

Government responds to Cleanology's opposition to Employment Rights Bill

9 months ago



Back in June, [Cleanology](#) wrote an open letter to the government expressing significant concerns about the Employment Rights Bill.

Cleanology has now received a letter from Justin Madders MP (see below), the Minister for Employment Rights, Competition and Markets, in which he gives the Government's response.

Dominic Ponniah, CEO & Co-Founder of Cleanology, has shared his reaction to the letter from the Government.

He said: "We are deeply disappointed, albeit not surprised, by the Labour Government's response to the FM Open Letter. The UK FM sector is three times the size of the UK fashion industry, and yet, they have no interest whatsoever in engaging. The Government say they are pro-business, but their actions are the complete opposite time and time again."

The Shadow Secretary of State for Business & Trade, Andrew Griffith MP, has also responded to the Government's letter, on LinkedIn, saying: "This government don't 'get' business, don't value wealth creators and risk takers - those who actually provide the jobs the economy needs. My Party was far from perfect but many of us do come from business backgrounds and are vigorously opposing this terrible legislation."

Read Justin Madders MP's letter here:

Dear Mr Ponniah and Mr Hills,

Thank you for your open letter of 9 June, co-authored by yourselves regarding your concerns on day-one unfair dismissal and statutory sick pay provisions in the Employment Rights Bill.

I have been asked to respond, in view of my position as Minister for Employment Rights, Competition and Markets. I would like to thank you for your open letter and would like to acknowledge and appreciate the vast contribution made by the Facilities Management towards the UK economy.

This Government was elected on a manifesto that clearly set out our Plan to Make Work Pay, which included a commitment to introducing protections against unfair dismissal from day one of employment. The Employment Rights Bill is the first major step towards delivering this.

In delivering these changes, the Government is committed to striking a fair deal that balances the needs of both employers and employees and these changes will not prevent fair dismissal. We recognise the importance of ensuring that a job is the correct fit for both the employee and the employer. We will ensure employers can continue to operate probationary periods to assess new hires through the establishment of a statutory probation period.

This period will allow employers to use a set of light-touch standards to dismiss employees, where necessary, for reasons to do with their performance and suitability for the role. This will help to ensure employers retain the confidence to hire and properly assess new employees, whilst protecting new employees from being fired arbitrarily.

We are committed to following a proper parliamentary process for our legislative proposals, including consulting on the implementation of the plan to Make Work Pay. The Government knows that the more that we can say about the future implementation timing of these measures, the better employers, workers, and trade unions are able to plan and prepare.

Our forthcoming ERB implementation roadmap will set out further detail on our plans. The expert and detailed insights and feedback gained from consultation so far has been invaluable in getting this legislation right.

We will consult extensively on the implementation of the legislation to ensure it works for workers and employers alike and anticipate this meaning the majority of reforms will take effect no earlier than 2026. We will ensure there is appropriate guidance available to support employers large and small.

As part of the measures to strengthen Statutory Sick Pay, the Government is removing the waiting period meaning employees will be eligible to receive SSP from their first day of sickness absence, rather than the fourth.

By removing the waiting period, employers stand to benefit from increased productivity. Moreover, the additional cost to business of the SSP reforms is around £15 per employee. The Government currently has no intention to introduce a rebate scheme. Previous schemes were complex and expensive to administer, underused by small businesses and did not encourage employers to support their employees. We will continue to work with, and listen to, businesses, payroll providers and other key stakeholders to ensure that appropriate guidance and support is available to help businesses to implement the changes to Statutory Sick Pay, and to help employees understand these changes. The Government also remains committed to monitoring the impact these measures to strengthen Statutory Sick Pay have, how SSP is

used by employers, and how it supports employees.

The Government has taken a number of difficult but necessary decisions on tax, welfare, and spending to fix the public finances, fund public services. One of the toughest decisions we took at Autumn Budget 2024 was to raise the rate of employer National Insurance contributions (NICs) from 13.8 per cent to 15 per cent, whilst reducing the per-employee threshold at which employers start to pay National Insurance (the Secondary Threshold) from £9,100 to £5,000.

The Government decided to protect the smallest businesses from these changes by increasing the Employment Allowance from £5,000 to £10,500. This means that this year, 865,000 employers will pay no NICs at all, and more than half of all employers will either gain or will see no change. It means employers will be able to employ up to four full-time workers on the National Living Wage without paying a penny of employer NICs.

Yours Sincerely,

Justin Madders MP