

Employment Rights Act 2025 – Part 2 FAQ

On the 19 March 2026, we held a webinar focusing on the changes being introduced under the Employment Rights Act 2025. The webinar updated the position set out in our Employment Rights Bill series now that the Bill has received royal assent.

The session focussed on:

- The decreased qualifying period for unfair dismissal rights
- The remove of the cap on compensation for unfair dismissal claims
- Restrictions on ‘fire and rehire’
- Other changes expected in 2027 and beyond

Here, we share some of the questions asked both via our helpline and during the webinar.

Note: These FAQs were accurate when the live webinar took place. Please refer to our [Disclaimer page](#) for more information.

1. When does the salary threshold for sponsorship apply? Is it immediately after the Certificate of Sponsorship (CoS) has been assigned or when the worker receives their Skilled Worker visa?

The threshold will apply from the date that the CoS is assigned, as this is the salary that you have told UKVI you will be paying to the worker.

2. If a worker is moving from another sponsor, do we still need to provide their previous CoS reference when requesting a CoS increase?

Yes, this would be recommended to demonstrate that the requirements of the transitional rules have been met.

3. Is it possible to dismiss a sponsored worker who has become pregnant if their duties, work environment, or working pattern cannot be adjusted to make the working environment safe for them?

No, as this would highly likely amount to sex and/or pregnancy discrimination. When an employee is pregnant, whether or not they’re sponsored, you are required to adjust their duties or reassign their role to one that is safe for them (after having undertaken a suitable risk assessment). If that is not possible, you will need to suspend them on full pay on medical grounds until their maternity leave commences.

4. When do the changes to zero-hour contracts under the Employment Rights Act 2025 commence?

A commencement date has not yet been announced, and the changes remain under consultation. Regulations will be made in due course to set the commencement date.

5. Will the changes affect casual contracts, as they are not technically zero-hour contracts?

The changes will apply to any contract where the worker regularly works in excess of their contracted hours during a reference period (the length of which is still to be determined). Depending on the working arrangements in particular circumstances, this could include casual contracts.

6. Bearing in mind the changes to zero-hour contracts, how should domiciliary care providers manage guaranteed hours when income fluctuates due to service users leaving, hospitalisation, or respite care?

It will be a case of managing worker hours to ensure that any guaranteed hours arrangements are complied with as and when the requirement for one is triggered. Providers may consider using short term zero hour contracts that expire before the end of the reference period for flexibility. Once the regulations concerning these changes have been issued in due course, providers will have more information about how they can tackle these challenges.

7. If staff on casual contracts do not want guaranteed hours, can we continue using casual contracts?

This is not currently unclear but is likely to be clarified when the regulations regarding the changes are issued.

8. When is the new sponsorship pay threshold (increasing from £12.82) likely to be announced?

We understand that there will be no increase to the threshold in April this year, and that there are no current plans for an increase. However, UKVI may increase it in future if they see fit.

9. Does the sponsorship salary threshold increase only apply to newly sponsored workers? Can existing sponsored workers continue to be paid at the new National Minimum Wage (NMW) from April?

The sponsorship salary threshold applies for the date that a worker is issued with a CoS. Otherwise, the new NMW rate will apply.

10. When is the sponsorship threshold increasing to £41,700?

The Government's current proposal is for the full Tier 2 skilled worker salary threshold to apply after 22 July 2028 when SOC codes 6135 and 6136 are removed from the Immigration Salary List.

11. If we assign a CoS this year, will workers need to be paid £41,700?

SOC codes 6135 and 6136 will remain on the Immigration Salary List until 22 July 2028, and so you will be able to pay salary at the reduced salary threshold (the higher of £25,000 or £12.82 per hour at the time of writing) for a CoS assigned before that date.

12. If SOC codes 6135 and 6136 are being removed in July 2028, how will we renew care worker sponsorships beyond current 5 year visa periods?

The Government's current plan is that SOC codes 6135 and 6136 will remain eligible for sponsorship after 22 July 2028 but will be removed from the Immigration Salary List. CoS to renew visas expiring after that date will still be able to be assigned provided that the sponsor meets the salary threshold applicable at that time.

13. Does this mean that affected migrant workers will have to return to their home countries after July 2028?

If they have not qualified for Indefinite Leave to Remain, cannot find sponsorship (likely due to providers no longer being able to afford to meet the increased salary threshold) and have no other way of extending their visa, then this will be the likely effect of the proposed changes. Providers will need to have contingency plans in place to maintain service provision levels in light of a significant reduction in available workers to sponsor.

14. What is the maximum period a CoS can be issued for? Is it limited to 5 years, or can it be issued for longer?

The maximum length of a skilled worker visa is 5 years, and so that is the longest that you can sponsor a worker before needing to issue them with a new CoS to renew their visa.

15. For someone who arrived in the UK 3 years ago, will they still be on the 5-year route to settlement?

We are waiting for confirmation on how the proposed rule changes to settlement will apply, but the likelihood is that those who have not yet qualified for Indefinite Leave to Remain and who will not qualify within the next few months will be subject to the new qualification period of 15 years.

16. Can we employ sponsored workers for supplementary hours if their primary employer has given them fewer than their contracted hours?

They will remain eligible for supplementary hours as long as they're still employed by their primary employer. This includes circumstances where they're not receiving their contracted hours, as they will technically remain employed. However, particular care should be taken in such cases as there is a higher likelihood that their employment with their primary sponsor

will be terminated, at which point they would no longer be eligible to work supplementary hours. It is recommended that you closely monitor their employment status with their primary sponsor.

17. Do we still need to request a CoS allocation 18 weeks in advance if they are due to be automatic renewal?

The 18 week decision-making period for CoS allocation increases only applies to in-year applications. If you only need to rely on your annual increase and this is set to renew automatically, you won't need to make an application.

Additional International Recruitment Related Support

You can find lots of advice and guidance via our [International Recruitment Hub](#). We'd also like to signpost you to:

- **HR & Legal Webinars**

If you are a Care Provider in the West Midlands and would like details about our future International Recruitment Human Resources & Legal Webinars, please email our team at hello@wmca.international

- **Legal & HR Advice**

If you need additional legal support please reach out to Lester Aldridge, who have been contracted to provide support until the end of March 2027: <http://irwestmids.co.uk/hr-legal-services-support/>

- **Recruitment & Immigration Support**

Lifted, a Technology platform and expert immigration team, have been commissioned to help Care Providers recruit and retain sponsored workers who are already here in the UK, as part of the International Recruitment Programme. [You can find out more here.](#)