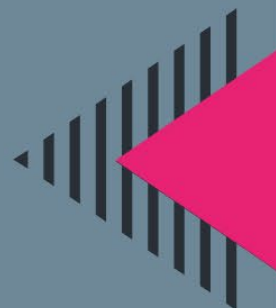




# HR & EMPLOYMENT LAW INSIDER: YOUR MONTHLY UPDATE

August 2025



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# RECENT AND FUTURE CHANGES

## RECENT CHANGES

### EMPLOYMENT RIGHTS BILL UPDATE!

With Parliament now finished for the summer, it is likely to be September/October that the Employment Rights Bill is given Royal Assent. We already have a commitment from the Government as to what will be introduced and when, as described in their [roadmap for delivering change](#).

Just as we published our [last newsletter](#), further opposition amendments were made to the Bill, which made slight changes to several reforms. Whilst these have been added to the draft Bill, they may not be accepted in the final Bill when it returns to the House of Commons. The amendments include:

- To specify that 48 hours' notice would be required in the cancellation of a shift
- To extend the current entitlement to unpaid time off for public duties by including those who act as special constables
- To oblige employers to take reasonable steps in investigating whistleblowing
- Allow for other 'professional bodies' to certify people to act in the role of a companion in accordance with a worker's right to be accompanied at disciplinary and grievance hearings
- Retain the 50% turnout threshold required in a ballot for industrial action
- Remove clause 59 of the Bill, which was to repeal the current requirement for trade unions to opt out members from political fund contributions, unless they have expressly opted in.

Furthermore, one other significant amendment put forward was in respect of the qualifying period for unfair dismissal. Rather than remove the qualifying service entirely, as the original Bill set out, this amendment reduces the length of qualifying service from the current 2 years to 6 months. The idea being is that it would make it simpler, still give protection a lot earlier than current position and would avoid a new legal structure.

However, this is just an amendment and may not be accepted, and realistically, it probably won't. This is because the day 1 right was part of the Government's manifesto and since they have a majority in the House of Commons, they generally have the greater authority in pushing through this reform. So we're currently waiting to see what happens, but in any event, the unfair dismissal rules will either be:

1. To require someone to have 6 months service in order to bring a claim for unfair dismissal, or
2. It becomes a day 1 right and accompanied with a new statutory probation period.

It was also clarified during the last debate in the House of Lords that the Government would introduce the following:

- A public consultation on employment status (expected before the end of 2025)
- Appoint a 'freelance champion' to represent freelancers within government
- Publish guidance on how the Fair Work Agency will exercise its power to bring employment tribunal claims
- Consider possible amendments to the early conciliation period, following extended limitation period for employment tribunal claims
- Increase the number of employment tribunal judges throughout the remainder of 2025 and 2026
- The Health and Safety Executive (HSE) to review the Workplace (Health, Safety and Welfare) Regulations 1992
- Bring forward proposals on workplace temperatures.

### The Apprenticeships (Miscellaneous Provisions) (England) (Amendment) Regulations 2025

This month, [the Apprenticeships \(Miscellaneous Provisions\) \(England\) \(Amendment\) Regulations 2025](#) took effect. These Regulations change the minimum duration of the practical period for when a person is expected to work and receive training when on an approved English apprenticeship agreement. It reduces the practical period from 12 months to 8 and applies to apprenticeships that begin on or after 1 August 2025. You can read the [Government's summary here](#).



## Review announced into Great Britain's Whistleblowing Framework

Last month we informed you about a newly published report from the Department for Business and Trade (DBT) called '[understanding the effectiveness of the Whistleblowing Framework in Great Britain](#)'. Grant Thornton had been commissioned by the previous Government to conduct a research study in order to provide evidence as part of the review of the whistleblowing framework [terms of reference](#). Their study then took place between September and December 2023 and aimed at exploring the effectiveness of the existing framework against the original objectives of Public Interest Disclosure Act 1998 (PIDA).

Key points identified and discussed within the report includes:

- A desire for greater scrutiny of how organisations handle whistleblowing concerns and more significant consequences for failures.
- A greater requirement to hold senior management accountable for embedding effective whistleblowing arrangements and preventing detriment.
- Current failings to adequately address whistleblowing concerns or retaliating against whistleblowers, which have been found to lead to severe reputational damage and legal cost.
- The need to clarify the definition of 'public interest concern' due to an inference that that tribunals may continue to distinguish between disclosures made in the public interest versus those that are purely private employment disputes.
- An analysis of Employment Tribunal data and prescribed person disclosure reports underscores the importance of accurate record-keeping and being prepared for potential disclosure of information in legal proceedings.

The report suggests potential changes:

- Expanding the definition of 'worker' to extend whistleblowing protection to a much broader range of individuals beyond traditional employees, such as job applicants, freelancers, interns, partners, volunteers, and those in other non-traditional employment relationships
- Creating obligations for organisations to have demonstrable procedures for receiving and responding to whistleblowing concerns promptly and appropriately.
- Strengthening protections against detriment, including, potentially making it a civil or criminal offence to harm a whistleblower or fail to fulfil responsibilities related to whistleblowing.
- Improving redress mechanisms such as discussing potential for full redress and expedited remedies at Employment Tribunals, along with addressing issues like time limits, legal aid, and the use of non-disclosure agreements.
- Enhancing accountability by proposing consequences for non-compliance with new standards, including public fines for organisations failing to meet Employment Tribunal judgments.
- Promoting a positive whistleblowing culture by encouraging employers to see whistleblowing as a means of good governance and to foster environments of trust and transparency.

## Recommendations for Employers

Based on the report's insights and proposed changes, employers should consider the following:

- **Enhance whistleblowing policies:** Update internal policies to be clear, accessible, and robust, with defined reporting, investigation, and feedback procedures.
- **Broaden protections:** Extend whistleblowing protections to a wider range of individuals, including contractors, freelancers, volunteers, and applicants, anticipating future legal changes.
- **Ensure fair investigations:** Implement impartial and transparent procedures for investigating all whistleblowing concerns to build trust and provide a strong legal defence.
- **Protect whistleblowers:** Actively safeguard individuals who raise concerns from retaliation. Senior management should be held accountable for preventing any form of detriment.
- **Foster a supportive culture:** Promote an organisational culture where whistleblowing is seen as a positive tool for identifying wrongdoing, and train managers to respond effectively.
- **Provide adequate support:** Consider offering whistleblowers access to mental health support and legal advice, acknowledging the challenges they face.
- **Stay informed:** Continuously monitor upcoming legislative developments to ensure ongoing compliance with any new laws.

## FUTURE CHANGES (CURRENT BILLS PROGRESSING THROUGH PARLIAMENT)

### EMPLOYMENT BILL – CURRENTLY GOING THROUGH PARLIAMENT

#### The Employment Rights Bill

This [Bill](#), when passed, will introduce the biggest changes in employment law in decades. Impacting the entire employment lifecycle, it will change how we recruit and retain our employees, and in managing the ending of the employment relationship.

The Bill is currently in the House of Lords and is due its final reading 3 September before returning to the House of Commons for final consideration of the amendments. After which, it will be passed for Royal Assent. We expect that it could be given Royal Assent around October/November 2025.

#### 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 2<sup>nd</sup> reading in the House of Commons, which took place on 11 July 2025, so very early on in its passage through Parliament. We are waiting for information regarding the next stage.

#### 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 the second reading took place 11 July 2025, and we're waiting for information regarding the next stage.

#### 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 IMPLEMENTATION DATE)

### SEPTEMBER 2025

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

This Act will make it an offence where certain organisation's (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.

#### Estimated October/November: Employment Rights Act 2025

It is estimated that the [Employment Rights Bill](#) could be passed as an Act of law around October/November 2025.

#### Estimated October-January: First set of reforms expected to come into force:

There are several reforms that will come into force not long after the Bill is passed, either immediately on its passing, or certainly within two or three months thereafter. These include:

- Repealing the Strikes (Minimum Service Levels) Act 2023
- Repeal the majority of the Trade Union Act 2016 to prevent the need for strikes
- Removing the 10-year ballot requirement for trade union political funds
- Simplifying industrial action notices and industrial action ballot notices
- Protections against dismissal for taking industrial action

## 2026 AND BEYOND

### Employment Rights Act Reforms: April 2026:

- Doubling the maximum period of the protective award for collective redundancy
- 'Day 1' Paternity Leave and unpaid parental leave
- Whistleblowing protections broadened
- Fair Work Agency body established which will have enforcement powers to ensure fairness
- Statutory sick pay – the removal of the lower earnings limit and waiting period
- Simplifying trade union recognition process
- Electronic and workplace balloting
- Gender pay gap and menopause action plans (initially voluntary in 2026, but mandatory in 2027)

### Finance Bill 2025-26 to amend part 2 of the Income Tax (Earnings and Pensions) Act 2003

Expected from April 2026, legislation will come into force that will *make employment agencies or end clients joint and severally liable for any amount required to be accounted for under the PAYE provisions where an umbrella company forms part of a labour supply chain.*

### 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.

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 as automated decision making, data subject access requests and a new requirement in regard to complaints. You can find out more about the reforms in our 'recent' section of this area of the newsletter.

However, a limited number of provisions will come into force upon Royal Assent, including section 78, which relates to reasonable and proportionate searches for data subject access requests.

### 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.

## Employment Rights Act Reforms: October 2026:

- Dismissals connected to an employer seeking to vary an employee's contract but the employee does not agree will be automatically unfair
- Establish the Fair Pay Agreement Adult Social Care Negotiating Body in England
- Tightening tipping law by requiring employers to consult with workers to ensure fair tip allocation
- Requiring employers to take "all reasonable steps" to prevent sexual harassment of their employees
- New obligation on employers not to permit the harassment of their employees by third parties
- Introducing a new duty to inform workers of their right to join a trade union
- Strengthen trade unions' right of access
- New rights and protections for trade union reps
- Extending protections against detriments for taking industrial action
- Employment tribunal time limits extended from 3 months to 6 months

## 2027

### Employment Rights Act Reforms: 2027:

- Gender pay gap and menopause action plans to become mandatory
- Enhanced dismissal protections for pregnant workers, and those on and returning from family leave
- Introducing a power to enable regulations to specify steps that are to be regarded as "reasonable", to determine whether an employer has taken all reasonable steps to prevent sexual harassment
- Develop a modern industrial relations framework
- Updated rules relating to protections from blacklisting due to trade union membership or activity
- Changes to the threshold for when collective redundancy consultation applies
- An employer's reason for refusing a flexible working request must be reasonable
- A new statutory entitlement to bereavement leave
- The regulation of umbrella companies
- Ending exploitative zero-hour contracts and applying zero-hour contract measures to agency workers
- 'Day 1' right protection from unfair dismissal.



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

This Act received royal assent 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.

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.

## April 2027 - Mandatory Payrolling Benefits

The Government announced previously that it would be delaying the roll out of legislation that would **mandate Payrolling Benefits in Kind (BIK)** until April 2027. Mandating payrolling of BIK is the inclusion of the estimated value of non-cash employee benefits directly in the regular payroll instead of reporting separately on an annual P11D form. Until such time, it continues to be voluntary, and we expect draft legislation and guidance to be provided from around Autumn 2025.

2028

## 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).

## LEGISLATION DATE UNKNOWN

### 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.

## 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.

## 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

## CONSULTATIONS RELATING TO THE EMPLOYMENT REFORMS

### TIMETABLE FOR PUBLIC CONSULTATIONS ANNOUNCED

Many of the reforms set out in the Employment Rights Bill will require either further legislation or the development of new/existing Codes of Practice. As such, a key stage in the implementation process is to consult on the detail of policy and implementation for the changes proposed. In the Government's recently published [roadmap to change](#), they confirmed the following consultations:

#### Summer/Autumn 2025 consultations:

- Reinstating the School Support Staff Negotiating Body (SSSNB)
- Fair Pay Agreement for the Adult Social Care sector
- Giving employees protection from unfair dismissal from 'day 1' including on the dismissal process in the statutory probation period

#### Autumn 2025:

- Trade Union measures:
  - Electronic and workplace balloting
  - simplifying the trade union recognition process
  - duty to inform workers of their right to join a trade union and right of access
  - New rights and protections for trade union representatives will be covered by an Acas Code of Practice consultation
- Fire and rehire
- Regulation of umbrella companies
- Bereavement leave
- Rights for pregnant workers
- Ending exploitative zero-hour contracts

#### Winter/early 2026:

- Trade union measures:
  - Protection against determinants for taking industrial action
  - Strengthening the rules on blacklisting
- Tightening tipping law
- Collective redundancy threshold changes
- New obligation when refusing flexible working requests.

As these consultations begin, we will provide updates and how you can participate, should you wish.

## OPEN CONSULTATIONS

### PARENTAL LEAVE AND PAY REVIEW: CALL FOR EVIDENCE

Earlier this month, the Government announced a formal review into parental leave and pay to understand how it could better support working families. They are calling for evidence to help consider the UK's current system for leave and pay, which includes:

- maternity leave and pay
- paternity leave and pay
- adoption leave and pay
- shared parental leave and pay
- parental bereavement leave and pay



- parental leave (unpaid)
- neonatal care leave and pay
- maternity allowance
- a new employment right, currently under development – bereaved partner's paternity leave (unpaid)

The core objectives of the review will focus on:

- How can parental leave measures support the physical and mental health, recovery, and overall well-being of women during pregnancy and postpartum, and how can we ensure they have adequate time off work with appropriate pay.
- How can our parental leave system work more effectively to boost economic growth by helping more parents remain in the workforce and advance careers after starting a family. In particular, consider how to improve women's labour market outcomes, narrowing the gender pay gap, reducing the "motherhood penalty," and providing benefits for employers.
- Ensuring that new and expectant parents have sufficient resources and time away from work to support their well-being and facilitate the best start in life for babies and young children, promoting positive health and development outcomes.
- Helping to empower parents to make balanced childcare choices that suit their family situation, including enabling co-parenting, whilst also aiming for flexibility that reflects the realities of modern work and childcare needs.

This call for evidence is seeking the views, and evidence presented where available to the following questions:

- *"Do you think that the current parental leave and pay entitlements supports these objectives (noted above)*
- *For each objective (as above), briefly explain the reasons for your selection above. Please provide any evidence (including links) to support your view.*
- *Are there further or other objectives that you would like to see included as part of the parental leave and pay review? Please list and briefly explain each one, including providing links to any relevant evidence."*

If you would like to have your say, and share your evidence on how all the various forms of leave operate, you can do so either [online](#), [email](#) or by post to:

Parental Leave Review Team  
Department for Business and Trade  
Old Admiralty Building  
Admiralty Place  
London  
SW1A 2DY

The deadline for participating is **25 August 2025**.

## REGULATORY FRAMEWORK FOR APPRENTICESHIP ASSESSMENT

Earlier this year, the Department for Education published a set of principles ([Apprenticeship Assessment Principles](#)) that when implemented, would change the current end point assessment approach (EPA) currently in use for assessing apprentices.

These new principles aim to make the design and delivery of all types and levels of apprenticeships more flexible by:

- Making the assessment more proportionate to the competency being tested and to remove duplication
- assessment can happen on programme
- training providers can deliver and mark elements of the assessment, with appropriate oversight

Existing assessment plans that all EPAs are based upon will be streamlined on a phased basis, and employers are invited to share their views in a new [public consultation](#) which is an opportunity in which to comment on the proposed new way of regulating apprenticeship assessments. If you wish to participate in this consultation you can [do so here](#), consultation is open until **27 August 2025**.

## FINANCIAL CONDUCT AUTHORITY: CONSULTATION IN TACKLING NON-FINANCIAL MISCONDUCT IN FINANCIAL SERVICES

The Financial Conduct Authority (FCA) are changing their rules relating to non-financial misconduct in non-banks and have opened a public consultation. This consultation is aimed at addressing a reported "failing culture" of non-financial misconduct, including issues like bullying and sexual harassment, which often go unchallenged. Since such misconduct is a significant regulatory concern, it's crucial for the FCA to implement effective mechanisms to combat these problems.

Mishandling these issues can have serious consequences, leading to financial, reputational, and regulatory damage and currently, there's an inconsistency in the rules applied to banks versus non-banks, which the FCA aims to rectify.

If the changes are to impact your organisation, you can participate in this consultation until **10 September 2025** and do so via online, by [clicking here](#).

## CLOSED CONSULTATIONS

### RESPONSES BEING ANALYSED AND WAITING FORMAL RESPONSE:

The following consultations are closed and the responses are currently being analysed.

- Updated EHRC guidance on the Equality Act 2010 meaning of 'sex'
- The annual Low Pay Commission consultation
- Equality (Race and Disability) Bill: Mandatory ethnicity and disability pay gap reporting
- Tribunal Procedure Committee
- Inquiry into gendered Islamophobia
- Costs protection in discrimination claims
- Proposals to regulate NHS Managers
- Northern Ireland Gender Pay Gap Information Regulations
- Prudential Regulation Authority and the Financial Conduct Authority – Remuneration reforms
- European Data Protection Board – Guidelines on Pseudonymisation
- Welsh Government Consultation: Disabled people's rights plan 2025-2035
- Call for evidence: 2026-2030 Gender Equality Strategy
- Consultation: Local Government Pension Scheme in England and Wales

### FORMAL RESPONSE PUBLISHED

#### Department for Business and Trade call for evidence: Labour market enforcement strategy

Earlier this year, the Department for Business and Trade launched a call for evidence in respect of the labour market enforcement strategy, and last month, published their report '[United Kingdom Labour Market Enforcement Strategy 2025 to 2026](#)'. This publication was presented to Parliament in July 2025 and is potentially the final strategy before the establishment of the new Fair Work Agency (FWA) under the Employment Rights Bill.

The report's findings reveal the scale and nature of non-compliance with UK employment rights from within the UK labour market and is based on the collective view of several enforcement bodies, statutory bodies, call for evidence information, and published data. Significantly, one main key finding was that the risk model of the Office of the Director of Labour Market Enforcement (ODLME) shows consistent high-risk sectors and areas.

The analysis found many reasons for non-compliance with UK employment rights, which included:

- Low margin businesses where increased employment costs are difficult to absorb such as the adult social care and agriculture.
- Low-pay sectors experiencing labour supply shortages such as retail, adult social care.
- Physically demanding working conditions, both outdoors and indoors such as agriculture, construction and warehousing.
- Lack of certainty of work, such as the use of zero-hours contracts and uncertain shift patterns such as employers operating in the adult social care, hospitality.
- Absence of collective worker representation such as through unions or effective workers' councils.
- Visa arrangements that unintentionally facilitate exploitation, including visas tied to a sponsor or debt bondage, such as in industries such as agriculture, adult social care, overseas domestic workers.
- Informal recruitment and cash-based working such as nail bars, hand car washes.

- Workplaces where workers are less visible or isolated such as in agriculture, construction, cleaning, domestic workers.
- Payslips that are hard to understand, potentially not capturing all hours or deductions, typically associated to the agriculture and adult social care industries.
- Jobs where housing is linked to employment.
- False self-employment, where workers are mis-classified, depriving them of rights and exposing them to unexpected tax bills, which can be associated to working in construction and retail.

### High-priority sectors for labour market non-compliance include:

The analysis identified certain sectors which were classed as high priority areas for addressing labour market non-compliance, which included:

- **Agriculture:** High risk of high-end non-compliance, particularly with seasonal workers from countries less familiar with UK practices.
- **Hand Car Washes:** Continues to be a high risk, especially for non-payment of minimum wage and the presence of illegal workers; 80% are estimated to operate outside the law.
- **Construction:** Despite limited activity from the three enforcement bodies due to resource pressures, there are significant indicators of risk.
- **Adult Social Care:** While visa issuance has reduced, exploitation cases involving international recruits continue, often falling below the modern slavery threshold. Funding issues contribute to poor employment practices. There are concerns about employers not paying for all working time, including travel time.

### The new Fair Work Agency

The Employment Rights Bill is progressing through Parliament and will lay the foundation for a new enforcement agency called the Fair Work Agency (FWA). As part of this call for evidence, it has been found that key stakeholders held mixed views on whether the Fair Work Agency should primarily focus on compliance or enforcement. Although most agreed a mix is necessary to be effective.

Employers that contributed to the call for evidence were found to generally advocated for a proportionate approach emphasising compliance, education, and targeting the worst offenders.

### Recommendations for the Fair Work Agency:

- Formation of the FWA – by bringing together the work of HMRC NMW, GLAA, EAS, and the DLME's team, with the DLME role being abolished. In doing so, it should consolidate enforcement functions related to holiday pay and statutory sick pay, with potential for further expansion
- To give the FWA a single set of powers to investigate and act against non-compliant employers
- The Secretary of State to have an overarching enforcement role, delivered through the FWA.
- An advisory board to be created, with equal representation from trade unions, employers, and independent experts, to advise on enforcement strategy and annual reports
- The FWA to have powers to issue civil penalties and order employer compensation. It can also bring proceedings to an employment tribunal when workers are unable to do so themselves
- Powers for FWA officers that include issuing 'special warnings'
- Both the Government and FWA must ensure the FWA has substantial resources, including a substantial budget.

## GUIDANCE

### UPDATED EMPLOYER'S GUIDE TO RIGHT TO WORK CHECKS

At the end of June 2025, the Government's guide to right to work checks was updated as follows:

1. "a simplification of the content: reducing the level of technical detail related to digital checks for holders of British and Irish passports or passport cards. Much of this detail was previously intended for providers of digital verification services.
2. a revision of terminology, with the term 'Digital Verification Service (DVS)' now used to describe Identity Service Providers (IDSPs) and Identity Document Validation Technology (IDVT). This aligns the guidance with the terminology used in the UK digital identity and attributes framework and the Data (Use and Access) Act 2025. This updated version of the guidance is intended for employers. Guidance and requirements specifically for DVS are now available in the supplementary code for digital right to work checks."

The 'Employer's guide to right to work checks: 26 June 2025' can be found [here](#). For employers operating in Wales, the latest version of this guidance can be accessed [here](#).

# CASE RULINGS

## DISCRIMINATION DURING DISCIPLINARY PROCEEDINGS

### OVERVIEW OF CASE

The case of [Leicester City Council v Bindu Parmar](#) is about race discrimination in which Mrs. Parmar brought a claim against her employer for being treated differently to white colleagues, when faced with disciplinary proceedings.

### WHAT HAPPENED

In 2021, Mrs. Parmar, a British National of Indian origin and Head of Service for Locality West since 2015, faced a disciplinary investigation based on colleague concerns. With an exemplary 30-year employment record, she had never been disciplined before. Although the investigation was dropped, Mrs. Parmar claimed she was unlawfully discriminated against on the basis of her race.

She argued that she was treated differently from her white colleagues, citing several incidents where colleagues were not formally investigated or disciplined for their actions:

- In May 2018, a colleague who swore loudly in the office was only addressed informally.
- In November 2018, a disruptive email from a colleague led to a collective grievance, but no formal action was taken.
- In February 2020, a social worker humiliated a team leader during a training course. While mediation was offered, no investigation was conducted.
- Another colleague, accused of inappropriate conduct, sent angry emails but was not subjected to a disciplinary investigation.

In contrast, actions taken against Mrs. Parmar were notably different:

- The disciplinary investigation against Mrs. Parmar was based on vague, unspecified allegations.
- She was temporarily transferred from her position, a measure not taken with other colleagues facing concerns.
- Crucial evidence, including witness interview notes and recordings, was withheld from her and the Employment Tribunal (ET), with the council claiming it was not relevant. The investigation was ultimately dropped as there was "no case to answer."
- Council data obtained through a data subject access request revealed that since 2017, the council had only commissioned disciplinary investigations against two employees of Asian ethnicity in comparable roles and none against white employees.

Mrs. Parmar accused the council of unconscious bias against minority Heads of Service, with her claim focusing on five alleged acts of discrimination:

- False allegations were made against her.
- She was transferred from her role.
- A disciplinary investigation was initiated.
- She was required to attend meetings for a baseless investigation.
- The council failed to consider less drastic alternatives to the allegations raised.

### THE EMPLOYMENT TRIBUNAL

Mrs. Parmar won her race discrimination claim at the Employment Tribunal (ET), a decision upheld by both the Employment Appeal Tribunal and the Court of Appeal. The case centred on the Equality Act 2010 and direct discrimination.

The ET found a *prima facie* case of race discrimination based on several key factors:

- **Disparity in treatment:** The consistent approach of offering mediation or informal discussion for white employees involved in similar or more serious conduct, contrasted with the council's decision to take much more drastic action against Mrs. Parmar. The ET noted there was nothing equally serious against Mrs Parmar compared to, for example, the collective grievance that had been raised against a white colleague.

- **Timing:** The drastic action against Mrs. Parmar occurred after Mrs. Parmar accused the council of unconscious racial bias.
- **Lack of substance:** The ET found nothing of substance to start a disciplinary investigation against Mrs. Parmar, and the allegations were never properly particularised.
- **Evidential comparators:** The treatment of white colleagues became evidential comparators, demonstrating a pattern of less formal, less punitive responses to white employees involved in similar or more significant issues.
- **Racial demographics of disciplinary actions:** The council had only commissioned disciplinary investigations against employees of Asian ethnicity in comparable grades, and no white employees.
- **Adverse inferences:** The ET drew adverse inferences from the Council's failure to disclose highly relevant evidence, such as witness interview recordings and notes from the investigation meetings. This failure, despite being a minor factor, contributed to the ET's decision to shift the burden of proof to the Council.

When the burden of proof shifted to the council, it failed to provide a credible, non-discriminatory explanation for its actions. The ET rejected all seven of the council's arguments, finding them unsubstantiated or without merit. For example, the ET dismissed the idea that a disciplinary procedure was the only way to gather evidence, noting that the council often used informal inquiries. The council's attempt to blame HR was also rejected, as the investigation was determined to be a management decision.

The ET concluded there was no potential misconduct to justify an investigation and that a white employee in the same or similar circumstances would not have been subjected to the same treatment. Therefore, the ET found that Mrs. Parmar was treated less favourably because of her race.

## LEARNINGS FOR EMPLOYERS

This case offers key lessons for employers on avoiding discrimination claims:

1. **Consistency is key:** Apply disciplinary processes and informal resolutions consistently to all employees, regardless of their protected characteristics. Inconsistent treatment for similar conduct can lead to a strong inference of discrimination.
2. **Credibility of explanations:** When defending against a discrimination claim, an employer's stated reasons must be genuine and well-substantiated. Explanations that are inconsistent, new, or unsubstantiated will likely be rejected.
3. **Substance over process:** Avoid initiating formal disciplinary action without clear, specific, and substantive allegations. Tribunals focus on the substance of the claims, and using less formal approaches for others can be seen as discriminatory.
4. **Disclosure is paramount:** Employers must disclose all relevant evidence during tribunal proceedings. The council's failure to provide key documents led to adverse inferences, which contributed significantly to the discrimination finding.
5. **Understanding the burden of proof:** Once an employee establishes a plausible case of discrimination, the burden shifts to the employer to provide a credible, non-discriminatory explanation for their actions. Simply denying discrimination is not enough.
6. **Managing accusations of bias:** Take all allegations of bias seriously. The ET noted that disciplinary action escalated against Mrs. Parmar after she raised concerns about unconscious racial bias, highlighting the importance of handling such issues promptly and fairly.

## CASE UPDATE: HIGGS V FARMOR'S SCHOOL

Higgs v Farmor's School is an important case that centres around how discrimination law applies to protected beliefs. It is a case that has progressed through the court system over several years and in February this year, the Court of Appeal ruled that the school's dismissal of Mrs. K Higgs for expressing gender critical beliefs was direct discrimination.


The school sought permission to appeal this ruling to the Supreme Court; the highest court however, their application was refused, meaning that the Court of Appeal's judgement remaining as the final and binding legal position.

You can read the case history in our February 2025 Case Law Newsletter [available here](#).

## HOW THE EMPLOYMENT RIGHTS BILL COULD LEAD TO AN INCREASE IN TRIBUNAL CLAIMS

The Employment Rights Bill is set to introduce significant changes to employment law for which will most likely lead to an increase in employment tribunal claims. Aside from the developments that will take place affecting areas across the employment lifecycle, there are two significant measures that will lead to more people bringing a claim:

1. **Removing the two-year service requirement for unfair dismissals.** Currently, an employee must have two years of continuous service to claim unfair dismissal, however, the bill proposes removing this to make protection a day-one right (or there is consideration of it at least, being reduced to 6 months). This is arguably the most significant change and is expected to have the largest impact on tribunal claims, potentially leading to thousands of additional cases from newly hired employees, who previously had no recourse.

- 
2. Extending the time limits in which to bring a claim. The Bill would extend the time limit for lodging most employment tribunal claims from three months to six months. This longer window would give employees more time to seek advice, gather evidence, and raise funds for legal costs, making it more likely for them to pursue a claim.

## RECENT GAS SAFETY PROSECUTION

Sole trader of Foster Brothers Builders (Barry Newman) recently pleaded guilty to breaching Regulation 4 (3) of the [Provision and Use of Work Equipment Regulations 1998](#) (PUWER), after his failures resulted in a gas explosion which left a worker with burns that were so serious the worker has been unable to work since.

The builder contracted a Nottingham man to undertake refurbishment works to a property located in Bulwell. During the works the builder placed a faulty portable space heater, which was connected to a propane gas (LPG) cylinder, in the cellar of the property to dry out damp. In November 2022 there was a violent explosion, which was caused by a gas leak from the heater, the worker suffered severe burn injuries to his hands, legs, face and scalp.

A member of the public took footage immediately after the explosion which showed the extent of damage caused to the property, members of public were also at risk from explosion debris that had been propelled onto the pavement and residential road from the property.

Following an investigation by the HSE, failures identified included:

- No risk assessments undertaken
- Failure to provide suitable and adequately maintained equipment, HSE guidance states that employers should ensure that equipment is used only for operations and under conditions for which it is suitable
- Not following manufacturer's instructions, which stated that this type of heater should only be used in well-ventilated areas and that LPG cylinders should not be kept below ground, as gas is heavier than air and will collect at the lower level if there is a leak

The HSE Inspector stated, "this gas explosion has left one man unable to work due to the seriousness of the injuries sustained and it could have easily resulted in someone losing their life".

On 19<sup>th</sup> June 2025 at [Nottingham Magistrates' Court](#), the builder was sentenced to twelve months imprisonment, which was suspended for two years. Was required to pay costs of £2,000 and ordered to complete 240 hours of unpaid work in the community.





## DON'T FORGET YOUR MOST IMPORTANT TEAM NEXT MONTH!

Well actually, all teams are important, but when it comes to employees getting paid, then it is your payroll team! What better time to celebrate and appreciate your payroll teams than with National Payroll Week, taking place between September 1-5 September 2025.

## NATIONAL MINIMUM AND LIVING WAGE UPDATE

This month, the Department for Business and Trade published a policy paper in which it sets out the areas of consideration for the Low Pay Commission (LPC), when determining recommended both national minimum wage (NMW) and national living wage (NLW) levels.

We know that with the introduction of the Employment Rights Bill, the Government set out its intentions for delivering higher living standards and specifically committed to deliver a genuine living wage.

In their policy paper, the Department for Business and Trade requested that the LPC make recommendations to the Government on the appropriate levels of NMW and NLW for April 2026 that minimise impacts on employment prospects for workers and consider the risks of youth unemployment in light of emerging and concerning trends for this demographic.

The LPC have been given until the end of October 2025 in which to provide their advice and response to the policy paper. As in previous years, it is usually around the Autumn that the Government confirm the new minimum pay rates for the following April.

## GOVERNMENT SUPPORT FOR SMALL BUSINESSES

At the end of July 2025, the Department for Business and Trade (DBT) published a [policy paper](#) in which it set out the long term plan for supporting small businesses, and included are two commitments that would impact payroll. These are:

1. The Government would raise the limit at which small businesses are to start paying employer national insurance from £5,000 to £10,500
2. Reforming the previous Apprenticeship Levy as a new Growth and Skills levy.

More broadly, the policy paper also commits to wider business recommendations:

1. Legislation to end the scourge of late payments
2. Cut the admin costs of regulation for businesses by 25%
3. Expand start up loans by offering 69,000 new businesses the chance of finance and mentoring.

You can read more detail about this policy paper [here](#).

## CHANGES AHEAD FOR WORKERS SUPPLIED VIA UMBRELLA COMPANIES

If your business engage workers supplied by umbrella companies, be sure you are prepared for changes that are expected April 2026.

Draft legislation, accompanied by explanatory notes was published recently in which the Finance Bill 2025-26 amends part 2 of the [Income Tax \(Earnings and Pensions\) Act 2003](#) (known as ITEPA).

According to HMRC the legislation will:

*“introduce a new chapter 11 into part 2 to make employment agencies or end clients joint and severally liable for any amount required to be accounted for under the PAYE provisions where an umbrella company forms part of a labour supply chain.*

*Further legislation will be introduced to amend section 4A of Social Security Contributions and Benefits Act 1992 to provide HM Treasury with the power to make regulations imposing an equivalent joint and several liability for NIC purposes.*

*Joint and several liability will allow HMRC to pursue an agency in the first instance for any payroll taxes that a non-compliant umbrella company fails to remit to HMRC on their behalf. The end client will be liable if contracting directly with an umbrella company.”*

The legislation will not apply to those operating via limited companies that are inside IR35, as well as those workers on an agency payroll (they already pay tax like an employee).

What it does mean, that if a business pays a worker providing a personal service through an umbrella company, and that company employs that worker, but the income tax and NI is not paid, then all parties in the chain would be held responsible.

## NOTE FOR DIARY - APRIL 2027: MANDATORY PAYROLLING BENEFITS

A note for your diary – is the mandating of [Payrolling Benefits in Kind \(BIK\)](#), which has been delayed until April 2027. Mandating payrolling of BIK is the inclusion of the estimated value of non-cash employee benefits directly in the regular payroll instead of reporting separately on an annual P11D form. Until such time, it continues to be voluntary, and we expect draft legislation and guidance to be provided from around Autumn 2025.

# HEALTH & SAFETY

## GAS SAFETY WEEK 8TH – 14TH SEPTEMBER 2025

Gas safety week is an annual event organised by the [Gas Safety Register](#) to raise awareness of gas safety issues and to keep everyone safe. The theme in 2025 is “Looking after your home, friends and family” making people aware that everyone has a role to keep the nation ‘gas safe’, whether it’s your home or a business property you manage. Workers, families and friends are at risk from carbon monoxide poisoning from unsafe and badly maintained gas appliances, which can also lead to gas leaks, fires and explosions.

Ensure all gas appliances are inspected annually and repaired ONLY by a Gas Safe registered competent person. Both sides of the contractors Gas Safe ID card should be checked as the reverse of the card advises that the engineer is qualified to undertake the relevant work.

**Know the signs from carbon monoxide poisoning, headaches, dizziness, breathlessness, nausea, collapse and loss of consciousness.**

When gas appliances do not have enough oxygen to burn correctly this is when carbon monoxide is released, so know the signs of a carbon monoxide leak: a boiler pilot light keeps going out; floppy yellow or orange flame instead of a crisp blue flame on a gas hob; dark or sooty staining on or around a gas appliance; condensation in a room where there is a gas appliance.

Gas appliances require ventilation to work correctly so check to ensure that chimneys or vents are not blocked.

Install an audible carbon monoxide alarm near any gas appliances, ensuring the alarm is marked BS EN 50291 and displaying a British Standards Kitemark. Regularly test the alarm to ensure it is in working order and replace batteries as required.

Consider installing a Bluetooth carbon monoxide alarm if your gas burning appliance and carbon monoxide alarm are in a remote area of the building which isn’t routinely occupied, and you are unlikely to hear it if it was to be activated. Ensuring the sister alarm being sited in an area of regular occupation nearest to the room which contains the fuel-burning appliance.

If you have any concerns that a gas appliance may not be working correctly, you smell gas or feel you are in immediate danger; turn off gas appliance, turn gas supply off at the meter, call the gas emergency helpline on 0800 111 999 (mainland GB). If you suspect carbon monoxide poisoning immediately seek medical attention. Make sure your colleagues are aware of gas safety information.

## WORKPLACE TRANSPORT

Being struck by a vehicle continues to be one of the main causes of fatal and major injuries in the workplace. The latest figures for [2024 to 2025](#) show that 14 workers were killed when struck by a moving vehicle. Recent prosecutions include:

### CASE: BRITISH MILLERAIN COMPANY LIMITED

A textile company was [fined £220,000](#) after a director was killed by a reversing HGV; the investigation found that the firm had no proper risk assessments or safe systems in place. Daniel Ames was a director of the British Millerrain Company Limited and had offered to stay behind at the company warehouse to wait for the return of the vehicle on 22 June 2023.

The truck arrived at around 5.30pm. Mr Ames spoke to the driver and confirmed he would act as banksman to help the vehicle reverse into the warehouse. During the manoeuvre, the driver lost sight of Mr Ames and when he got out to check, he found him trapped between the vehicle and some steel storage racks in the warehouse. The driver called paramedics, but Mr Ames died in hospital from his injuries.

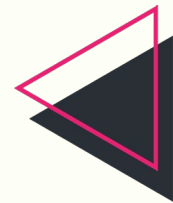
### CASE: BESTWAY NORTHERN LIMITED

Bestway Northern Ltd, a London-based grocery wholesaler, received a [£1 million fine](#) after a worker was fatally struck by a reversing HGV in Manchester. Mr Warburton and a colleague were making a delivery to a store in central Manchester. He was acting as a banksman, directing his colleague who was reversing the HGV. While attempting to guide the vehicle into the unloading area, Mr Warburton became trapped between the vehicle and a wall. He sustained fatal crush injuries.

Both these incidents shine a light on the importance of having planned and assessed the risk from workplace transport, including the need to have trained vehicle banksman.

A workplace transport risk assessment should be completed by a competent person and kept under regular review to ensure it remains suitable and sufficient. You can find further information in the HSE’s Guidance Document ‘[A Guide to Workplace Transport Safety](#)’.

# EQUALITY, DIVERSITY & INCLUSION



## DISCRIMINATION

Be sure to sign up to next month's free webinar, in which we delve into the four primary areas of discrimination: direct discrimination, indirect discrimination, harassment, and victimisation. In this session we will explore these four concepts and their legal implications and consider the practical strategies to mitigate tribunal risk and improving equality, diversity and inclusion in your workplace.

You can register for our [event here](#).

Look out too for next month's Hot Topic, where we will discuss this topic in our monthly article. It is due to be published early September 2025.

## BANNING THE USE OF NON-DISCLOSURE AGREEMENTS

One of several recent amendments to the Employment Rights Bill, is to ban the use of non-disclosure agreements (NDA's).

NDAs are contractual clauses that effectively restrict what an individual can say, or who they can tell and are typically used in discrimination or harassment cases. However, over the years, evidence shows that they have also become commonly used to prevent employees from speaking out about their workplace more broadly.

The Government wants to ban the use of NDAs as a move to protect workers and to stop victims from suffering in silence, and this amendment to the Bill would extend this protection to those who witness abusive behaviour by protecting them too from being sued for calling it out.

As we continue to monitor the Bill, we will provide further updates as they become available.

## WHAT 'SEX' MEANS IN THE EQUALITY ACT 2010

You may remember that in last month's newsletter we published an update on the legal meaning of 'sex' in the Equality Act 2010. So, what is next? The EHRC has now concluded its public consultation on updating the current statutory Code of Practice guidance for services, public functions and associations. It had originally said that the updated guidance would be issued by Summer 2025; however, it's unlikely to be finalised until Autumn 2025 at the earliest. It's believed that the employer Code will be updated once the services Code has been finalised.

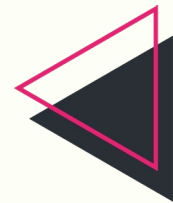
The EHRC gave evidence to the Women and Equalities Committee in June 2025, which provided more information regarding this issue.

There may be some legal challenges to the Supreme Court's decision claiming a breach of the European Convention on Human Rights (ECHR). These can only be pursued in limited circumstances. Any such claims are likely to rely on alleged infringements of Article 8 (right to private and family life) rights, which played a large part in the implementation of the GRA in 2004. In addition, Victoria McCloud, a retired trans judge, is bringing a claim alleging that not allowing her to make representations at the Supreme Court hearing breached her Article 6 (right to a fair trial) rights.

In addition, a judicial review was issued challenging the legality of the EHRC's interim update. Permission to advance that claim was refused on 30 July 2025, although revised proceedings may be issued with a new hearing at some point in November.

As mentioned, the routes available to issue a claim for breaches of ECHR rights are limited, since such claims generally must be pursued against the government and, as a last resort, to the European Court of Human Rights (ECtHR). However, those who work for a qualifying public body could potentially issue a claim directly against them. Also, as we have seen in recent cases such as *Higgs v Farnor's School*, Courts and Tribunals are required under the Human Rights Act 1998 to interpret domestic legislation to give effect, where possible to do so, to the ECHR rights, so there may be more claims referring to this going forward.

# INTERESTING HR STATISTICS



## TO WHAT EXTENT ARE EMPLOYERS USING PROBATION PERIODS?

One of the biggest and most significant reforms in the Employment Rights Bill is the removal of the two-year service that is currently required for bringing a claim of unfair dismissal.

Whilst we await further clarity and detail, we do know that there will be an initial period of employment, i.e. a statutory probation period, which, an employer would still be able to dismiss so long as it meets a modified fairness test and follows a specified procedure (yet to be defined).

In a recent webinar that we ran discussing these two reforms, we explored the extent to which probation periods are used within employment.

First, we found that probation periods are a standard practice, with an overwhelming **96% of employers currently using them**. This high percentage indicates that businesses widely rely on probation periods to manage new hires.

In terms of duration, the **6-month probation period is the most common (66%)**, followed by the 3-month period (28%). While these lengths are typical, a significant number of employers feel they can assess a new hire much faster. Nearly half of respondents (49%) believe they can determine if a hire is successful within three months, and 30% are confident they can do so within the first month.

When evaluating their effectiveness, employers are generally positive. The majority of respondents (76%) find their probation processes to be either "effective" or "fairly effective" in identifying poor hires, though this also suggests many feel there is still room for improvement.

In terms of the reform to remove the two-year service requirement for unfair dismissal claims, this will make probation periods even more critical for employers looking to mitigate legal risks. During our webinar session, we found that **94% of the small number of businesses that don't currently use probation periods said they plan to introduce one**. This striking statistic shows a strong awareness of the value of probation periods in the new legal landscape.

However, the survey also revealed significant concerns about this change. The top worry for employers (58%) is the **lack of manager preparedness for handling new hire performance issues**. This suggests that the new law will not only require changes to company policies but also a greater focus on management training and skills.

Other key concerns include:

- The administrative burden and complexity of managing a formal probation process (53%).
- Losing the ability to conduct short-service dismissals (50%).
- A general sense of nervousness about dismissing an employee (40%), with the risk that for some employers, they might be more likely to "put up" with issues rather than risk a legal claim from dismissing (even if there are genuine grounds for dismissal).

## FURTHER INFORMATION ON THIS TOPIC:

You can watch our recent webinar on demand. During this webinar we discussed how the Employment Rights Bill is set to revolutionise employment law by introducing a day one right to claim unfair dismissal and the need for employers to become more vigilant than ever in managing dismissal processes. Consequently, this significant change will have far reaching implications for employers, especially when it comes to managing probation periods, short service dismissals, and other critical employment decisions. You can watch the webinar via the Knowledge Base by clicking [here](#).

## LABOUR MARKET OVERVIEW

The latest data from the Office for National Statistics (ONS), in their Labour Market Overview, [published 12 August 2025](#) shows the following economic indicators:

### EMPLOYMENT

For the period April to June 2025:

- Employment levels for those aged 16+ remained generally unchanged at 75.3%

- Unemployment levels have increased both over the last quarter (to 4.7%) and over the year since April to June 2024 (4.2%).
- The number of the working age population who are economically inactive fell between April to June 2025 to 21.0%, as well as for the period the previous year where it was 22.1%.
- The number of people with second jobs increased in the last quarter, taking the total to 1.321 million, which is 3.9% of those who are in employment.

## PAYROLLED

Estimates for April 2025

- There were 30.3 million payrolled employees; a decline of 164,000 fewer employees from July 2024
- Month on month, payrolled employment decreased by 8,000 employees in July 2025 compared with June 2025.
- Early estimates for July 2025 indicate that median monthly pay increased by 5.7% compared with July 2024.
- Median pay in July 2025 ranged from £436 for those under the age of 18 years, to £2,942 for those aged between 35 to 49 years.

## REDUNDANCIES

- The number of people reported redundant between April to June 2025 decreased to 3.6 per thousand employees.

## VACANCIES AND JOBS IN THE UK

For the period February to April 2025:

- The estimated number of vacancies for the period May to July 2025 fell by 44,000 (5.8%) on the quarter to 718,000.
- This is the 37<sup>th</sup> consecutive period where vacancy numbers have dropped compared with the previous three months
- The number of unemployed people per vacancy was 2.3 (April to June 2025), an increase from 2.1 in the period January to March 2025.

## EMPLOYMENT INSIGHTS

Each quarter, the Chartered Institute of Personnel and Development (CIPD), the professional body for people management and learning and development publish their labour market outlook. In it, they provide data and analysis covering the entire employment lifecycle as well as informative insights into the future of work.

This quarter's report has been published this month which provides useful insights for employers. In the report, the CIPD report:

- A significant number of employers (84%) reported an increase in employment costs which has been attributed to the increase in national insurance contributions of April 2025. Of these employers, 32% considered the changes in NICs to have increased their costs to a large extent.
- Over the last 12 months, the National Insurance changes are reported as being the largest cost pressure by employers
- Hiring intentions in the private sector remain low with 57% of employers indicating they plan to recruit in the next three months. This is reduction of 19% since autumn 2024.
- Hiring intentions in the public sector are more positive as they remain high with 77% of employers planning to recruit in the next three months.
- The CIPD's analysis has also identified that 23% of employers are planning to make redundancies between now and October 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](#).