



SOLVE IT

# HR MATTERS

## One in five businesses not offering sexual harassment training

**From October 2026, two separate legal duties around workplace harassment are changing under the Employment Rights Act 2025.**

The first: the duty to prevent sexual harassment is being upgraded.

The current standard, taking "reasonable steps", is being replaced with "all reasonable steps". This means that a policy alone won't cut it anymore. You need to show that you've done everything you reasonably could to prevent harassment and that evidence has to be there before anything goes wrong.

The second: third-party harassment is becoming a standalone legal liability.

If a client harasses one of your employees at a meeting, or a contractor makes a comment at a work event, you can be held responsible if you can't demonstrate that you took all reasonable steps to prevent it. This applies to harassment connected to any protected characteristic, not just sexual harassment.

A poll of 985 HR professionals in July 2026 by compliance eLearning provider VinciWorks revealed that a fifth of UK businesses haven't given managers sufficient training on the new rules.

If you haven't started preparing yet, now is the time.

What does being compliant with both duties look like?

- 1 Your harassment policy is up to date and specifically covers third-party harassment
- 2 You can prove your team has read and acknowledged it
- 3 Your managers have had proper training on recognising and handling harassment
- 4 There's a documented reporting process that your employees know how to use

5 You've done a written risk assessment for higher-risk roles or environments

6 You could pull all of that evidence together quickly if asked

If you have gaps, you're not alone, but they need fixing before October.

Reach out if you'd like to find out more about our harassment reviews.

### LATEST NEWS

## Visa sponsorship done wrong: a £30k lesson for employers

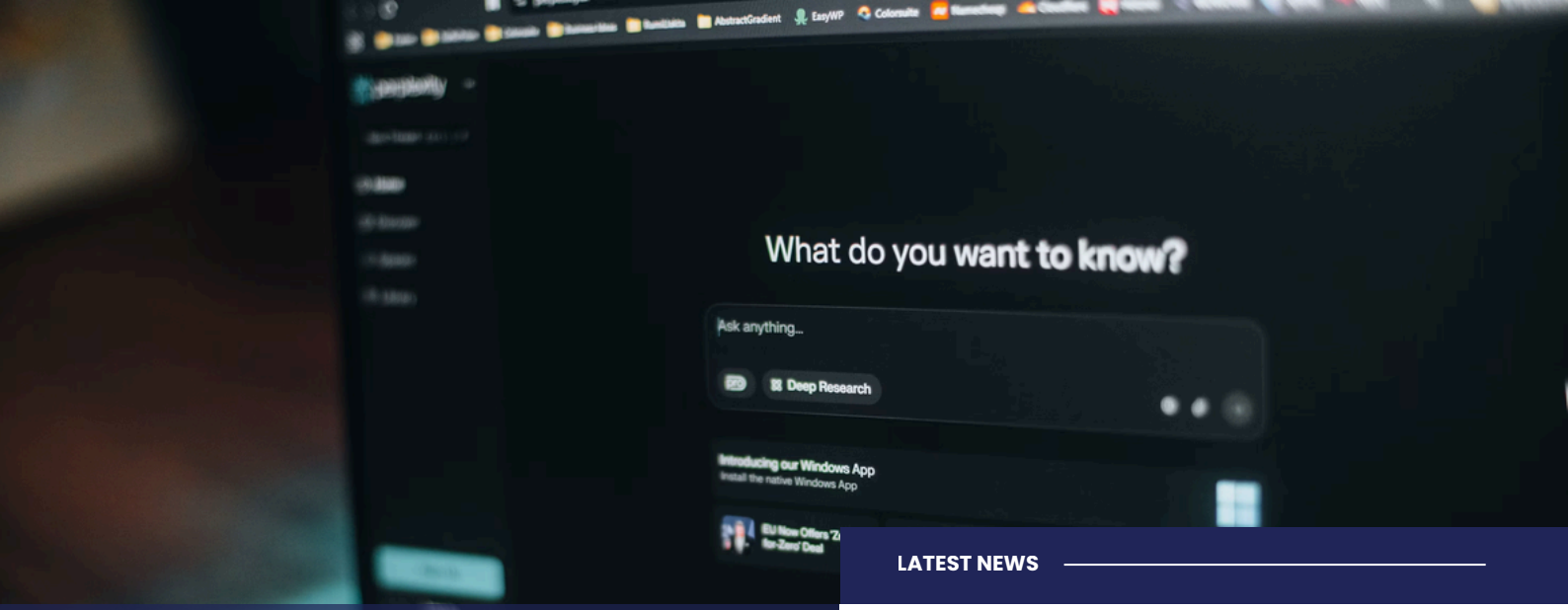
A recent employment tribunal awarded a care worker almost £30,000 after his employer, Swan Care Solutions, failed to give him work.

The company sponsored him for a skilled worker visa, brought him to the UK and then never gave him any shifts or paid him a salary.

The tribunal found that his employment had begun once he was in the UK with a valid visa and that the employer had simply withheld work from him for a year. The company's sponsorship licence has since been revoked.

The message for employers is straightforward.

Sponsorship creates real contractual and legal obligations from day one. If you're considering sponsoring a worker, make sure that the role genuinely exists, the hours are available and you can honour what's on the certificate of sponsorship before you make any commitments.



# Is your employee's AI use leaving you exposed?

The majority of employees are now using AI tools as part of their day-to-day work.

But, as business owner, if you don't have the right policies and training in place around how AI's being used, you're potentially leaving yourself exposed.

The most immediate problem is data protection.

When an employee pastes client information, financial data or internal correspondence into a third-party AI tool, that information often leaves your control. Depending on the tool and its settings, it may be used to train the model or stored externally.

You could be in breach of your data protection obligations before you've realised what's happened.

Then there's quality. AI generates convincing output, but it also generates convincing errors. If your employee sends a client a document or calculation that was produced by an AI tool and never properly checked, the mistake has your business's name on it.

There are also questions around IP ownership that most employment contracts simply don't address. If an employee produces work using an AI tool, who owns it? Your contract probably doesn't say. And if someone submits AI-generated work as their own without disclosing that, how do you handle it? Is that a conduct issue? Your policies need an answer.

A basic AI use policy doesn't need to be complicated. It should cover which tools are and aren't permitted, what types of data must never be entered into an AI tool, how AI-generated work should be reviewed before use and how to handle it in client-facing work.

We can help you to put a policy together that's proportionate and practical, without banning tools your team genuinely finds useful. If you don't have one yet, now is a good time to get in touch.

## LATEST NEWS

### The government wants to give zero-hours workers guaranteed hours

The government has launched a consultation on reforms to zero-hours and similar contracts under the Employment Rights Act 2025.

The proposal is that qualifying workers would be offered guaranteed hours reflecting what they actually worked over a reference period, with the government's preferred option being 12 weeks.

Workers would also get reasonable notice of shifts and compensation if shifts are cancelled or changed at short notice. The measures are expected to come into force in 2027 and the consultation closes on 25 August.

For small businesses that rely on flexible staffing, this is worth keeping a close eye on. The detail will matter a lot, particularly around how the reference period works and which workers qualify.

### More than half of UK businesses say that hiring is harder than it was a year ago

New data from Employment Hero, based on a survey of over 1,000 business leaders, found that 56% of UK businesses believe that employing staff has become more complex over the past 12 months.

Employment costs for full-time staff have risen by an average of 9.6% in a year, driven mainly by higher salaries and rising National Insurance contributions.

Nearly one in five small businesses said that new employment laws significantly discourage them from hiring. Two thirds reported increased costs as a direct result of recent legislative changes.

The picture is real and it's getting more important to have clear processes and policies in place, so that managing people doesn't become the thing that holds growth back.

# Your top HR questions

## What counts as "all reasonable steps" to prevent harassment?

From October 2026, "all reasonable steps" is the new legal standard employers must meet to prevent sexual harassment at work, replacing the current "reasonable steps" duty.

In practice it means having an up-to-date policy that covers third-party harassment, records showing that staff have read and acknowledged it, documented manager training, a clear reporting process and a written risk assessment for higher-risk roles or environments. The key is evidence. You need to be able to show that you acted proactively, not just that a policy existed somewhere.

It's also worth knowing that from October 2026, a separate new duty makes employers directly liable for harassment by third parties like customers, clients and contractors, across all protected characteristics. The same evidence base covers both.

## Can I change an employee's working hours without their agreement?

Generally, no. If hours are set out in the employment contract, changing them without agreement is a breach of contract and could give rise to a constructive dismissal claim.

You need to consult, explain the business reason and try to reach an agreement.

It's also worth knowing that new fire and rehire rules, expected to come into force in January 2027 under the Employment Rights Act 2025, will make dismissing someone for refusing a contract change automatically unfair in most cases.

If you're thinking about changing terms and conditions, take advice first.

## Do I have to give a reference if a former employee asks for one?

In most cases, no. There's no general legal obligation to provide a reference in the UK, with limited exceptions in some regulated sectors such as financial services.

However, if you do provide one, it must be accurate and not misleading. A reference that's factually wrong or unfairly negative could give rise to a negligent misstatement claim.

Most employers are best placed sticking to a basic factual reference covering job title, employment dates and, if appropriate, a brief summary of the role.

If you're considering declining to give a reference or have concerns about what you can say, it's worth taking advice before you respond.

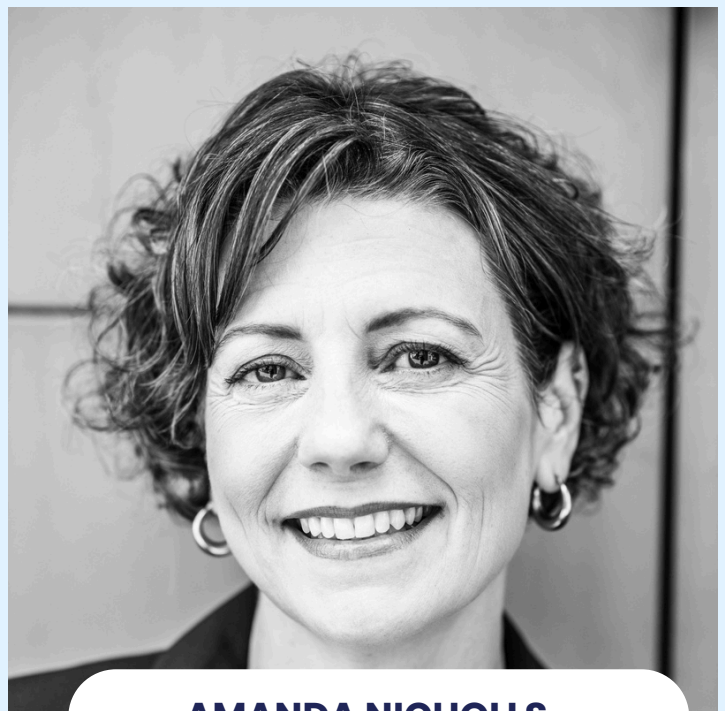
## Need a confidential chat?

If you have a problem brewing in your business, you're worried about something or you simply need some expert HR support then please get in touch with us for a confidential chat.

A quick conversation could save you from a very costly mistake and we could give you the clarity you need to decide your next steps with confidence.

We offer a free 30 min chat (without any obligation to buy from us in the future).

**Contact us for a free discovery call**



**AMANDA NICHOLLS**

