

HR Committee – 12 March 2026

HR Policy Changes required in April 2026 as a result of the Employment Rights Act 2025

Purpose	For information
Classification	Public
Executive Summary	The Employment Rights Act 2025 has changes phased in over the next 18 months. The first changes come into effect in April 2026 and a number of policies need to be reviewed in light of these.
Recommendation(s)	That the HR Committee note the changes required to our internal policies from 6 April as a result of the Employment Rights Act 2025.
Reasons for recommendation(s)	The changes will be subject to secondary legislation but this expected to be in place by 6 th April 2026.
Ward(s)	All
Portfolio Holder(s)	Cllr Jeremy Heron - Finance and Corporate Services
Strategic Director(s)	Alan Bethune – Strategic Director Corporate Services and S151 Officer
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Introduction and background

1. The Employment Rights Bill was introduced as part of the Labour Government's "Plan to Make Work Pay". It is a significant overhaul of UK employment law and aims to modernise workplace protections, improve job security, and raise living standards.

2. It is being introduced over a period of approximately 18 months, and this report deals with those changes that are likely to be implemented in April 2026, and that will require changes to our own employee policies.
3. It should be noted that some of these changes require secondary legislation before implementation. The expectation is that this will be introduced prior to the anticipated implementation date of 6th April.

Policies Affected from April 2026

Statutory Sick Pay

4. Employees are currently eligible for statutory sick pay (SSP) if they are sick for a period of four days or more. Low-paid employees who earn less than the lower earnings limit are not eligible for SSP.

The Employment Rights Act 2025 removes both these requirements:

SSP will be available to employees from day one of their incapacity for work.

All employees will be eligible, regardless of their earnings.

If an employee earns less than the weekly SSP rate (currently £118.75), they will be entitled to SSP at the rate of 80% of their normal weekly earnings.

Unlike most measures included in the Employment Rights Act 2025, the changes will apply in Northern Ireland, as well as England, Scotland and Wales.

5. To implement this, we will require an upgrade patch for our payroll system, ITrent. The company are aware of this and will provide this in due course.

Statutory paternity and ordinary parental leave to become day-one employment rights

6. The Employment Rights Act 2025 will remove the qualifying periods for paternity leave (currently 26 weeks) and ordinary parental leave (currently one year), making them both day-one rights. It will also remove the restriction on employees taking paternity leave and pay after they have taken shared parental leave and pay.
7. This will give employees the right to give notice of their intent to take leave from their first day of employment with us. The notice periods remain unchanged, with Paternity Leave requiring 15 weeks' notice before the expected week of childbirth, or as soon as is reasonably

practicable, and Unpaid Parental Leave requiring 21 days' notice or as soon as reasonably practicable.

8. Removing the continuity of service requirements bring Paternity Leave and Unpaid Parental Leave into alignment with Maternity Leave and Adoption Leave.

Other Changes from April 2026

9. Also from April 2026 the Act strengthens protections against sexual harassment at work, including adding sexual harassment to the list of relevant failures in relation to which a worker may make a protected disclosure under s.43B of Employment Rights Act 1996. This will require an amendment to our Whistleblowing Policy and relevant parties have been notified. We will also undertake a review of the Sexual Harassment Risk Assessment and update it as necessary.

Further ERA changes from October 26

10. The next set of changes are due to come into effect in October 2026. These are wide ranging and will necessitate policy updates in relation to Probation, Bullying and Harassment (including from a third party), time limits for tribunals and fire and rehire dismissals.
11. More changes are due during 2027 including changes to unfair dismissal, flexible working, zero hour contracts, bereavement leave, and the introduction of mandatory action plans for gender pay gaps and the menopause.

Other Changes to Note Unrelated to the ERA

12. Other changes are being introduced under the Equality (Race and Disability) bill, namely rights under Equal Pay and Ethnicity and Disability Pay Gap reporting but there is no confirmed date for this as yet.
13. There are also plans to review Paid Carers Leave under the existing Paid Carers Leave Act 2023. Again there is no confirmed date for this.
14. The Public Office (Accountability) Bill is also progressing through Parliament. This will lay out a Code of Ethical Conduct for both officers and members and will make Misconduct in Public Office a new Statutory Offence replacing the current common law one.

Next Steps

15. Once the secondary legislation is passed then further communication with employees regarding the changes will happen and the revised policies will be available on Forestnet from April.

Corporate plan priorities

16. As an Employer of Choice, we will seek to update all our policies to ensure full compliance with the updated legislation.

Options appraisal

17. As these are changes in legislation there are no options to consider other than full compliance.

Consultation undertaken

18. EMT were pleased to have been kept informed of the upcoming changes.

No further comments were received from Employee Side after Employee Side Liaison Panel.

Financial and resource implications

19. There may be some increased costs due to the changes in SSP however it is expected that this would be minimal. For context, in 24/25, £133,743 was paid out in SSP. £118,106 was offset against occupational sick pay, leaving £15,637 of SSP paid out having not been offset.

Legal implications

20. The changes will be enforced through relevant secondary legislation.

Risk assessment

21. Not required

Environmental / Climate and nature implications

22. None identified

Equalities implications

23. Removing the continuity of service requirements bring Paternity Leave and Unpaid Parental Leave into alignment with Maternity Leave and Adoption Leave. For many this will be welcomed and seen as a step forward in terms of equality.

Crime and disorder implications

24. None Identified

Data protection / Information governance / ICT implications

25. The Councils ITrent payroll system will require an update to account for the proposed changes in the Statutory Sick Pay calculation. Unfortunately, this was not in time to be included in our annual upgrade in December, therefore a specific patch will be required.

Appendices:

Appendix 1 – Paternity Leave Policy
Appendix 2 – Parental Leave Policy
Appendix 3 – Short Term Sickness
Policy
Appendix 4 – Long Term Sickness
Policy

Background Papers:

None