

<b>Committee</b>	Human Resources Committee		
<b>Date paper prepared</b>	18/02/2026	<b>Date of committee meeting</b>	25/02/2026
<b>Subject</b>	HR implications of the Employment Rights Act 2025		
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<b>Action requested</b>	I. For information only		
<b>Purpose of the paper</b>	This paper provides an overview of the UK Government’s Employment Rights Act 2025 and outlines the anticipated HR implications for UHI North, West and Hebrides. It highlights key areas of reform, indicative implementation timelines, and priority preparatory actions to support college readiness.		
<b>Summary of the paper</b>	The Employment Rights Act 2025 proposes a significant programme of reform to UK employment law, with a focus on strengthening worker protections, enhancing job security, and increasing employer obligations.		
<b>Consultation</b>	Executive Leadership Team and Human Resources Team members		
<b>Resource implications</b>	Implementation of the proposed reforms is expected to require significant HR resource, particularly in relation to policy review, contract updates, manager training, and increased employee relations activity.		
<b>Risk implications</b>	The proposed reforms represent a significant shift in the employment law landscape and are expected to increase organisational exposure to employment tribunal claims, particularly in relation to dismissal, trade union engagement, and contractual change. Early preparation will be essential to mitigate legal, financial, and reputational risks.		
<b>Link with strategy</b>	This report has a direct link with the People and Culture strategy		
<b><u>Equality, Diversity, and Inclusion</u></b>	Ensuring that employment practices and documentation are inclusive, accessible, and compliant with the Equality Act 2010 remains a core requirement. Several proposed reforms, particularly those relating to harassment and worker protections, align with institutional EDI priorities.		

<b>Island Community Impact</b>	Not required
<b>Paper status</b>	<input checked="" type="checkbox"/> <b>Open</b> – The paper may be circulated to non-members of the committee and published online without restriction. <input type="checkbox"/> <b>Restricted</b> – The paper must not be circulated to non-members or published online until after the committee meeting. <input type="checkbox"/> <b>Confidential</b> – The paper must not be circulated beyond the committee members and should not be published online. Some information is considered commercially sensitive. [Please note papers may still be subject to Freedom of Information requests – see below].
<u><a href="#">Freedom of information</a></u>	Open

## Purpose

This paper summarises the key provisions, implementation timeline, and HR implications of the Employment Rights Act 2025, and outlines priority actions required to ensure compliance and effective workforce management at UHI North, West and Hebrides.

## Overview

The Employment Rights Act 2025 represents a significant reform of UK employment law, strengthening worker protections and expanding employer obligations. The legislation is being implemented on a phased basis from 2026 through 2027.

The Act focuses on:

- Enhanced job security and earlier access to unfair dismissal protection
- Day-one rights for Statutory Sick Pay (SSP) and certain family leave entitlements
- Expanded trade union access and protections
- Stronger safeguards against harassment and unfair employment practices
- Creation of a new enforcement body (Fair Work Agency)
- Greater tribunal exposure through extended claim time limits and increased awards

The provisions and timelines outlined are based on current government proposals and may change as legislation progresses and secondary regulations are developed

## Framework Changes & Required HR Actions

Area	Current Framework	New Framework (ERA 2025)	Proposed Effective Date	Key HR Actions for UHI North, West and Hebrides
<b>Industrial Action – Minimum Service Levels</b>	Minimum service levels permitted	Minimum service level rules removed	Dec 2025	Review industrial relations protocols and provide guidance for senior managers.
<b>Industrial Action Dismissal Protection</b>	Protection limited (12-week cap)	Dismissals for lawful industrial action automatically unfair	Feb 2026	Ensure dismissal decisions during disputes are subject to enhanced legal scrutiny
<b>Statutory Sick Pay (SSP)</b>	Payable from day 4;	SSP from day one; earnings threshold removed	Apr 2026	The college pays from day one
<b>Paternity &amp; Parental Leave</b>	Service qualification required	Day-one entitlement	Apr 2026	Update family leave policies and manager guidance

<b>Area</b>	<b>Current Framework</b>	<b>New Framework (ERA 2025)</b>	<b>Proposed Effective Date</b>	<b>Key HR Actions for UHI North, West and Hebrides</b>
<b>Redundancy Protective Awards</b>	Maximum 90 days' pay	Increased to 180 days' pay	Apr 2026	Review redundancy processes and consultation practices
<b>Whistleblowing (Sexual Harassment)</b>	Not always a qualifying disclosure	Sexual harassment explicitly protected	Apr 2026	Review whistleblowing and dignity at work policies; reinforce reporting mechanisms.
<b>Fair Work Agency</b>	No single enforcement body	New enforcement body with inspection powers	Apr 2026	Strengthen record-keeping and compliance processes
<b>Tribunal Time Limits</b>	3 months less one day	Extended to 6 months	Oct 2026 (expected)	Improve documentation standards; review grievance handling timelines;
<b>Trade Union Access &amp; Recognition</b>	Existing statutory process	Simplified recognition; enhanced access rights	2026 (phased)	Engage proactively with recognised unions; update facilities agreements where necessary.
<b>Unfair Dismissal – Qualifying Period</b>	2 years' service	Reduced to 6 months	Jan 2027	Strengthen probation processes and manager capability
<b>Unfair Dismissal – Compensation Cap</b>	Statutory cap applies	Cap removed	Jan 2027	Increase scrutiny of dismissal decisions;
<b>Fire &amp; Rehire Practices</b>	Permitted subject to fairness	Likely automatically unfair in most cases	Jan 2027	Review organisational change and consultation practices
<b>Guaranteed Hours (Zero/Low Hours)</b>	No right to guaranteed hours	Right to guaranteed hours after reference period	2027 (TBC)	Review casual contracts; assess exposure; workforce planning exercise.
<b>Bereavement Leave</b>	No universal statutory right	New statutory bereavement leave entitlement	2027 (TBC)	Update leave policies; communicate entitlements clearly.

## **Conclusion**

The Employment Rights Act 2025 represents a material shift in employment regulation. Early preparation is essential to mitigate legal risk, ensure compliance, and maintain constructive employee relations across UHI North, West and Hebrides.

Proactive planning during 2026 will position the College to manage the transition effectively and uphold best practice in employment governance.