

# Employment Rights Act 2025

## FAMILY-FRIENDLY RIGHTS AND EQUALITY

JANUARY 2026

WHAT'S THE CHANGE?	ANY ADDITIONAL INFORMATION?	WHAT WILL EMPLOYERS HAVE TO DO?	WHEN WILL IT TAKE EFFECT? <sup>1</sup>
<b>Parental leave</b>			
<ul style="list-style-type: none"> <li>Parental leave will become a day one right.</li> </ul>	<ul style="list-style-type: none"> <li>The qualifying period of employment of not less than one year is being removed.</li> <li>In July 2025, the Government launched a full review of the UK's parental leave system (including maternity, paternity and shared parental leave and pay rights). The consultation is expected to run for 18 months. The change to make parental leave a day one right is separate to this consultation.</li> </ul>	<ul style="list-style-type: none"> <li>Parental leave remains unpaid, so the take-up is likely to remain low.</li> <li>Eligibility requirements under the policy will need to be updated.</li> </ul>	<ul style="list-style-type: none"> <li>The change to parental leave will take effect on <b>6 April 2026</b>.</li> </ul>
<b>Paternity leave</b>			
<ul style="list-style-type: none"> <li>Paternity leave will become a day one right.</li> <li>Employees will be able to take paternity leave following shared parental leave.</li> </ul>	<ul style="list-style-type: none"> <li>The qualifying period of employment of no less than 26 weeks is being removed.</li> </ul>	<ul style="list-style-type: none"> <li>Eligibility requirements under the policy will need to be updated.</li> </ul>	<ul style="list-style-type: none"> <li>The changes to paternity leave will take effect on <b>6 April 2026</b>.</li> </ul>
<b>Bereavement leave</b>			
<ul style="list-style-type: none"> <li>Bereavement leave will be introduced as a new day one right.</li> <li>At least one week's unpaid leave will be given.</li> </ul>	<ul style="list-style-type: none"> <li>Further details will be set out in regulations, including the duration of the leave, the</li> </ul>	<ul style="list-style-type: none"> <li>This new right will need to be included in a policy, which can be done by updating the existing right to parental bereavement leave.</li> </ul>	<ul style="list-style-type: none"> <li>The Government has consulted on the operational details of bereavement leave, including eligibility (which relationships and</li> </ul>

<sup>1</sup> Some dates in this column are based on information published in the Government's Implementation Roadmap (July 2025). Despite the Act's delay in obtaining Royal Assent, the Government has since confirmed its commitment to the Roadmap's implementation timelines.

WHAT'S THE CHANGE?	ANY ADDITIONAL INFORMATION?	WHAT WILL EMPLOYERS HAVE TO DO?	WHEN WILL IT TAKE EFFECT?
<ul style="list-style-type: none"> <li>It will apply following the death of a family member (in addition to the existing entitlement to parental bereavement leave).</li> <li>Subject to eligibility, where more than one person dies, the employee is entitled to leave in respect of each deceased person.</li> <li>The Government will extend the right to bereavement leave to include a pregnancy that ends before 24 weeks.</li> </ul>	<p>definition of “bereaved person”, and the period within which leave must be taken.</p>		<p>types of pregnancy loss should qualify), leave duration and timing, appropriate length of notice and whether evidence of the loss should be provided</p> <ul style="list-style-type: none"> <li>Final measures will take effect in <b>2027</b>. We expect the extension to cover pregnancy loss before 24 weeks will follow a similar timeline.</li> </ul>
<b>Dismissal protection following family leave</b>			
<ul style="list-style-type: none"> <li>Dismissals of employees during or after a protected period of pregnancy or family leave will be unlawful, except in certain circumstances.</li> </ul>	<ul style="list-style-type: none"> <li>This right applies to maternity leave, adoption leave, shared parental leave, neonatal care leave, and bereaved partner's paternity leave.</li> <li>Protection from dismissal will likely cover a period of six months following pregnancy or the return from statutory family leave.</li> <li>Regulations will set out further details on when dismissals are permitted, what notices are to be given, evidence to be produced and other procedures to be followed by employees and employers.</li> </ul>	<ul style="list-style-type: none"> <li>HR and managers will need training on the protections from dismissal in these circumstances, and any guidance notes or process maps will need updating to reflect the new broader protections.</li> <li>If policies address the protections afforded to those on family leave, these will need updating.</li> <li>For employers who offer maternity packs or similar, these will need updating.</li> </ul>	<ul style="list-style-type: none"> <li>The Government has consulted on the operational details of the protection, including which (or whether all) of the five potentially fair reasons for dismissal should continue to apply to pregnant women and new mothers, whether a stricter standard of fairness should apply and when the enhanced protection should start and end.</li> <li>Final measures on “rights for pregnant workers” will take effect in <b>2027</b>. We assume this refers to the wider extension of protection during or following certain types of family leave, not just pregnancy.</li> </ul>
<b>Flexible working</b>			
<ul style="list-style-type: none"> <li>The employer will need to explain the reason for refusing a request (selecting from the existing list of specified grounds) and also why it is reasonable to refuse the request.</li> </ul>	<ul style="list-style-type: none"> <li>Regulations will set out the steps to comply with the requirement to consult before rejecting an application.</li> </ul>	<ul style="list-style-type: none"> <li>Most employers already provide an explanation and have discussions with the employee. Procedures and templates may need updating to ensure compliance.</li> </ul>	<ul style="list-style-type: none"> <li>Further consultation on flexible working is expected.</li> <li>Final measures will take effect in <b>2027</b>.</li> </ul>

WHAT'S THE CHANGE?	ANY ADDITIONAL INFORMATION?	WHAT WILL EMPLOYERS HAVE TO DO?	WHEN WILL IT TAKE EFFECT?
<b>Equality action plans</b>	<ul style="list-style-type: none"> <li>Employers subject to gender pay gap reporting will be required to publish an “equality action plan”.</li> <li>This will outline the steps the employer is taking to address its gender pay gap and to support employees going through menopause.</li> </ul>	<ul style="list-style-type: none"> <li>Regulations will set out details of the contents of the plan, the form and manner of the plan's publication, how frequently it is to be published, and requirements regarding senior internal approval of the plan before publication.</li> </ul>	<ul style="list-style-type: none"> <li>For employers subject to gender pay gap reporting, this will be an additional task to be considered at a senior level.</li> <li>Employers should consider introducing a menopause policy, if not already in place.</li> </ul> <p>Equality action plan measures will take effect in <b>2027</b>, with introduction on a voluntary basis to apply from <b>April 2026</b>.</p>
<b>Ethnicity/disability pay gap reporting and related equal pay rights</b>	<ul style="list-style-type: none"> <li>The Equality (Race and Disability) Bill, though not part of the 2025 Act, will require large employers to report on ethnicity and disability pay gaps.</li> </ul>	<ul style="list-style-type: none"> <li>The proposed reporting obligation will apply to employers with 250 or more employees.</li> <li>The framework will be similar to the current gender pay gap reporting regime, but with some additional disclosures. Reporting would be dependent on workers self-reporting their ethnicity and disability status.</li> </ul>	<ul style="list-style-type: none"> <li>Employers should start considering appropriate mechanisms for collecting data and producing reports.</li> </ul> <p>This proposal remains at a formative stage and is not part of the 2025 Act. The Government has consulted on the approach to reporting to shape proposals for the Bill. It has also conducted a call for evidence on the proposal to extend equal pay rights to ethnic minority and disabled workers.</p> <p>No implementation date has been confirmed.</p>
<b>Duty to take steps to prevent sexual harassment</b>	<ul style="list-style-type: none"> <li>The existing duty to take reasonable steps will be enhanced to require an employer to take “all” reasonable steps, which is a higher bar.</li> </ul>	<ul style="list-style-type: none"> <li>Regulations may specify the steps to be regarded as reasonable, which are extensive and cover: the carrying out of assessments; publishing plans or policies; and the steps relating to the reporting of sexual harassment and the handling of complaints.</li> </ul>	<ul style="list-style-type: none"> <li>Employers will already have been reviewing what steps they should be taking and will have the opportunity to consider how effective these steps are after an initial period of, say, 12 months. These steps may need refining once the content of the regulations is known.</li> <li>Read our guidance and suggested steps <a href="#">here</a>.</li> </ul> <p>The enhanced duty will take effect in <b>October 2026</b>.</p> <p>Regulations to specify steps to be regarded as reasonable will take effect in <b>2027</b>.</p>
<b>Third-party harassment</b>	<ul style="list-style-type: none"> <li>Employers will be under a new legal obligation to prevent harassment of employees by third parties.</li> <li>This will cover all protected characteristics.</li> <li>Employers will be liable if they have failed to take all reasonable steps to prevent third-party act(s) of harassment.</li> </ul>	<ul style="list-style-type: none"> <li>A “third party” is defined widely as a person other than the employer or its employees.</li> </ul>	<ul style="list-style-type: none"> <li>This will be a new statutory obligation, but note that the EHRC guidance currently states that the new duty in relation to sexual harassment applies to third parties (although there is currently no legal right to bring a third-party harassment claim).</li> </ul> <p>This legal obligation will take effect in <b>October 2026</b>.</p>

WHAT'S THE CHANGE?	ANY ADDITIONAL INFORMATION?	WHAT WILL EMPLOYERS HAVE TO DO?	WHEN WILL IT TAKE EFFECT?
		<ul style="list-style-type: none"> <li>Terms of business and contracts with third parties should be reviewed and appropriate safeguards included.</li> <li>Policies and provisions in relation to sexual harassment by third parties will need to be extended to all protected characteristics. See our guidance above.</li> </ul>	
<b>Whistleblowing protection for sexual harassment</b>	<ul style="list-style-type: none"> <li>Sexual harassment will become a protected disclosure.</li> </ul>	<ul style="list-style-type: none"> <li>An individual reporting sexual harassment would have been protected in any event under the existing relevant failures listed in the legislation, provided the “public interest” and “reasonable belief” tests were met.</li> <li>Employers should review and update their whistleblowing procedures to reflect the minor technical change.</li> </ul>	<ul style="list-style-type: none"> <li>This change will take effect in <b>April 2026</b>.</li> </ul>
<b>Non-disclosure agreements</b>	<ul style="list-style-type: none"> <li>Any provision in an agreement which prevents a worker from making allegations or disclosures about harassment or discrimination by their employer or another worker, including disclosures about the employer's response to such allegations, will be void.</li> <li>The ban excludes allegations of harassment made by third parties.</li> <li>There is scope for regulations to define “excepted agreements” to which the provision will not apply.</li> </ul>	<ul style="list-style-type: none"> <li>Once the regulations' contents are known and there is a clear definition of what will be an “excepted agreement”, employers should review and update settlement agreements.</li> </ul>	<ul style="list-style-type: none"> <li>The Government's Roadmap does not confirm a commencement date for this provision.</li> </ul>

A&O Shearman means Allen Overy Shearman Sterling LLP and/or its affiliated undertakings. Allen Overy Shearman Sterling LLP is a limited liability partnership registered in England and Wales with registered number OC306763. Allen Overy Shearman Sterling (Holdings) Limited is a limited company registered in England and Wales with registered number 07462870. Allen Overy Shearman Sterling LLP (SRA number 401323) and Allen Overy Shearman Sterling (Holdings) Limited (SRA number 557139) are authorised and regulated by the Solicitors Regulation Authority of England and Wales. The term partner is used to refer to a member of Allen Overy Shearman Sterling LLP or a director of Allen Overy Shearman Sterling (Holdings) Limited or, in either case, an employee or consultant with equivalent standing and qualifications or an individual with equivalent status in one of Allen Overy Shearman Sterling LLP's affiliated undertakings. A list of the members of Allen Overy Shearman Sterling LLP and of the non-members who are designated as partners, and a list of the directors of Allen Overy Shearman Sterling (Holdings) Limited, is open to inspection at our registered office at One Bishops Square, London E1 6AD. A&O Shearman was formed on 1 May, 2024 by the combination of Shearman & Sterling LLP and Allen & Overy LLP and their respective affiliates (the legacy firms). This content may include or reflect material generated and matters undertaken by one or more of the legacy firms rather than A&O Shearman.