

Employment Rights Bill: Further significant amendments but will they become law?

04 August 2025

Claire Rosney and Lee Ashwood

Following our [previous update on 10 July 2025](#), there have been further significant developments during the Employment Rights Bill's Report Stage in the House of Lords.

Recent progress in the House of Lords

The Report Stage took place between 14 and 23 July 2025, during which amendments to the Bill were debated and voted upon by the Lords. Unsurprisingly, government-backed amendments to the Bill were agreed, including:

- Dilution of the [fire and rehire](#) provisions.
- The ban on [non-disclosure agreements](#).
- Extending [bereavement leave](#) to include pre-24-week baby loss.

More surprisingly, the House of Lords agreed to several substantial non-government amendments that materially alter the Government's original proposals:

- **Guaranteed hours offers:** The employer's duty to proactively offer a guaranteed hours contract has been converted into a worker's right to request such a contract. Under the amendment, if a worker makes a formal request for a guaranteed hours contract, employers would be required to offer one.
- **Unfair dismissal qualifying period:** Rather than becoming a day-one right as originally proposed, there will be a six-month qualifying period.
- **Enhanced whistleblowing protections:** New provisions require the government to create regulations extending unfair dismissal protection for whistleblowers and impose a new duty on employers to investigate protected disclosures.
- **Right to be accompanied:** An extension to the right to be accompanied at disciplinary and grievance hearings to include a "certified professional companion" (although the precise detail of this remains unclear at this stage).
- **Trade union ballot thresholds:** The 50% turnout requirement for industrial action ballots would be retained.

Government consultation on non-compete clauses

The government also announced that it would be consulting on options for reform of non-compete clauses in [employment](#) contracts.

While the previous Conservative government had proposed limiting the length of non-compete clauses to three months, the current government had not previously indicated an intention to pursue this reform. However, it now appears that changes may be on the horizon, although no specific timescale has been provided.

Next steps

Both Houses are now on summer recess until 1 September 2025. The third reading of the Bill in the House of Lords is scheduled for 3 September 2025. The Bill will then return to the House of Commons for consideration of the Lords' amendments.

Given that several amendments undermine key manifesto commitments particularly day-one unfair dismissal rights and guaranteed hours offers, the Bill is likely to bounce back and forth between both Houses until agreement is reached. Parliamentary convention suggests the House of Lords will eventually give way to the Commons, though the duration of this process remains unpredictable.

Although the back and forth may cause some delay, it's likely that the Bill will receive Royal Assent in October 2025. Since most substantive provisions, including changes to fire and rehire, day-one unfair dismissal rights and zero-hours contract reforms are not scheduled to commence until autumn 2026/2027, any delay is unlikely to affect the implementation roadmap.

While the final shape of the Bill is still being determined, employers should stay informed and continue to think about which of their policies and practices may be impacted by the Bill and what changes may be needed.

We'll continue to keep a close eye on how the matter progresses and will release further updates as and when we know more. In the meantime, if you'd like to discuss any of the Bill's provisions or how we can assist your organisation to prepare, [please get in touch](#).

Contact

Claire Rosney
Professional Development Lawyer

claire.rosney@brownejacobson.com
+44 (0)3300452768

Lee Ashwood
Partner

lee.ashwood@brownejacobson.com
+44 (0)330 045 2630

Related expertise

Services

Employment	Employment services for corporates	Employment services for healthcare
Employment and pensions for public sector	Employment services for financial services and insurance	

