



HR & EMPLOYMENT LAW INSIDER: YOUR MONTHLY UPDATE

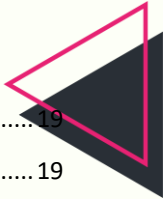
July 2026

HR
Solutions



Contents

Recent and future changes.....	3
Recent changes:.....	3
Change in Prime Minister – what does this mean for the Employment Rights Act 2025?	3
Urgent - are your contracts of employment up to date?	3
Updated ERA timetable	3
Immigration (Restrictions on Employment and Residential Accommodation) (Prescribed Requirements and Codes of Practice) (Amendment) Regulations 2026.....	4
Regulations published for the forthcoming introduction of the right for Trade Unions to access workplaces	4
New action plan to support unpaid carers	4
Generative AI	5
Future changes	5
Legislation – by implementation date	5
Legislation date unknown.....	8
Key Employment Bills Progressing through Parliament	8
Consultation and Guidance	10
Consultations	10
Open Consultations	10
Closed Consultations: Responses being analysed	11
Key consultations waiting formal response.....	11
Response to consultation on the new right of workplace access for Trade Unions.....	12
Response to consultation on revised Trade Union Recognition Code and e-balloting practices	12
Guidance:.....	14
New draft Acas code on time off for trade union duties and activities.....	14
Employment Appeal Tribunal provides guidance on continuing acts of discrimination when determining the statutory time limit.....	14
Skills England publishes new guidance	15
Prohibited conduct protection at work	15
Draft Code of Practice on Fair and Transparent Distribution of Tips – WITHDRAWN.....	15
Case rulings.....	16
Is there a limit the "Right to be Accompanied"	16
Guidance on the statutory time limit in discrimination claims	17
Payroll	18
7-11 September is National Payroll Week	18
Gender pay guidance.....	18
Will the NIC upper secondary threshold exemption for young workers be expanded?	18
April 2027: Mandatory Payrolling Benefits.....	18
Health and Safety	19



HSE Prosecution – Young Worker Fatality	19
Noise exposure at work: the hidden hazard you can't see.....	19
Keeping your workforce safe in the heat	20
Vehicle transport safety at work	20
Interesting HR Statistics.....	21
Tribunal and settlement statistics published.....	21
AI generated grievances on the rise	22
Approved sponsors by visa route	24
Equality, Diversity and Inclusion	25
Case study: How Ikea built a top tier inclusive workplace	25

RECENT AND FUTURE CHANGES

RECENT CHANGES:

CHANGE IN PRIME MINISTER – WHAT DOES THIS MEAN FOR THE EMPLOYMENT RIGHTS ACT 2025?

This week the Rt Hon Andy Burnham, MP for Makerfield became the Prime Minister, but will this affect the Employment Rights Act 2025? If so, how?

With a new Prime Minister, there is also a new Cabinet. Yet the Secretary of State for Work and Pensions under the previous Government, Rt Hon Pat McFadden, remains in post. Perhaps this gives an indication as to the Prime Minister's thinking on the Employment Rights Act 2025 and of a commitment to continue with the implementation?

It would be difficult to see a change in Prime Minister lead a change in direction with employment rights, especially the Act is based on Labour's 2024 manifesto and is a commitment to modernise employment protections and end exploitative employment practices.

At Business HR Solutions, we don't envisage anything substantial changing to the reforms, other than there could be minor adjustments to timings. Be sure to follow us on our [LinkedIn pages](#) for ongoing updates.

URGENT - ARE YOUR CONTRACTS OF EMPLOYMENT UP TO DATE?

Did you know that with the unfair dismissal qualifying rules changing in January (likely to be 1st, but to be confirmed), that employers must ensure their contract template is fit for purpose now, so that those you recruit from this point on can be managed in line with these new rules safely.

With the qualifying period for unfair dismissal reducing from two years to six months, any employee with at least six months of service on the day the law takes effect (e.g., January 1st) will instantly gain the right to claim unfair dismissal - regardless of whether the dismissal relates to conduct, capability, redundancy, or Some Other Substantial Reason (SOSR). This is why when you are recruiting from 1 July 2026, that you use a more robust contract to enable the business to fairly dismiss in the future, should the need arise.

UPDATED ERA TIMETABLE

On 16 July 2026, the Government published an updated ERA timetable. We now have confirmation of the following reforms coming into effect from 30 October 2026:

- The duty to take all reasonable steps to prevent sexual harassment
- Introduction of a new employer liability for harassment of staff by third parties
- The duty to inform workers of their right to join a trade union
- The union right of access to workplaces
- Several union changes that include:
 - Freezing the bargaining unit once a recognition application is submitted
 - New rights for union representatives and
 - Protection against detriment for taking industrial action.

Other points to note:

- The increase to the time limits for making claims in employment tribunals from three months to six months is expected to come into force 1 October 2026

- The reform to the current tipping law is pushed back to the end of 2026 (was originally planned for October)
- Electronic workplace balloting comes into force 31 August 2026.

IMMIGRATION (RESTRICTIONS ON EMPLOYMENT AND RESIDENTIAL ACCOMMODATION) (PRESCRIBED REQUIREMENTS AND CODES OF PRACTICE) (AMENDMENT) REGULATIONS 2026

It has been confirmed that in October, the 'Immigration (Restrictions on Employment and Residential Accommodation) (Prescribed Requirements and Codes of Practice) (Amendment) Regulations 2026' come into force. These Regulations make amendments in relation to employment checks which employers are legally required to carry out to verify a person's immigration status to be excused from liability for a civil penalty for employing individuals without valid immigration status.

The Regulations when introduced, will widen employers' duties beyond traditional employment to cover other types of working arrangements as well as update the rules for digital identity verification services.

REGULATIONS PUBLISHED FOR THE FORTHCOMING INTRODUCTION OF THE RIGHT FOR TRADE UNIONS TO ACCESS WORKPLACES

It has been confirmed that the Trade Unions (Right to Access Workplaces) (Required Information) Regulations 2026 and the Trade Unions (Right to Access Workplaces) Regulations 2026 come into force 30 October 2026. This reform is significant and one that will have huge implications, particular for SME's that employ at least 21 workers (which includes across all associated employers).

This new law will give qualifying trade unions a statutory right to seek access to workplaces. A new draft Code of Practice provides practical guidance on how that right might work in practice.

Also published this month, is the Government's response to the recent consultation that took place on this new law. You can find out more about the outcome of the consultation in our 'Consultation and Guidance' newsletter.

To find out more about this significant change in the law and watch back on demand, our [recent webinar](#) in which we discussed this topic or read our [Hot Topic May 2026: Navigating Trade Union Reforms](#)

NEW ACTION PLAN TO SUPPORT UNPAID CARERS

On 14 July, the Government published its [action plan](#) aimed at improving the lives of unpaid carers in England.

In employment, we continue to see the challenges facing unpaid carers. The responsibilities they have alongside balancing their responsibilities with work can be incredibly challenging. The Government report that one in ten of us is an unpaid carer.

On 19 November 2025, the government published terms of reference for a review of employment rights for unpaid carers and in June 2026, launched a [public consultation](#) on employment rights in this area.

The Employment Rights Act 2025 (ERA) also includes provisions to support employees to achieve a better work-life balance, including changes to flexible working laws to make it more likely requests can be accepted. The Government are also intending to bring in legislation under the ERA Act requiring all large employers (250 or more employees) to take produce and publish action plans detailing the steps they are taking to support employees to better balance work and caring responsibilities. This is expected from spring 2027, although we await draft legislation.



Striking the right work life balance is vital for mental wellbeing, minimising absence and maintaining performance levels. Employers can support those with caring responsibilities either through their flexible working policies, carer's leave policies, line management support and training managers on recognising signs of fatigue and other signs of stress and pressure from an imbalance between work and home.

The Government's action plan centres around:

1. Recognise – improving recognition of unpaid carers so that all the available support that is available is made known to them
2. Refer – ensuring unpaid carers are clear about the support and services to help make caring more manageable
3. Reach – to enable unpaid carers to reach their full potential through improving workplace support and removing barriers to opportunity.

If you employ 250 or more employees, consider exploring actions your business can take in respect of each of these areas: recognise, refer and reach.

GENERATIVE AI

This is to flag, for those employers that operate in the EU, that the European Data Protection Board (EDPB) has this month adopted guidelines on data anonymisation in respect of generative AI. The anonymisation guidelines, incorporate the recently established legal tests established following a Court of Justice of the European Union: 1) no record isolation, 2) no linkage and 3) no inference.

You can [read the guidelines here](#), but we recommend seeking guidance from specialists dealing in European law and data protection.

Generative AI is a significant challenge for all employers, regardless of size, industry or sector. Read this month's Interesting HR Statistics Newsletter in which we explore the significant increase in AI generated grievances, appeals and the challenges it causes for employers.

FUTURE CHANGES

LEGISLATION – BY IMPLEMENTATION DATE

2026

August 2026 – Employment Rights Act 2025

Electronic and workplace balloting for Statutory Trade Union Ballots

1 October 2026 – Employment Rights Act 2025

Employment tribunal time limits extended from 3 months to 6 months

30 October 2026 – Employment Rights Act 2025

- Establish the Fair Pay Agreement Adult Social Care Negotiating Body in England
- Requiring employers to take 'all reasonable steps' to prevent sexual harassment of their employees
- New obligation on employers not to permit the harassment of their employees by third parties

- Introducing a power to enable regulations, that specify steps that are to be regarded as reasonable to determine whether an employer has taken all reasonable steps to prevent sexual harassment (the actual steps to specify what is to be regarded as reasonable is due in 2027)
- Introducing a new duty to inform workers of their right to join a trade union
- Strengthen trade unions' right of access
- Unfair practices in the trade union recognition process
- New rights and protections for trade union reps
- Extending protections against detriments for taking industrial action
- Two tier procurement

30 October 2026 - Trade Unions (Right to Access Workplaces) (Required Information) Regulations 2026

These Regulations implement the reforms in the Employment Rights Act 2025 regarding the new statutory right for trade unions to access workplaces.

Immigration (Restrictions on Employment and Residential Accommodation) (Prescribed Requirements and Codes of Practice) (Amendment) Regulations 2026

It has been confirmed that in October, the 'Immigration (Restrictions on Employment and Residential Accommodation) (Prescribed Requirements and Codes of Practice) (Amendment) Regulations 2026' come into force. These Regulations make amendments in relation to employment checks which employers are legally required to carry out to verify a person's immigration status to be excused from liability for a civil penalty for employing individuals without valid immigration status.

The Regulations when introduced, will widen employers' duties beyond traditional employment to cover other types of working arrangements as well as update the rules for digital identity verification services.

End of 2026

Changes to the obligations to consult and communicate policy on the allocation of tips

Tightening tipping law by requiring employers to consult with workers to ensure fair tip allocation

Amendment to the Seafarers Wages Act 2023 (expected December 2026)

The Employment Rights Act 2025, section 56, scheme 5 strengthens workers' rights at sea in relation to wages, terms and conditions of employment or engagement and working conditions.

New regulatory framework to bar NHS managers for misconduct (mid-late 2026/early 2027)

Legislation to introduce a new regulatory framework for NHS managers is expected in 2026. The framework will establish a statutory barring system for board-level directors who commit serious misconduct, with new powers granted to the Health and Care Professions Council to disbar senior leaders. The regulations aim to prevent managers found guilty of misconduct from taking other NHS roles and include specific protections for whistleblowers.

Children's Wellbeing and Schools Act 2026

It is expected that this Act will be phased in over time, with potentially some changes coming in before the end of this academic year and the bulk of change in September.

2027

1 January 2027 - Employment Rights Act 2025

- 6-month qualifying service for ordinary unfair dismissal protection
- Removal of the compensatory cap.

- Dismissals connected to an employer seeking to vary an employee's contract, but the employee does not agree will be automatically unfair

January 2027 - Employment Rights Act 2025

- Gender pay gap and menopause action plans to become mandatory
- Enhanced dismissal protections for pregnant workers, and those on and returning from family leave
- Specifying steps that are to be regarded as 'reasonable', to determine whether an employer has taken all reasonable steps to prevent sexual harassment
- Updated rules relating to protections from blacklisting due to trade union membership or activity
- Industrial relations framework
- Changes to the threshold for when collective redundancy consultation applies
- Enhanced redundancy protections against dismissal or redundancy
- An employer's reason for refusing a flexible working request must be reasonable
- A new statutory entitlement to bereavement leave, including pregnancy loss
- The regulation of umbrella companies
- Right to guaranteed hours and the right to reasonable notice and short notice payments
- Electronic and workplace balloting for recognition and derecognition ballots
- Provision of information relating to outsourced workers, a requirement for private and voluntary sector employers with at least 250 employees in Great Britain, and public authorities, to publish information about the service providers that they contract with for outsourced services.
- Extends the scope of the Employment Agencies Act 1973 to cover other types of business, such as umbrella companies, that participate in arrangements under which people are supplied by their employer to work for other people or organisations.
- Non-disclosure agreements (NDAs) and confidentiality provisions in employment making void a contractual provision that purports to preclude a worker from making an allegation or disclosure about relevant harassment or discrimination (or an allegation or disclosure relating to the employer's response).

April 2027 - Mandatory Payrolling Benefits

From April 2027, all employers will be required to payroll benefits in kind. A P11D will still be required for the tax year 2025/26 and 2026/27, but from 2027/28 onwards, it will be mandatory for benefits to be payrolled. Until such time, it continues to be voluntary, and we expect draft legislation and guidance to be provided in due course. The Government have published a timeline in preparing for this change, [available here](#).

Date to be confirmed (must be by June 2027) - The Terrorism (Protection of Premises) Act 2025 (Martyn's Law)

This Act received royal ascent on 3rd April 2025 however the regulator (Security Industry Authority - SIA) have said that there will be at least 24 months required in preparing for the law to come into force.

In the meantime, premises and events seeking advice on preparing for Martyn's Law should continue to look for Home Office updates. They can also access free technical guidance and operational advice on protective security on the government partner websites of the National Protective Security Authority and ProtectUK.

2028

6 April 2028 – Pension age increase

The new normal minimum pension age will become 67 years from 2028, following the amendment to Part 4 of the Finance Act 2004 (pension schemes etc).

Pensions (Extension of automatic enrolment) Act 2023 (date to be confirmed)

This legislation removes the current age requirements for eligible workers to be automatically enrolled into a workplace pension. The current minimum age is 22 years, but this will be reduced to 18 years. No date has been set for when this [legislation](#) comes into force.

Sunday trading – Protection for shop workers

The right of shop workers to opt out of working Sundays on religious or family grounds is to be extended to any 'additional' hours above their normal hours which they may normally be obliged to work if requested. The duty of employers to advise workers of these rights is also to be extended.

The Enterprise Act 2016 contains provisions to strengthen certain aspects of the protections given under the Employment Rights Act 1996 specific to shop and betting workers. This Act received Royal Assent, i.e. became law on 4 May 2016, but the provisions making the Sunday working amendments have not yet been brought into force.

In addition, the amendments to ERA 1996 envisaged the making of regulations as secondary legislation to fill in the detail of how the revised legislation would work, and that secondary legislation has not yet been published, although the power to make it is in force. With a change in Government since this came into force, the current government have not given any indication that it intends to enact this legislation and so we have no precise indication as to when these changes will take effect, or if they will ever come into force.

Children and Social Work Act 2017 Whistleblowing – Protection for children's social care applicants

Section 32 of the Children and Social Work Act 2017 when it commences will allow the Employment Rights Act of 1996, s 49C to enable the introduction of regulations that prohibit relevant employers from discriminating against an applicant for a children's social care position because it appears that they have made a protected disclosure. At this time, draft regulations are yet to be published.

KEY EMPLOYMENT BILLS PROGRESSING THROUGH PARLIAMENT

Bullying and Respect at Work Bill

This [private members Bill](#) if passed, would introduce a statutory definition of bullying at work. In addition, it would make a provision relating to bullying at work that includes enabling claims relating to workplace bullying to be considered by an employment tribunal. It would also introduce a Respect at Work Code that would set minimum standards for positive and respectful work environments and give powers to the Equality and Human Rights Commission to investigate workplaces and organisations where there is evidence of a culture of, or multiple incidents of, bullying and to take enforcement action. The Bill had its first reading in the House of Commons on 21 October 2024 and the date of the second reading is due to be announced.

Company Directors (Duties) Bill

If passed, this [Private Members' Bill](#), would amend section 172 of the Companies Act 2006 to require company directors to balance their duty to promote the success of the company with duties in respect of the environment and the company's employees. It is early in the process and currently waiting a date for the next stage which is its second reading.

The Domestic Abuse (Safe Leave) Bill

This [Bill](#) proposes to provide employees who are victims of domestic abuse with up to 10 days paid leave each year to support in dealing with the many challenges experienced when trying to leave the relationship. This is currently at the 2nd reading stage in the House of Commons and we are awaiting confirmation of when this will take place.

Equality (Race and Disability) Bill

We know through the Employment Rights Bill, that the Government are seeking to reform areas of equality relating to race and disability. A standalone Bill is expected to be launched following a period of public consultation, in which it will lead to:

- 
- Introducing mandatory ethnicity and disability pay gap reporting, modelled on the existing gender pay gap framework.
 - Extending equal pay rights to ethnic minority and disabled workers, allowing claims on contractual equal pay grounds.
 - Potential establishment of a specialist enforcement or regulatory body to oversee compliance and coordinate action plans.

In the recent King's speech however, there was no mention of this Bill, so it is unclear of the next steps at this stage.

CONSULTATION AND GUIDANCE

CONSULTATIONS

OPEN CONSULTATIONS

Since last month's newsletter, the following public consultations have been published:

Title	Purpose	How to participate	Deadline
Workplace monitoring technologies	This new consultation seeks views on the Government's proposals to support the fair, transparent and responsible use of workplace monitoring technologies.	Online Email Post: Workplace monitoring technologies, Employment Rights Directorate Department for Business and Trade Old Admiralty Building Admiralty Place London SW1A 2DY	30/09/26
Equal Pay and pay discrimination	This consultation is seeking views on how equal pay and pay discrimination can be reformed	Online Email	27/10/26
Time off for public duties	This consultation seeks views on the practical operation of existing rights to time off for public duties. It will also seek views on proposed changes to the current list of public duties currently in scope.	Online Email	4/9/26
Make Work Pay: Employment rights for unpaid carers and parents of seriously ill children	The Government are seeking views on existing employment rights available to people with unpaid caring responsibilities and parents who have a seriously ill child.	Online Email	1/9/26



Make Work Pay: Ending one-sided flexibility – reforms of zero hours and similar contracts	This consultation is seeking views on reforms to zero hour and similar contracts that are to come into force through the Employment Rights Act 2025.	Online Email	25/8/26
Tribunal procedure committee: Possible amendments to the costs/expenses rules	Views are being sought on proposed changes to the rules relating to when and how costs may be awarded in Employment Tribunals.	Email	29/7/26

CLOSED CONSULTATIONS: RESPONSES BEING ANALYSED

KEY CONSULTATIONS WAITING FORMAL RESPONSE

The following consultations are now closed. The relevant authorities are currently analysing the responses and will issue formal updates on next steps shortly. These findings will inform the development of future regulations and updated Codes of Practice.

- Artificial Intelligence, business and the future of the workforce
- Extending the Right to Work Scheme
- Call for evidence on the 2014 Transfer of Undertakings (Protection of Employment) (TUPE) Regulations
- Fair Pay Agreement process in adult social care
- Information commissioner – Consultation on the draft guidance about automated decision making, including profiling
- Information commissioner – Consultation on draft complaints guidance for organisations
- Information commissioner – Consultation on draft recognised legitimate interest guidance
- Make Work Pay:
 - Call for evidence on unpaid internships
 - Draft Code of Practice on Electronic and Workplace Balloting for Statutory Union Ballots
 - Draft Code of Practice on the Right of Trade Unions to access workplaces
 - Duty to inform workers of right to join a union
 - Enhanced dismissal protections for pregnant women and new mothers
 - Fire and rehire – changes to expenses, benefits and shift patterns
 - Improving access to flexible working
 - Leave for bereavement including pregnancy loss.
 - Misuse of non-disclosure agreements (NDAs)
 - Modernising the agency work regulatory framework
 - Strengthening the law on tipping
 - Threshold for triggering collective redundancy
 - Trade Union Right of Access
- Acas Consultation on draft Code of Practice on time off for trade union duties and activities
- Low pay commission consultation 2026
- Migration Advisory Committee launches stage 2 Review of Temporary Shortage List
- Parental leave and pay review - call for evidence

- Welsh Government: Draft disabled people's rights plan 225 to 2035
- Work and Pensions Inquiry: Employment support for disabled people
- Working in the UK - earned Settlement
- Working paper on options for reform of non-compete clauses in employment contracts.
- Strengthening seafarer protections
- Women and Equalities Committee Inquiry: Equality at work: Flexible working and disability

RESPONSE TO CONSULTATION ON THE NEW RIGHT OF WORKPLACE ACCESS FOR TRADE UNIONS

The Department for Business and Trade (DBT) has published its response to their recent public consultation on the new statutory right of access for Trade Unions, expected to come into force 30 October 2026.

1. [A new statutory code of practice](#) will be introduced that will be the principal source of guidance for navigating this new right. It will provide a framework for how access requests should be made, negotiated, and implemented across various workplace settings.
2. The new statutory framework applies to all relevant employers, but the government is reviewing threshold requirements, such as the current 21 worker threshold for certain access provisions.
3. To ensure consistency and reduce procedural errors, employers will be required to adopt standardised templates for managing the request process.
4. The core principle of the new right is that union officials should be able to enter a workplace or communicate with workers in a manner that does not unreasonably interfere with the employer's business.
5. To recognise modern workplaces, the right of access extends to digital Access and communication
6. The Central Arbitration Committee (CAC) will have significant oversight and enforcement powers if an employer fails to comply with the statutory framework

The government has indicated it plans to review the framework within six months of its October 2026 implementation to assess its effectiveness and the proportionality of fines.

We are also awaiting the final Code of Practice, once it is published, we'll provide further details for its implementation.

RESPONSE TO CONSULTATION ON REVISED TRADE UNION RECOGNITION CODE AND E-BALLOTING PRACTICES

The Department for Business and Trade (DBT) has published its response to their recent public consultation on a revised Code of Practice Access and Unfair Practices during the Recognition and Derecognition Process, [also published 6 July](#).

This updated Code is pending Parliamentary approval, but we still expect it to be approved and come into force, along with the law reforms in October.

The aim of the trade union reforms is to provide unions with earlier and more frequent access to workers during the recognition process. Here are some key headlines:

- Unions will have a legal right to access the workforce earlier in the process, specifically once an application has been accepted by the Central Arbitration Committee (CAC).
- The frequency of meetings will be increased to once every five working days.
- The minimum meeting duration is to be extended from 30 minutes to 45 minutes to allow for meaningful engagement and Q&A sessions.

- 
- Operational flexibility will be required as meetings should usually occur during normal working hours (including weekends if applicable), and they should be scheduled to minimise operational disruption. Workers will not be obliged to attend and must not be pressured to do so or prevented from doing so.
 - Employers will be advised to allow unions to use digital noticeboards, such as staff intranets, to display materials.

The government is still finalising specific details on electronic balloting, but it intends to provide a separate, detailed response specifically regarding unfair practices during electronic balloting. What we do know now, is that the legal definition will remain largely unchanged, but the Code clarifies that the 'central issue' of unfair practices, is intent. Meaning normal management actions such as performance reviews, disciplinary processes, or shift changes for legitimate business needs are generally not considered unfair practices unless they are intentionally designed to disrupt the recognition process.

GUIDANCE:

NEW DRAFT ACAS CODE ON TIME OFF FOR TRADE UNION DUTIES AND ACTIVITIES

A new draft Code of Practice on Time off for Trade Union Duties and Activities has been published, in readiness for the upcoming trade union reforms (expected October).

The draft Code introduces several significant updates to the existing 2010 Code, reflecting modern workplace realities and the expanded legal framework under the Employment Rights Act 2025.

For employers, the transition from the current code to this new draft involves a broader scope of recognised representatives, firmer requirements regarding facilities, and a modernised approach to digital and flexible working.

1. The introduction of a new Union Equality Representatives (UER)
2. Employers must provide accommodation and other facilities for representatives to carry out their duties or undergo training, as is reasonable in the circumstances. To include secure access to digital tools (email, intranet, digital platforms), private spaces for both in-person and online meetings, and the use of online noticeboards.
3. UER's will be able to present a complaint to an employment tribunal if an employer fails to provide reasonable accommodation and facilities.
4. Updates the factors employers should consider when determining if a request for time off or facilities is reasonable
5. Employers will be explicitly prompted to consider the difficulties of representation for workers atypical work patterns (those on non-standard contracts such as zero-hours or annualised hours, or those working in dispersed or remote locations).
6. A new requirement for employers to consider the needs of disabled representatives who may require reasonable adjustments to facilities or accommodation.
7. Formally recognises that training may be delivered online or via e-learning, and employers must grant reasonable time off during working hours for these digital formats.
8. The draft maintains the principle that union duties should not unreasonably interfere with business operations, but it adds new administrative expectations.

By October 2026, employers will need to update their internal union agreements to include Union Equality Representatives, review their provision of digital facilities, and ensure that managers are trained on the expanded 'reasonableness' criteria that now includes remote and atypical workers.

EMPLOYMENT APPEAL TRIBUNAL PROVIDES GUIDANCE ON CONTINUING ACTS OF DISCRIMINATION WHEN DETERMINING THE STATUTORY TIME LIMIT

Guidance has been given on how to determine what the statutory time limit is for bringing a tribunal claim for continuing acts of discrimination.

Typically, employees have 3 months minus 1 day of the act(s) to bring a discrimination claim, but this can differ where there has been continuing discrimination or a series of discriminatory acts. In fact, in discrimination cases, employees can complain of several issues that go back significant periods of time so that they can bring all their complaints within the statutory time frame because the issues constituted "conduct extending over a period", and it is this issue that was at the centre of an Employment Appeal Tribunal case. (EAT).

The guidance from the EAT is that in determining whether a claim for an act of discrimination is out of time, the following questions should be addressed in place of the often-used idea of a 'continuing act':

- 
- (1) When did the act to which the complaint relates take place?
 - (2) Does the claimant complain of conduct which extends, or extended, over a period of time?
 - (3) If the answer to (2) is yes, then when did that conduct end?

SKILLS ENGLAND PUBLISHES NEW GUIDANCE

The '[Apprenticeship behaviour verification guidance](#)' published 21 July 2026, introduces a streamlined and employer led model for confirming that apprentices meet the behavioural standards required for their specific occupation.

It comes following a government review which had found previous assessment processes overly complex and burdensome. This new guidance clarifies that the responsibility for verifying behaviours has shifted primarily to employers, which recognises that employers are best positioned to judge professional conduct because they observe apprentices consistently within an authentic workplace environment over time.

PROHIBITED CONDUCT PROTECTION AT WORK

Last month we reported the Equality and Human Rights Commission (EHRC) had been published a draft Code of Practice on Services, Public Functions and Associations, and is set to replace the 2011 Code. It had been laid before Parliament and now we have had confirmation that it will come into effect from 5 August 2026 with the current Code being revoked with effect from 5 August 2026.

Whilst the Code covers discrimination, harassment and victimisation in services and public functions, it is not directly employment related. However, it could become relevant to certain employment scenarios where shared spaces are used.

This Code applies in England, Scotland and Wales.

DRAFT CODE OF PRACTICE ON FAIR AND TRANSPARENT DISTRIBUTION OF TIPS – WITHDRAWN

You may know that under the Employment Rights Act 2025, the law on the fair and transparent distribution of tips will change. Now expected at the end of 2026, employers will face stronger legal duties for consulting with their workers on their written tipping policy, review the policy at least every three years and provide an anonymised summary of the consultation.

Just last month, the Government published a draft revised Code of Practice on Fair and Transparent Distribution of Tips, however, this has now been withdrawn, as of 13 July. There had been criticism on the draft Code as part of the consultation so it maybe that it has been withdrawn in order to address and review this draft. This also explains why the latest publication of the Government's ERA timetable confirms this particular reform has been pushed back from October to the end of the year.

CASE RULINGS

IS THERE A LIMIT THE "RIGHT TO BE ACCOMPANIED"

This is an interesting ruling, and one that is more about technicality and should still be taken with caution, as we clarify further below in “employer guidance”.

Overview

Case [Wolfe v Taka Mayfair Limited](#) clarifies a specific technicality regarding an employee's right to have a companion in a meeting. It confirms that the legal "right to be accompanied" only exists if the employee explicitly asks for it, even if the employer purposely hides the fact that the meeting is a disciplinary one until it is too late.

What the Case Was About

Mr. Wolfe, a Head Sommelier and Manager at a restaurant, was called into a face to face meeting with the restaurant's owners immediately following his shift. He was given no advance warning or explanation of what the meeting was about. At the end of the discussion, he was dismissed.

Mr. Wolfe argued that because the owners kept him in the dark about the purpose of the meeting, he was denied a "reasonable opportunity" to exercise his right to bring a companion. He claimed he didn't realise he was in a disciplinary meeting until the moment he was fired, at which point it was too late to ask for support.

What the Tribunal Ruled and Why

The Employment Appeal Tribunal (EAT) dismissed the appeal, ruling that the employer had not breached the law regarding the right to be accompanied.

The court's reasoning was based on a strict reading of the law (section 10 of the Employment Relations Act 1999):

- The law states the right only applies where a worker "reasonably requests" to be accompanied and because Mr. Wolfe honestly admitted he never made a request during the meeting, the legal right was never triggered.
- The judge noted that while it might seem unfair, the specific law governing the "right to be accompanied" does not require an employer to tell an employee they have this right, nor does it require them to explain the nature of a meeting in advance to trigger it.
- The court ruled that the wording of the statute is not ambiguous. If there is no request, there is no breach, regardless of why the request wasn't made.

Employer Guidance

- While this employer won on this specific technicality, their actions still breached the ACAS Code of Practice, which states that workers should be notified of the right to be accompanied and given enough information to prepare.
- Winning a "right to be accompanied" claim does not mean the dismissal itself was fair. Conducting surprise dismissal meetings is still a high-risk strategy that often leads to successful claims for ordinary unfair dismissal because it lacks procedural fairness.
- Line managers should know that the legal clock for a companion only starts once the employee asks. If they ask mid-meeting once the nature of the talk becomes clear, you should generally grant an adjournment to let them find a companion.

- Always clearly state the purpose of a meeting in a written invitation. This transparency protects the business from claims that they "thwarted" an employee's rights.

GUIDANCE ON THE STATUTORY TIME LIMIT IN DISCRIMINATION CLAIMS

Overview

The Employment Appeals Tribunal has ruled on the matter of what constitutes discriminatory "conduct extending over a period" under the Equality Act 2010.

The case

In [Mokhammad v \(1\) General Medical Council \(2\) HCL Doctors Ltd \(3\) University Hospitals Birmingham NHS Foundation Trust \[2026\] EAT 79](#), the claimant (Dr. Mokhammad), a registered GP, was referred to the General Medical Council (GMC) following an incident at University Hospitals Birmingham NHS Foundation Trust (UHB) and then to the Medical Practitioners' Tribunal, which found serious misconduct and issued him with a warning.

The GMC subsequently published the warning on its website where it remained until Dr. Mokhammad had the warning quashed by judicial review. He subsequently brought proceedings which included a claim that the publication and the continued retention of the warning on the GMC website amounted to race discrimination.

Original Judgement

The original employment tribunal found the claim to be out of time by three years and therefore held that it would not be just and equitable to extend time to allow a claim because to force University Hospitals Birmingham to defend events from over three years ago would be unfair, given how much time had passed.

Typically, employees have 3 months minus 1 day of the act(s) to bring a discrimination claim and so the judge.

Employment Appeals tribunal (EAT)

Dr. Mokhammad appealed and the EAT ruled that Dr. Mokhammad had sufficiently demonstrated that his complaints were about "conduct extending over a period" and that maintaining a warning on a website could amount to conduct which extended over a period.

The EAT ruled that since the tribunal wrongly treated it as a single event from 3 years prior, it grossly overestimated how late the claim was. If the ET had realised the delay was actually much shorter, the judge might have decided it was fair to give the claimant an extension.

The EAT has returned the case to the original Employment Tribunal to reconsider the limitation period issue.

Notes for employers

If an employer posts or keeps a formal warning, reprimand, or harmful statement about an employee on a website (or intranet) and leaves it live over days, weeks, or months, that is not just a single, one-off act.

PAYROLL

7-11 SEPTEMBER IS NATIONAL PAYROLL WEEK

One of the most important areas of employment is pay! Payroll though is complex, and a specialist area of employment that needs expertise to ensure precision and compliance with UK tax regulations. Whether it is to ensure compliance with National Minimum Wage obligations, national insurance contributions, pay and income tax or the complicated matter of pensions and auto enrolment.

With National Payroll Week taking place early September, now is the time to shout out and 'thank' your payroll colleagues and teams. Recognising your teams is not only a nice thing to do, but it is an important element of employee engagement and positive workplace culture.

GENDER PAY GUIDANCE

If your business employs 250 or more "relevant employees" on the 'snapshot day' in Great Britain, then you need to be familiar with the Government's recently updated publication '[Gender pay gap reporting: guidance for employers](#)'. The update of this guidance comes following a significant legal ruling in which the Supreme Court confirmed the meaning of 'sex' for the purpose of the Equality Act 2010.

The case of '[For Women Scotland v Scottish Ministers](#)' decided that when the Equality Act refers to "sex", "woman" or "man", it is referring to biological sex, meaning the person's sex at birth, rather than the sex stated on any GRC.

Consequently, to comply with this legal position when reporting on gender pay gap, employers must use biological sex (assigned at birth) and not acquired gender and when including non-binary employees in the data, to use biological sex.

WILL THE NIC UPPER SECONDARY THRESHOLD EXEMPTION FOR YOUNG WORKERS BE EXPANDED?

It is being reported that there could be changes to the NIC upper secondary threshold for young workers to address concerns on the increase of young workers unemployed.

Currently, employers don't have Class 1 NICs employer contributions on earnings of those who are under the age of 21, or who are apprentices under the age of 25, until they reach earnings of more than £967 per week. At which point, it becomes 15%. The proposal though, if introduced, would extend the current 0% Employer NIC contribution to all workers under 25 years.

APRIL 2027: MANDATORY PAYROLLING BENEFITS

It has been confirmed that the mandating of [Payrolling Benefits in Kind \(BIK\)](#), will be phased in gradually from April 2027.

Mandating payrolling of BIK is the inclusion of the estimated value of non-cash employee benefits directly in the regular payroll instead of reporting separately on an annual P11D form. Until such time, it continues to be voluntary, and we expect draft legislation and guidance to be provided in due course.

HEALTH AND SAFETY

HSE PROSECUTION – YOUNG WORKER FATALITY

In July 2026, [Varcity Living Limited and its Managing Director were prosecuted](#) following the death of 18-year-old apprentice joiner Chloe Bidwell. Chloe was working alone on a renovation project when unsecured timber boards stored vertically against a wall fell and fatally crushed her. HSE found there was inadequate supervision, no suitable lone-working arrangements, unsafe material storage, and an inadequate risk assessment. The company was fined £50,000 and the Managing Director received a 26-week suspended prison sentence.

Steps employers should take when employing young persons

Employers should recognise that young workers and apprentices are at greater risk because of their limited experience and familiarity with workplace hazards. Key controls include:

- Conduct a specific risk assessment for young persons.
- Provide enhanced supervision, particularly during training and high-risk activities.
- Avoid lone working wherever possible, especially on construction and maintenance sites.
- Ensure suitable information, instruction, training and competency assessment is provided.
- Implement safe systems of work for hazardous tasks and material storage.
- Regularly monitor young persons to ensure procedures are understood and followed.

This tragic incident highlights the importance of robust supervision, effective risk assessment and preventing young or inexperienced workers from working alone in high-risk environments. The failings identified by the HSE were entirely preventable and demonstrate the serious consequences of poor management of young persons at work.

NOISE EXPOSURE AT WORK: THE HIDDEN HAZARD YOU CAN'T SEE

When we think about workplace hazards, we often picture moving machinery, hazardous substances, or working at height. However, one of the most common occupational risks is something we encounter every day - noise.

Unlike many workplace dangers, excessive noise cannot be seen, and the effects are often gradual. By the time damage becomes noticeable, it is often permanent. Understanding the risks associated with noise exposure and taking practical steps to control it is essential for protecting workers' health and wellbeing.

Why is noise a problem?

Exposure to high levels of noise can cause a range of health issues, the most significant being permanent hearing loss. Damage to the delicate structures within the inner ear cannot be reversed, making prevention the only effective solution. Common effects of excessive noise exposure include temporary or permanent hearing loss, tinnitus (ringing, buzzing, or humming in the ears), increased stress and fatigue and it can also lead to an increase in the number of accidents due to missed warnings or communication difficulties.

What should employers do?

1. Employers should carry out a noise risk assessment where excessive noise may be present.
2. Noise monitoring may be required to accurately determine exposure levels, particularly in higher-risk environments.
3. The most effective way to manage noise risk is through the hierarchy of control.
4. Eliminate the noise. Where possible, remove noisy processes or equipment entirely.

- 
5. Choose quieter machinery or tools when purchasing new equipment.
 6. Use engineering controls such as acoustic enclosures, sound barriers, vibration damping systems or silencers and mufflers.
 7. Have administrative controls in place that may include rotating workers to reduce exposure time, scheduling noisy activities when fewer people are present, establishing exclusion zones and offering personal protective equipment (PPE)

Noise-induced hearing loss remains one of the most common occupational health conditions, yet it is entirely preventable. By identifying noise hazards, implementing effective controls, and fostering a culture where hearing protection is taken seriously, organisations can safeguard the long-term health of their workforce.

KEEPING YOUR WORKFORCE SAFE IN THE HEAT

With hotter summers and more frequent periods of extreme weather in the UK, managing heat-related risks at work is becoming increasingly important. While heat can affect anyone, workers carrying out physically demanding tasks, working outdoors, or operating in hot indoor environments are particularly vulnerable.

According to the Health and Safety Executive (HSE), heat is a workplace hazard that employers must assess and manage under health and safety legislation. Excessive temperatures can lead to dehydration, heat exhaustion, heat stress and, in severe cases, heatstroke, which is a medical emergency.

Employers should ensure that suitable risk assessments consider the impact of hot weather and identify effective control measures. Practical steps to reduce heat-related risks include:

- Providing easy access to cool drinking water and encouraging regular hydration.
- Scheduling strenuous work for cooler parts of the day where possible.
- Increasing the frequency of rest breaks during hot conditions.
- Providing shaded or cooler areas where workers can recover.
- Improving ventilation and air movement in indoor workplaces.
- Monitoring employees who may be particularly vulnerable, including new starters, older workers, pregnant employees and those with underlying health conditions.
- Training managers and workers to recognise the signs and symptoms of heat-related illness.

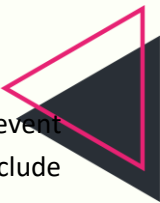
Workers should be encouraged to watch for symptoms such as dizziness, headaches, excessive sweating, fatigue, nausea, muscle cramps and confusion. Early intervention can prevent a minor issue from developing into a serious medical incident.

The HSE also stresses the importance of consulting with employees and involving them in identifying concerns and developing suitable controls. A positive safety culture, where workers feel comfortable speaking up about heat-related issues, helps organisations respond quickly and effectively.

As temperatures continue to rise across the UK, employers should treat heat as they would any other workplace hazard. By planning ahead, monitoring conditions and implementing sensible control measures, organisations can protect their employees' health, maintain productivity and ensure a safe working environment throughout the summer months.

VEHICLE TRANSPORT SAFETY AT WORK

Workplace transport remains one of the leading causes of serious injuries and fatalities in UK workplaces. Vehicles such as cars, vans, forklifts, HGVs and site plant can pose significant risks to employees, contractors and visitors if not managed effectively.



The HSE advise employers to assess workplace transport risks and implement suitable control measures to prevent collisions, overturning incidents and pedestrian injuries. Effective traffic management is essential and should include clearly marked vehicle routes, designated pedestrian walkways, appropriate speed limits and adequate signage.

Employers should ensure that all drivers are competent, trained and authorised to operate workplace vehicles. Vehicles must be regularly inspected and maintained to ensure they remain safe and roadworthy. Defects should be reported promptly and rectified before vehicles are used.

Good visibility is another key factor in preventing incidents. Reversing manoeuvres should be minimised wherever possible, with the use of vehicle cameras, mirrors, warning alarms and trained banksmen where required. Loading and unloading activities should also be carefully planned to prevent vehicle movement and falling loads.

Employees have an important role to play by following site traffic rules, remaining vigilant around moving vehicles and reporting any hazards or near misses. A strong safety culture, supported by regular training and communication, can significantly reduce the risk of transport-related incidents.

By effectively managing workplace transport risks, organisations can protect their workforce, reduce disruption and ensure everyone returns home safely at the end of the working day.

INTERESTING HR STATISTICS

TRIBUNAL AND SETTLEMENT STATISTICS PUBLISHED

Earlier this month, Acas published its [annual report for the period 2025-26](#), highlighting:

- Over 150,000 early conciliation notifications received representing:
 - 27% increase in volume
 - Around nine in ten potential employment tribunal claims notified to Acas resolved without the need for a hearing
- Over 40,000 employment tribunal cases received
- In individual conciliation processes, 36% of early conciliation notifications resulted in a conciliated settlement or another positive outcome
- 80% of employment tribunal cases were positively resolved following Acas conciliation in individual cases
- 401 collective conciliations between employers and groups of workers handled, with a 93% settlement or progress towards settlement rate
- Over 584,000 helpline calls answered (10,000 fewer than in the previous year)

2025/26 Tribunal Statistics

The research carried out was to assess the scale and nature of labour market non-compliance and other work-based harms.

- The report found that approximately 14% of the workforce (5.4 to 5.8 million people) experienced at least one clear legal violation, such as minimum wage or contract issues, in the two years prior.
- Beyond legal breaches, 7 in 10 workers (roughly 27 to 28 million) experienced at least one workplace harm, including health and safety risks or bullying.
- Workers in precarious positions such as those on a low income or non-traditional roles, were disproportionately affected, with 26% experiencing clear legal violations.

- 
- The most common financial harm is unpaid extra hours (32%), while the most prevalent personal harm is negative mental health impact (37.5%).

We wrote previously about the current tribunal system which highlighted the pressure the system is under. We have further information:

- The number of new cases increased by 11% over the year, while the total open caseload (backlog) increased to 860,000 cases.
- Individual (single) employment tribunal claims rose by 39% annually, with a massive 50% increase in the most recent quarter alone.
- Unfair dismissal (23%), disability discrimination (16%), and unauthorised wage deductions (13%) remain the top three types of claims.

These numbers dismantle the idea that labour violations are limited to a few 'bad apple' employers. With 14% of the entire workforce facing legal breaches, the data suggests that non-compliance is a systemic feature of the current UK labour market. The fact that 70% of workers experience some form of harm points to a broader cultural issue regarding workplace standards.

There is a worrying bottleneck because of an overwhelmed system. The 16% increase in the backlog of cases and the 860,000 open cases suggest that even with more workers coming forward with, the capacity for the courts to resolve them is not keeping pace.

There is a significant failure in administrative compliance for the most vulnerable (i.e. those on low incomes, or who are engaged in insecure employment like casual workers, or those on annualised contracts. Nearly one-third of precarious workers did not receive a contract or Key Information Document (KID) within the legally required timeframe, and it is this administrative harm that makes it significantly harder for these workers to prove their rights.

For workers' rights and protections, the findings are justifying the introduction of the Employment Rights Act 2025 and the creation of the Fair Work Agency, which together, aims to end exploitative work practices and to strengthen job security and promote fair pay and flexible working conditions.

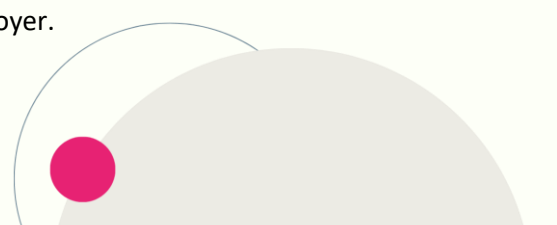
AI GENERATED GRIEVANCES ON THE RISE

For years, the 'power gap' in employment disputes was defined by who had the better legal writing. That gap has closed. Today, a disgruntled employee with a smartphone can generate a 10-page, legally cited grievance in under 60 seconds.

From drafting complex appeals to hallucinating case law, AI is changing the speed and volume of employee relations.

What we are observing

We ourselves are seeing a significant increase in the number of AI generated grievances. Our own experiences tell us that:

1. Employees are presenting much longer letters, which can be anything between 20 – 40 pages, which means longer processing times.
 2. Lengthy documents often contain multiple complaints, leading to confusion around how many points are to be addressed by the employer.
- 

- 
3. Employees are not just using AI in their grievance cases, but also during redundancy processes, disciplinary appeals and performance management.
 4. Grievance statements are referencing legislation and statutory rights the employee is citing as having been breached, but when in meetings to discuss their complaints with their employer, they are unable to answer the questions because they don't understand what AI has told them.
 5. Feelings of it being a deliberate attempt to clog up internal processes and frustrate the employer
 6. AI isn't perfect and can generate content that uses US language, reference US legislation and can even 'hallucinate' (make up information) as well as provide inaccurate information.
 7. Employees being encouraged to use AI by their union
 8. Individuals requesting their case is dealt with in writing rather than face to face. Which ordinarily, this can be considered as a reasonable adjustment when the employee's health requires an adjustment to the formal process to accommodate it.

This month we ran a webinar on this topic (watch back on demand here - [the AI powered employee – should employers be worried?](#)). During our discussion, we explored the rise of AI generated documents, the challenges and risks it brings, how to spot an 'AI Ghost Writer' and practical guidance for how to deal with it.

During our webinar we asked our attendees their insights into this topic, the results are insightful and puts into perspective the extent to which AI is now becoming a core part of work.

Our findings:

What the data shows: A Growing Trend of AI Use

Our poll results show that AI is already deeply embedded in workplace through its use in generating employee documentation. It is affecting businesses of all sizes, from micro sized businesses to large sized corporations with over 250 employees.

Pervasiveness of AI Documents:

A vast majority of attendees have encountered AI generated grievance, disciplinary, and appeal letters, as well as job applications and CVs. Increasingly, even complex documents like Employment Tribunal Claim Forms are being flagged as AI-generated.

Widespread Concern:

Nearly all participants answered 'Yes' to the question of whether employers should be worried. This fear is driven by the fact that most respondents feel their managers currently do not know how to deal with AI generated grievances.

The problem of hallucinations:

The most common inaccuracies employers face are documents being proportionately long (e.g., 10 pages for a single incident) and the over exaggeration of minor issues to make them look more severe. Employers are also seeing fabricated case law or statutory references.

Identifying the AI Ghostwriter:

The most helpful red flag for identifying AI use is how documents look polished, well-structured and contains content that does not match the employee's usual style. This is followed closely using legal jargon the employee cannot explain, such as 'repudiatory breach'.

Future Outlook: Increasing legal and security risks

The data suggests that the use of AI in employment disputes is not a passing phase but a shift in how employees interact with HR processes. With this, brings heightened data protection risks with employers being very concerned about data protection, specifically regarding sensitive company or colleague data leaks.

There is also a growing worry about international data transfers to the USA when employees use public AI tools.

Inundation of workplace systems and processes:

As AI makes it easier to draft lengthy, legalistic documents, employers can expect an increase in the volume and complexity of grievances and tribunal claims, which would then lead to significant administrative burdens and increased legal costs.

Policy Gaps:

Many respondents noted their greatest concern is not having AI usage or data protection policies in place suggesting a future where employers without clear frameworks will be highly vulnerable to both data breaches and meritless litigation.

Key next steps for employers

The poll participants identified several critical practical steps that businesses need to undertake immediately:

- **Update Governance:** The most frequently cited priority is to update or create an AI policy and tighten employment contracts and company policies as it is these that provides the legal basis for managing AI use.
- **Mandatory scoping meetings:** Many employers would consider introducing mandatory early scoping meetings to find the core facts of a grievance, thus, helping to cut through AI-generated "noise" and exaggeration.
- **Signed declarations:** Is another popular step whereby employees are required to sign declarations of authorship and integrity when submitting documents.
- **Streamlined reporting:** Some businesses plan to move toward automated online grievance forms to steer employees toward providing specific facts rather than letting an AI tool generate a generic, lengthy narrative.

APPROVED SPONSORS BY VISA ROUTE

The Home Office has [published data](#) on the number of approved employer sponsors according to visa route, as of 13 July 2026. The data shows:

- Skilled Worker sponsors account for the majority of employers (over 86.03%).
- 7.30% of sponsors have a Global Business Mobility-Senior or Specialist Worker licence,
- 6.67% accounts for the remaining 15 work routes.

EQUALITY, DIVERSITY AND INCLUSION

CASE STUDY: HOW IKEA BUILT A TOP TIER INCLUSIVE WORKPLACE

This month, we are sharing a case study on equality, diversity and inclusion.

Everyone is familiar with Ikea (of the Ingka Group) in which it operates in 31 markets, employing 160,000 workers and its core **achievement is being named among Forbes' World's Top Companies for Women (Top 5 Globally)**

Executive Summary

The Ingka Group has established itself as a global benchmark for Equality, Diversity, and Inclusion (EDI) in the retail sector. Through sustained, systemic initiatives that range from inclusive recruitment to continuous gender pay gap audits, the organisation has achieved **50% female representation in management roles** and **48% among Country CEOs**, while narrowing its unadjusted gender pay gap to just **4%** globally.

Ingka's values driven culture, coupled with deliberate operational strategies, have allowed the Group to treat diversity not just as a HR metric, but as a core business driver for innovation, decision making, and long-term performance.

The challenge

In large scale retail operations spanning dozens of international markets, achieving genuine workplace equity is fraught with structural obstacles:

1. **Unconscious bias in compensation & recruitment:** Traditional hiring practices (e.g., asking for salary history) often perpetuate existing pay disparities.
2. **Leadership pipeline leakage:** Women frequently encounter career plateaus before reaching top tier executive roles.
3. **Inconsistent workplace psychological safety:** Scaling a cohesive, inclusive culture across 160,000+ workers operating under different local laws and cultural norms.

The Ingka's group strategy & key initiatives

Ingka Group's EDI strategy rests on its foundational ethos, *"for us, it's good business to be a good business."* Driven by its Chief People & Culture Officer, Ulrika Biesèrt, the organization implemented a multipronged approach focused on structural reform, leadership development, and psychological safety.

1. Removing bias from compensation & recruitment

- **Abolishing salary history requests:** To prevent systemic pay inequity at the point of hire, recruitment teams stopped requesting past salary data.
- **Annual pay audits:** Ingka Group conducts regular, structured pay gap reviews, which there is currently less than 1% of the workforce requiring monetary adjustments to maintain equal pay for work of equal value.

2. Inclusive succession planning & leadership by all

- **Democratic leadership:** IKEA promotes the philosophy that leadership is not defined by titles, but by daily choices and actions.

- 
- **Early career acceleration (the 'Bloom' program):** Targeted development initiatives encourage workers, especially women, to step into challenging leadership opportunities early in their careers.
 - **Gender balanced pipelines:** Succession planning mandates balanced gender representation across candidate pools for leadership roles.

3. Fostering belonging & health normalisation

- **Global menopause guidance:** Implemented global workplace standards to destigmatise health discussions and support workers navigating life transitions.
- **Psychological safety focus:** Fostering a corporate climate where workers are encouraged to share ideas and learn from mistakes without fear of judgment.

The results & impact

Through cultural change, the Group's strategic workplace metrics has identified:

- **Leadership parity:** 50% of all managers and 48% of Country CEOs across Ingka Group are women.
- **Pay equity:** Unadjusted global gender pay gap reduced to 4% (with <1% requiring adjustment).
- **Employee sentiment:** In an internal survey of over 134,000 workers, 84% reported feeling they can "be themselves at work."
- **External recognition:** Ranked in the **top 5 globally** on *Forbes' World's Top Companies for Women*.

Business value

According to Ingka Group leadership, maintaining a workforce that directly mirrors the diverse customer base strengthens market insight, fosters innovation, and enhances operational decision making across its 31 markets.

Key takeaways

1. **Fix the process, not the people:** Equity is achieved by auditing internal processes such as removing salary history requirements, rather than relying solely on diversity training.
2. **Target the talent pipeline early:** Programs like *Bloom* demonstrate that building executive parity requires engaging diverse talent early in their career journeys.
3. **Culture drives performance:** Treating inclusion as a business strategy rather than a compliance exercise directly impacts employee retention and brand equity.