here](#).

THE CHARTERED INSTITUTE OF PAYROLL PROFESSIONALS VIEW ON PROPOSED MEASURES FOR ETHNICITY AND DISABILITY PAY GAP REPORTING

We discuss in this month's EDI newsletter the Government's proposals for extending mandatory pay gap reporting to include ethnicity and disability. It is likely to be introduced as part of the Government's commitment and 'make work pay' plan. Although currently not part of the Employment Rights Bill, we believe the intention is for a separate Bill, 'Equality (Race and Disability) Bill' will be introduced imminently.

Before it is, the Government opened a public call for evidence to seek views on how mandatory ethnicity and disability pay gap reporting could be implemented (it would be for larger employers in Great Britain).

HEALTH & SAFETY



OUTDOOR WORKERS AND SUN EXPOSURE

As we head into the summer months, rising temperatures and sun exposure can present health risks to those who work outdoors. Typical professions at risk include construction, agriculture, gardeners and facilities teams and service workers.

Short term exposure can lead to sun burn, dehydration, fatigue, exhaustion and heat stress. The most serious effect of long-term exposure is an increased chance of developing skin cancer.

As an employer you must consider the risks from high temperatures and weather conditions and take steps to mitigate or reduce the risk to as low a level as reasonably practicable. Take the time to reflect on your existing risk assessments and ensure that you have appropriate controls in place to protect workers.

Consider:

- Rescheduling work to cooler times of the day
- Provide more frequent rest breaks and introduce shading to rest areas
- Provide free access to cool drinking water
- Introduce shading in areas where people are working
- Encourage workers to remove PPE t when resting to help encourage heat loss
- Make sure workers can recognise the early symptoms of heat stress and skin cancer
- Provide SPF for outdoor workers, and/ or hats where appropriate.

UPDATED BLOODBORNE VIRUS GUIDANCE

The Health and Safety Executive (HSE) has provided updated and clearer guidance on dealing with blood born viruses (BBV's), which has been refreshed following feedback from the National AIDS Trust and other topic experts and provides practical tips on carrying out a risk assessment.

The updated guidance which can be [found here](#) may be useful to those working in healthcare, social care, education, waste management, cleaning, laboratories, tattooing and body piercing, beauty treatments, chiropody, and various other roles where workers handle or are exposed to sharps and potentially infected blood or body fluids.

HSE 2025/26 PRIORITIES

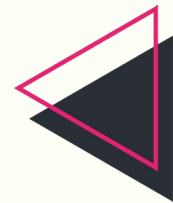
The Health and Safety Executive (HSE) has released its updated Local Authority Circular, setting out the main priorities for regulatory activity in 2025/26.

The communication provides a summary of high priority health and safety topics for 2025/2026, and a list of activities/sectors considered suitable for proactive inspection. If your business activities/ sector falls within the scope of those listed below, it is foreseeable that you could expect a visit from your local authority, so should take steps to prepare and ensure you are compliant.

The full list of sectors considered suitable for proactive visits can be found on the next page:

HEALTH & SAFETY TOPICS	SECTORS CONSIDERED SUITABLE FOR PROACTIVE VISIT
Occupational lung disease, associated with asbestos exposure, welding fume and respirable crystalline silica.	<ul style="list-style-type: none"> • Premises build 1950-1980 • Retail outlets cutting/shaping their own stone or high silica content 'manufactured stone' e.g. gravestones or kitchen resin/stone worktops. • Steel/ Metal Working • In-store bakeries and retail craft bakeries where loose flour is used and inhalation exposure to flour dust is likely to frequently occur i.e. not baking premade products.
Legionella	Focus on spa pools and hot tubs in the holiday sector as well as cooling towers.
Work related stress	No sector defined
Violence and aggression	Premises with vulnerable working conditions. Such as lone working, night working or cash handling for example care providers, betting shops, off- licences and where intelligence indicates that risks are not being effectively managed
Musculoskeletal disorders	<ul style="list-style-type: none"> • High volume Warehousing/Distribution • Residential care homes and provision of social care
Noise in the workplace	Industrial retail/wholesale premises/Leisure Such as steel stockholders; builder's or timber merchants, night-time economy for example pubs, clubs, nightclubs, concert venues.
Visitor attractions prevention/control of ill health arising from animal contact	<ul style="list-style-type: none"> • Open Farms/Animal Visitor Attractions • Mobile animal attractions, such as visits to a nursery.
Planned preventative maintenance	No sector defined
Inflatable amusement devices	No sector defined
Trampoline Parks – improved information provision and supervision of users	Trampoline Parks
Exposure to Carbon Monoxide Noise Gas safety Vehicle/ Pedestrian safety Management of scalping/ choking	Motorsport and Motor Leisure Industries

EQUALITY, DIVERSITY & INCLUSION



WELCOME TO OUR NEW DEDICATED NEWSLETTER SECTION ON EQUALITY, DIVERSITY AND INCLUSION.

We have always covered the latest developments in Equality, Diversity and Inclusion within our monthly newsletter. Moving forward, we are pleased to announce that this important area will have its own page entirely dedicated to the latest EDI insights to help you keep up to date with legal and best practices.

WHAT IS MEANT BY EQUALITY, DIVERSITY AND INCLUSION?

For our first news page, it gives us the opportunity to set out the importance of equality, diversity and inclusion (EDI).

EDI is about recognising that we all have many great things in common but at the same time, have many great differences that sets us apart. Everyone should have the same right to equal access to employment, equal pay and training, regardless of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex or sexual orientation.

The Equality Act 2010 exists to ensure protection from discrimination, harassment and victimisation during the course of employment, which extends to candidates during the recruitment process to (and can also apply to ex-employees on leaving employment such as through the referencing process). Aside from the need for complying with this Act, creating a workplace culture that provides equal opportunity, encourages diversity and inclusion is the right thing to do. It is often said 'treat people as to how you would want to be treated', and this sentiment is certainly true in employment.

A NEW CODE OF PRACTICE FROM THE EQUALITY AND HUMAN RIGHTS COMMISSION LAUNCHING SOON!

Following the Supreme Court's ruling in case '[For Women Scotland Ltd \(appellant\) v The Scottish Ministers \(Respondent\)](#)', the Equality and Human Rights Commission have updated '[Services, public functions and associations Code of Practice](#)' and have now launched a public consultation seeking views on the amendments made. The [consultation](#) on the amended Code of Practice continues through to 30 June 2025, full details set out in this month's 'Consultation and Guidance' Newsletter.

Central to the amended Code is a revised definition of 'legal sex'. Previously, legal sex was understood as the sex assigned at birth or acquired via a Gender Recognition Certificate (GRC). However, the Supreme Court's ruling in For Women Scotland has invalidated this interpretation, establishing that a GRC does not alter a person's legal sex for the purposes of the Equality Act 2010.

Bear in mind though that the meaning of 'sex' has a different legal meaning under the Gender Reassignment Act 2004. The Gender Recognition Act 2004 states "if the acquired gender is the male gender, then the person's sex becomes that of a man, and if it is the female gender, the person's sex becomes that of a woman".

The judgement in the case made clear that whilst the meaning of sex for the purpose of the Equality Act 2010 is strictly relating to biological sex, employees who are trans do continue to have protections from discrimination, harassment and victimisation because under the Equality Act 2010 gender reassignment is one of the nine protected characteristics.

LEGAL CHANGES ON THE HORIZON IN STRENGTHENING EQUALITY, DIVERSITY AND INCLUSION

The Employment Rights Bill is a significant Bill which when passed will bring significant change to UK employment law. There are 28 areas of reform set out within it, some of which relate to equality in the workplace, which are:

- The legal obligation to take reasonable steps to prevent sexual harassment during the course of employment will be extended so that it becomes a requirement to "take **all** reasonable steps"
- A new legal duty to not permit harassment of an employee by a third party and that all reasonable steps must be taken in doing so. This will be for any form of harassment, not just sexual harassment
- Disclosing sexual harassment will be added to the list of what counts as a qualifying disclosure, i.e. it could amount to whistleblowing if it has been made in the public interest
- Employers with 250+ employees will be required to publish 'equality action plans' including gender pay gap action plans, with penalties for failure to do so
- As part of the gender pay gap reporting, employers will be required to identify and name providers and employers of contract workers

Other reforms expected, but not currently set out within the Employment Rights Bill include:

- Establishing a new Equal Pay Regulatory and Enforcement Unit
- Extend existing equal pay laws to cover race and disability and introduce [Ethnicity and Disability pay gap reporting](#).

The Government published a [call for evidence](#) earlier this year which will then help to shape a new Bill which is to be introduced known as the Equality (Race and Disability) Bill.

Wider change that we could also see in the future is in respect of pay transparency. Currently, the EU's Pay Transparency Directive requires employers to take several measures to improve pay transparency. This includes providing salary ranges when recruiting, not asking candidates about salary history and providing employees with information about their pay and how it compares to those doing the same role or work of equal value. This Directive was not introduced in the UK, but the Government have opened up a call for evidence about whether measures such as these should be extended to Great Britain.

INTERESTING HR STATISTICS



REFORMING ZERO-HOUR CONTRACTS – WHAT DO EMPLOYERS THINK OF THE FORTHCOMING CHANGES?

In our last webinar we explored the Government's reforms on banning 'exploitative zero-hour contracts'. We considered how the reforms will impact an employer's ability to recruit and retain, as well as understanding how businesses can remain agile and flexible. With our usual engagement polls used throughout, we were able to really understand how other employers are feeling regarding these changes.

The majority of those surveyed (85%) indicated that they use zero-hour contracts or arrangements with no guaranteed hours. These businesses operated in the health and social care sector, hospitality, education, and travel and tourism, however, 75% of those businesses using this type of working arrangement had only a limited awareness of the reforms.

We wanted to seek the views from our audience for how they envisaged the reforms would impact their business. As anticipated, it was found that the most cited challenge was the potential increase in the administrative burden (68%). This was closely followed by loss of flexibility (67%), then by increased costs (61%), the need for greater workforce planning (53%) and then the potential for overstaffing (53%).

With the Bill having been amended as it is making its way through Parliament, a significant amendment that had been put forward and accepted recently was to extend the reforms to Employment Agencies and agency workers. This will mean both the employment agency and the end hirer (Business) will be responsible for providing the agency worker with reasonable notice of shifts and the Employment Tribunal will be able to apportion liability based on the responsibility of each party in each case. An employment agency will also have the responsibility to pay any short notice cancellation or curtailed payments; however, they will be allowed to re-coup this from the end hirer where they have arrangements with the hirer covering this.

This amendment to the Bill is significant because it brings more workers into scope, as our survey established, because 45% of those asked, said they used Employment Agencies.

Preparation for the reforms in this area will be crucial, and it was welcoming to see that 52% of respondents reported to having started preparing. We believe a fundamental business activity is carrying out an impact assessment of each of the reforms. We have launched one specific to this area of reform, which you can access on the Knowledge Base here.

Equally important is accessing the right support, and in asking our attendees, they indicated that their desired information and/or support was as follows:

- HR Advice and Support: 55%
- Policies: 57%
- Handbooks and Contracts: 57%
- Training - line managers: 40%

KEY TAKEAWAYS

We found a widespread use of flexible working arrangements, particularly zero-hour contracts, across various business sizes and sectors, with them being prominently used in the health and social care sector.

Despite the prevalence of these contracts, awareness of related reforms is generally limited, highlighting a potential knowledge gap among businesses. We know that businesses anticipate significant challenges from these reforms and there is a clear demand for practical support in areas like HR advice, policy development, and training to navigate these reforms.

LABOUR MARKET OVERVIEW

The latest data from the Office for National Statistics (ONS), in their Labour Market Overview, [published 10 June 2025](#) shows the following economic indicators:

EMPLOYMENT

For the period February to April 2025:

- The estimated UK employment rate increased 0.1% to 75.1%
- The estimated UK unemployment rate increased by 0.2% to 21.3%
- The UK economic inactivity rate decreased by 0.2% to 21.3%

PAYROLLED

Estimates for May 2025

- There were 30.2 million payrolled employees; a decline of 274,000 employees over the 12-month period
- Estimates for May 2025 indicate that median monthly pay has increased by 5.8% (£2,521) on the same period last year

REDUNDANCIES

- The number of people reported redundant in the period decreased to 3.5 per thousand employees.

VACANCIES AND JOBS IN THE UK

- The estimated number of vacancies for the period March to May 2025 fell by 63,000 (7.9%) on the quarter to 736,000. This is the 35th consecutive quarterly decline
- The number of unemployed people per vacancy was 2.2 (February to April 2025), an increase from 1.9 in the period November 2024 to January 2025.

Got any questions?

If you need any further guidance or have any HR-related queries, feel free to get in touch with us. You can also browse through our previous newsletters for more insights and [updates here](#).