



## Major Employment Law Changes Ahead: Government Publishes Employment Rights Bill Roadmap

**The UK Government has now released its implementation roadmap for the much-anticipated Employment Rights Bill. This phased approach will bring significant reforms to employment law between now and 2027, changes that all employers should consider and begin preparing for.**

Among the more immediate measures is expected to be the repeal of the Strikes (Minimum Service Levels) Act 2023 and large parts of the Trade Union Act 2016, which will take effect as soon as the Bill becomes law. Enhanced protections for workers taking industrial action will also be introduced at this early stage.

**From April 2026, we'll see the introduction of:**

- Day one rights to paternity leave and

unpaid parental leave;

- Removal of the lower earnings limit and waiting period for statutory sick pay;
- Enhanced whistleblowing protections;
- The launch of a new Fair Work Agency; and
- Reforms to trade union recognition and voting processes.

**From October 2026, the focus shifts to employer responsibilities, including:**

- A new duty to prevent sexual harassment, including from third parties;
- Restrictions on the use of 'fire and rehire' tactics;
- Legal obligations around fair tipping practices; and
- Expanded protections for trade union members and changes to employment tribunal time limits.

**Finally, 2027 will see the implementation of some of the most impactful reforms:**

- Day one rights to claim unfair dismissal;
- Enhanced dismissal protections for

pregnant employees and new mothers;

- Stronger rights for zero-hours workers, including fairer access to flexible work.

The government has said it will produce clear guidance well in advance of these deadlines to help businesses through the changes which is good news. While the phased timeline gives businesses time to adapt, it's clear that many existing employment contracts, policies, and handbooks will need reviewing and updating, possibly more than once.

We recommend that employers begin reviewing their documentation, starting with those areas most likely to be affected early in 2026. As employment solicitors supporting SMEs here in Kent, we're here to help you audit your policies, manage the transition smoothly, and stay compliant.

Please don't hesitate to get in touch if you'd like tailored advice or support in preparing for these upcoming changes.

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# Government Launches Review of Parental Leave and Pay – *What businesses need to know*

**The UK Government has launched a long-awaited review into parental leave and pay, signalling potential changes that could reshape how employers support new and expectant parents in the workplace. This review will examine the existing statutory entitlements for maternity, paternity, shared parental leave (SPL), and unpaid parental leave, with a focus on improving flexibility and increasing take-up, especially of paternity and shared leave.**

For businesses, this review could be an early warning of likely reforms ahead. While no legislative changes have yet been confirmed, the Government is clearly concerned that current arrangements are not working as effectively as intended, particularly for fathers and partners.

## What's Being Reviewed?

Key areas under consideration include:

- Whether statutory paternity leave should be extended or made more flexible;
- How to simplify and encourage greater use of Shared Parental Leave (SPL);
- Whether parental leave entitlements better reflect modern family life and working patterns;
- Whether statutory pay rates are sufficient and equitable across types of leave.

The Government is expected to consult with employers, parents, and stakeholders throughout 2025, with potential reforms announced in 2026.

## What Should Employers Be Doing Now?

While changes aren't guaranteed, this review signals the likely direction of travel as the UK falls behind many other countries in Europe for parental leave and pay. Employers should consider:

- Reviewing parental leave policies to ensure clarity and compliance;

- Consider how your current provisions support (or discourage) fathers and partners taking leave;
- Assess whether enhanced parental pay or more flexible arrangements could support recruitment and retention.

If reforms do follow, employers may need to update employment contracts, staff handbooks, and implement training to reflect the new entitlements and procedures and to encourage take up.

We are ready to support you in preparing for potential changes ahead. We can audit your current parental leave policies and recommend improvements.

If you'd like to discuss how the parental leave review may affect your business or wish to get ahead with policy updates, please do get in touch.

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# Disciplinary process – how to get it right

**Emotions can run high when dealing with allegations of employee misconduct so what is the best way to manage the disciplinary process to ensure a legally compliant and fair outcome.**

Businesses should have their disciplinary process set out in a company handbook or policy which is available to all staff. For employers it can however be daunting to need to use it, especially for the first time.

If you don't follow the process, you have set out, there is a risk that the employee could raise a grievance claim against you, which could result in an employment tribunal.

There are a number of types of behaviour which are grounds for a disciplinary process. These can include:

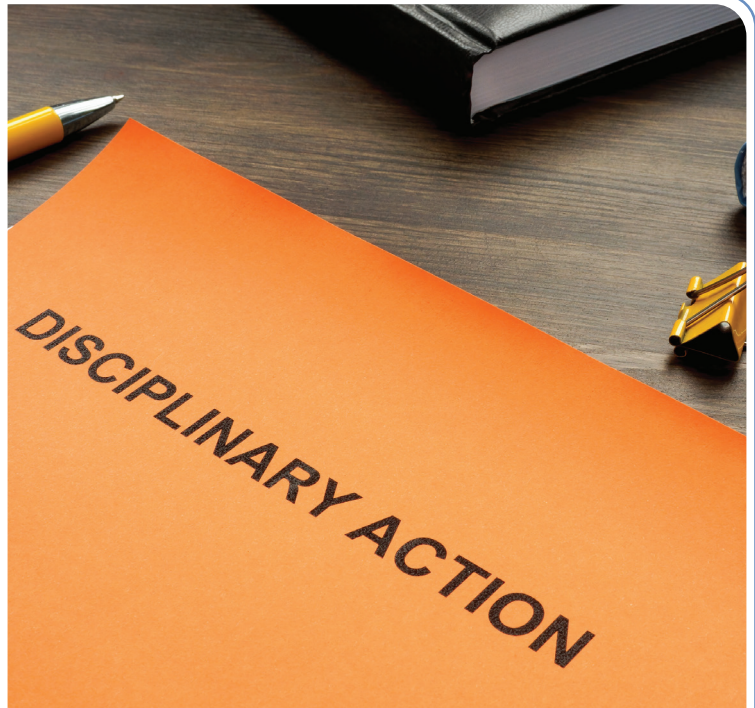
- Violence, verbal abuse or harassment of any type
- Gross negligence
- Bullying
- Discrimination
- Unauthorised absence / repeated lateness
- Theft/fraud
- Poor quality of work / performance issues

Before embarking on the disciplinary process, it is usually best to hold an informal discussion with the employee to raise the matter. If proceeding down the formal route the employer should set out in writing the details of the issues. Where necessary an investigation to gather evidence may be useful.

The investigation and evidence gathering may involve speaking to witnesses and reviewing CCTV footage. Keep a detailed record of all of the evidence and the process which has been followed. You can suspend the employee (on full pay) whilst the investigation takes place although this should be exercised with caution and kept to no longer than is absolutely necessary. It is important that the employee is told that the suspension is not a disciplinary sanction.

If after the informal discussion or reviewing the evidence, you decide there is no case to answer, the matter can be closed and no further action taken.

For matters where a disciplinary sanction is considered appropriate the employee would then be called to a disciplinary hearing which should be held as soon as possible, many policies have a time scale. In advance of this hearing, you need to tell them what the purpose of the meeting is, highlight the issues being considered and what the potential outcomes are. The employee has a right to be accompanied to the meeting by a colleague or trade union representative. If the representative can't attend the meeting at the scheduled time, then it can be postponed to a time of the employee's choosing, but no more than five working days after the initial date.



During the meeting you should give the employee their chance to speak, and this is often where emotions can run high. Allow them to provide evidence and if they need it, take a short break to compose themselves. They should also be allowed to call their own witness and ask for further advice or to see evidence. If the employee brings an important new fact which hasn't been discovered during the investigation, then the meeting should be adjourned for further investigation.

The employee's representative can speak on their behalf, but they cannot answer questions on their behalf.

Possible outcomes of a disciplinary meeting are:

- A verbal warning
- A written warning
- A final warning
- No action
- Demotion
- Dismissal

The outcome should always reflect the seriousness of the issue, and the employee has a right to appeal against the decision, and they should provide their reasons for the appeal in writing. A good policy will outline the timescale for this and to who the appeal should be sent.

A further appeal hearing should then be scheduled as soon as possible and considered by (where possible) an impartial chair who hasn't been involved in the disciplinary investigation or procedure previously.

There can be other issues to consider along the way, such as what if the employee goes on sick leave or tenders their resignation before the meeting. You should also consider the wider impact a process like this can have on the rest of the business.

Disciplinary action can be time-consuming, but it is important to stick to the process to protect the business against future employment claims.

If you would like to review your disciplinary process or need help to carry one out, get in touch with our team today.

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# Director disputes

**When company directors disagree, it can cause long-lasting damage to the business and be very stressful for those involved as well as your employees. It's therefore important to find a way to resolve any business dispute quickly and effectively.**

Director disputes are not uncommon and can arise for a number of reasons. Common scenarios include:

- A business owned by a divorcing couple with a 50/50 shareholding who don't have a shareholders' agreement in place.
- A business owned by friends or family members who then disagree, which then spills out into the business.
- Conflicts around financial matters based on suspicions that a fellow director may be misappropriating company funds or otherwise acting improperly.
- Director performance and their inability to deliver on objectives or address serious operational challenges.
- Disagreements around corporate governance and directors' responsibilities.
- Conflicts of interest which affect a director's ability to act in the best interests of the business.
- Legal compliance issues around adhering to the law, regulations or standards.

Directors are subject to a number of legal duties. For example, they owe so-called "fiduciary duties" to the company to exercise reasonable care and skill and act in the best interests of the company, which are now written into the Companies Act 2006. Breaching these duties can leave directors open to personal liability.

There are many types of director and shareholder disputes but whatever the reason or the size of the company, they all need resolving. Early intervention is usually best, as once there has been a breakdown of trust, or misgivings over whether fellow directors are acting properly, resolution becomes much more difficult.

With any dispute it is important to know when and how to litigate, but first and foremost when to stop and consider alternative means of dispute resolution called "ADR". This could be a formal process with an appointed Mediator, or an informal round table discussion with or without lawyers present.

Such informal methods are aimed at avoiding litigation. The key is recognising when a conflict begins to emerge, then taking action which might start with informal communication with the other party to see if the issues can be identified, agreed upon and resolved. A typical solution for smaller businesses where the directors are also shareholders and employees might be for the remaining shareholder/s to buy the shares of the outgoing party, so they can carry on running the business without them. Early legal advice in the background can stop boardroom disagreements mushrooming into litigation, by promoting engagement and an ADR based approach, before it is too late.

Where all attempts at resolving the dispute fail then legal action can be pursued through Court proceedings, but this can be time-consuming and expensive. There are also the financial and reputational consequences of a dispute to consider and whether it is possible for the business to recover from it.

Many disputes could be prevented, or more easily resolved by having appropriate documentation in place including service contracts for directors and a shareholders' agreement where directors are also shareholders. Even if all is well in your new or established business, to avoid future costs and heartache, it makes sense to have the right documents in place and look at how your business is structured, which our corporate team can help.

If you need help or support dealing with a dispute, or think there may be one in prospect, please get in touch with our team.

**Andrew Clarke** is an Associate Solicitor in our disputes team and can be contacted at [a.clarke@gullands.com](mailto:a.clarke@gullands.com)

## CONTACT

If you would like any additional information on any of the subjects discussed in this newsletter please do not hesitate to contact us.



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## Quick reference section

### Statutory minimum notice periods:

An employer must give at least:

- One week's notice to an employee who has been employed for one month or more, but less than two years.
- One week's notice for each **complete** year of service for those employed for more than two years.
- Once an employee has more than 12 years' service, the notice period does not extend beyond 12 weeks.

### National Minimum Wage

	From April 25
Apprentices	£7.55
16-17	£7.55
18-20	£10.00
National living wage 21+	£12.21

### Statutory Sick Pay

Per week £118.75 (From April 2025)

**Statutory Shared Parental/Maternity/Paternity/Adoption Pay** (basic rate)  
£187.18 (From April 2025)

### Statutory Holiday

5.6 weeks for a full time employee.  
This can include bank and public holidays.

### Redundancy Calculation

- 0.5 week's pay for each full year of service when age is less than 22.
- 1 week's pay for each full year of service where age during year is 22 or above, but less than 41.
- 1.5 week's pay for each full year of service where age during year is 41 and over.

Calculation is capped at 20 years.  
Maximum week's pay is capped under the Statutory Scheme for dismissals after 6<sup>th</sup> April 2025 at £719.

