

GIBSON DUNN



Labor & Employment Update

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“A New Deal for Working People”? – Labour Government Introduces Employment Rights Bill in the UK

An overview of the incoming rules on preventing sexual harassment as well as the steps the Labour government has taken and intends to take under the Employment Rights Bill.

In our last publication [“What Employers Can Expect in the UK under the New Labour Government”](#) on 8 July 2024, we outlined the extensive reforms the newly formed Labour government had proposed to employment law during the General Election campaign and the potential consequences of these anticipated developments for employers. As expected, the Labour government has since published its [Employment Rights Bill](#) on 10 October 2024 (the “**Bill**”), providing a more fulsome insight into how its self-proclaimed “New Deal for Working People” will impact employers.

The publication of the Bill on 10 October 2024 means the Labour government has delivered on its commitment to put legislation before Parliament on its “Plan to Make Work Pay” within 100 days of entering office. Yet, while the Bill provides a broad framework for an eventual overhaul of the employment landscape, the measures outlined in the draft legislation do not require employers to make the immediate and wide-reaching changes to policies and procedures which might have been foreseen based on signals prior to the General Election. In fact, a significant number of original proposals have been omitted from the Bill – including, crucially, the proposed shift to a two-part framework of employment status – with the Labour government pledging to implement its further proposals after concluding extensive reviews and consultations with stakeholders. The

consultation process is expected to begin in 2025, which means that the majority of reforms will not take effect until 2026. As such, the real scope and scale of the proposed reforms will not become fully clear until far later in the lifetime of this Parliament.

More pressing for employers will be changes to the law on preventing sexual harassment which were introduced by the previous Conservative government and which come into force on 26 October 2024.

A brief overview of the incoming rules on preventing sexual harassment as well as the steps the Labour government has taken and intends to take under the Employment Rights Bill is provided below, with more detailed information on each topic available by clicking on the links.

1. Incoming New Rules for October 2024 ([view details](#))

We consider the new legal duty coming into force on 26 October 2024 which requires employers to take reasonable steps to prevent sexual harassment in the workplace (which is expected to extend to sexual harassment by clients, customers and other third parties), as well as the practical steps employers can take to ensure compliance.

2. Employment Reform Proposals under the Bill ([view details](#))

We review the proposed reforms to the employment law landscape under the Bill, including:

- *Workforce Changes*: we summarise the changes proposed to enhance the “Day One” rights available to employees and to protect employees from unfair dismissal. We also summarise the proposals to restrict the controversial practice of dismissing and re-hiring employees as a means of unilaterally changing terms of employment.
- *Discrimination, Diversity, Equity and Inclusion*: we outline the measures which would impose further obligations upon employers to strengthen whistleblower rights; to address the gender pay gap; to extend the gender pay gap regime to include race and disability; and to support employees going through the menopause.
- *Working Arrangements*: we consider the changes proposed to employers’ abilities to engage workers on “zero hours” contracts and the potential enhancements to the right to flexible working. We also consider the proposals to negotiate pay arrangements in specific sectors and to strengthen trade unions.

3. Upcoming Employment Reviews ([view details](#))

We outline the further reforms we expect the Labour government to implement following the successful passage of the Bill, based on the commitments made under its “Plan to Make Work Pay”. These further developments include comprehensive reviews of: (i) employment status; (ii) parental and carers’ leave; (iii) the processes and regulations under the Transfer of Undertakings (Protection of Employment) Regulations 2006 (SI 2006/246) (“**TUPE**”); and the potential new right of employees to collectively raise grievances about workplace conduct with the Advisory, Conciliation and Arbitration Service (“**ACAS**”).

We will provide further updates as and when the Labour government publishes more details on the implementation of the changes proposed both under the Bill and through the related upcoming consultations. In the meantime, we will continue to work with our clients to navigate the potential developments explored below.

[Read More](#)

The following Gibson Dunn lawyers prepared this update: James Cox, Georgia Derbyshire, Olivia Sadler, Finley Willits, and Josephine Kroneberger*.

Gibson Dunn lawyers are available to assist in addressing any questions you may have about these developments. Please contact the Gibson Dunn lawyer with whom you usually work, any leader or member of the firm's Labor and Employment practice group, or the following authors in London:

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