

HUMAN RESOURCES AND COUNCIL TAX COMMITTEE

30th JULY 2026

REPORT OF DIRECTOR OF PEOPLE

A.2 EMPLOYMENT LEGISLATION REPORT

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

The purpose of this report is to update Members of the Human Resources and Council Tax Committee on the implications of the Employment Rights Act 2025 for the Council's employment policies, procedures and working practices. The report outlines the action being taken to maintain compliance with current and forthcoming employment legislation and to support consistent, fair and effective people management across the Council.

EXECUTIVE SUMMARY

The Employment Rights Act 2025 received Royal Assent on 18 December 2025 and introduces a significant programme of employment law reform, with provisions being implemented in phases during 2026 and 2027.

In response, the Council has undertaken a comprehensive compliance audit of its employment policies, procedures and working practices. This has ensured that current requirements are reflected, areas requiring further action have been identified, and preparations are in place for forthcoming legislative changes where implementation dates, regulations or statutory guidance are still awaited.

The audit resulted in a prioritised action plan to manage compliance risk and support timely policy review. A number of core employment policies have already been updated to address identified gaps, reflect changes now in force, and prepare for further reforms expected in October 2026, January 2027 and later during 2027.

The key implementation dates for the phased introduction of the Employment Rights Act 2025 are summarised below, based on the Government's published implementation timeline. Future implementation dates remain subject to commencement regulations, consultation and/or further statutory guidance where applicable.

6th April 2026

- Collective redundancy protective award – doubling the maximum period of protective award from 90 days to 180 days.
- Day 1 Paternity Leave and Unpaid Parental Leave.
- Strengthened protection for workers who 'blow the whistle' on sexual harassment.
- Bereaved Partners' Paternity Leave – enabling bereaved fathers and partners to take up to 52 weeks' leave if the mother or primary adopter dies within the first year of the child's life.
- Statutory Sick Pay (SSP) – removing the Lower Earnings Limit (LEL) and waiting period.
- Action plans on gender equality, with employers with 250 or more employees encouraged to publish steps being taken to reduce the gender pay gap and support employees experiencing menopause.

7th April 2026

- The establishment of the Fair Work Agency.

August 2026 (subject to commencement and/or further statutory guidance)

- Electronic and workplace balloting for Statutory Trade Union Ballots.

October 2026 (subject to commencement and/or further statutory guidance)

- The duty to inform workers of the right to join a Trade Union.
- Requiring employers to take 'all reasonable steps' to prevent sexual harassment of their employees.
- Introducing employer obligations in relation to third-party harassment.
- Employment tribunal time limits.

January 2027 (subject to commencement and/or further statutory guidance)

- Reduction of the unfair dismissal qualifying period from two years to six months for dismissals from 1 January 2027, alongside changes to compensatory awards for successful unfair dismissal claims, including removal of the statutory cap. Compensation will continue to be assessed by employment tribunals by reference to actual and projected losses evidenced by the claimant.
- Fire and rehire protections.

During 2027 (subject to commencement and/or further statutory guidance)

- Mandatory gender equality action plans and menopause action plans, following the voluntary action plan arrangements introduced from April 2026.
- Enhanced dismissal protections for pregnant women and new mothers.
- Commencement of regulations setting out specific steps that employers must take to prevent sexual harassment, following consultation.
- Collective redundancy consultation threshold changes.
- Flexible working reforms.
- Bereavement leave, including pregnancy loss.
- Introduction of the right to guaranteed hours, reasonable notice of shifts and short notice payments.

Further detail on the Council's employment policies updated as part of this work is included in the Background section of this report.

RECOMMENDATION(S)**It is recommended that:**

- (a) the contents of this report be noted, including the actions taken to date under the relevant officer delegation arrangements to ensure the Council's employment policies, procedures and working practices remain compliant with the Employment Rights Act 2025; and**
- (b) the Committee notes that Officers will continue to review and update the Council's employment policies, procedures and working practices as further provisions of the Employment Rights Act 2025 are implemented during 2026 and 2027, and that further informatives will be provided, as necessary, to the Human Resources and**

Council Tax Committee on resulting policy changes in accordance with the Council's governance arrangements.

REASON(S) FOR THE RECOMMENDATION(S)

It is important that the Council's employment policies, procedures and working practices remain compliant with the Employment Rights Act 2025 as the new provisions are introduced throughout 2026 and 2027. Keeping these policies up to date will support fair, consistent and legally compliant decision-making, provide clear guidance to managers and employees, and help ensure that employees are supported through clear information about their statutory entitlements and the procedures that apply at key points in their working lives. This includes areas such as sickness absence, family leave, bereavement, whistleblowing, harassment prevention and probationary processes.

If the legislative changes are not reflected in policy and practice, the Council could be exposed to increased employment disputes, tribunal claims, financial penalties and reputational risk. It could also create operational difficulties in applying employment processes consistently once the new requirements are in force, particularly in areas such as payroll administration, sickness absence management, family leave, probationary processes, harassment prevention and case management.

ALTERNATIVE OPTIONS CONSIDERED

There is no option to take no action, as the Council must comply with the relevant legislative requirements once they are brought into force.

This report is presented to support transparency and appropriate Member oversight of the Council's employment policy response to the new legislation.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

A revised Corporate Plan and Vision were approved by Full Council at its meeting on 28 November 2023. One of the six included themes is Financial Sustainability and Openness, with a commitment to continue to deliver effective services and get things done whilst looking after the public purse; that means carefully planning what we do, managing capacity and prioritising what we focus our time, money and assets on.

The proposals in this report align with:

The Council's Our Vision (Corporate Plan) 2024/28 priorities of:

- Working with partners to improve quality of life
- Raising aspirations and creating opportunities

By supporting our employees—many of whom are also residents—we contribute positively to both workforce wellbeing and the wider community.

Tendring District Council's People Strategy 2024 – 2029 by ensuring that:

- The organisation complies with the legislative and best practice requirements for employment;

- Managers are appropriately knowledgeable and skilled in people management in addition to their professional expertise;
- Human Resources and Organisational Development practitioners are appropriately skilled and qualified to provide professional advice and guidance on operational and strategic development and practice.

LEGAL REQUIREMENTS (including legislation & constitutional powers)

The Council is required to comply with current employment legislation, including the Employment Rights Act 2025. The Act received Royal Assent on 18 December 2025 and introduces additions and amendments to existing employment legislation, including the Employment Rights Act 1996. The relevant provisions are being commenced in phases during 2026 and 2027, and the Council's policies, procedures and working practices are being reviewed and updated to reflect the requirements as they come into force.

The Human Resources and Council Tax Committee has responsibility for the discharge of relevant non-executive functions, including those set out in Schedule 1 to the Local Authorities (Functions and Responsibilities) (England) Regulations 2000, as amended, and as reflected in Appendix 1 to Part 3 of the Council's Constitution. This includes decision-making on key Human Resource and Personnel issues not reserved to Council or delegated to officers.

Part 3 of the Constitution also provides that decisions may be made by officers, including where appropriate in consultation with Members, in accordance with the Scheme of Delegation to Officers. Operational employment policy and procedure changes required to ensure compliance with legislation and recognised good practice may therefore be implemented through officer delegation, including by the Director of People, in consultation with the Head of Paid Service and the Chair of the Human Resources and Council Tax Committee where appropriate.

On that basis, the policy changes set out in this report are being progressed under the relevant constitutional delegation arrangements and are presented to the Committee for noting and oversight.

FINANCE AND OTHER RESOURCE IMPLICATIONS

There are no direct financial implications arising from this report, which is provided as an update. However, failure to implement the required legislative changes could increase the risk of employment disputes, tribunal claims and associated costs.

USE OF RESOURCES AND VALUE FOR MONEY

This report does not require additional resources.

The following comments are provided in respect of the indicated use of resources and value for money indicators:

A) Financial sustainability: how the body plans and manages its resources to ensure it can continue to deliver its services;

There are no direct financial implications arising from the introduction of the Employment Rights Act 2025, other than the potential risk of litigation or associated costs arising from non-compliance.

B) Governance: how the body ensures that it makes informed decisions and properly manages its risks.

The Council ensures strong governance through informed decision-making, effective risk management, and alignment with legal requirements. Regular monitoring and updating

	of the authority's people practices and policies in line with recognised best practice helps the Council remain compliant with new and upcoming employment legislation.
C) Improving economy, efficiency and effectiveness: how the body uses information about its costs and performance to improve the way it manages and delivers its services.	Compliance with the Employment Rights Act 2025 supports the Council's economy, efficiency and effectiveness by reducing employment risk, promoting consistent people management, and ensuring policies remain clear, current and fairly applied. This helps minimise disputes, tribunal claims, financial and reputational costs, while supporting workforce stability and continued service delivery.
MILESTONES AND DELIVERY	
(a) Management Team 14 th July 2026. (b) Human Resources and Council Tax Committee 30 th July 2026.	
ASSOCIATED RISKS AND MITIGATION	
Failure to update the Council's policies and procedures in response to the Employment Rights Act 2025 may expose the Council to an increased risk of employment disputes, tribunal claims and associated financial and reputational consequences. This risk will be mitigated through the adoption of updated procedures, clear guidance to managers, and evidence-based decision-making.	
OUTCOME OF CONSULTATION AND ENGAGEMENT	
The local UNISON Branch has been updated and consulted on changes to the Council's employment policies and procedures.	
EQUALITIES	
Section 149 of the Equality Act 2010 places a Public Sector Equality Duty on the Council. In exercising its functions, the Council must have due regard to the need to: a) eliminate unlawful discrimination, harassment, victimisation and any other conduct prohibited by the Equality Act 2010; b) advance equality of opportunity between people who share a protected characteristic and people who do not; and c) foster good relations between people who share a protected characteristic and people who do not, including tackling prejudice and promoting understanding. The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation. Marriage and civil partnership is also a protected characteristic for the purpose of eliminating unlawful discrimination. The employment policy updates outlined in this report support the Council's existing commitment to fair, consistent and legally compliant treatment of employees and workers. In particular, the changes relating to family leave, sickness absence, whistleblowing, harassment prevention and pregnancy and maternity protections help ensure that the Council's established employment practices remain current, inclusive and aligned with the latest legislative requirements.	

No adverse equality impacts have been identified from the matters set out in this report. Where individual policy changes require further assessment, equality considerations will continue to be reviewed as part of the Council's normal policy development and consultation processes.

SOCIAL VALUE CONSIDERATIONS

The Public Services (Social Value) Act 2012 requires public sector organisations, when procuring relevant services, to consider how what is being procured might improve the economic, social and environmental well-being of the area.

The Council seeks to lead by example as a major local employer. This includes following recognised best practice and ensuring full compliance with legislation.

The Council is also an anchor organisation. Anchor organisations are usually large organisations which are local to place and have the leverage to maximise social value through their role as workplace developers, employers and procurers, their core business and the linkages they have to the place in which they operate.

IMPLICATIONS RELATED TO DEVOLUTION AND/OR LOCAL GOVERNMENT REORGANISATION

Some of the legislative changes outlined in this report will take effect on the dates prescribed by Parliament, and the Council's employment policies are being updated to reflect these requirements. In preparation for working together within a unitary authority, the Council is working closely with Colchester City Council and Braintree District Council to ensure that updated and amended employment policies are aligned wherever possible. This collaborative approach will support greater consistency across the existing councils and help to identify opportunities to develop shared approaches as Local Government Reorganisation progresses.

IMPLICATIONS FOR THE COUNCIL'S AIM TO BE NET ZERO BY 2050

This report has no direct implications for the Council's aspiration to be net zero by 2050.

OTHER RELEVANT IMPLICATIONS

Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.

Crime and Disorder	Not applicable.
Health Inequalities	Employment is known to be a significant factor supporting the health of individuals. The Council is a major employer in the area contributing to the wider determinants of health and wellbeing.
Subsidy Control (the requirements of the Subsidy Control Act 2022 and the related Statutory Guidance)	This report does not involve the provision of financial assistance or confer any economic advantage on external organisations; therefore, subsidy control considerations are not applicable in this instance.
Area or Ward affected	Not applicable.

ANY OTHER RELEVANT INFORMATION

None

PART 3 – SUPPORTING INFORMATION

BACKGROUND

A comprehensive compliance audit was carried out in March 2026 in response to the Employment Rights Act 2025 and the Government's published implementation timeline. The audit considered the Council's employment policies, procedures and working practices against the provisions already in force and those expected to be commenced during 2026 and 2027. It identified areas where policy updates were required to maintain legal compliance, reduce employment risk and provide clear operational guidance to managers and employees.

Sickness Absence Policy and Agency and Casual Worker Policy

From 6 April 2026, statutory sick pay is payable from the first day of sickness absence, with the former waiting period removed and the Lower Earnings Limit no longer applying. This means that workers who previously earned below the qualifying threshold may now be entitled to statutory sick pay. The relevant policies have been updated to reflect the revised statutory entitlement and to support consistent application across the workforce.

Whistleblowing Policy

From 6 April 2026, whistleblowing protections have been strengthened to expressly cover protected disclosures relating to workplace sexual harassment. The Whistleblowing Policy has been updated to reflect this legal position, signpost relevant disclosures as protected, and clarify reporting routes, confidentiality arrangements and support available to workers.

Family Leave and Support Policy

From 6 April 2026, paternity leave became a day one right and the previous requirement for 26 weeks' continuous service was removed. The restriction on taking paternity leave after shared parental leave has also been removed. The Family Leave and Support Policy has been updated to reflect these statutory changes and to include provisions for bereaved partner's paternity leave, including entitlement, eligibility, notice and evidence requirements.

Shared Parental Leave Policy

From 6 April 2026, unpaid parental leave became a day one right, removing the previous requirement for one year's service. The Shared Parental Leave Policy has been updated to reflect this change and to remove outdated restrictions relating to the sequencing of paternity leave and shared parental leave.

Time Off for Dependants

The Bereaved Partner's Paternity Leave Regulations 2026 provide for up to 52 weeks' unpaid leave where the child's mother or primary adopter dies within the first year of the child's life. The Time Off for Dependants provisions have been reviewed alongside the wider family leave policy updates to ensure that managers and employees have clear guidance on the available statutory and policy support.

Probationary Procedure

The unfair dismissal qualifying period is expected to reduce from two years to six months for dismissals from 1 January 2027, subject to commencement and any further regulations or

guidance. To reduce employment risk and support timely suitability decisions, the Council's probationary period has been reduced to three months, with any extension limited to one month. This approach ensures that probationary decisions are made well within the anticipated statutory window and aligns with recognised employment practice and the approach being developed with partner authorities.

Harassment and Bullying Policy

The Worker Protection (Amendment of Equality Act 2010) Act 2023 introduced a preventative duty on employers to take reasonable steps to prevent sexual harassment of employees. The Employment Rights Act 2025 further strengthens this duty by requiring employers to take all reasonable steps to prevent sexual harassment and introduces additional employer obligations in relation to third-party harassment, with relevant provisions expected to take effect from October 2026.

The Harassment and Bullying Policy has been updated to reflect the strengthened preventative duty, including the Council's approach to third-party harassment, reporting channels, management responsibilities, employee support and the potential consequences of inappropriate conduct.

PREVIOUS RELEVANT DECISIONS TAKEN BY COUNCIL/CABINET/COMMITTEE ETC.

Officer decision records relating to the updated employment policies will be retained in accordance with the Council's governance requirements outlined above.

BACKGROUND PAPERS AND PUBLISHED REFERENCE MATERIAL

- Employment Rights Act 2025
- Employment Rights Act 1996
- Plan to Make Work Pay and Employment Rights Act: timeline update
- ACAS Employment Rights Act 2025 guidance
- Equality Act 2010, including Section 149 Public Sector Equality Duty
- Worker Protection (Amendment of Equality Act 2010) Act 2023
- Public Services (Social Value) Act 2012
- Subsidy Control Act 2022 and associated statutory guidance

APPENDICES

None.

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