**The 2024 Employment Rights Bill and Unfair Dismissal**

**Key Changes**

The Employment Rights Bill had its first reading in the House of Commons on 10th October 2024, employers and workers alike will be looking with a degree of nervousness and curiosity at what the Bill will mean to them personally.

The Bill undoubtably proposes the biggest shake up in employment legislation since 1996 when the Employment Rights Act was introduced. The first reading consists of the Bill being read out - without debate. The second reading, when the content of the Bill will be debated, will take place on 21 October – Trafalgar Day for the history buffs amongst us.

It should be remembered that this is a Bill, a proposal laid before Parliament, as such those proposals will not be law before being subject to scrutiny, and hopefully meaningful consultation, before receiving royal assent. Then the revised and debated Bill will be enshrined in law and we will have to come to terms with it. Having said that the government has confirmed the changes are not expected to take effect until at least Autumn 2026.

The proposals set out to upgrade the UK labour market “*so it is fit for our modern economy*”, to stimulate growth and improve living standards. In the ministerial forward to the bill, it is described as a major milestone towards ensuring our economy works for working people.

**Unfair Dismissal and Other Day 1 Rights**

Many will recall the 12-month qualifying period for the statutory right to claim unfair dismissal was introduced by a previous Labour government. That was doubled to 24 months under the Conservatives. In effect the new legislation will repeal the qualifying period and grant the right to claim unfair dismissal from day one of employment. The government say this right will be balanced by a statutory probation period the length of which will be subject to consultation; the preferred period is 9 months.

The details of how this will work in practice remains to be seen but the government states that they will ensure the probation period has meaningful safeguards to provide stability and security for business and workers.

In order to make this a workable proposition secondary legislation in the form of Regulations will have to be introduced. The upshot is that an employer will be able to fairly dismiss an employee within the statutory probation period whilst adhering to the formal process. The formal process will be confirmed at a later stage following debate and consultation.

In addition to the right to claim unfair dismissal the “Day One” rights will also include entitlement to paternity leave, and unpaid parental leave. There is also the proposal for new flexibility allowing paternity leave to be taken after shared parental leave. This ensures the entitlement is not lost where shared parental leave is taken first, as is currently the case.

**Zero Hours Contracts**

A further stated aim of the Bill is to end one sided flexibility in Zero Hours Contracts. The Bill does not go so far as banning ZHC’s however, a new obligation will be imposed on employers to make a guaranteed offer hours to a worker by reference to the average number of hours over a given reference period. Employers will be required to offer guaranteed hours if a worker consistently works more that their contracted hours over a set reference period. The reference period will be confirmed in the, as yet unannounced, Regulations.

Zero hours workers in this position will be entitled to compensation for qualifying shifts cancelled at short notice. The terms “short notice” and “compensation’ are yet to be defined but will be set out in the Regulations.

**Other Proposals**

There are further proposals contained within the Bill which I do not propose to deal with here but during the course of the Bill’ s passage I will write further.

**David Robinson-Young**

**Dere Street Barristers**

**Sunday 13 October 2024**