



## CONSTANTINE LAW'S SPRING UPDATE

April is always a busy month for employment law with new minimum payment rates and legislative changes. April 2026 is no exception.

Some of the initial provisions of the Employment Rights Act 2025 (**ERA**) will come into force in April, together with the annual increase in minimum rates of pay. Further there will be an increase in immigration fees.

We have updated our ERA tracker, as the timetable for implementation has shifted – see below.

Here is an overview of the changes:

### 1 April 2026

**Minimum pay rates** - minimum pay rates per hour will increase to:

- 21 and over - £12.71 (NLW) – 4.1% increase (or £977 increase per year, full time)
- 18-20 - £10.85 (NMW) – 8.5% increase
- Under 18s - £8.00 (NMW) – 6% increase
- Apprentice - £8.00 – 6% increase
- Accommodation offset - £11.10 per day

*Action for employers:* Ensure that minimum pay rates comply with the new statutory minimum rates. From 7 April 2026, enforcement of minimum wage rates will transfer to the Fair Work Agency, who will have greater enforcement powers. Thorough records, and regular audits, will be required to demonstrate compliance, identify issues, with prompt resolution.

**Redundancy and unfair dismissal** compensation rates will also increase:

- A week's pay (used for SRP etc.) - £751 per week (currently £719);
- Basic award – the maximum award will be £9,157;
- Compensatory award cap - the lower of a year's pay, or £123,543. This will be the last compensatory award increase as the unfair dismissal cap will be removed on 1 January 2027, as a result of the ERA.

**ERA consultations close** for the following:

- **dismissal and re-engagement** (fire and rehire) provisions of the ERA. Access the consultation here: [Make Work Pay: fire and rehire – changes to expenses, benefits, and shift patterns - GOV.UK](#)
- **fair and transparent distribution of tips, gratuities and service charges**. Access the consultation here: [Make Work Pay: Strengthening the Law on Tipping](#)



## 6 April 2026

### New rates:

- **Statutory parental pay** (such as maternity, adoption, paternity, shared parental pay) - increase from £187.18 per week to £194.32 per week.
- **Statutory sick pay (SSP)** - increase from £118.75 to £123.25 per week.

### New legislation:

- **SSP becomes a day 1 right** – under the ERA, the waiting days will be removed. Further the lower earnings limit will be removed, meaning all employees will be entitled to SSP from day one of sickness. For lower earners, the SSP will be calculated at 80% of the employee's normal weekly earnings.

Action for employers: update your sickness policy to reflect the new minimum levels. Plan for an increase in short term absences, and the additional costs.

- **Parental and paternity leave become a day 1 right** – the minimum service requirements have now been removed by the ERA, so that employees are entitled to parental and paternity leave from day one of employment. Applies for babies born on or after 6 April 2026. Paternity leave pay will be unpaid if the employee does not have 26 weeks' service.

Action for employers: update policies to reflect the day one right to leave (albeit not pay).

- **Bereaved Partner's Paternity Leave** - new right under the Bereaved Partner's Paternity Leave Regulations 2026. They provide a right to up to 52 weeks of bereaved partner's paternity leave (BPPL) where the child's "primary carer" (usually the mother or other adoptive parent) has died within 52 weeks of the birth or adoption placement.
- **Increase in Collective Consultation protective award** – under the ERA, the maximum protective award will double for dismissals taking place on or after 6 April 2026, from 90 days' to 180 days' pay per employee, where there is a failure to collectively consult.
- **Sexual harassment - whistleblowing "qualifying disclosure" protection** – under the ERA, those making a sexual harassment qualifying disclosure could gain whistleblowing protection, if the disclosure is in the public interest and satisfies the whistleblowing test.
- **Umbrella companies** – under the Finance Bill 2025, there will be a transfer of PAYE responsibility away from umbrella companies to agencies and end clients. The change will mean that the ultimate obligation to account for PAYE/NICs will fall on the end client as well as the umbrella company, liability will be joint and several. This is unless there is a UK agency in the chain – in which case the umbrella company and the agency will be joint and severally liable.

Action for employers: perform an audit of working arrangements and put in place additional protections.



## 8 April 2026

The Home Office has published increases to UK immigration fees:

- Skilled Worker, Global Business Mobility and Innovator Founder application fees (both out-of-country and in-country applications).
- The indefinite leave to remain application - £3,226.
- The naturalisation as a British citizen application - £1,709.
- The Electronic Travel Authorisation - £20.
- The sponsor licence application fee will also increase - £1,682 for large sponsors and £611 for small sponsors.

## 23 April 2026

The Government's ERA consultation closes for **Protection from detriments for taking industrial action** – access the consultation here: [Make Work Pay: protection from detriments for taking industrial action - GOV.UK](#)

## 30 April 2026

The Government's ERA consultation closes for **Improving access to flexible working** - access the consultation here: [Make Work Pay: improving access to flexible working - GOV.UK](#)

Please note this is a guide and is not a substitute for legal advice.



## Employment Rights Act 2025: Tracker

### SECOND WAVE

#### Key changes:

- New pay rates from 1 April\*
- Collective consultation protective award to double to 180 days' pay.
- 'Day 1' Paternity Leave and Unpaid Parental Leave rights.
- 'Day 1 SSP' - removal of the SSP lower earnings level and waiting days.
- Sexual harassment disclosure gains whistleblowing protection.
- The Fair Work Agency will be established.

### THIRD WAVE

#### Key changes:

- Extending ET time limits to 6 months.
- Extending harassment and sexual harassment obligations to ALL reasonable steps.
- Liability for third party harassment.
- Enhanced union protection, TU access to workplace and duty to inform workers of their rights to join a union.

### FOURTH WAVE

#### Key changes:

- From January 2027, unfair dismissal qualifying period reduced from 2 years to 6 months.
- Removal of cap on unfair dismissal compensation.
- Near abolition of Fire & Rehire for key terms and additional protections for employees.

### FIFTH WAVE

#### Key changes:

- Collective consultation test will change.
- Flexible working requests - onus to accept.
- Mandatory gender pay gap and menopause action plans.
- Enhanced protection for maternity returners.
- Zero Hours Contracts right to guaranteed hours.
- Regulation of umbrella companies.

APRIL 2026

OCT 2026

JAN 2027

2027 & BEYOND

