

UK EMPLOYMENT LAW UPDATES IN 2025 WHAT DO WE KNOW?

UK EMPLOYMENT LAW UPDATES

After a change in political party from the Conservatives to Labour, organisations across the UK and Ireland will slowly have to adapt to the updates to employment law changes coming in 2025. These changes are likely to shape the employment landscape for employers and employees alike. Political and economic factors have caused unexpected challenges.

It's so important to make yourself aware of the upcoming changes as early as possible. The year is already shaping up to be eventful.

SEXUAL HARASSMENT WORKER PROTECTION- Oct 2024

In October 2024, new UK legislation came into effect requiring employers to proactively prevent sexual harassment in the workplace. Employers must take all steps necessary to address potential harassment before it occurs, including by third parties like clients or suppliers. Failure to comply can lead to higher compensation awards in harassment cases. Employers are urged to implement anti-harassment policies, training, and risk assessments to meet these legal obligations.

NATIONAL LIVING WAGE – APRIL 2025

Significant increases have come into effect from the start of the new financial year. This will increase wages to support with the cost of living but causes additional costs for employers who will need to consider this impact moving forward. Not only this but increases in Employer National Insurance contributions are also having an impact on businesses as they adapt in this new Labour Government landscape.

NEONATAL CARE AND LEAVE- APRIL 2025

Starting April 6, 2025, the UK introduces Neonatal Care Leave (NCL) and Neonatal Care Pay (NCP) to support parents whose newborns require specialized hospital care. Eligible parents can take up to 12 weeks of leave, in addition to existing maternity and paternity leave entitlements. NCP is available to qualifying employees at a rate similar to statutory paternity pay. These measures aim to assist parents during critical periods when their newborns are hospitalized.

CHANGES TO 0 HOUR CONTRACTS- 2025

The UK government has introduced significant reforms to address the use of zero-hour contracts through the Employment Rights Bill. While a complete ban isn't proposed, the bill aims to provide greater job security and predictability for workers currently on such contracts. Key measures include:

- **Guaranteed Hours Offer:** Workers identified as 'qualifying workers'—those on zero-hour or 'low hours' contracts who have worked beyond their contracted hours over a specified reference period—will have the right to a 'guaranteed hours offer.' This offer involves a new or modified contract that reflects the average hours worked during the reference period, ensuring a minimum level of work and income stability.
- **Inclusion of Agency Workers:** To prevent employers from circumventing the regulations by utilizing agency workers, the ban on zero-hour contracts will extend to include agency workers. Employers will be mandated to offer agency workers contracts that guarantee minimum weekly hours.
- **Regulation of Umbrella Companies:** Umbrella companies, which often leave workers uncertain about their employment rights and responsibilities, will come under stricter regulation to ensure clarity and protection for the workers they employ.

GET IN TOUCH

If you have any questions, or would like further support, please get in touch with Katie Dunn or Katie Bremner by calling 0141 221 2984 or by email at clubshr@aab.uk.

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CHANGES TO 0 HOUR CONTRACTS

In April 2025, The UK Supreme changed the definitions of a “man” and “woman” in the Equality Act 2010, meaning that going forward it these terms will refer to biological sex, not gender identity. This overrides previous guidance in Scotland that allowed transgender women with Gender Recognition Certificates (GRCs) to be treated as women legally and vice versa. The decision invalidated parts of Scotland’s Gender Recognition Reform Bill and led to changes like restricting access to toilets based on biological sex. This is very new and the exact ins and outs of how this will impact are still be delivered.

Further changes are expected this year and we will ensure that information surrounding these changes is delivered as and when the information is released by the government.

Ensuring your Club is UK Employment Law compliant is so important. With the changing nature of these legislative changes it can be so difficult to ensure compliance. If you have any questions please contact Katie (Dunn or Bremner) at clubshr@aab.uk for further support.

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