



Employment Law
Advice Bureau



April 2023 Employment Law Changes: An HR Roadmap for Compliance



April is always a key date in the employment law calendar, with a number of important changes due to take place. The annual changes to employment law rates and limits take effect in April each year. We set out below the upcoming changes so that employers can plan accordingly. In this guide we go through the changes that are due now and anymore that we can expect, and business should prepare for in 2023.

Due Now: Changes effective in April 2023:

National Living/Minimum Wage Increases

Effective April 2023

In April 2023 the minimum wage rates across the UK will see over rises of over 9.5% on average. From 1 April 2023, the increases will be:

- National Living Wage for over-23s: £9.50 to £10.42 an hour
- National Minimum Wage for those aged 21-22: £9.18 to £10.18
- National Minimum Wage for 18 to 20-year-olds: £6.83 to £7.49
- National Minimum Wage for under-18s: £4.81 to £5.28
- The Apprentice rate: £4.81 to £5.28



Statutory Payment Increases

Effective April 2023

With effect from April 2023, the below rates will increase as follows:

- Statutory Sick Pay (SSP) £109.40 per week
- Statutory Maternity Pay, Statutory Adoption Pay, Statutory Paternity Pay (SPP), Statutory Shared Parental Pay (ShPP) and Statutory Parental Bereavement Pay (SPBP) £172.48 per week.
- The lower earnings limit- the amount someone must earn to be entitled to these payments- will remain at £123 per week.

Tribunal Compensation Limits Increase

Effective April 2023

The Employment Rights (Increase of Limits) Order 2023 has been published, which includes the regular annual increase in tribunal limits.

Week's Pay: The maximum amount of a 'week's pay' used to calculate statutory redundancy pay and the basic award for unfair dismissal claims will increase from £571 to £643. This means that if an employee is made redundant, their statutory redundancy pay will be calculated using a 'week's pay' of up to £643.



Compensatory Award: The maximum compensatory award for unfair dismissal claims will increase from £93,878 to £105,707. This means that if an employee successfully claims unfair dismissal, the maximum amount of compensation they can receive will be £105,707. However, it's important to note that the amount awarded is based on the individual circumstances of the case and may be lower than the maximum.

The new limits will take effect from 6 April 2023 and will apply to dismissals taking place on or after that date. Therefore, if the Effective Date of Termination is after 6 April 2023, the new rate will be applied.

Guidelines For Injury to Feelings Awards **Effective April 2023**

The Court of Appeal previously set out guidance for quantifying awards for injury to feelings in discrimination cases, known as the Vento bands. The annual update of the Vento bands is usually announced in March and will take effect for any dismissals from 6 April 2023.



Extra Bank Holiday to Mark the Coronation – 8th May 2023

Confirmed for May 2023

While not strictly an employment law change, it has been confirmed that 2023 will see an additional Bank Holiday to commemorate the King's coronation. There were discussions around changing the date of the Early May Bank Holiday to coincide with the coronation, which is due to take place on Saturday 6th May 2023. However, it has now been decided that the UK will be given an additional Bank Holiday on Monday 8th May.

Bills & Proposals: Changes to Prepare for in 2023

Gender Pay Gap Reporting

Effective Sometime in 2023

30 March will see the gender pay gap reporting deadline for public sector employers (using 31 March 2022 as a snapshot date). For private companies and voluntary organisations with 250 or more staff the reporting deadline is 4 April (using 5 April 2022 as a snapshot date). For the first time since 2020 furlough will not impact on the figures, providing a more accurate comparison to pre-pandemic figures.

Employment Relations (Flexible Working) Bill

Effective Sometime in 2023

Millions of Britons to be able to request flexible working on day one of employment! Find out more on the government website.



The Bill would make the right to request flexible working - on matters such as including working hours, times and locations - a 'day one'. The Bill received the backing of the government on its second reading in October 2022 and in December the government issued its proposals for implementing the changes the Bill contains.

It's proposed that employees will be able to make two, rather than one flexible working request in a year, and employers will have a shorter time frame to respond to them.

Further, employees would no longer bear the burden of explaining how to mitigate the effect on their employer.

Code Of Practice on Dismissal and Re-Engagement

Consultation launched
24 January 2023

Following on from the widespread condemnation of P&O Ferries which dismissed its entire workforce in late 2021, the government has just launched a consultation on a new Code of Practice on Dismissal and Re-engagement.

The aim is to prevent or at least curtail the practice of 'fire and rehire' where employees who do not accept new terms and conditions are dismissed and then offered their job back on the new terms.

The proposed code will crack down on unscrupulous employers, in particular making it clear that threats of dismissal should not be used.

It will give courts the power to apply a 25% uplift to employee compensation, in the same way as the ACAS Code of Practice is enforced. The consultation launched on 24 January and will close on 18 April 2023.

Carer's Leave Bill

Effective Sometime in 2023

The Carer's Leave Bill, introduced as a Private Members Bill by Liberal Democrat MP Wendy Chamberlain and now supported by the Government, passed its third reading in the House of Commons on 3 February 2023.

The vote followed an event in January sponsored by Wendy Chamberlain and Carers UK. MPs heard from unpaid carers who work for Centrica and TSB and already benefit from the support their employers give. The Bill will introduce the day-one right to one week annually of unpaid leave for employees with caring responsibilities.





Protection From Redundancy for Pregnant Employees

Effective Sometime in 2023

This Private Members' Bill, sponsored by Labour MP Rt Dan Jarvis, would provide employees with additional protection from redundancy during or after pregnancy or after periods of maternity, adoption or shared parental leave.

The protection from Redundancy (Pregnancy and Family Leave) Bill completed its journey through the Commons, unopposed, on 3 February 2023 and has gone for further scrutiny in the House of Lords.

Extended Protection and Rights for Employees

Effective Sometime in 2023

For employment practitioners, when the government set out its legislative priorities for the coming parliamentary session, the Queen's Speech on 10 May 2022 was more notable because of what was missing rather than what was included. First proposed in December 2019, the long-awaited Employment Bill was, again, missing.

The Bill would seek to create a single enforcement body, introduce a right for workers to request more predictable contracts, provide further protection for employees who are pregnant or who are on/returning from maternity leave during a redundancy exercise, and allow parents to take extended leave for neonatal care.

Subject to consultation, it had also been proposed to make flexible working the default unless an employer can evidence a good reason not to allow it.

Former Prime Minister Rt Hon Boris Johnson announced, on 12 May 2022, that Rt Hon Matt Warman MP had been asked to lead a review into what the government dubbed the 'Future of Work' review. The review was conducted in two parts.

The first involved a high-level assessment of key strategic issues, including existing commitments contained in the response to the Taylor Review of modern working practices.

The second provided a more detailed assessment of selected areas of focus. In their words, the review had hoped 'inform the government's plans to ensure the UK is equipped with the right workforce, skills and working environment to seize the new economic opportunities of Brexit, Levelling Up and Net Zero'. Warnam responded on 1 September 2022, shortly before Johnson vacated Downing Street on 6 September 2022. Amongst other things, Warnam's response highlighted a need for flexibility on location of work saying that government should, 'continue to consider the rights of those who wish to work flexibly and develop a better understanding of what flexibility means for the various groups that make up the workforce'.



Following the premiership of Rt Hon Liz Truss, her successor Rt Rishi Sunak has backed three separate Private Members' Bill concerning flexible working as a day one right, carers leave and additional protection for pregnant employees.

Time Off for Fertility Treatment and Time Off for Miscarriage

Effective Sometime in 2023

Two Private Members Bills are having their second readings in the House of Commons in March, The Fertility Treatment (Employment Rights) Bill and the Miscarriage Bill would both give employees the right to time off, in the first case to attend fertility appointments, the second in the case of miscarriage.

Neither Bill has yet received government backing, generally considered vital for Private Members Bills to progress into law.

Harassment In the Workplace

Effective 7 March 2023

The UK ratified the International Labour Organisation's Violence and Harassment Convention on 7 March 2022. It will come into force on this date in 2023.

This is a first-of-its-kind global common framework for action to eradicate workplace violence and harassment.

In parallel, the Worker Protection (Amendment of Equality Act 2010) Bill was introduced by Liberal Democrat MP Wera Hobhouse as a Private Members Bill in June 2022.

The purpose of the bill is to protect employees from third party sexual harassment in the workplace by imposing new duties on employees.

It has passed its first and second readings and committee stage without amendment and with cross party support. It is likely to become law later this year.



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Proposals To Reduce Ill Health-Related Job Loss

To be confirmed

The government has introduced 'proposals to reduce ill health-related job loss'. The consultation builds a case for employers to do more to support employees with health conditions. In return the government is committed to providing more help for employers.

The plan includes:

- Changing the legal framework so that employees would be able to request workplace modifications for health reasons without being disabled within the definition of the Equality Act 2010 (employers would be able to refuse such requests for business reasons).
- Extending SSP to those below the Lower Earnings Limit by paying it as a proportion of employees' wages, paying a proportion of SSP during a phased return to work, and increasing fines for non-payment of SSP.
- Increasing market capacity for, and improving the quality and value of, occupational health provision.
- Employees will be encouraged to raise issues, and employers should accommodate these where possible. This will enable businesses to retain talent and build workplaces that support an employee's physical and mental health needs.

Retained EU Law (Revocation and Repeal) Bill

By 31 December 2023

On 22 September 2022, the government introduced the Retained EU Law (Revocation and Reform) Bill to Parliament. The legislation is intended to 'put the UK statute book on a more sustainable footing' post-Brexit, by ending the special status of retained EU law under UK law.

The Bill contains a complex mix of provisions and powers to revoke, amend, replace, restate or 'assimilate' retained EU law, with a sunset provision aimed at ensuring the process is completed by a fixed deadline, currently the end of 2023.

The timeframes set out in the Bill coupled with the lack of any requirement for ministers to consult on changes may mean that legislation is made at speed without stakeholder input. Changes brought into effect could impact.

UPE, working time, discrimination law, agency workers, and equal pay. The Bill will need to proceed through all its stages before moving to the House of Lords where it is likely to receive a difficult passage. With the appointment of Rt Rishi Sunak as Prime Minister, the degree to which the Bill will remain a key plank of the government's agenda is unclear. However, the current administration has stated an intention to prioritise reforms which have the greatest potential to drive growth.



Of the sectors expected to be prioritised for reform in the next year are:

- Digital technology
- Life sciences
- Green industries
- Advanced manufacturing

Time Taken for Certain Convictions to Become 'Spent' Will Be Reduced

Effective sometime in 2023

The Police, Crime, Sentencing and Courts Act 2022 will reduce the time taken for certain convictions to become 'spent', and no longer automatically disclosed for the purpose of employment checks. The changes will apply as follows:

1. Custodial sentences of up to one year will become 'spent' after 12 months without re-offending.
2. Convictions between one and four years will become 'spent' after four crime-free years.
3. Sentences of over four years do not need to be automatically disclosed to employers where there has been a seven-year period of rehabilitation.

Asylum Seekers (Permission to Work) Bill

Effective sometime in 2023

Two separate private members bills will seek to grant asylum seekers permission to work, where they have waited six months for a decision on their asylum application. Chris Stephens MP and Carol Monaghan MP (Scottish National Party) are sponsoring the proposals.

Office Of the Whistleblower Bill

Effective sometime in 2023

This private member's bill, sponsored by life peer Baroness Kramer, would require regulations to be made establishing an 'Office of the Whistleblower' which would support whistleblowers.

For example, by maintaining a fund to assist them and provide financial redress to those whose careers have been harmed.

Why speak to us?

We only work with employers, you will receive relevant, practical advice which is designed to help you deal with any employment law and HR issues that employers and business owners frequently face.

If you're concerned about any of the upcoming changes in April, or beyond, speak to one of our experts today for confidential, professional advice on [0800 124 4903](tel:08001244903).