

Fair Work Agency 2026: What Employers Need to Know

7th April 2026

On 7 April 2026, the Government will launch the new Fair Work Agency (FWA), a single, consolidated body designed to make it easier for employers and workers to understand, navigate, and uphold employment rights.

What the Fair Work Agency Will Cover from Day One

When it launches, the FWA will take responsibility for several core areas, including:

- National Minimum Wage compliance
- Protections for agency workers
- Gangmaster licensing
- Investigations into labour exploitation

This unified structure is intended to deliver clearer information and a more seamless route to support for employers and workers alike. The government describes it as a “one-stop shop” designed to reduce confusion and improve the user experience.

For most employers who already meet their obligations, the transition should be smooth, bringing better access to guidance without imposing new legal requirements. But enforcement processes may operate differently, and employers are encouraged to stay informed as new policies are published.

Expanded Enforcement Powers Coming Over Time

Beyond launch, the Fair Work Agency will gradually take on additional responsibilities that broaden and strengthen its role in the workplace rights landscape.

These include:

- Statutory Sick Pay enforcement
- Employment tribunal penalty schemes
- Modern slavery and labour exploitation investigations
- Employment agency rules enforcement
- State enforcement of holiday pay, an entirely new function in the UK

The introduction of state-enforced holiday pay marks a significant milestone and reflects growing calls for more robust, centralised oversight of fundamental workplace entitlements.

These expanded functions are intended to support employers through clearer rules and to provide stronger safety nets for workers, especially those in insecure or vulnerable roles.

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What This Means for Employers

The Fair Work Agency is not creating new employment rights, and the legal framework underpinning obligations like the minimum wage and agency worker protections remains unchanged. However, employers should expect:

- Clearer, centralised guidance replacing multiple sources
- A single point of contact for questions or concerns
- More coordinated and potentially more proactive inspections
- Greater consistency in enforcement decisions

Employers who already maintain good compliance should not face major disruptions. But ahead of the April 2026 launch, organisations are advised to:

1. Review existing practices covering pay, holiday entitlement, agency workers, and supply chain risks.
2. Familiarise themselves with the FWA's upcoming enforcement policy, which will replace guidance previously issued by multiple regulators.
3. Update internal documentation and HR materials to reflect the new regulatory body.
4. Monitor communications from government channels as more details are released.

These steps will help ensure a smooth transition and reduce the risk of inadvertent non-compliance.

A Common-Sense Reform with Long-Term Benefits

At its core, the creation of the Fair Work Agency is about making the system simpler, clearer, and more effective. Whether you're an employer seeking straightforward compliance advice or a worker trying to understand your rights, the FWA aims to remove barriers and streamline the process.

By consolidating the enforcement of wage rules, agency worker protections, and exploitation prevention, and by taking on new responsibilities such as holiday pay enforcement, the agency represents a long-term investment in a fairer labour market.

Looking Ahead

As the launch date approaches, further guidance and practical tools are expected from government sources, outlining exactly how the new agency will operate day to day. Employers and HR teams should take this opportunity to get ahead, review current processes, and prepare for an updated enforcement environment.

The Fair Work Agency marks a significant step forward in modernising the UK's workplace rights system, and its success will hinge on clear communication, consistent enforcement, and strong collaboration between businesses, workers, and the new regulator.