Update
July 2026



Parish HR Support Service



Unfair Dismissal from July 2026

Updated Advice

The government have changed the unfair dismissal protections to cover all employees from 6 months of employment. This was previously only granted after 2 years of employment. This is applicable for anyone who has reached 6 months service, on the 1st January 2027, so effectively starts with anyone that is employed after 1st July 2026

The latest advice is that **probation periods should last no more than 5 months (not 6) going forwards.**

The reason for this is that if someone doesn't pass their probation period by the end of the usual 6 months, you have to pay them notice pay which can be one week or one month (depending on your policy).

Whilst the person's end date is within the 6-month period, the fact the notice pay is paid "in lieu" infers that the actual end date is one month later, and therefore the person then becomes covered under the new unfair dismissal rules.

There is no option to extend probation anymore. It is a simple pass or not pass situation.

You should amend your contracts to reflect this change, as it is far better to ensure that if you have an underperforming employee who is still in probation period, that you take action to avoid a potential unfair dismissal claim.

Business mileage changes

If you pay business mileage for your employees, you should note that the approved tax-free mileage rates for cars and vans has increased from 45p to **55p per mile** for the first 10,000 business miles in the tax year .

These changes are backdated to **6 April 2026**

The business mileage rates for all other categories have not changed.



Sick note reforms pilot

This doesn’t affect your HR practices but is good for you to know what the government are currently doing.

The Government has announced the launch of several different pilots intended to test reforms to the fit note system, which it has deemed to be “broken”. Currently, around 11 million fit notes are issued every year and in more than 9 in 10 cases, they declare the subject "not fit for work". The pilots will cover up to 100,000 appointments and last up to a year. They will continuously test the models in place to identify the most effective approach to tackling what the Government has referred to as the “inherited steep increase” in the number of fit notes issued.

Depending on the model in operation, patients will be offered either an initial fit note from a GP and then referred to community health workers, or they will go through the whole process without an initial fit note from a GP. Instead, they will be supported by a separate service, staffed by clinical and non-clinical practitioners. A range of health and work support will be offered, including conversations between patients, employers and trained professionals that will cover reasonable adjustments and ways to keep people connected to their workplace from the first day of absence, helping more people to stay in work with support.

From July 2026, the pilots will operate in select areas through NHS WorkWell sites. They are as follows.

- Birmingham and Solihull — GPs issue the first fit note where needed, with all patients referred to a new support service led primarily by non-clinical staff, including social prescribers and work and health coaches.
- Coventry and Warwickshire — GPs issue the first fit note, with patients able to be referred to a support service made up of both clinical and non-clinical staff.
- Cornwall and the Isles of Scilly — GPs refer patients directly to a non-clinical support service, without issuing a fit note.
- Lancashire and south Cumbria — GPs refer patients to a support service made up of both clinical and non-clinical staff, without issuing a fit note.



Changes effective from.....





Fire & Rehire - Restricted

Dismissing someone then rehiring them on worse terms and conditions (known as 'fire and rehire'), will become an automatically unfair dismissal in most cases, unless:

- There is evidence of financial difficulties that were affecting, or were likely to affect, the viability of the business,
- The changes were to eliminate, prevent, significantly reduce or significantly mitigate the effects of those financial difficulties; and
- The need to make the change in contractual terms was unavoidable

For some time, we have advised that all new and amended employee contracts, should contain a "Variations to terms and conditions" section. This is included in the template Statement of Main Terms and Conditions on the Parish HR webpage and provides you, as an employer, an agreement to make reasonable changes to terms and conditions when needed. There are still laws surrounding this, including consulting with the employee, however having this clause in your employees' contracts of employment provides you protection.

Prevention of Sexual Harassment

- Employers will be liable for harassment from third parties, for example customers or clients, unless they have taken all reasonable steps to prevent it happening – this will apply to all types of harassment.

- Employers will need to take ‘ALL reasonable steps' to prevent sexual harassment – the current law says, 'reasonable steps’. This means employers must proactively implement a comprehensive strategy, including risk assessments, clear policies, regular and tailored training (for all staff & managers), robust reporting systems, and continuous review, to prevent harassment before it happens, rather than just reacting to complaints

- A change to the law around non-disclosure agreements (NDAs) is also expected. This will void clauses that would prevent workers from alleging or disclosing work-related harassment or discrimination. The date of this change is not known yet.

- All Parish staff and volunteers have access to free e-learning on preventing sexual harassment, as well as Equality & diversity and Unconscious bias. You should speak to Simone Smith, HR Manager for access to these courses.

- A full blueprint will be released to the Parishes in the coming weeks to help you to prepare for these changes and handle them well if you receive a disclosure of sexual harassment in your Parish. This will include policies, risk assessments, process guides, follow up plans etc.





Further Trade Union Changes from October 2026

From October 2026 there will be:

- a new duty for employers to inform workers of their right to join a trade union. You will notice in the template Statement of Main terms and Conditions on the Parish HR website, that they contain the following wording in the Collective Agreements section, *“You have the right to join a Trade Union at any point during your employment with us. If you do join a Trade Union, please let HR know so that they keep this information on file if needed”*
- updated rules on a trade union's right of access to the workplace
- a new right to reasonable accommodation and facilities for trade union representatives carrying out their duties
- a new right to time off for union equality representatives to carry out their duties





Other Changes from October 2026

Tipping

The law on Tipping will change in October 2026. Employers will need to:

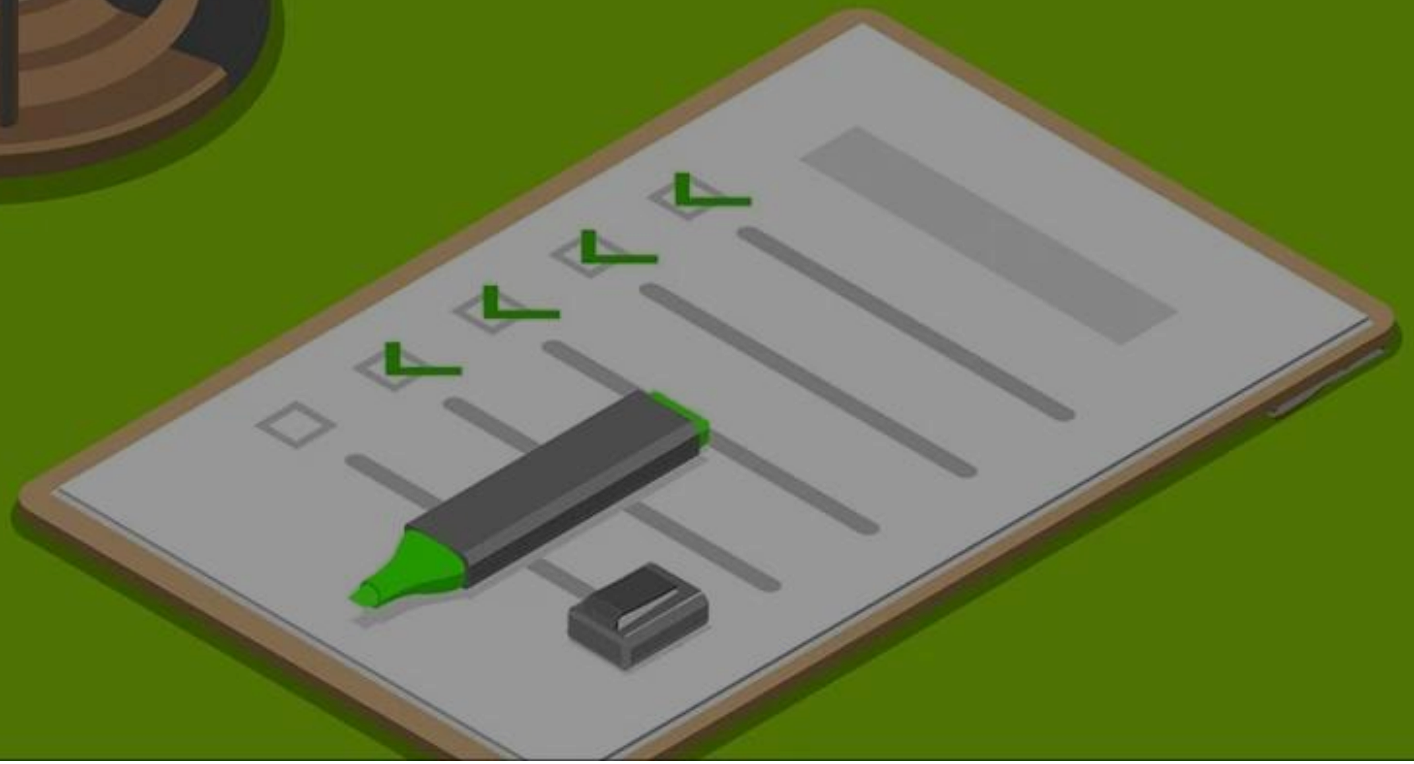
- consult with workers or their representatives before creating a tipping policy
- update their tipping policy every 3 years

Employment tribunal time limits

The time limits for making a claim to an employment tribunal will increase to 6 months for all claims. The current time limit for most claims is 3 months. This will change in October 2026.

Planned employment law changes from 2027





Other changes planned for 2027

(no specific date or full communication of the changes yet)

Increased pregnancy and maternity rights - The Act will strengthen protections against dismissal for pregnant workers and those returning from maternity leave

Bereavement leave - There will be a new right to statutory bereavement leave. It's not known yet whether this will be paid or unpaid leave.

Zero Hours contracts - Workers on zero-hours contracts will get the right to guaranteed working hours, if they want them. Workers will also have the right to be paid if a shift is cancelled, moved to another date, or cut short by an employer

Other changes planned for 2027

(no specific date or full communication of the changes yet)

Flexible working - There will be an amendment to flexible working law in 2027. If an employer rejects a flexible working request because of a genuine business reason, they will have to state the reasons and explain why they believe their refusal is reasonable. Doing this is already good practice. But it will become a legal requirement

Further sexual harassment change - The law will specify what 'reasonable steps' means when preventing sexual harassment, following earlier changes in October 2026

Mandatory gender pay gap and menopause action plan - Action plans around menopause and gender pay gaps, for large organisations will become mandatory, following their voluntary introduction in April 2026

Other changes planned for 2027

(no specific date or full communication of the changes yet)

Collective redundancies - employers will need to consider the total number of redundancies across their whole organisation, not just individual workplaces (currently, collective redundancy rules only apply to individual workplaces). There will also be increased collective redundancy protection for workers on ships that regularly operate from British ports but are registered outside Great Britain.

Trade Union changes – including extending laws that protect trade union members from discrimination and being 'blacklisted', and a new industrial relations framework, to help employers and trade unions work together

Regulation of Umbrella companies - The definition of agencies will be expanded to include 'umbrella companies'. This will allow enforcement by the relevant bodies.

Parish HR Webpage Links

- Parish HR Support Service Landing Page
  - ‘E-learning for Parish staff & Volunteers’
  - ‘Recruitment & Selection’
  - ‘New Employees’
  - ‘During Employment’
  - ‘Leavers’
  - ‘Data Retention’
  - ‘Employment Law Updates’

QUICK LINKS

Links to amended policies and templates due to Employment law changes

(amendments in documents highlighted in green so you can copy and paste into your own existing policies)

Updated contracts and new employee documents (for use from 1st July 2026)

- Statement of Main Terms & Conditions - Casual Worker
- Statement of Main Terms and Conditions - Full time
- Statement of Main terms and Conditions - Part time
- New Employee Induction and Probation form
- Template Induction Booklet

QUICK LINKS



Parish HR Support

Simone Smith

HR Manager

ParishHR@Coventry.Anglican.org

02476 521381