



Thinking ahead – Preparing for 2025 Employment Law Changes and Beyond

With 2025 bringing key updates to employment law and even bigger changes on the horizon for 2026, it's important to stay ahead. Below, we've summarised the key updates you need to know, from wage increases to new workplace rights and proposed legislative reforms.



Updates to NMW and Family Leave Pay

National Minimum Wage Increases – Effective 1st April 2025

Big changes are coming to the National Minimum Wage (NMW) from 1 April 2025, alongside rising National Insurance Contributions (NICs). Employers should start preparing now to ensure smooth adjustments.

New National Minimum Wage Rates (April 2025)

Age Group	Current Rate (April 2024)	New Rate (April 2025)	% Increase
21 and over (NLW)	£11.44	£12.21	6.7%
18 to 20	£8.60	£10.00	16.3%
Under 18	£6.40	£7.55	17.9%
Apprentice	£6.40	£7.55	17.9%

For context, an employee working 37.5 hours per week on the National Living Wage will now earn just under £24,000 per year.



Next Steps for Employers:

- Identify employees close to the new minimum wage threshold and adjust pay structures accordingly.
- Employers should also be aware of wider impacts on pay structures, ensuring differentiation between roles and experience levels remains fair. Salary Benchmarking may help improve this.
- Review salary sacrifice schemes, uniform deductions, and unpaid extra hours to ensure compliance.
- Stay informed—non-compliance with NMW laws can lead to financial penalties and reputational risks.

Statutory Payment Increases – April 2025

Employers should also be aware of increases to statutory family-related payments from April 2025:

- 7 April 2025: Statutory Maternity, Paternity, Adoption, Shared Parental, and Bereavement Pay increases to £187.18 per week (up from £184.03).
- 11 April 2025: Maternity Allowance increases to £187.18.
- 6 April 2025: Tribunal compensation limits and redundancy payments are expected to rise (final figures pending).

💡 **Make sure your payroll systems and HR policies reflect these changes.**



Family Employment Law Changes

Paid Neonatal Care Leave – Effective 6 April 2025

The Neonatal Care (Leave and Pay) Act introduces up to 12 weeks of paid neonatal care leave for eligible employees.

- This will be available from day one of employment.
- It applies to parents of babies admitted to hospital within 28 days of birth for at least seven consecutive days.



- Statutory Neonatal Care Pay will be available for employees with at least 26 weeks' continuous service.

Next Steps for Employers:

- ✓ Update family leave policies to reflect this new entitlement.
- ✓ Ensure payroll teams are aware of eligibility and pay entitlements.

Paternity Bereavement Leave – Expected April 2025

A new law under the Paternity Leave (Bereavement) Act 2024 will grant paternity leave to bereaved partners if the mother (or primary adopter) passes away.

- This could be a day-one employment right.
- Expected to extend paternity leave entitlement to 52 weeks.
- Implementation date is still to be confirmed, but April 2025 is likely.

Next Steps for Employers:

- ✓ Prepare to update family leave policies once final details are announced.



ACAS Advice on Neurodiversity in the Workplace

Acas has released fresh guidance to help employers raise awareness of neurodiversity and foster a more inclusive workplace. This aligns with the Equality Act 2010, ensuring reasonable adjustments for disabled employees and protecting them from discrimination.



A poll of 1,650 line managers by ACAS revealed key barriers to providing reasonable adjustments for neurodiverse employees:

- **72%** said employees don't disclose their needs
- **45%** cited a lack of organisational knowledge
- **39%** reported difficulty in discussing the topic

ACAS emphasises that fostering an inclusive workplace can improve employee wellbeing, reduce absences and turnover, attract diverse talent, and minimise the risk of legal disputes.

Next steps for Employers – ACAS recommends:

- ✓ Including neurodiversity in mandatory training and policies.
- ✓ Running awareness campaigns.
- ✓ Encouraging senior staff to be role models.
- ✓ Establishing neurodiversity staff networks.
- ✓ Covering the topic in induction materials.



Employment Rights Bill – Major Changes Ahead



The Labour Government's Employment Rights Bill, expected in 2026, will bring significant changes to employment law. Key reforms include:

- Day one unfair dismissal rights – Employees will no longer need two years' service to claim unfair dismissal.
- Stronger protections for zero-hours and low-hours workers – Employers must offer guaranteed hours based on average working patterns over a reference period (likely 12 weeks).
- Tighter collective consultation rules – Stronger obligations for employers making workplace changes.
- Enhanced flexible working rights – More power for employees to request flexible working arrangements.
- Day one Statutory Sick Pay rights – removal of the three day waiting period.

What Employers Need to Know:

- ✦ The Government is considering a nine-month statutory probationary period to allow for simplified dismissals within this timeframe.
- ✦ Zero-hours workers will have a right to predictable schedules and guaranteed hours, which may increase administrative demands and decrease flexibility.
- ✦ Ongoing consultations mean further announcements are expected in 2025.



Action for Employers:

- ✓ Monitor probationary employees closely to manage performance issues. Having robust probationary procedures and clear contractual clauses will help support this.
- ✓ Review zero-hours contracts – could these be adjusted to guaranteed hours contracts instead?
- ✓ Have clear guidelines and policies in place for managing absence – set triggers to help create a fair and transparent process.

Sexual Harassment Prevention – Employer Responsibilities

From 26 October 2024, employers already have a duty to take reasonable steps to prevent workplace sexual harassment. The Labour Government plans to go further, requiring employers to take 'all reasonable steps' to prevent harassment—including by customers and third parties.

Action for Employers:

- Ensure anti-harassment policies are robust and regularly updated.
- Provide workplace training to foster a speak-up culture and prevent harassment.

Stay Informed & Prepare for Change

With major employment law reforms on the horizon, now is the time to review HR policies, contracts, and compliance processes.

If you would like to talk through any of the above information or require any HR support, please get in touch and I can help you ensure you are up to date and compliant –

Call 01326 352036 or email info@beaconhr.co.uk