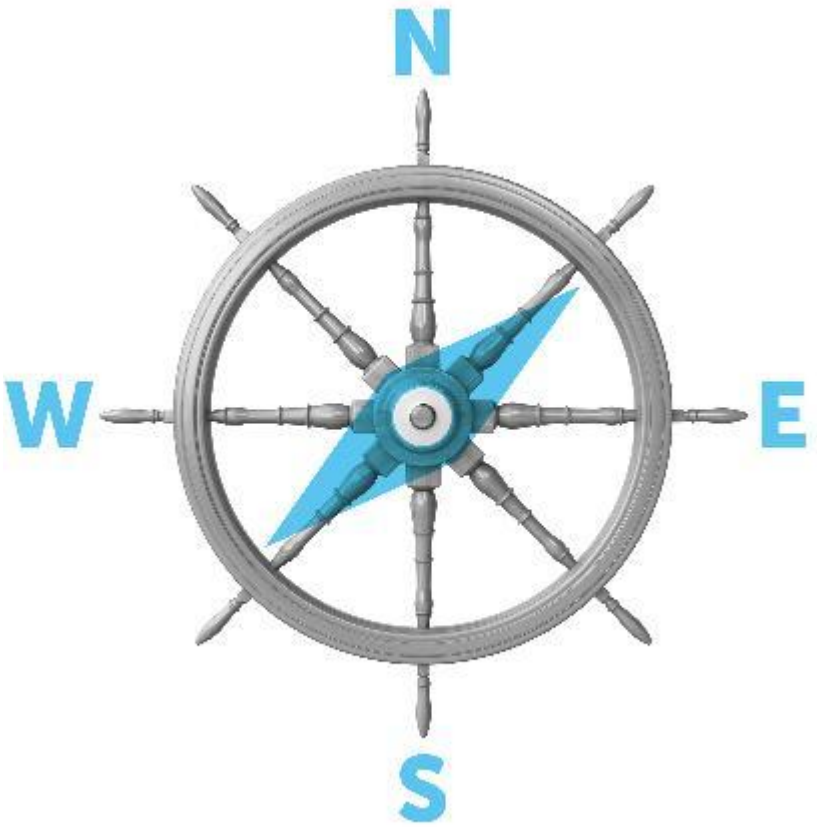
EVERSHEDS SUTHERLAND

22nd Annual Labor Relations Conference

A new ERA for industrial relations?

13 November 2025

London



Introduction

Tom Player
Partner and *Head of Labor & Industrial Relations*

In-person training and safety requirements

Agenda

1.

Introduction

2.

Priorities and challenges: how new employment rights will impact workplaces, Acas and dispute resolution

3.

The economic outlook: the impact of global and domestic economic events on the labour market

4.

Labor law update – Part 1

5.

Labor law update – Part 2

6.

Panel session: t**ech meets sustainability at work**
Balancing innovation, equity and environment

7.

The Employment Rights Act:
Impact on employers. Is it good for modern working practices?

8.

Panel session: workplace relations
Recognition in the new world

9.

Panel session:
European Works Council Directive – changes agreed

10.

Chair – closing reflections

Presenters

Eversheds Sutherland

Tom Player
Partner, Head of Labor & Industrial Relations

Clare Ward
Partner

Chris Mordue
Partner

Emma Humphreys
Partner

Stephen Chegwin
Partner

Leonie McQuaide
Senior Associate

Demi Champion
Senior Associate

Anique Bitterlich-Straver
Partner

Manon Lamotte
Partner

Bernd Pirpamer
Partner

Speakers/panellists

Niall Mackenzie

CEO, Acas

Jonathan Portes

Professor of Economics and Public Policy, King's College London

Judith Kirton-Darling

General Secretary, IndustriALL Europe

Sarah O'Connor

Columnist, The Financial Times

Matthew Taylor CBE

Chief Executive, NHS Confederation, first chair of the Fair Work Agency

Richard Cullen

HR Consultant – Projects & TU Specialist, Thames Water

Francesca Okosi

Chief People and Culture Officer, Macmillan

Sampson Low

Head of Policy, Unison

Christian Lorderau

Global Industrial Relations Lead, GSK

Useful industrial relations resources

Our updated interactive tracker - ERB

As the UK government legislates to implement its employment policy commitments, including its "New Deal for Working People", our interactive tracker will keep you updated on the expected implementation timeline, practical implications and how employers may respond. To support employers with their preparations, we have answered some frequently asked questions that we have received, grouped by topic area below.

Our tracker allows you to:

- search by topic
- search by date
- see our horizon scanning timeline
- now includes FAQs
- keep up to date on our events
- read our briefings

Placemat – ERB – labor law changes

Priorities and challenges

Niall Mackenzie
CEO, Acas

The economic outlook

Jonathan Portes
Professor of Economics and Public Policy,
King's College London

The UK in a Changing Europe

The UK labour market

Jonathan Portes
King's College London & UK and EU

November 2025

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E·S·R·C ECONOMIC & SOCIAL RESEARCH COUNCIL

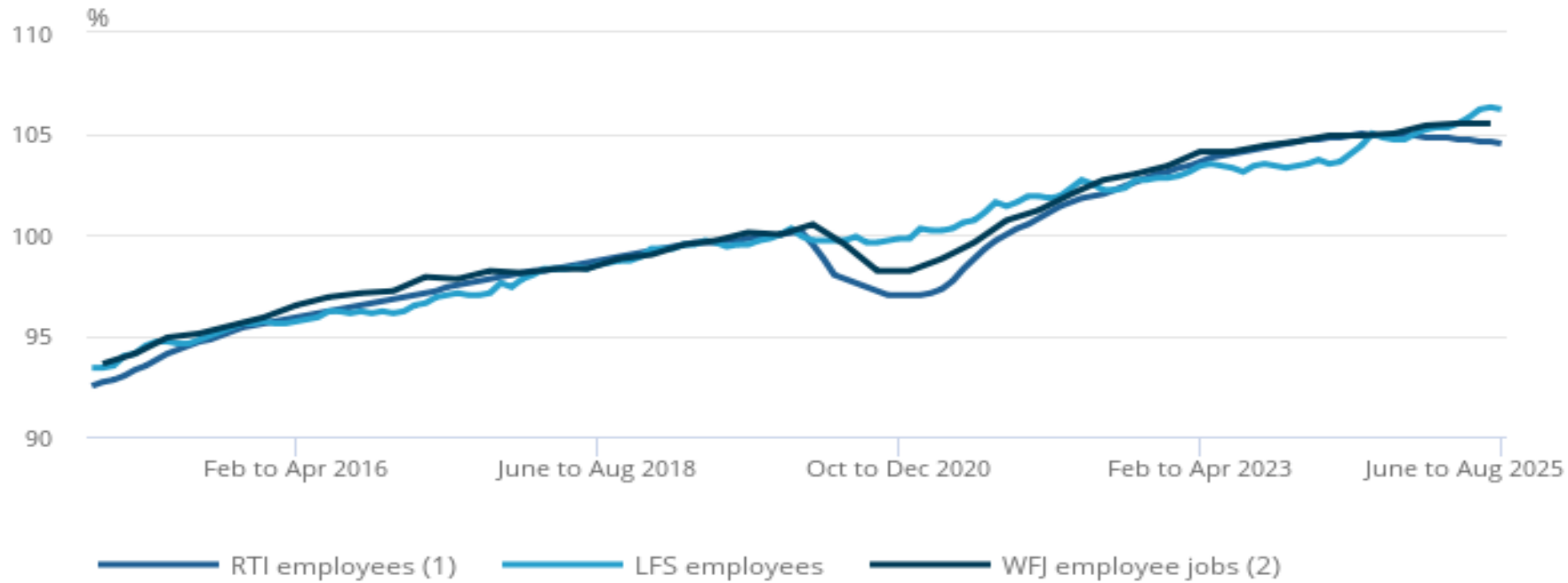
Developments since pandemic

Rise in (mostly health-related) inactivity

- Sharp fall, rise and then moderation in real wages
- Employment growth dominated by immigration
- Little evidence of structural/distributional changes
- Severe workforce pressures in public sector

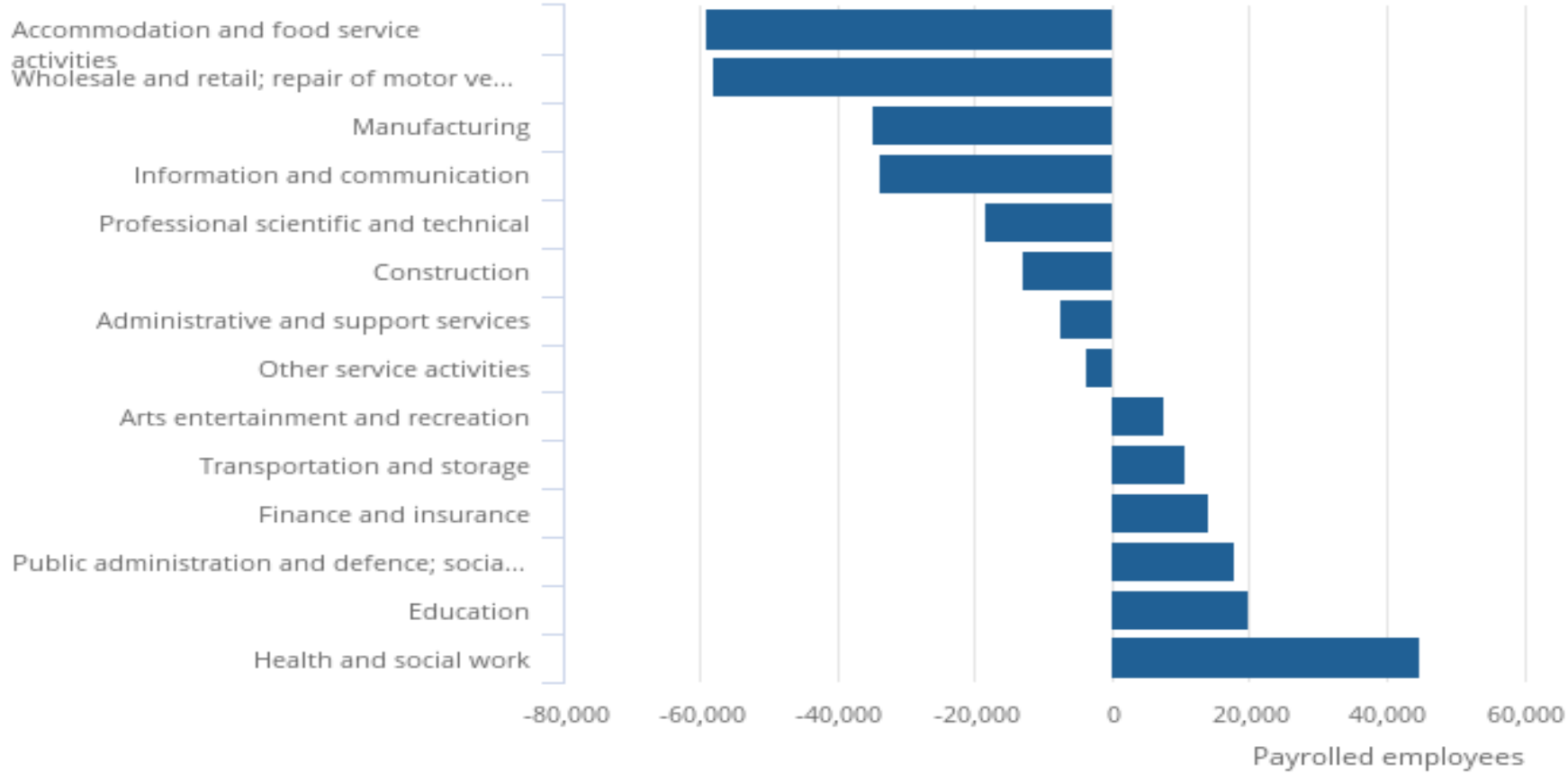
Figure 1: The number of payrolled employees has been generally falling over the last year

Indices (November 2019 to January 2020 = 100), employment indicators, seasonally adjusted, UK, June to August 2014 to June to August 2025

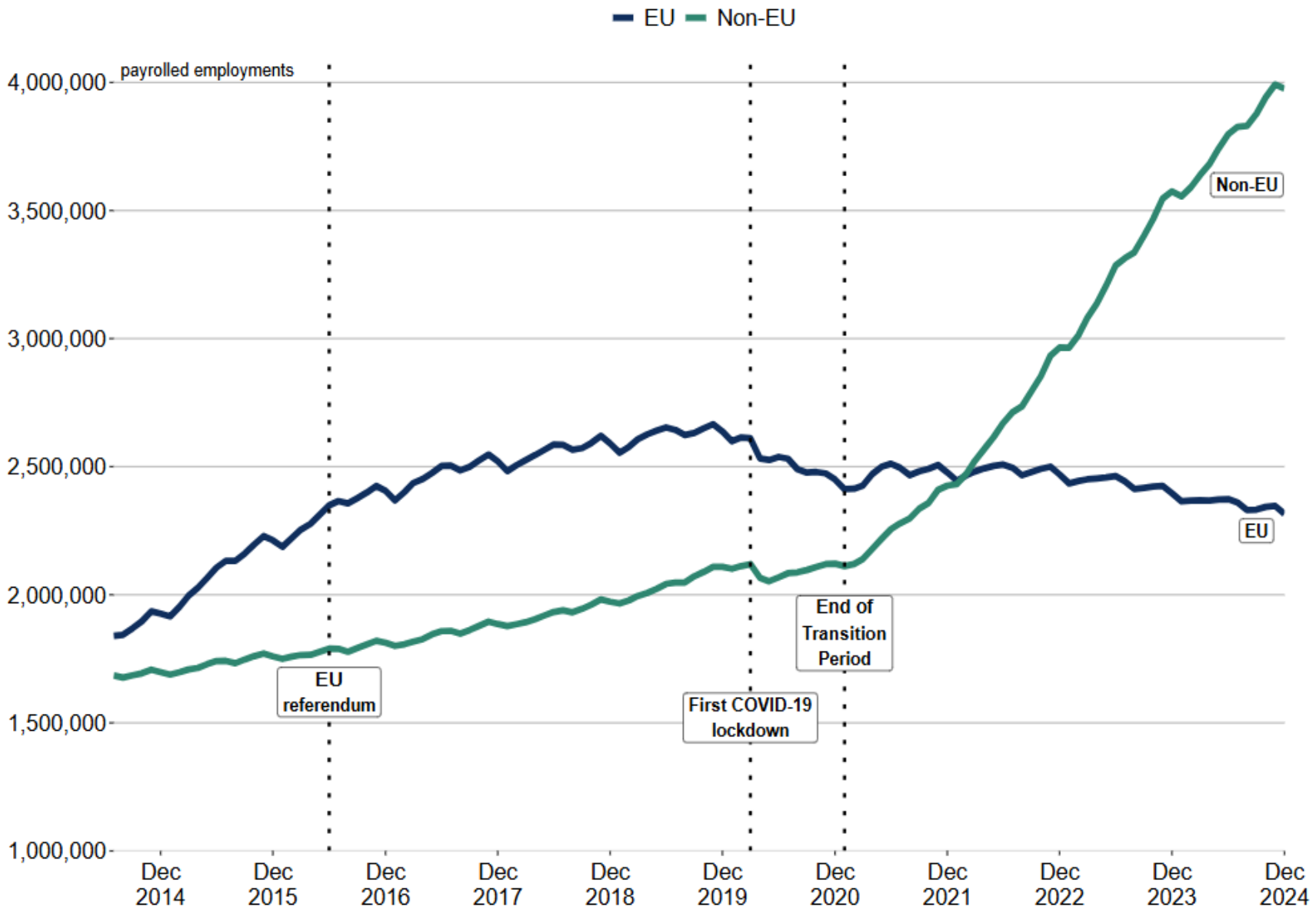


Source: Labour Force Survey (LFS) and workforce jobs (WFJ) from the Office for National Statistics, and Pay As You Earn Real Time Information (RTI) from HM Revenue and Customs (HMRC)

Payrolled employees, absolute change on September 2024, seasonally adjusted, UK, September 2025



Source: Pay As You Earn Real Time Information from HM Revenue and Customs



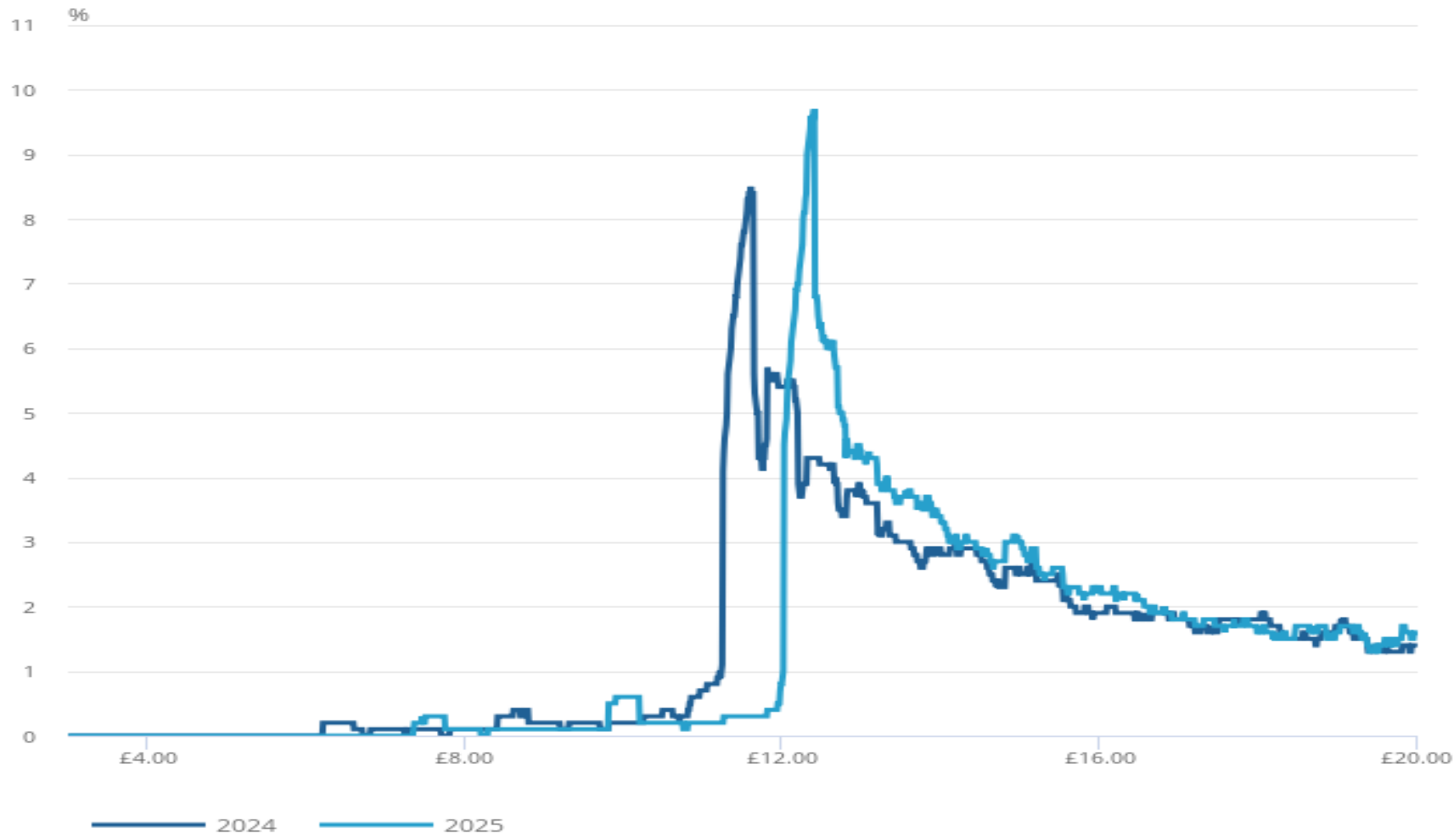
igure 1b: Payrolled employments of non-UK nationals, July 2014 to December 2024

Figure 4: The rate of growth in median pay has remained relatively stable since 2023 after increasing throughout most of the previous decade

Percentage change on same month in previous year, seasonally adjusted, UK, July 2015 to September 2025

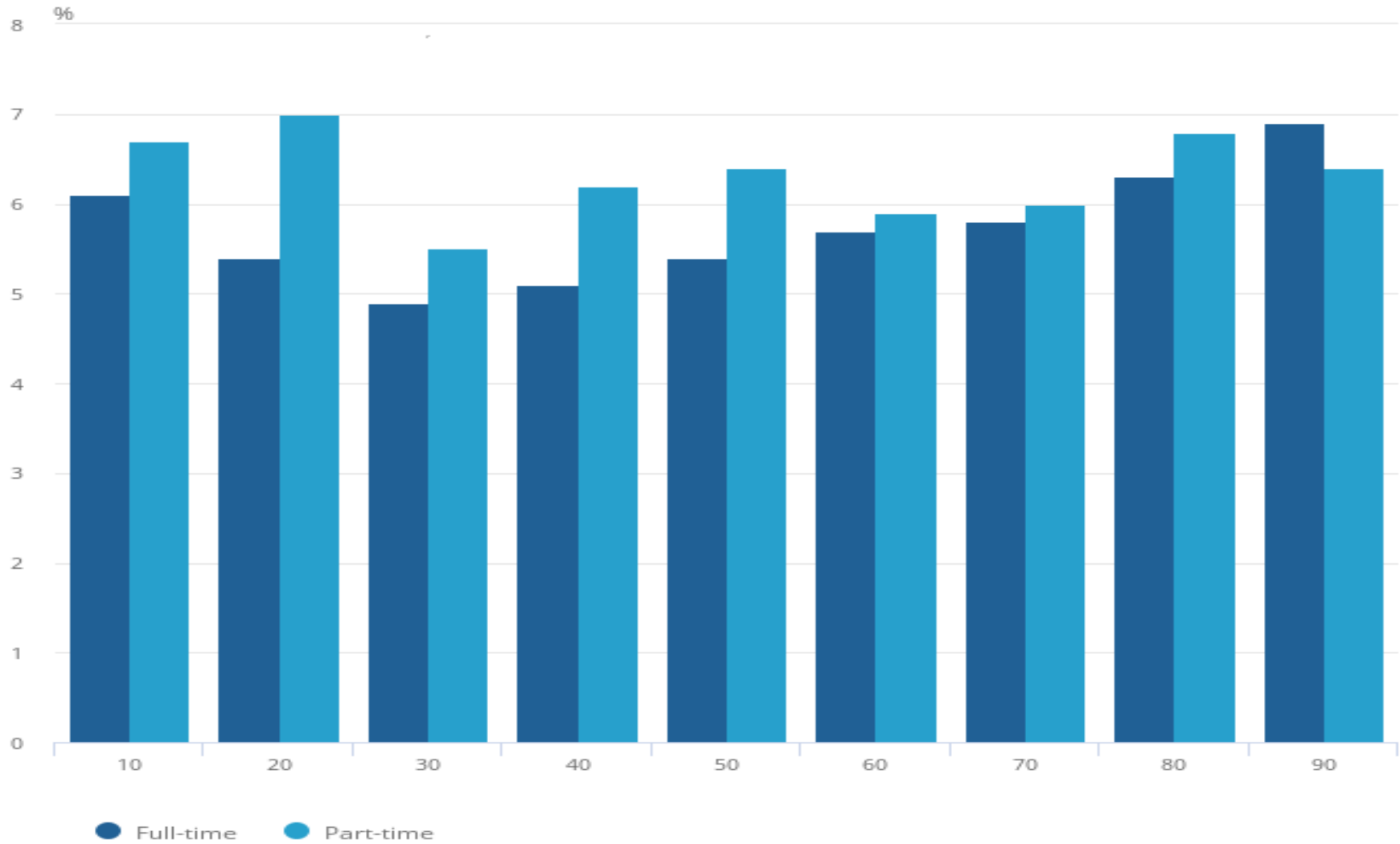
Source: Pay As You Earn Real Time Information from HM Revenue and Customs

Distribution of hourly earnings (excluding overtime) for all employees, from 2024 to 2025, UK (proportion of jobs within plus or minus 20 pence of shown pay rate)



Source: Annual Survey of Hours and Earnings from the Office for National Statistics

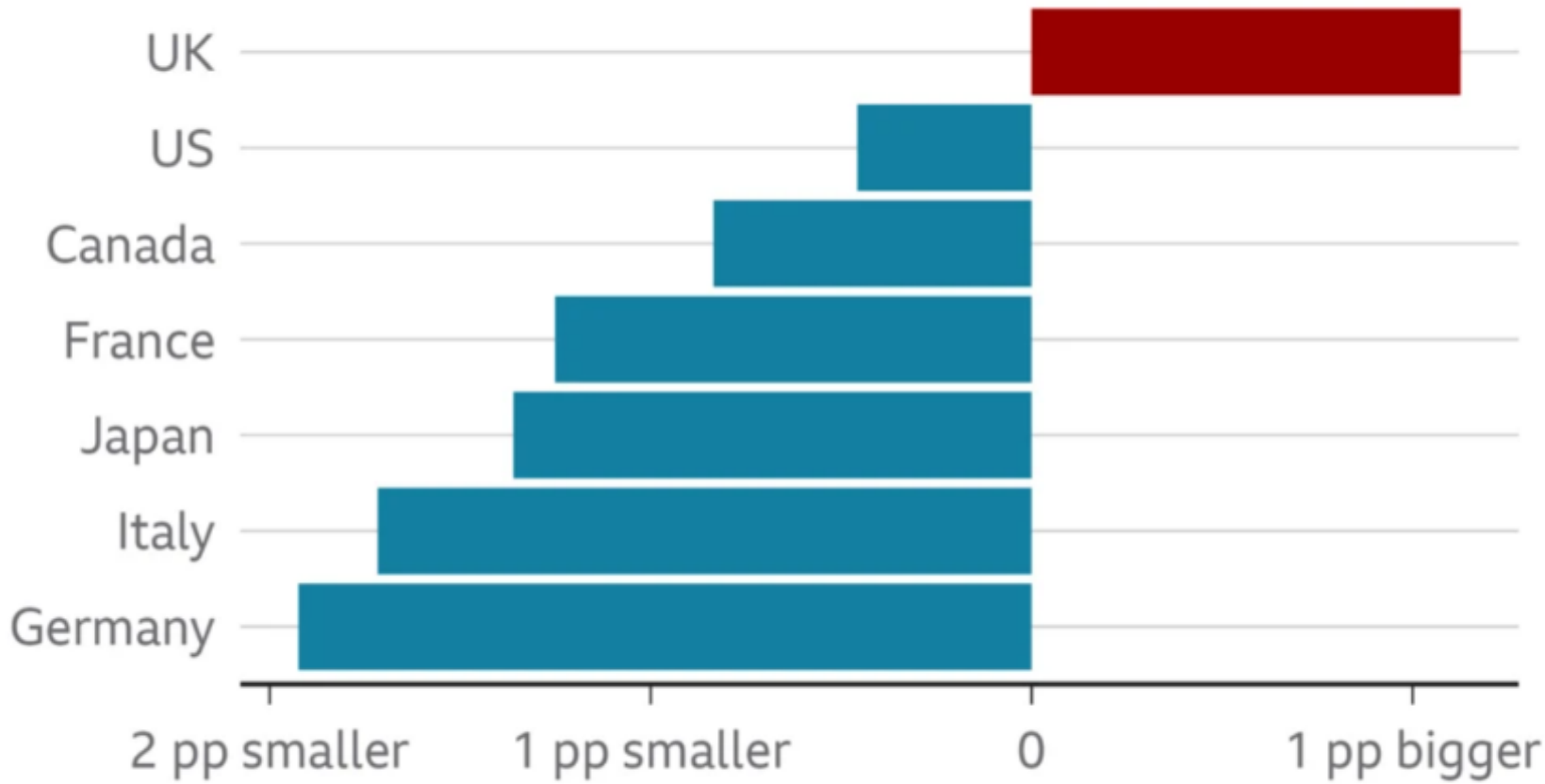
Year-on-year percentage change to the distribution of full-time and part-time hourly earnings (excluding overtime) for every decile, UK, April 2025



Source: Annual Survey of Hours and Earnings from the Office for National Statistics

UK's inactivity increase stands out

Change in economic inactivity rate (percentage points)



Change from Dec 2019 to Dec 2023

Source: ONS data on 'G7' group of leading advanced economies.

BBC

Key questions

Causes and consequences of rise in health-related inactivity

- Implications of sharp slowdown in immigration
- Labour supply and labour demand..
- Public sector pay and workforce
- Labour market reform/regulation
- And of course AI..

The UK in a Changing Europe

The UK labour market since the pandemic

Jonathan Portes
King's College London & UK and EU

November 2025

@jdportes UKandEU.ac.uk

E·S·R·C ECONOMIC & SOCIAL RESEARCH COUNCIL

Labor law update – Part 1

Emma Humphreys
Partner

Demi Champion
Senior Associate

Navigating the ERB journey

Key changes

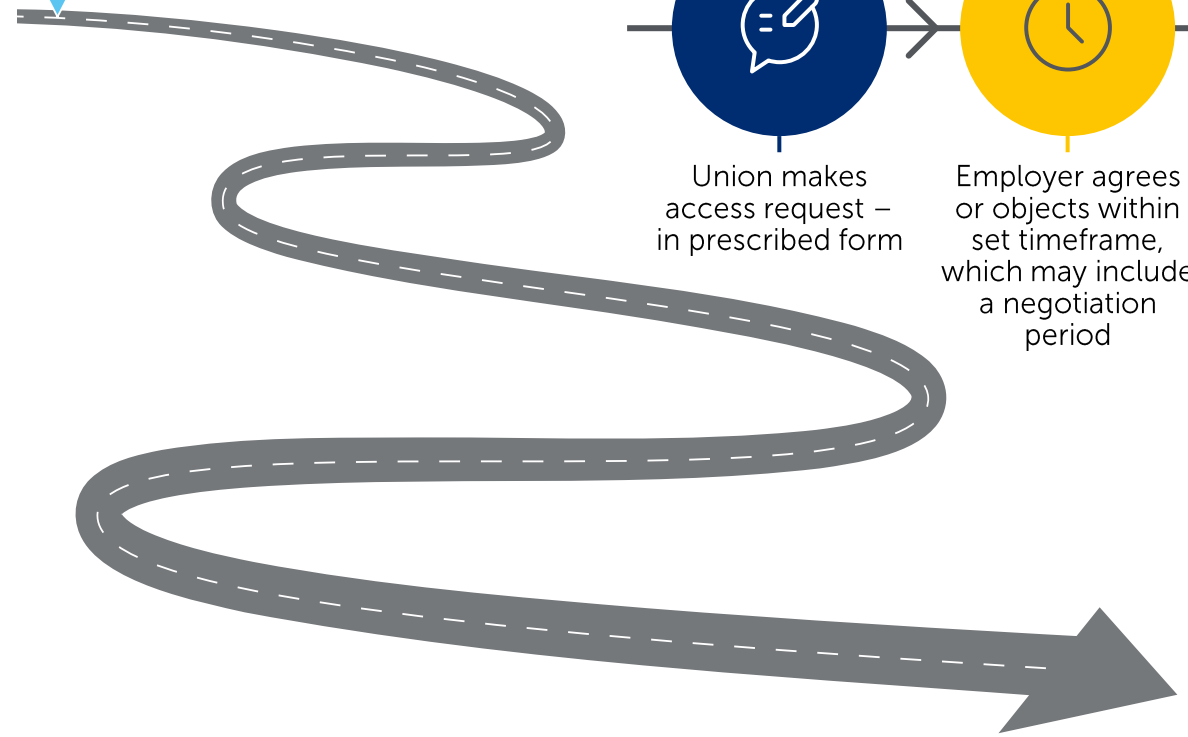
- **Access:** Physical entry &/or communication with workers (including digital).
- **Purpose:** To meet, support, represent, recruit or organise workers & facilitate collective bargaining.
- **Refusal:** Access can only be refused only where it is reasonable in all the circumstances to do so.
- **Enforcement:** Overseen and enforced by the CAC, with the power to issue fines for non-compliance.

Timeframe

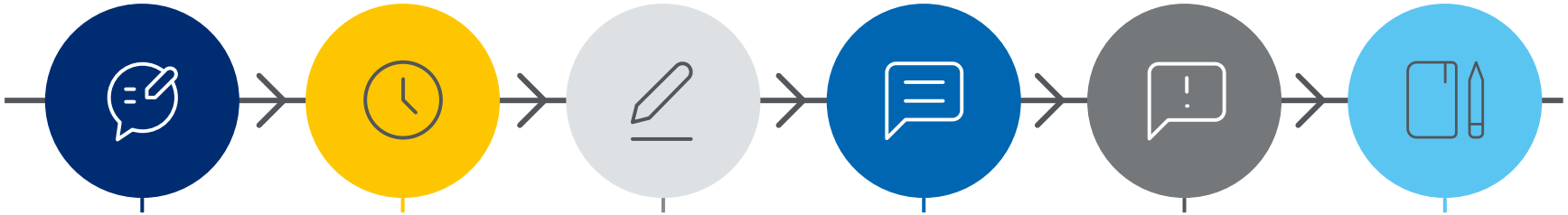
Expected October 2026

Navigating the ERB journey

New Right of Access (2)



Request for access: process in overview



Union makes access request – in prescribed form

Employer agrees or objects within set timeframe, which may include a negotiation period

If agreement reached, CAC notified jointly by employer and union

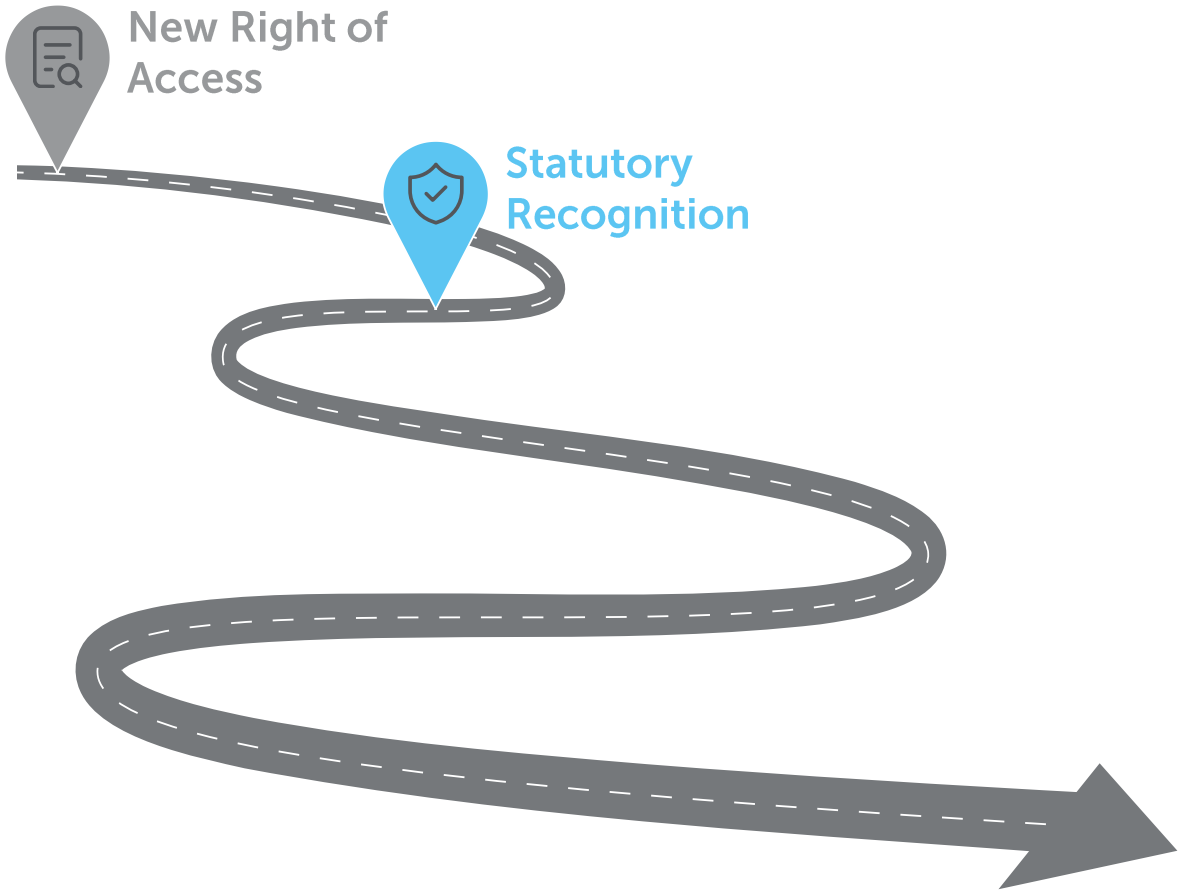
If no agreement, the CAC decides the request including access terms (if granted), subject to legislative provisions e.g. access principles

Parties may complain to CAC about breach of an access agreement or 3rd party interference

Outcomes include a declaration, order & financial penalty (repeated breaches)

Variation and revocation?

Navigating the ERB journey



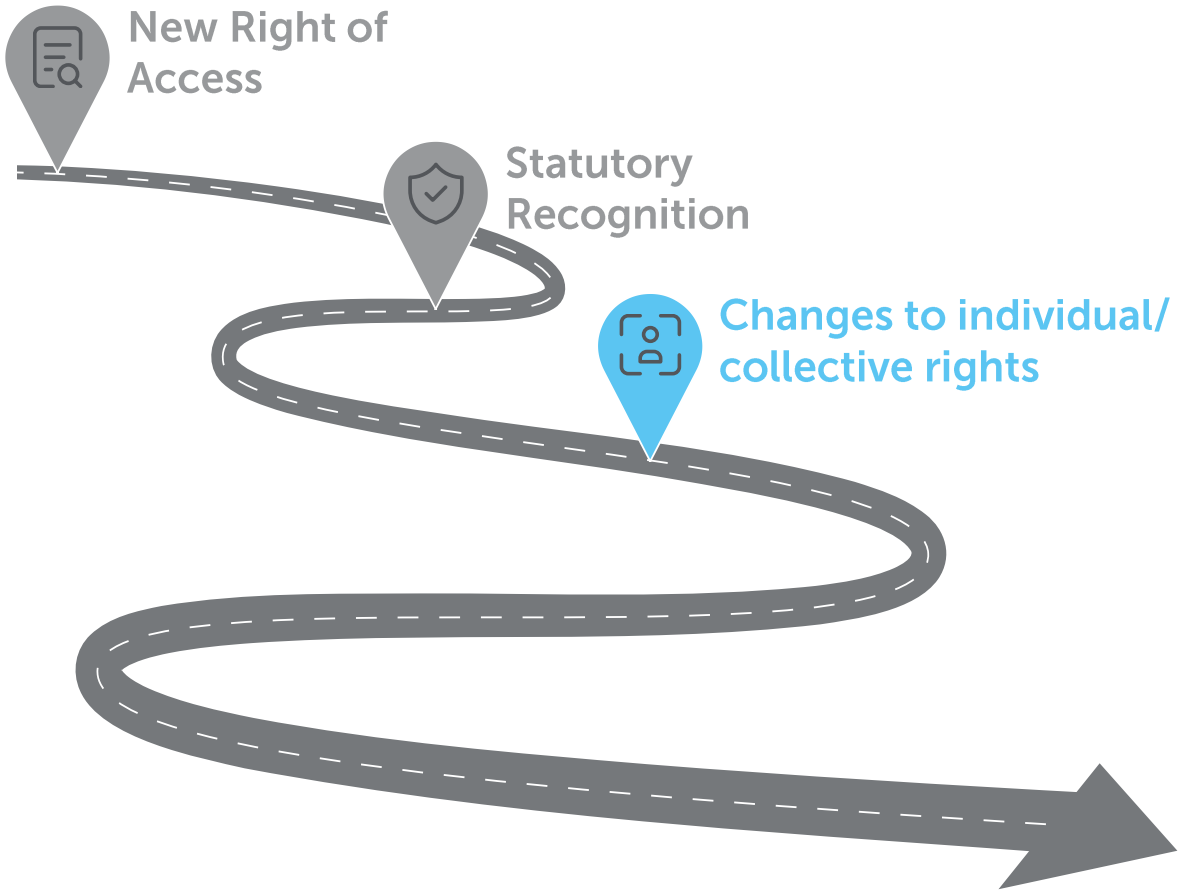
Key changes

- **Summary:** The statutory recognition process is anticipated to change, making it easier, quicker and cheaper for trade unions to apply for recognition and to win a recognition ballot.
- **Changes Include:**
  - Reducing the initial admissibility test
  - Assessing the number of workers in a unit at application stage
  - Replacing the recognition ballot support threshold with simple majority voting

Timeframe

Expected April 2026

Navigating the ERB journey



Key changes

- **Statement of Rights:** Employers must provide a statement and regularly inform all workers of their right to join a trade union.
- **Facilities:** Employers must provide reasonable access to facilities for union representatives.
- **New Reps:** Statutory right for trade union equality representatives to take time off.
- **Time Off**: Employers must justify refusals for time off.

Timeframe

Expected October 2026. Updated Code of Practice also required

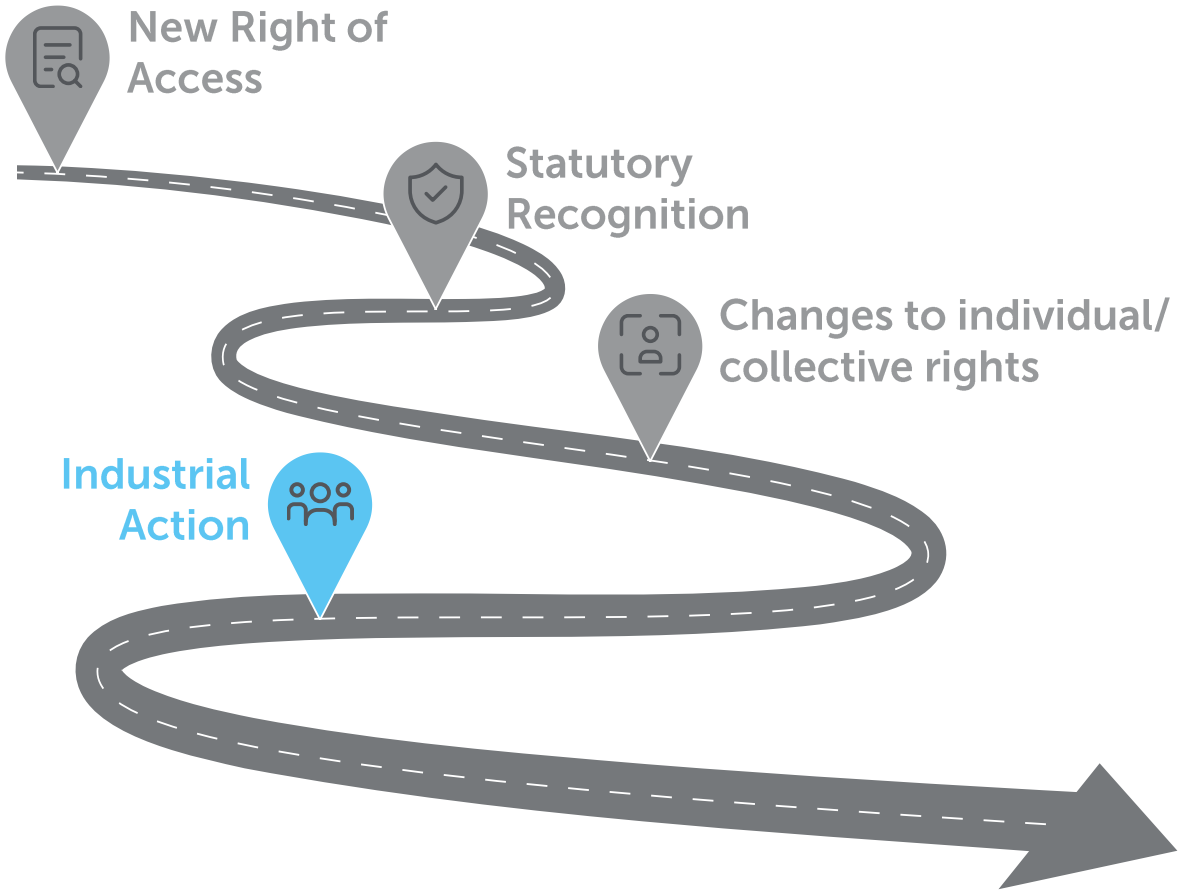
Refreshment/comfort break

Labor law update – Part 2

Chris Mordue
Partner

Leonie Mcquaide
Senior Associate

Navigating the ERB journey



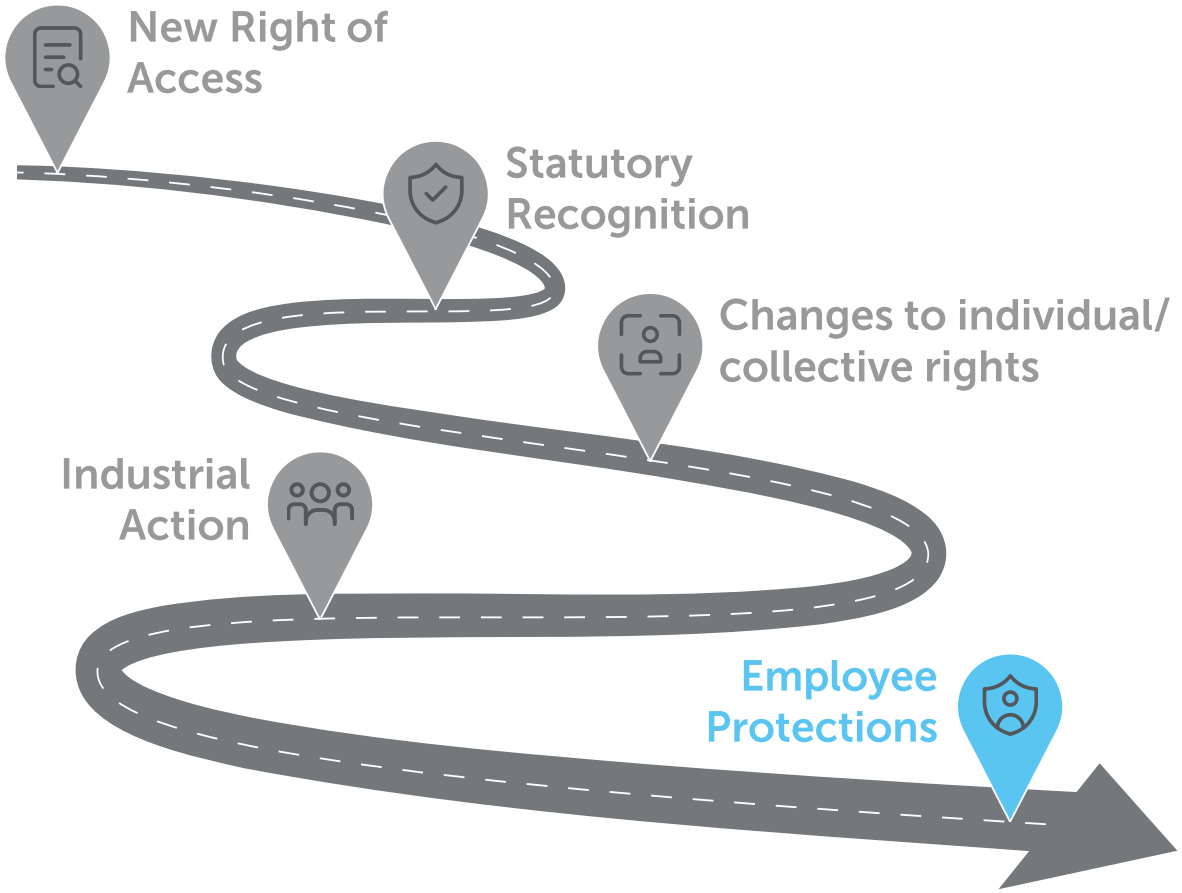
Key changes

- Repeal 50% turnout threshold and 40% support requirement in important public services
- Reduce the information a union must include on the ballot notice and sample voting paper
- Reduce the information provided by union about the ballot result
- Reduce advance notice of industrial action from 14 to 10 days
- Reduce information provided by union in industrial action notice
- Introducing electronic balloting
- Extend the expiry of the ballot mandate from six to 12 month
- Repeal the 2016 picketing supervision provisions

Timeframe

- Majority of the changes effective 2 months after Royal Assent
- 50% ballot turnout to be removed once electronic balloting made available (likely April 2026)

Navigating the ERB journey



Key changes

- New protection against detriment for taking part in Industrial Action
- Strengthening rules on Automatic Unfair Dismissal for Protected Industrial Action
- Extending protections against Blacklisting

Timeframe

- Protection against Detriment – October 2026
- Blacklisting – 2027
- Automatic Unfair Dismissal – TBC

Panel Session – tech meets sustainability
Balancing innovation, equity and environment

Chaired by Stephen Chegwin, *Partner*

Judith Kirton-Darling
General Secretary, IndustriALL Europe

Sarah O'Connor
Columnist, The Financial Times

Lunch break

The Employment Rights Act

Matthew Taylor CBE
Chief Executive, NHS Confederation and first Chair of the Fair Work Agency

Panel Session – workplace relations
Recognition in the new world

Chaired by Clare Ward, *Partner*

Richard Cullen
HR Consultant – Projects & TU Specialist, Thames Water

Francesca Okosi
Chief People and Culture Officer, Macmillan

Sampson Low
Head of Policy, Unison

Refreshment/comfort break

Panel session
European Works Council Directive: changes agreed

Chaired by Tom Player, *Partner*

Christian Lordereau
Global Industrial Relations Lead, GSK

Manon Lamotte
Partner, Eversheds Sutherland France

Bernd Pirpamer
Partner, Eversheds Sutherland Germany

Anique Bitterlich
Partner, Eversheds Sutherland, Netherlands

European Works Council Directive: changes agreed

Agenda

Introduction

The European Works Council Directive (EWC Directive)

- background & why it is changing
- key changes – in summary
- timelines for implementation

Panel discussion

A closer look at how the EWC Directive is changing and practical implications

The EWC Directive

Background

- EWCs are standing bodies that facilitate the information and consultation (I&C) of employees, with a focus on transnational issues
  - Threshold: at least 1,000 employees within the EU/EEA MSs & at least 150 employees in each of at least two MSs
  - 1994 EU Directive and a Recast 2009 Directive
- Why EWCs? The growth of pan-European employers, cross-border restructuring and to supplement national I&C arrangements
  - @ 700 active EWCs and @ 4,000 eligible companies (EU estimates)
- Why current changes?

The EWC Directive

Key changes and timelines

- Raises employer costs (e.g. funding experts, legal fees, training, expenses, etc)
- Expands the scope and breadth of management's EWC information and consultation obligations (rep opinion + management response before the decision is adopted – reasonable timescales apply)
- Requires management to justify the confidentiality, or withholding, of information
- Removes the exempt status of 'legacy' EWCs from end 2027
- Increases EWC rights under the fallback ('subsidiary') rules
- Seeks to strengthen MS enforcement for non-compliance
- Introduces a gender balance objective

Timing

MSs have until late 2027 to implement the new Directive and most, not all, of the changes will apply in late 2028 (both dates to be confirmed)

A 2-year adaptation period (existing EWCs), a 2-year negotiation period (legacy EWCs) – conditions apply

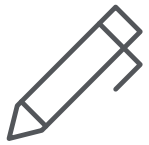
A closer look at how the Directive is changing

Widen the definition of transnational

Current definition

Matters concerning the undertaking/group:

"as a whole, or at least two undertakings or establishments of the undertaking or group situated in two different Member States."



New definition (changes in blue)

Matters ***"where they can reasonably be expected"*** to concern the undertaking/group as a whole, or at least two undertakings or establishments of the undertaking or group situated in two different MSs. Those conditions shall be deemed to be met where:

a) the measures [..] can reasonably be expected to affect workers of that undertaking/group/establishment in more than one MS;

b) the measures [..] can reasonably be expected to affect workers of that undertaking/group/establishment in one Member State, and workers in at least one other MS can reasonably be expected to be affected by the consequences of those measures."

A closer look at how the Directive is changing

The management of confidentiality

Under the changes, national EWC regulation must provide that:

- Confidentiality is permitted if in the company's legitimate interests, according to new objective criteria (MS to provide)
- A justification should be given. Whenever possible, confidentiality should be time-limited
- In any event, confidentiality ceases when no longer justified
- Information may be withheld if, according to objective criteria, it would seriously harm the functioning of the undertaking. A justification must be given
- Administrative or judicial appeal procedures should be available to challenge confidentiality decisions

A closer look at how the Directive is changing

Strengthen enforcement

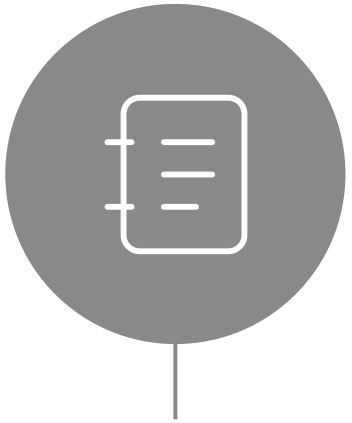
Changes under the Directive

- When determining all sanctions, Member States should take into consideration:
- The **gravity, duration, consequences, and the intentional or negligent nature of the offence**
- **Financial penalties should be provided for I&C breaches**
- **When determining financial sanctions, Member States should take into account annual turnover (or ensure sanctions are similarly dissuasive)**
- **Management to fund reasonable legal & participation costs unless Member States provide alternative financial resources**
- MSs may also maintain other sanctions (e.g. injunctions)
- Employers need to track local implementation

EWCs in practice

EWCs in practice

Reflections on EWC experiences in the workplace



Practical advice for companies either operating a new EWC or negotiating an EWC agreement

The biggest employer challenges arising from the new EWC Directive

Preparing for, and navigating, those challenges

Any questions?

Closing reflections

Tom Player
Partner, Head of Labor & Industrial Relations

Thank you for attending today

There is a short feedback survey on your chair, please do take a couple of minutes to complete this before you leave today as it does really help us to shape our future conferences.

Contacts

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Useful resources

Our global employment and labor law update

Keeping you up to date on significant developments from the last quarter.
Our global team draw on their expertise and experience assisting you with all areas of employment law.

Courses coming up

Mediation in employment disputes

2 & 4 December 2025

9:30am - 12:30pm (GMT) – Virtual

Register here

Industrial Relations Masterclass

18 March 2026

9:30 AM – 16:30 PM (GMT) – London

Register here

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