

**Make Work Pay:
fire and rehire –
changes to
expenses,
benefits, and shift
patterns**

**TUC response to Department for
Business & Trade consultation.
March 2026**

Introduction

The Trades Union Congress (TUC) brings together the 5.3 million working people who make up our 47 member unions. We support unions to grow and thrive, and we stand up for everyone who works for a living.

Fire and rehire and fire and replace are particularly egregious practices that have been repeatedly resisted by workers and condemned by politicians across the political spectrum.¹

The practice of forcing workers to accept lower pay and conditions under threat of requiring them to reapply for their roles, or bringing in alternative workers to do the same job, became particularly prevalent during the Coronavirus pandemic. TUC polling at the time found that one in ten workers had been threatened with fire and rehire unless they agreed to cuts in pay and conditions. Black and Minority Ethnic workers and those in working class occupations were particularly badly affected.²

Unions have fought attempts at fire and rehire at a number of large employers including British Airways, British Gas and Clarks' Shoes.³ Notoriously, in March 2022 P&O Ferries undertook fire and replace when it dismissed 786 workers without notice.

Less visibly, many workers are in small and non-unionised workplaces where they are particularly vulnerable to employer threats to fire them if they don't agree to cuts in pay and conditions.

The practice remains a significant threat to workers' pay and conditions and unions tell us is commonly threatened by some employers when they wish to unilaterally change terms and conditions.

Recent or ongoing issues include:

- School staff being threatened with fire and rehire unless they agree to pension changes.⁴

¹ BBC (21 October 2021). Fire-and-rehire: Government blocks law to curb the practice www.bbc.co.uk/news/uk-politics-58997916

² TUC (25 January 2021). "Fire and rehire" tactics have become widespread during pandemic – warns TUC www.tuc.org.uk/news/fire-and-rehire-tactics-have-become-widespread-during-pandemic-warns-tuc

³ TUC (12 November 2021). TUC calls on new CEO of Clarks shoes to urgently meet union leaders to end 'fire and rehire' dispute www.tuc.org.uk/news/tuc-calls-new-ceo-clarks-shoes-urgently-meet-union-leaders-end-fire-and-rehire-dispute

⁴ NASUWT (23 March 2026). "Fire and rehire threat prompts strike action at Westminster school" www.nasuwat.org.uk/article-listing/fire-and-rehire-threat-prompts-strike-action.htm

- University employees being threatened with dismissal if they don't move to an inferior pension arrangement.⁵
- Workers at a packaging factory being told they faced the sack if they do not accept shift changes with longer hours and more night and weekend working.⁶
- Council staff being threatened with fire and rehire if they don't agree to a cut in hours.⁷

Fire and rehire is not a legitimate business practice. When employers suffer financial difficulties, they should negotiate with their workers. Unfortunately, there are many examples of employers in robust financial shape simply using fire and rehire to boost their bottom line at workers' expense.

The TUC strongly supports the government's commitment in its *Plan to Make Work Pay* that: "Labour will end the scourges of 'fire and rehire' and 'fire and replace' that leave working people at the mercy of bullying threats."

We note, too, the government's position that: "Good businesses rightly do not want to be associated with practices like fire and re-hire."

We therefore welcome the inclusion of measures to tackle fire and rehire and fire and replace in the Employment Rights Act 2025.

The implementation of these measures relating to fire and rehire should be judged against the commitment in the *Plan to Make Work Pay* to end these practices.

The government decided during the passage of the Employment Rights Act 2025 to focus protections on specific contractual changes: reductions to pay, changes to measures of work done where these determine an element of pay, changes to pensions, changes to total hours, reductions to leave entitlement, and specified changes to shift patterns.

This approach makes the tight drafting of the regulations implementing the measures vital as it is inevitable that some employers will seek to exploit gaps in the legal protections. Trade unions have particular concerns that by reserving protections for only certain areas, unscrupulous employers could seek to unpick terms and conditions outside this scope that have been painstakingly secured by workers in negotiations on

⁵ University and College Union (3 February 2026). "Southampton Solent strike begins next week in fight over fire & rehire pension attack www.ucu.org.uk/article/14396/Southampton-Solent-strike-begins-next-week-in-fight-over-fire--rehire-pension-attack

⁶ Unite the Union (9 June 2025). "Wigan Alpla UK plastic packaging strikes over fire and rehire disgrace" www.unitetheunion.org/news-events/news/2025/june/wigan-alpla-uk-plastic-packaging-strikes-over-fire-and-rehire-disgrace

⁷ Unite the Union (28 March 2025). "Unite ballots 700 Aberdeen council workers over 'fire and rehire' proposals" www.unitetheunion.org/news-events/news/2025/march/unite-ballots-700-aberdeen-council-workers-over-fire-and-rehire-proposals

collective agreements over many years. This would have the unintended effect of undermining collective bargaining when government policy is to support it.

The TUC and its affiliated unions believe that the proposals should be significantly strengthened to meet the principle, also set out in the consultation paper, that “key terms and conditions should not be able to be unilaterally changed under threat of dismissal” and to make steps towards the commitment of ending fire and rehire.

In particular, the current plans fail to take account of core elements of workers’ benefits and expenses that could become subject to unilateral changes by employers.

Significant improvements should also be made to the scope of the protections against shift changes.

Expenses and Benefits or Payments in kind

In its consultation response, the government has proposed that no expenses and benefits or payments in kind should be treated as “restricted variations” on the grounds that this would give “necessary flexibility” to employers.

However, at no point in the consultation paper is there a definition of when a unilateral change to pay and conditions is “necessary”, or why changes to these elements of a worker’s pay and benefits sit within it. For example, the paper states that an employer might “need” to standardise benefits to improve morale and cohesion. It is hard to understand why fire and rehire would be used in this situation, other than to level down benefits. This is something that is unlikely to improve morale for those losing benefits and certainly could not be regarded as a necessity in anything other than the most extreme financial circumstances.

We note that the legislation already disapplies the protections where an employer is in significant financial difficulty, with the tests for this varying across the public and private sectors. The consultation paper does not disclose what other types of “necessity” the government has identified as opposed merely to a change that an employer deems beneficial to its organisation but cannot agree with its workers.

Indeed, at one point the consultation paper reverses the logic and states that “It may therefore be *less necessary* to give expenses the same high protections as other types of sums payable”, rather than seeking to interrogate whether exempting this element from the protections is “necessary” for an employer.

In answer to **question 1**, the TUC believes that it would be more appropriate to include all expenses and benefits and payments in kind within the scope of this legislation.

Expenses and benefits, such as the quality of accommodation provided to staff who are away from home for a period or benefits such as the travel concessions, are key benefits in sectors including transport. They are often the subject of collective bargaining, indicating the importance which workers attach to them. Indeed, on a number of occasions they have been the subject of dispute between workers and employers. Reducing the quality of the temporary accommodation such as hotels can have a significant impact on the quality of life of that worker. Cutting other benefits is akin to reducing the amount of pay of an affected worker as they pay more directly from their pay packet for services that were previously discounted.

In relation to **question 2**, if the government was to bring only some expenses and benefits within the scope of restricted variations, it should include mileage; other travel expenses incurred in performance of duties; accommodation expenses incurred in performance of duties; and long-term accommodation offered as a benefit in kind.

Other areas that could merit inclusion include paid release for vocational and trade union training; maternity and paternity arrangements (above statutory provision); childcare subsidies or vouchers; subsistence/meal allowances; and clothing allowances (including protective equipment which can be particularly expensive for workers to purchase and replace). This list, which is unlikely to reflect the full diversity of important expenses and benefits due to workers across the labour market, represents at least some of the areas where unilateral changes would have a significant impact on a worker's life.

In relation to **question 6**, we believe that the consultation paper particularly underplays the significance of changes to workers' long-term accommodation. For workers in care homes, on oil platforms, on farms or in schools - this accommodation is their home for weeks, months or even years at a time. Therefore, allowing an employer to change this element of the contract through fire and rehire is inappropriate and, in **relation to question 9**, would have a hugely significant and potentially distressing effect on the worker or workers concerned and possibly their families. This is particularly the case where a worker is in an isolated and potentially vulnerable situation such as an agricultural worker on a remote farm.

As set out above, failing to include such elements within the scope of "restricted variations" also opens the way for unscrupulous employers to seek to unilaterally change these elements that might have been negotiated with unions for inclusion in collective agreements over many years. This might range from childcare provision to meal vouchers and the other examples set out above. In its *Plan to Make Work Pay*, the government outlines its commitment to "ensuring industrial relations are based around good faith negotiation and bargaining". This commitment could be undermined if employers are empowered to unilaterally renege on conditions that have been negotiated through collective bargaining agreements.⁸

⁸ Labour Party (2024). *Labour's Plan to Make Work Pay: delivering a new deal for working people* p.12.

Shift Patterns

The TUC welcomes the government's proposal that shift changes should be protected as restricted variations. But the scope of this should be much wider than currently envisioned.

The TUC agrees that there may be operational reasons for an employer to seek changes to shift patterns. But we also note the statement in the consultation paper that changes to contractual shift patterns will still be possible "if they are agreed with the individual employee or are agreed and incorporated into contracts via collective bargaining arrangements".

Contractual shift arrangements are extremely important to those workers who benefit from them. The timing of a shift can often be the difference between a worker being able to stay in a role and having to leave. This is particularly the case for those who have caring responsibilities. Factors such as the timing of public transport could also be significant.

This should be reflected in the protection given to shift changes under these measures.

In relation to **questions 14, 17 and 18** we strongly agree that changes from day-to-night working (and vice versa) and weekday-to-weekend (and vice versa) should be protected. These are particularly extreme changes that would have an enormous impact on a worker and potentially their family. However, the proposals are both too narrow and leave elements of uncertainty.

The TUC would like to see the regulations deem that all shift changes are "restricted variations". This would ensure greater protection for workers who can be forced out of work if a change to shift patterns is incompatible with other aspects of their lives. Given that women tend to bear the bulk of caring responsibilities, whether for children or elderly relations, this could have significant equalities implications (**question 26**). The narrow definition preferred by the government brings with it the risk that many changes to shift patterns will not be deemed restricted variations leaving workers vulnerable to unilateral changes that deprive them of employment.

In relation to **question 15**, a broader limit on unilateral shift pattern changes could avoid some of the complexities that come from attempting to define some of these changes. For example, a worker who begins one shift a week at 5.30am might have an element of night working according to the definition in the consultation paper. They should not be placed in a situation in which an employer could suddenly demand that they start working every shift at 11pm. Collective agreements between employers and unions frequently contain a wider definition of "night working" than the 11pm to 6am range the government has drawn from health and safety law. We note that in some collective agreements 7pm to 7am is treated as unsociable working, for example. The regulations should ensure that a worker doing, for example, only a short period of night work within a broader shift won't be considered to already be a nightworker,

which under the approach currently proposed could leave them subjected to unilateral changes.

We strongly agree, in connection with **question 17**, that agree that changes from weekday to weekend and weekend to weekday shifts should be included in this list of protected shift changes. Unilateral changes of this nature could have huge implications for workers and their families. Some workers might do short weekday shifts that fit around school times and then a single additional weekend shift. If their employer was free to unilaterally require them to work on both days of the weekend this would have a huge effect on their family life and could leave them unable to continue with their job. The secondary legislation should also take into account that many workers will be expected to take on additional work during busy periods, such as the festive season. This might involve a weekday retail worker doing an additional shift at the weekend for a short period. It is important that the legislation does not deem them a weekend worker and therefore vulnerable to unilateral weekday to weekend (and vice versa) changes.

The TUC also believes it would be appropriate for any changes to availability windows to be deemed restricted variations (**question 19**). Whether these are timetabled slots or a proportion of a worker's contracted hours, they place significant limitations on workers' ability to conduct a fulfilling private life or to carry out other paid employment. Given that these are by definition very broad timetables, windows of 50 per cent of a worker's hours are common in some workplaces, the TUC believes it would be appropriate for any changes not agreed with workers to be deemed "restricted variations".