

Breedon Bulletin

All Change...maybe?

The Employment Rights Bill continues to evolve, and the latest round of amendments from the House of Lords introduces some proposals for important refinements that employers need to understand.

These aren't headline-grabbing rewrites of the law, but they make a real difference to how businesses should prepare for implementation. Here's some of the key changes being proposed:

Fire and Rehire: Stronger Safeguards

The Lords have reinforced provisions to curb misuse of "fire and rehire" tactics. Employers can still make contractual changes in exceptional circumstances, but the new rules will:

- Require genuine consultation and evidence of alternatives explored
- Make guidelines from ACAS central to compliance
- Increase the risk of challenge where processes are rushed or poorly documented

What this means: You'll need robust processes and a clear paper trail before contemplating changes to terms.

Discrimination and Equality Measures

The Lords backed moves to strengthen rights in discrimination claims, including provisions for extended time limits in some cases.

Expect a greater emphasis on employer responsibility to prevent harassment and victimisation.



Zero-Hours and Low-Hours Contracts: Clarification on Guaranteed Hours

The right for zero- and low-hours workers to request a predictable working pattern remains, but amendments have clarified:

- The reference period will likely be 12 weeks
- Employers must act on these requests promptly and follow a clear process
- Rules now extend to agency workers

What this means: Audit working hours now and ensure systems can monitor patterns accurately.

NDA's and Settlement Agreements: Tighter Limits

The Lords have strengthened measures preventing NDAs from being used to gag staff in cases of harassment or discrimination.

- Clauses cannot prevent disclosures to police, regulators, or legal advisors
- Employers must ensure employees understand the scope of NDAs via independent legal advice

What this means: Standard templates for settlements and confidentiality clauses will need review.

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More Changes...maybe?

Discrimination and Equality Measures

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House of Lords Challenges Day-One Rights

One of the most talked-about changes in the Employment Rights Bill was the government's promise to give employees the right to claim unfair dismissal from day one. This marked a major shift from the current two-year qualifying period and was set to be introduced in 2027.

Originally, the government proposed balancing this change by creating a new concept called the 'initial period of employment', likely nine months, during which employers could dismiss staff using a simplified process. This was designed to provide flexibility for businesses while extending protection to workers earlier.

However, the House of Lords has voted to scrap that idea entirely. Instead, they want to cut the qualifying period for unfair dismissal to six months, with no separate legal framework.

Supporters of the amendment argue this approach:

- Gives employees quicker access to unfair dismissal protection
- Removes the need for a complex new "initial period" system
- Reduces the administrative burden on tribunals

What Happens Next?

The Bill now returns to the House of Commons. The government is expected to use its majority to reverse this amendment and reinstate its original plan (day-one rights plus an initial period).

However, the Lords have signaled strong concerns, so a final compromise may be reached. The Lords rarely block manifesto commitments outright, but they can seek assurances or concessions before letting the Bill pass.



What Should Employers Do Now?

- Plan for change, whichever way it goes: Whether it's day-one rights or six months, the two-year window is going.
- Review your onboarding and probation processes: Early performance management and clear documentation will become more important than ever.
- Prepare for more tribunal risk sooner: Shorter qualifying periods mean businesses can't afford informal approaches to dismissal.
- Train managers on fair process: Even within probation, employers must handle exits consistently and fairly to avoid claims.

The Bottom Line

The two-year buffer for unfair dismissal protection is ending, either reduced to six months or removed completely.

The question now is how soon you'll need to adapt and how much process will still apply.

The safest move? Start planning robust probation procedures and early engagement strategies now.

Focus on

Tackling Workplace Friction

New research has revealed a staggering statistic: 93% of UK employees experience workplace friction—and it's not just a minor inconvenience.

Friction translates into lost productivity, poor engagement, and rising turnover. For SMEs, where every role counts, this can hit harder than you think. Friction occurs when processes and communication fail to run smoothly. For many businesses, it shows up as:

- Last-minute rota changes or poor shift planning
- Lack of clarity over roles and responsibilities
- Delays in approving leave or managing absence
- Managers firefighting instead of planning

In short, anything that slows down day-to-day operations and frustrates employees creates friction—and right now, it's widespread. Poor scheduling and unclear processes don't just cause headaches; they undermine morale. Research suggests friction often leads to:

- Higher sickness absence (stress-related)
- Reduced productivity as employees waste time chasing answers
- Lower retention, as workers leave for more organised employers

For small businesses, where cover can be a challenge and every hour of productivity matters, these consequences add up quickly. Several trends are increasing pressure:

- Hybrid and flexible working – great in theory, but requires robust planning tools
- Tight labour markets – fewer people mean leaner teams and more gaps to fill
- Technology gaps – SMEs relying on spreadsheets or paper systems struggle to keep up

How to Reduce Friction in Your Workplace

You don't need expensive tech to make a big impact. Start with these steps:

- Plan rotas well in advance - Build scheduling processes that allow for reasonable notice periods.
- Create clear policies for absence and leave - When everyone knows the rules, there's less confusion.
- Train managers to anticipate pinch points - Leadership isn't just about reacting, it's about planning ahead.
- Improve communication channels - Whether it's a shared calendar or a central system for requests, make sure everyone knows where to look.
- Check in regularly with staff - Sometimes friction is invisible until you ask. Simple conversations can uncover small issues before they escalate.

Look out for this month's Breedon guide for more tips on managing workplace conflict



Questions & Answers

What's the current status of the Employment Rights Bill — is it law yet?

Not yet. It's still going through the parliamentary process. The House of Lords has amended several areas, including unfair dismissal and NDAs. The final version will depend on what gets accepted in the Commons.

Do I need to consult staff before changing their contracts?

Yes. If you're changing terms (e.g. hours, pay, location), you already need to consult and the latest reforms make it clear that meaningful consultation is expected, not just notice. You should explore alternatives, document the process, and follow ACAS guidance.

What happened in the recent Bright HR discrimination case, and what can we learn from it?

In July 2025, Bright HR (Peninsula) lost a tribunal claim brought by a top-performing salesperson returning from maternity leave. Despite clear assurances she'd return to her previous high-earning role, she was moved into a lower-paid position with no consultation. The tribunal found this amounted to direct maternity discrimination under the Equality Act.

The takeaway? Other than the one to do with your choice of HR support provider, 😊 employers must ensure returning parents are treated fairly, given access to the same role or a suitable alternative, and that verbal or informal "mum-to-mum" chats aren't used to sideline them. Failure to do so can lead to costly claims and reputational damage.

Let's talk on the phone

Here are three questions for you:

- Do you currently have HR support?
- On a scale of 1 to 10, how happy are you with it?
- If the answer isn't "I'm so delighted I could print 1,000 flyers to spread the word about them", let's jump on a video call

You know just how important it is to get proactive, responsive HR support. That's what we do. And we're taking on new clients.



Set up a 15 minute exploratory call at www.breedonconsulting.co.uk



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