Policy Liaison Group
Workplace Wellbeing

Tuesday 11 November 2025

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The Employment Rights Bill

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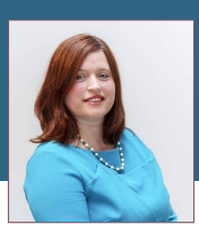
Parliament

Janet Williamson



Abigail Vaughan

Max Mosley

Katrina Murray MP

Introduction

As the Employment Rights Bill moves toward Royal Assent, this roundtable brought together parliamentarians, trade union representatives, employers and think tanks to discuss what its reforms mean for workplaces across the UK. Representing the most comprehensive update to employment law in a generation, the Bill introduces 28 measures designed to modernise and strengthen worker protections. These include the introduction of day-one rights against unfair dismissal, the banning of exploitative zero-hours contracts, stronger rights to flexible and family leave, and the creation of a new Fair Work Agency.

For many, the Bill represents a long-overdue step toward rebalancing power in the workplace and embedding wellbeing as a fundamental employment standard. Yet the discussion also highlighted the scale of the implementation challenge, from the complexity of existing employment law to the pressures facing employers amid economic uncertainty. The session focused on how best to achieve a smooth, sustainable transition: one that delivers fairness for workers while giving employers the clarity, confidence, and support they need to comply.

Participants agreed on a central message, employers who already do things right have nothing to fear. The goal now is to share best practice, promote understanding, and ensure that the proposed reforms deliver tangible improvements for both employees and organisations. “We’ve got to keep our eye on the prize: high productivity, lower sickness absence, and good quality jobs.”

Key takeaways

A modernised employment framework for fairer work

- Participants welcomed the Bill as a significant correction to the UK’s long-standing gap in worker protections. The introduction of day-one rights, among other protections – e.g. against harassment – were seen as “a raising of the bar” and therefore “creating a labour market fit for the 21st century.”
- The link was stressed between secure employment and wellbeing: “Good quality work makes a really important contribution to wellbeing and quality of life,” but too many people still experience insecurity and unpredictability.
- These reforms also have an important equality dimension, particularly for women, ethnic minorities, and disabled workers disproportionately represented in insecure roles.
- Collective bargaining was highlighted as a proven mechanism for improving pay, equality, and training opportunities. “Workplaces with collective bargaining have higher pay, more family-friendly measures, and better health and safety,”.
- These reforms are not punitive for employers: “There is nothing to fear for good employers, those who already treat everybody fairly and get the best from their people.”

The complexity of compliance

- Employers supported the Bill’s intent but warned that legislative complexity remains the main obstacle to compliance.
- While automation can support compliance, employers urgently need “better clarity on implementation timelines” to prepare systems and budgets effectively.
- Rights such as maternity pay, sick pay, and parental leave were described as “overly complex,” due to layers of legal precedent, some dating back to European court rulings, making the rules difficult for both employers and employees to understand.
- Many UK organisations rely on HR and payroll systems developed by US or European providers, which often fail to integrate country-specific legislation. “If you’re headquartered in California, building all the elements of legislation and legal precedence into your technology may just not be your priority.”
- This could lead to more manual calculations, generating errors that “short change the employee or penalise the employer.”
- Participants called for a grace period to allow employers to adjust, noting that most errors are technical rather than deliberate. “It’s not resistance, it’s fear of getting it wrong.”

Balancing rights and responsibilities in a changing economy

- The Bill's new nine-month probationary period is a "reasonable balance" between fairness and flexibility, correcting a system whereby UK workers wait two years for unfair dismissal protection.
- The reforms were placed in a wider macroeconomic context, highlighting that stagnant productivity and wages since 2008 demand a shift toward better-quality jobs.
- Unemployment is relatively stable, "the more concerning trend is a fall in vacancies…we need more jobs, and that is, again, back on the employer side." The labour market is becoming more "unemployment-heavy," demanding careful consideration of how reforms interact with business confidence and hiring.
- The Bill's long-term success will depend on maintaining a reasonable balance between fairness, clarity, and economic competitiveness, ensuring that rights are strengthened without creating unnecessary administrative burdens.

Embedding culture, wellbeing, and respect

- Workplace culture as key to successful implementation. "Get culture right and compliance becomes easier".
- With one in four working-age adults living with a disability, fair employment practices are essential to ensuring inclusion and productivity. "We want to treat everybody fairly and get the best from our people, this is how we grow."
- The pandemic was cited as a reminder of the importance of health at work: "We forget how important it was that people with Covid weren't going into work."
- The discussion called for the government to embed respect and psychological safety as enforceable rights, reflecting proposals in Rachael Maskell MP's Private Member's Bill on Bullying and Respect at Work.
- Articles 3 and 8 of the European Convention on Human Rights, place obligations on states to protect people from degrading treatment, a principle that could be reflected in workplace law.

Building employer confidence through shared good practice

- "We should be sharing examples of what good looks like, not just criticising those who fall short."
- The fact that many employers already meet many of the Bill's standards shows "this isn't a complete overhaul, it's formalising what we should already be doing".
- Participants called on government, industry, and groups like the PLG to play a stronger role in promoting best practice and peer learning. "We need to remind employers that this is not just about employees. Good work is good business."
- The PLG's mission to provide a space for sharing practical insight was widely recognised as crucial to ensuring the Bill's success in real workplaces.

Issues raised

Legislative complexity and fragmentation

Participants warned that UK employment law is already overly complex, with multiple overlapping precedents and exceptions. Areas such as maternity pay and parental leave were described as "confusing and fragmented," often leaving both employers and employees uncertain about entitlements. One attendee commented that "explaining maternity pay to a worried employee can be nearly impossible." There was consensus that secondary legislation should simplify rather than add to the burden, helping to create a more transparent and accessible framework for all.

Tribunal and enforcement capacity

Concerns were raised about the capacity of the employment tribunal system to handle an expected rise in claims once day-one rights are introduced. "It's not good for anyone to wait two years for a tribunal hearing," one participant warned. Delays risk undermining confidence in enforcement and prolonging workplace disputes. Participants called for greater investment in mediation, early resolution mechanisms, and tribunal staffing to ensure timely outcomes.

Employer communication and confidence

While the Bill was welcomed in principle, several participants stressed that communication with employers must improve. Many are anxious about technical breaches rather than the reforms themselves, especially smaller businesses. Participants warned that while large employers are likely to adapt easily, smaller businesses may find the transition harder. Without support, this could create a divide between "compliant and confident" employers and those struggling to keep up. The group emphasised the importance of sharing good practice to prevent uneven implementation and build consistency across sectors. Highlighting employers already meeting these standards could also help shift the narrative from risk to opportunity. Employers also requested more direct, accessible guidance from government, not lengthy technical documents but practical examples.

Recommendations

- Promote positive messaging that fair employment practices enhance productivity, inclusion, and wellbeing.
- Clarify implementation timelines early to enable employers to plan and invest in compliance systems.
- Simplify complex areas of employment law, particularly around maternity, sick pay, and parental leave.
- Introduce a grace period for early compliance, reducing fear of technical breaches.
- Expand informal dispute resolution capacity to relieve pressure on employment tribunals.
- Encourage peer-to-peer learning, showcasing employers already aligned with the Bill's objectives.
- Explore integrating anti-bullying and dignity-at-work protections within future reforms to strengthen workplace culture

Links

- CIPD: Briefing | UK Employment Rights Bill edges towards final stages
- TUC: Employment Rights Bill – a lifeline for four million insecure workers
- Gov, Employment Rights Bill: factsheets
- Travers Smith: Employment Rights Bill, What does it mean for employers?
- Acas: Employment Rights Bill
- Rachael Maskell's Private Members Bill

We would like to thank the members of our Advisory Board for their contributions and continuing support.

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