

# Monday Morning Dispatch

YOUR WEEKLY EMPLOYMENT LAW NEWSLETTER FROM CHADWICK LAWRENCE LLP

## Coming up this week...

Happy New Year from the Employment Team at Chadwick Lawrence! Welcome back to the first edition of the MMD for 2026. In this edition, we recap the key Employment Rights Act changes due to come into effect in April 2026. Daniel also takes a closer look at the upcoming changes affecting trade unions in his video.

## The Media Hub

### Trade Union Changes - Part 1 of 3

In this video, we discuss changes under the Employment Rights Act which will require a statement of trade union rights to be given to all employees at the start of employment. The video also considers remedies in the event of a failure to provide such a statement.



## In the News

### Employment Rights Act 2026



Since receiving Royal Assent on 18<sup>th</sup> December 2025, the Employment Rights Act 2025 (originally introduced in October 2024 as the Employment Rights Bill) marks a cornerstone of the government's Plan to Make Work Pay.

Over the coming months, a phased roll-out of significant reforms will begin. Therefore, it is essential that employers stay ahead of these changes, because the ripple effects may be more complex than they first appear.

To help guide you through these changes, we have broken down the changes that are due to start in **April 2026**, as well as flagged key considerations along the way.

## 1. Statutory Sick Pay (SSP)

Firstly, the Employment Rights Act 2025 widens the eligibility for Statutory Sick Pay (SSP).

Currently, to be eligible for SSP, an individual must be classed as an eligible employee and must have an average weekly earnings at or above the Lower Earnings Limit of £123 per week. In addition, those that are eligible are only paid SSP from their fourth working day of sickness absence.

From April 2026, we will see significant reforms to SSP:

- **No earnings limit:** SSP will be available to all employees regardless of their weekly earnings.
- **No waiting days:** The current 3-day 'waiting period' for SSP will be removed, meaning SSP will be available from the first day of sickness.
- **New rate:** SSP will be paid at 80% of an employee's earnings or the current flat rate (£118.75), whichever is lower.

As it is estimated that up to 1.3 million employees currently earn below the Lower Earnings Limit and with around 25% of all employees receiving SSP during a period of sickness absence, these changes mean that more employees will qualify for paid sick leave.

However, as time can only truly tell what the impact of this change will be, it is recommended for employers to review their sickness absence policies and contractual provisions on sick pay now to ensure they reflect the upcoming changes and clarify attendance expectations.

## 2. Paternity and Parental Leave

Currently, employees need to have worked for their employer for a continuous period of 26 weeks to be eligible for paternity leave and one year to be eligible for unpaid parental leave.

From April 2026, the Act will see both these qualifying periods quashed, allowing employees to give notice of their intention to take this leave from day one.

Furthermore, the Act will also allow employees to take paternity leave following shared parental leave. Currently, when shared parental leave is taken, employees lose their right to take any paternity leave they have not already taken.

For the avoidance of doubt, the existing notice requirements (15 weeks before expected week for paternity leave and 21 days for unpaid parental leave) remain unchanged, or "*as soon as reasonably practicable*".

Looking ahead, since paternity leave is for a maximum of two weeks, and many employees do not take parental leave because it is unpaid (albeit it is estimated that approximately 1.5 million will be brought into the scope of parental leave following this change), it may be the case that this change does not lead to any significant impacts for employers.

### 3. Collective Redundancies

Under the Trade Union and Labour Relations (Consolidation) Act 1992, the threshold for collective redundancy consultation is when an employer proposes 20 or more redundancies at one establishment within a 90-day period or less.

Therefore, under the current rules, if there are fewer than 20 redundancies at each establishment, even if an employer is proposing to make thousands of employees redundant across their entire business, the collective consultation duties do not apply.

However, the Employment Rights Act 2025 adds an additional threshold that is to be introduced based on the number of redundancies across the employing entity as a whole. While the specific figure for this threshold hasn't yet been announced, we expect it to be either a fixed number or a percentage of the workforce.

The additional threshold for collective redundancy consultation will mean the collective consultation duty will be triggered more easily and more frequently. However, in carrying out collective consultation, the employer will not need to consult with all the employees' representatives together and it does not need to reach the same agreement with all the representatives.

In addition to this extra threshold, the maximum penalty for breaching the collective redundancy duty requirements will increase from 90 days' pay to 180 days' pay per affected employee.

Therefore, given that the Employment Tribunal saw 5,026 cases in 2022-23 for employees who have failed to inform and consult on redundancies, it is important for employers to have processes in place to tackle redundancies across their entire workforce.

### 4. Fair Work Agency

So far, enforcement of employment rights has relied heavily on individuals launching Employment Tribunal claims.

As such, to widen the scope of employment rights that can be enforced by the state on workers' behalf, the Employment Rights Act 2025 introduces a new Fair Work Agency (FWA).

The FWA will bring together the work of existing agencies and will have the power to enforce various legal rights, such as holiday pay, Statutory Sick Pay (SSP) and unpaid tribunal awards.

Therefore, it is important to understand what powers the FWA will have, as non-compliance can result in significant penalties. In particular, the FWA will have the following powers:

- **Workplace inspections:** Agents can require documents and evidence of compliance with employment law, seize this evidence if necessary and initiate criminal proceedings for providing false information or obstructing investigations.
- **Civil penalty regime:** If underpayment is identified, the FWA can issue Notices of Underpayment requiring full repayment to the employee, plus government penalties. Underpayment claims can go back six years, with penalties of up to 200% of the amount owed (with a maximum of £20,000 per person). Although, prompt payments within 14 days receive a 100% reduction on the penalty.
- **Tribunal proceedings:** The FWA can bring Employment Tribunal claims directly on a worker's behalf, and can provide legal advice and assistance in employment or trade-union law cases.
- **Cost recovery:** Regulations will allow the FWA to recover enforcement costs from employers found in breach.

### 5. Equality Reporting

Under the Equality Act 2010, employers have been required to publicly publish specific Gender Pay Gap data annually since 2017.

The Employment Rights Act sees this duty being widened with the new requirement for these employers to produce evidence-based action plans detailing the actions they are taking to improve gender equality and the support they are giving employees during the menopause.

It is not yet known how both measures will work in practice as specific detail is still to be set out in regulations. Furthermore, in terms of timescales, these action plans are *voluntary* from April 2026 and *compulsory* from 2027. However, it never hurts to get a head start.

In the meantime, employers may wish to assess what they already publish alongside their gender pay gap figures and see how this could form part of their action plans. Similarly, if employers do not already have a menopause policy, now is the time to introduce one

### Concluding Remarks

April 2026 kicks off a new era in employment law and while the changes may be phased in, the implications are immediate and wide-ranging. As such, bringing your organisation in line now means avoiding legal complications later.

## Upcoming Seminars & Events



### Sign Up to Future Events

Our 2026 Employment Law Seminars & Events Programme will be released shortly.

Keep an eye on our website:

[www.chadwicklawrence.co.uk/seminars/business-services-seminars/](http://www.chadwicklawrence.co.uk/seminars/business-services-seminars/)



We're pleased to announce the return of our Employment Law Seminars & Events Programme for 2026!

## Managing Poor Performance

26  
FEB

**TIME**

8:30 AM - 10:00 AM

**LOCATION**

Chadwick Lawrence Wakefield Office, WF1 2DF



## Managing Flexible Working Requests - Legal & Practical

**19**  
MAR

**TIME**  
8:30 AM - 10:00 AM

**LOCATION**  
Chadwick Lawrence Huddersfield Office, HD1 1JS

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## Employment Law Update

**23**  
APR

**TIME**  
8:30 AM - 10:00 AM

**LOCATION**  
Hays Leeds Office, LS1 8EQ

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## Contact Us



For questions, feedback, article ideas, or story contributions, email [boxhr@chadlaw.co.uk](mailto:boxhr@chadlaw.co.uk) and we'll be in touch.

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