

Beyond the Bill: Exploring the horizon of new employment rights and proposed measures



Following on from their manifesto pledge and the King's Speech, the Labour Government has published its new Employment Rights Bill ('the Bill') within the first 100 days of taking office. Read our article regarding the changes proposed in the Bill. However a number of proposed changes fall outside of the Bill. These are outlined in the Government's policy paper named 'Next Steps to Make Work Pay'.

Below we give an overview of these additional provisions and how they may impact employers.

Delivery of Make Work Pay commitments

In its Next Steps paper, the Government outlines a new set of commitments that involve changes through non-legislative routes. These include:

- a commitment to tightening the ban on unpaid internships. The Government has said it will launch a 'Call for Evidence' on this by the end of this year;
- 2. a commitment to using electronic balloting for trade union statutory ballots. The Government will launch a working group on this this
- strengthening protection for payment to those who are self-employed through the new Fair Payment Code, by tackling late payments;
- progressing commitments on fair travel time;
- committing to taking forwards 'the Right to Switch Off' through a statutory Code of Practice; 5.
- removing age bands to ensure that every adult worker benefits from a genuine living wage; 6.
- introducing a Dying to Work Charter to support workers with a terminal illness; 7
- modernising health and safety guidance;
- ensuring the Public Sector Equality Duty provisions cover all parties exercising public functions; and
- 10. developing menopause guidance for employers.

Equality (Race and Disability) Bill

The Government has also stated that it will begin consulting on the Equality (Race and Disability) Bill although it hasn't given a set date for this. It has stated in its Next Steps paper that the following measures will be delivered through this bill:

- 1. The extension of pay gap reporting to ethnicity and disability for employers with more than 250 staff and measures on equal pay.
- 2. The extension of equal pay rights to protect workers suffering discrimination on the basis of race or disability.
- 3. Ensuring the outsourcing of services can no longer be used by employers to avoid paying equal pay.
- 4. The implementation of a regulatory and enforcement unit for equal pay with involvement from trade unions.

Longer term reforms

The Government has also outlined a number of 'longer term' reforms from Autumn 2024 and onwards, indicating that these will take longer to implement. These include:

- undertaking a review of the parental leave system. The Government has acknowledged that the current parental leave system does not support working parents;
- 2. undertaking a carer's leave review, including examining the benefits of introducing paid carers' leave, "while being mindful of the impact of any changes on employers, particularly small employers";
- 3. consulting on workplace surveillance technologies, including negotiations with trade unions and staff representatives;
- 4. consulting on introducing a single worker status. The Government have stated that they will consult on a simpler framework that differentiates between workers and the genuinely self-employed. Included in this consultation will also be looking at strengthening protections for the self-employed, including introducing the right to a written contract and extending health and safety protection;
- 5. launching a 'Call for Evidence' to examine a wide variety of issues relating to TUPE regulations and processes, including how they are implemented in practice;
- 6. reviewing health and safety guidance and regulations, to try to modernise legislation and guidance. The Government has stated it will look at neurodiversity awareness in the workplace and also ensure that health and safety reflects the diversity of the workforce;
- 7. consulting with ACAS with regards to collective grievances;
- 8. reforming the procurement system and the use public procurement to "raise standards on employment rights"; and
- 9. extending the Freedom of Information Act to private companies that hold public contracts and to publicly funded employers.

What does this mean for employers?

The Employment Rights Bill, along with its supplementary proposed reforms, signals the Government's ambition to comprehensively review and update employment rights. However, at the moment the detail on these supplementary' reforms is very light touch, and is covered by less than two pages in the New Steps paper. It is therefore unclear how wide or far-reaching these changes will be. With the proposed reforms in the Bill unlikely to be implemented until 2026, the timeframe for the wider reforms is less clear, with a lot of the proposed consultations to take place 'in due course'. Employers should therefore keep an eye out for further details before they can assess how the changes may impact their workforce.

A copy of the Next Steps document can be found <u>here</u>. The guidance notes to the draft Bill also provide a detailed overview of changes – see <u>here</u>.

If you'd like to discuss how any of the proposed changes may impact your business, please get in touch.

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