

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

PERSONNEL COMMITTEE

18 NOVEMBER 2024

REPORT OF THE HEAD OF PEOPLE AND ORGANISATIONAL DEVELOPMENT – SHEENAGH REES

Matter for Information

Wards Affected: All wards

The Employment Rights Bill

1. Purpose of Report:

The purpose of this report is to provide Members with information on the new Employment Rights Bill which was introduced to Parliament on 10th October 2024.

2. Executive Summary:

The Employment Rights Bill is a legislative measure aimed at enhancing and modernising protections for employees. It seeks to address gaps in existing employment law, introduce new worker rights and improve enforcement mechanisms. This report summarises the key provisions of the Bill and outlines any changes that will occur when it comes into force.

3. Background:

The Employment Rights Bill, introduced to Parliament on 10 October 2024, is the first phase of delivering the Government's Plan to Make Work Pay.

The aim of the Bill is to support employers, workers, and unions to get Britain moving forward and fulfils the Government's commitment to introduce legislation within 100 days. It will also update and modernise the legislative framework in relation to employment rights.

Currently, there is no date provided on when this Bill will commence, however consultation has commenced on some of the key changes proposed.

4. Key Provisions of the Employment Rights Bill

4.1 Day One Rights for Unfair Dismissal

The Bill proposes to provide employees with protection from unfair dismissal from the first day of employment and introduces the concept of an "initial period of employment" (IPE), during which a modified version of the right to unfair dismissal will apply. The duration of this initial period is not specified in the Bill but will be determined through regulations. The government's current preference is for a nine-month period.

Currently, employees need two years of continuous service to qualify for unfair dismissal protection. In addition to this, employers can use their discretion on whether to implement probationary periods.

4.2 Flexible Working Rights

One of the central provisions of the Bill is the expansion of flexible working rights. The Bill introduces a "day one right" for employees to request flexible working arrangements, meaning they will no longer need to wait for 26 weeks of continuous employment to make a request. Employers are able to refuse a request, but they will have to be required to provide specific, valid reasons within a shorter decision making period.

There is no change required to our policy in this area.

4.3 Family Friendly Policies

The Bill introduces a number of new entitlements in relation to family friendly policies, see below:-

- Day One entitlement to Paternity Leave and Unpaid Parental leave
- The ability for parents to take their Paternity Leave and pay after their Shared Parental Leave and pay
- The introduction of a new right to unpaid Bereavement Leave, allowing employees to take leave from work to grieve the loss of a loved one
- New protections from dismissal for a woman who is pregnant and for six months after her return to work

These changes will require some amendments to our policies. In relation to Bereavement Leave, we provide up to 5 days **paid** bereavement leave for immediate and close relative but the definition of immediate and close relative may need to be further amended when the regulations are implemented.

4.4 Gender Pay Gap and Menopause Action Plans

Large employers (Over 250 employees) will be required to publish Annual Reports on gender pay gaps and implement menopause support action plans.

Whilst we already publish an annual Gender Pay Gap report and we have a Menopause Action Plan in place, going forward we will need to publish our Menopause Action Plan.

4.5 Zero Hours Contracts

The measures aim to tackle one-sided flexibility in zero hours contracts through a right to guaranteed hours with a contract that reflects the number of hours regularly worked, a right to reasonable notice of shifts and to payment for shifts cancelled or curtailed at short notice.

The Council does not utilise zero hours contracts, we utilise casual contracts with no mutuality of obligation and under our Charter for Casual, Temporary and Fixed Term Employees, if casuals work regularly over a 12 week period, then they are transferred to a temporary contract.

4.6 Sexual Harassment at Work

Employers have a duty to take reasonable steps to prevent sexual harassment at work. The Employment Rights Bill strengthens the employers' duty to prevent sexual harassment of their employees by requiring them to take all reasonable preventative steps including:-

- Introducing an obligation on employers to not permit harassment of their employees by third parties
- specifying steps which are to be regarded as 'reasonable' for an employer to take in order to prevent sexual harassment

The level of expectation of what an employer is supposed to do to prevent sexual harassment at work already changed on 26th October 2024 with the introduction of The Worker Protection (Amendment of Equality Act 2010) Act 2023. This includes carrying out risk assessments, having policies, having clear processes for reporting and handling complaints. A further report on this will be provided to Personnel Committee in due course.

4.7 Ending Fire and Rehire Provisions

The Employment Rights Bill will make any dismissal automatically unfair if the main reason for the dismissal is either that the employee refused to agree to a variation of contract sought by the employer, or to enable the employer to recruit

another person (or rehire the employee) under new terms but with substantially the same duties.

This would not adversely impact on us as a Council as we always endeavour to seek agreement to any variation of contract.

4.8 Statutory Sick Pay

Statutory sick pay will be paid from first day of sickness (it's currently three days waiting and payment from day four). Also, the lower earnings threshold for SSP will be removed.

4.9 Collective Redundancy Consultation

The obligation to collectively consult on redundancies is triggered when 20 or more employees are dismissed across and entire business or at individual establishments. Currently, this applies when an employer proposes 20 or more redundancies within 90 days at one establishment.

The Bill changes this requirement which means that when deciding whether there are 20 or more redundancies, the number across the whole organisation should be calculated and separate establishments not treated separately.

4.10 Trade Union Legislation

The Bill looks to modernise trade union legislation giving trade unions greater freedom to organise, represent and negotiate on behalf of their workers.

We have a strong social partnership culture across the Council, so whilst the legislation is changing, it is not anticipated that the amendments to the Bill will require us to make a lot of changes to our policies and practices.

4.11 Fair Pay

The Bill also is looking to introduce measures to ensure workers get fair pay for a fair day's work. Currently, we are unsure if the below are applicable to Wales. These additional proposals include:-

- re-instatement of the School Support Staff Negotiating Body to improve terms and conditions for school support staff •

- establishment of a Fair Pay Agreements process in the adult social care sector
- re-introduction of the two-tier code on procurement ensuring that employees working on outsourced contracts will be offered terms and conditions broadly equivalent to those transferred from the public sector

5 Financial Impacts:

These changes will have a financial impact on the Council. However until the Bill is implemented into legislation (as some aspects are out for consultation and may change) we will not know what this will be at present.

6 Integrated impact assessment:

There is no requirement for an Integrated Impact Assessment as this report is for information only.

7 Valleys Communities Impacts:

No Impacts.

8 Workforce Impacts:

The aim of this Bill is to support the government's mission to increase productivity and create the right conditions for long-term sustainable, inclusive, and secure economic growth. It is anticipated that some of these proposals will have a positive impact on our workforce.

9 Legal Impacts:

No impact.

10 Risk Management Impacts:

No impact.

11 Crime and Disorder Impacts

No impact.

12 Counter Terrorism Impacts

No impact

13 Consultation:

There is no requirement under the Constitution for external consultation on this item as it is for information only.

14 Recommendations:

It is **RECOMMENDED** that this report be **NOTED**.

FOR INFORMATION

15 Appendices:

None

16 List of background papers:

None.

17 Officer Contact

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