

HOSPITALITY WORKFORCE COMPLIANCE GUIDE 2026

Making legislative change
workable for frontline teams.



KEY TAKEAWAYS

The changes outlined below will shape payroll, policy and process planning across the year, so early preparation will be essential to support compliance, reduce disruption and ensure colleagues are kept informed.

- Day one Statutory Sick Pay and the removal of the lower earnings limit extend eligibility significantly, so minute-accurate attendance and prompt approvals will underpin fair and timely payment across variable hours teams.
- Paternity leave and unpaid parental leave become day one rights with transitional notice easements, so align policy, workflows and forecasting to plan cover early, and communicate calmly.
- Whistleblowing protection explicitly covers sexual harassment disclosures from April, so ensure routes to raise concerns are visible in the same digital spaces as rotas and payslips, and that processes are consistent end to end.
- Northern Ireland will introduce miscarriage leave and pay from April, so groups with NI venues should publish an NI-specific addendum and configure payroll accordingly.
- Plan 5 student loans go live in April, so verify that payroll can identify the plan type, apply the correct threshold and follow the SL1 instruction from the first period.
- Mandatory payrolling of most benefits moves to April 2027, so use this year to design data flows, brief colleagues and consider a contained pilot if systems are ready.

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INTRODUCTION

Navigating upcoming workforce change

With new employment measures taking effect in April 2026, hospitality leaders can use this moment to build greater predictability into how work is scheduled, tracked and paid.

Aligning HR policy, workforce management tools and payroll calculations creates a clearer experience for colleagues and reduces the operational friction that often emerges at busy times, helping organisations stay people-ready through a year of change.

As the new tax year comes into view, it feels like an opportunity to pause and look across the whole people journey, because hospitality is built on shift-based scheduling, variable hours contracts and multi-role working, even modest legislative changes can ripple quickly through rotas, attendance records and pay. Weekly earnings volatility and frequent requests for last minute cover only amplify this, making clarity and consistency essential as April approaches.

Evidence from the [CIPD's February 2026 employment law roundup](#) points to the value of translating reforms into workable policies, manager guidance and workforce planning decisions, while the government's implementation note frames these measures as phased specifically to give organisations time to prepare with greater clarity. **With April's phase of the Employment Rights Act plan arriving in the first weeks of the tax year**, a steady, educational approach that connects the rules to real service patterns is key to helping teams absorb these changes without disruption, allowing the new requirements to settle naturally into existing rhythms. And in a sector where colleagues often move between outlets, pick up additional shifts or switch roles midweek, translating policy into day-to-day operational behaviours becomes especially important.



READY FOR APRIL

1. Day one access to Statutory Sick Pay, with the lower earnings limit removed and entitlement calculated from average weekly earnings, which places greater emphasis on accurate time capture and prompt approvals for variable hours teams.
2. Day one rights to paternity leave and unpaid parental leave, supported by transitional notice easements, which means managers need visibility in rotas and confidence when planning cover early.
3. Clear whistleblowing protection for sexual harassment disclosures, making it essential that reporting routes are visible, trusted and easy to access in the same digital spaces as rotas and payslips.

COMING SOON

1. Further changes phased through 2026 and 2027, including predictable working pattern measures and additional rights affecting how shifts are offered, changed and cancelled.
2. Employers will be required to take 'all reasonable steps' to prevent sexual harassment of their employees and there will be an introduction of an obligation on employers not to permit the harassment of their employees by third parties.
3. Fundamentally, there is a growing expectation that compliance is built into everyday operational rhythms, so that legal change feels steady and manageable rather than disruptive for managers and colleagues.

STATUTORY SICK PAY (SSP)

Day one eligibility and broader access, interpreted for variable hours.

WHAT'S CHANGING

From 6 April 2026, Statutory Sick Pay becomes payable from the first qualifying day, the lower earnings limit is removed, and entitlement is calculated as the lower of the updated flat rate or 80 percent of average weekly earnings. For hospitality teams with fluctuating hours, split shifts and frequent cover, this makes average earnings far more sensitive to how accurately time and attendance are recorded.

WHAT YOU NEED TO DO TO PREPARE

The practical impact of these changes sits less in payroll rules and more in the everyday flow of shifts approved, minutes captured and changes reconciled. Single-day absences, partial week returns and short notice swaps now qualify for SSP, which means missing prep

time, unrecorded handovers or late approvals can distort entitlement. Bringing approvals closer to the end of each shift, capturing actual start and finish times consistently, and ensuring role codes follow the colleague rather than the venue all help to keep average earnings fair, auditable and easy to explain.

HOW SOFTWARE CAN HELP

When attendance, approvals and pay calculations sit in one system of record, SSP entitlement is calculated from real-time data rather than reconstructed at month end. Clear payslip explanations that show how averages have been derived help colleagues understand why their pay may vary, which reduces queries and strengthens confidence in payroll during the first April cycles.

“WHY HAS MY PAY CHANGED?”

Many employees don't know why their payslips have changed, especially where weekly hours vary. HR, WFM and Payroll platforms like Zellis now include a payslip explainer, helping employees understand why their pay amounts have changed payslip to payslip - supporting with reduction of payroll queries and improved confidence in pay.

Learn more about
intelligent payslips →

DAY ONE FAMILY-LEAVE RIGHTS

Paternity leave and unpaid parental leave as day one rights, and how to plan cover with care.

WHAT'S CHANGING

From April, paternity leave and unpaid parental leave become day one rights, supported by transitional notice easements that allow newly eligible parents to access entitlement sooner. The restriction on taking paternity leave after a period of Shared Parental Leave is also removed, offering families greater flexibility while increasing the likelihood of short-notice absence in the first weeks of employment.

WHAT YOU NEED TO DO TO PREPARE

For hospitality, the change is best handled through early visibility and calm planning rather than reactive cover. Modeling leave windows against forecast demand, sharing notice mechanics clearly with managers, and drawing first on internal cover across sites helps maintain service levels without placing excessive pressure on colleagues.

Confidence rises when policy summaries and notice requirements are surfaced inside the scheduling workflows managers already use.

HOW SOFTWARE CAN HELP

Workforce management tools that link leave requests, forecasting and rota design allow teams to model impact before gaps appear. When leave visibility, backfill options and approvals sit in one place, planning feels considered rather than rushed, and service quality is easier to protect through busy periods.

For instance, [Travelodge](#), with the [implementation of Zellis](#), are able to forecast demand and align rotas across locations and give colleagues four weeks' rota visibility.



TRUSTED REPORTING ROUTES

Whistleblowing protection for sexual harassment disclosures, and the importance of trusted channels.

WHAT'S CHANGING

From April, disclosures relating to sexual harassment are explicitly covered by whistleblowing protections, bringing greater clarity around how concerns should be raised and handled. For hospitality teams operating across multiple sites, with agency and variable hours colleagues moving frequently between venues, visibility and consistency are critical.

WHAT YOU NEED TO DO TO PREPARE

The practical work lies in placing reporting routes where colleagues already spend time, rather than expecting them to search for policies. Clear signposting, a short plain-English explanation of what happens after a concern is raised, and defined expectations for acknowledgement and follow-up help make the process feel predictable and fair. Managers also benefit from concise guidance that shows how to respond, record and escalate consistently.

HOW SOFTWARE CAN HELP

Embedding reporting routes alongside rotas and payslips in colleague self-service increases visibility and confidence. When records, policy wording and investigation steps sit in one system of record, organisations can demonstrate consistency across venues while making it easier for people to speak up.



NI LEAVE AND PAY UPDATE

Northern Ireland miscarriage leave and pay, for groups with sites across regions

WHAT'S CHANGING

From April 2026, statutory parental bereavement leave and pay in Northern Ireland will extend to miscarriage, providing a two-week entitlement within a 56-week window, with day one eligibility for pay subject to earnings criteria. Guidance indicates a self-declaration process, without the need for medical evidence, to keep the experience straightforward at an already difficult time.

WHAT YOU NEED TO DO TO PREPARE

For groups operating across regions, a short Northern Ireland-specific addendum helps reduce confusion and ensures colleagues receive the right support. Clear explanation of entitlement, timing options and pay treatment, supported by manager briefings that emphasise compassionate language, allows teams to respond with confidence when the need arises.

HOW SOFTWARE CAN HELP

Linking NI guidance directly from scheduling and self-service tools makes the pathway easy to find. Aligning HR records, requests and payroll configuration ensures leave flows cleanly into statutory pay without manual intervention, creating a predictable and respectful experience across sites.



STUDENT LOAN PLAN 5

Student Loan Plan 5 and the 2026 to 2027 thresholds that payroll will rely on

WHAT'S CHANGING

From April 2026, a new Student Loan Plan 5 enters payroll, with repayments calculated at 9 percent of earnings above a £25,000 threshold. HMRC guidance confirms that SL1 notices will identify the correct plan and should remain the trigger for deductions.

WHAT YOU NEED TO DO TO PREPARE

Clarity at onboarding is essential, particularly in a sector with high numbers of student and part-time workers. Confirming plan type early, relying on SL1 notices rather than assumptions, and ensuring Plan 5 logic is configured and tested before April prevents mid-year corrections that can unsettle colleagues whose hours fluctuate.

HOW SOFTWARE CAN HELP

Payroll systems that validate plan type, apply the correct thresholds automatically and surface clear payslip explanations help the first April cycle land cleanly, keeping payroll queries down and confidence high.





NATIONAL MINIMUM WAGE UPLIFT

NMW uprating, deductions and the moving parts managers see on the rota

WHAT'S CHANGING

April's National Minimum Wage uprating places renewed focus on the moving parts that influence hourly averages, including deductions, unrecorded handovers, split-shift premiums and late role changes.

WHAT YOU NEED TO DO TO PREPARE

Managers need visibility of these details at the point of approving attendance rather than after payroll has run. Reviewing deductions, ensuring prep time is consistently recorded, and keeping role codes accurate across multi-role working patterns all help protect compliance across variable weeks.

HOW SOFTWARE CAN HELP

When deductions, premiums and recorded time are visible within the rota and approval workflow, managers can see the effect of changes before they sign off, allowing payroll to land confidently on first pass.



APRIL STATUTORY THRESHOLDS

Statutory rates and thresholds for April at a glance

To keep the first April run uneventful, confirm that payroll settings match the published rates and thresholds for the 2026 to 2027 tax year, then surface a short internal note that shows where colleagues can check the latest bands and allowances; aligning this single reference point across HR, WFM and Payroll ensures that scheduling decisions, approvals and final calculations read from the same rulebook, which reduces queries and removes ambiguity for variable-hours teams. HMRC's guidance for 2026 to 2027 is the anchor for these settings.



PAYROLLING BENEFITS TIMELINE

Mandatory payrolling of benefits, the new timeline, and sensible steps for this year

Preparation lands best when it is paced. Hospitality operators, in particular, benefit from this breathing room, as uniform deductions, role based allowances and salary sacrifice arrangements often differ by site, role or shift pattern and must be aligned consistently across a flexible workforce. With the mandatory, real time payrolling of most benefits in kind now scheduled for April 2027, HMRC has outlined how reporting will work and signalled a soft landing approach for the first year, while professional bodies are encouraging employers to use the extra time to map data sources, test software and refine communications; some organisations are choosing to pilot voluntary payrolling in 2026 to 2027 where in year visibility would reassure colleagues and smooth year end.

Creating a simple narrative about how benefits and tax will appear during the year, agreeing a single timeline across providers, HR and payroll for data feeds, and capturing lessons from any contained pilot often make the full transition feel uneventful when it arrives.



ROTA AND PAYSリップ FRICTION POINTS

Practical friction points on the rota and the payslip, and how to remove them

As organisations work through the April changes, the conversation naturally widens beyond payroll alone. Rotas, approvals, attendance capture, HR policy and colleague self-service all shape the final pay outcome, which is why friction usually shows up first in WFM workflows rather than in payroll itself. When steps drift out of sync - for example, when shift swaps aren't approved, when prep time isn't recorded, or when a colleague's multi-role patterns aren't reflected in their profile - even small gaps become bigger issues later.

This is where HR and Workforce Management earn their place in compliance: by giving managers a reliable way to record reality as it happens, and by giving colleagues a consistent view of their schedules, roles and deductions, so the payslip simply mirrors what everyone has already seen.

Quiet payrolls are not an accident; they tend to be the outcome of small, consistent habits across HR, WFM and payroll that bring intention and calculation closer together.



Zellis' innovative technology will support our endeavours to improve operational efficiency across the organisation, consolidating all people processes to save time and improve productivity.



Tom Ramsden

Head of Hotel Systems at Warner Hotels

PRACTICAL FIXES FOR ROTA AND PAYSリップ FRICTION



SPLIT SHIFTS AND MULTI-ROLE WORKERS

Where colleagues work across outlets or hold more than one position, ensure Workforce Management assigns the correct role code and premium for each attendance segment; HR then holds the underlying role definitions, and payroll applies the correct average earnings calculations. When all three functions read from the same profile, SSP and family leave calculations remain precise and auditable.



UNIFORM AND EQUIPMENT DEDUCTIONS

Revisit uniform, equipment and shoe deductions with April upratings in mind, and make sure HR policy, payroll configuration and colleague self-service all express the same rules. When colleagues can see how deductions are being applied, and the numbers match what managers expect in Workforce Management, confidence rises and queries fall away.



SALARY SACRIFICE AND STUDENT LOANS

Confirm how salary sacrifice interacts with student loan assessments including the new Plan 5 structure, and ensure onboarding in HR and Workforce Management flows seamlessly into payroll so that the employee new starter declaration, P45 or SL1 notice drives the deduction. Certainty at the start avoids corrections later and keeps the entire colleague journey aligned.

WHAT'S NEXT IN LEGISLATION

What to watch next, and why adaptable HR, WFM and Pay make compliance easier to live with.

WHAT'S COMING NEXT

Predictable working pattern proposals, potential shift cancellation protections and ongoing debate around zero hours contracts, all of which speak directly to hospitality's reliance on variable hours, multi-role working and rapid cover decisions.

Further measures phased through 2026 and into 2027, including developments around dismissal and rehire practices, strengthened redundancy consultation outcomes and continued evolution of flexible working rights.

WHY THIS MATTERS OPERATIONALLY

These proposals affect how work is offered, changed and cancelled at short notice, which means their impact is felt first in rotas, approvals and time capture, rather than in payroll alone.

For hospitality organisations, updates are easier to absorb when they align with existing rhythms such as scheduling cycles, pre-shift briefings and consistent pay logic, rather than being treated as isolated policy changes.



HOW ADAPTABLE SYSTEMS REDUCE FRICTION

Employers who keep policy, scheduling rules, time data and pay calculations connected typically find that legislative updates fold into everyday practice with less disruption, because efficiency and compliance are driven by the same underlying workflows.

When HR foundations, Workforce Management and Pay operate from a single source of truth, managers can see the implications of change as they plan and approve work, and colleagues recognise a consistent, predictable story in their rotas and payslips.

When legislation evolves through a season rather than a single date, hospitality organisations make the

change livable by connecting policy, scheduling rules, minute-accurate time capture and payroll logic so that managers see the implications as they plan and approve work and colleagues recognise the story their payslip tells; approached in this joined-up way, day-one entitlements, updated protections, updated pay rules and the next wave of reforms settle into familiar operating rhythms, and the benefits of clarity, predictability and trust outweigh the effort of configuration, which is ultimately the value of adaptable HR, WFM and Pay working from one source of truth.

UNLIMIT NEXT SEASON READINESS

See how legislation-ready tech helps hospitality teams schedule with confidence, pay accurately and adapt at pace, all from one connected platform.

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