BUSINESS FIRST

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COLUMNIST

Stay fit for the fray

UNDERSTANDING TODAY'S COST CHALLENGES IS KEY TO AN EFFECTIVE RESPONSE

From the lingering effects of COVID-19 to energy price surges, tax hikes and the introduction of Trump tariffs, the signs are clear for procurement leaders and CFOs: cost pressures are not easing – they're evolving. Understanding these challenges is your first step towards taking control.

We never subscribed to the idea that inflation would be a passing phase. The sustained rise in commodity prices, increases to the National Living Wage and changes to both corporate and personal taxation were always going to bring long-term upward pressure. Add to that the ongoing disruption to global trade, and the picture becomes one of structural inflation rather than cyclical fluctuation.

While the Consumer Price Index may have peaked at 11.1% in October 2022, hopes of a swift return to target levels have proven optimistic. The contradictions between the Bank of England's monetary tightening and the government's pro-growth agenda suggest inflation will stay above the ten-year average for the foreseeable future.

Meanwhile, the labour market is tightening from both ends. Talent is not only harder to find – it's more expensive to retain. And the same inflationary forces are driving up the cost of supplies and services, squeezing margins across the board. This dual pressure is forcing organisations to rethink their cost structures, often under duress.

A more insidious threat is emerging from supplier behaviour. As margins erode, some vendors are stretching contract interpretations to breaking point, while others breach them outright. This erosion of trust in commercial relationships adds a layer of risk that procurement teams must now actively manage.

The data backs up the sentiment. Boston Consulting Group's State of UK Business report reveals that 74% of firms expect to raise prices in 2025, though thankfully not as aggressively as in 2024. The British Chambers of Commerce echoes this, with 55% of companies planning price hikes in the next three months.

And yet, Deloitte's Q1 2025 CFO Survey paints a conflicting picture: firms are under pressure to offset rising National Insurance Contributions by finding savings elsewhere. The result is a strategic dilemma – how to maintain competitiveness while navigating a cost landscape that's anything but stable.

In this environment, as a procurement or finance leader, you need to be more than reactive. You must be strategic, agile and unflinching in your pursuit of clarity and control. Here are some of the ways you can do just that:

Reassess existing supplier contracts: identify risks around ambiguous terms or exploitable loopholes and renegotiating balanced contracts where necessary.

Strengthen supplier due diligence: prioritise reliability, transparency and financial health.

Introduce contract enforcement protocols: measurable service level agreements, regular reviews, set up internal processes to detect, track and respond to contract breaches. Stress-test budgets and forecasts against various inflationary outcomes, not just optimistic ones.

Target cost savings in non-core areas: develop a contracts register, reassess expenditure on facilities, technology, travel and discretionary projects.

Jason Adderley
Principal Consultant
ERA Group

In this issue...

COMMERCIAL PROPERTY

PEOPLE MANAGEMENT

EDITORIAL

GET YOUR BUSINESS IN SHAPE

With the hottest UK summer on record behind us, it's time to take a calm look at making the most of the year's cooler months. This latest Business First edition explores how getting in commercial shape is a positive first step, with articles on accelerating cash flow, mastering M&A due diligence and ethics, and catching up on lease law changes.

Commercial property is always near the top of the SME agenda. So we also have features to help you weigh up leasehold vs. purchase, as well as navigate the detail on dilapidations and converting commercial premises to residential use.

Priming the new business pipeline is, of course, critical. That's why we're grateful for contributors highlighting how offline marketing can complement digital techniques, alongside how behavioural science can help customers engage and make better choices.

Together with pieces on employee mental health, new employment rights, managing discipline and grievance – and sharpening up your T&Cs – our latest edition will help you stay business fit right into the new year.

Happy reading.

Tim Trout
Editor

DILAPIDATIONS DECODED

From repairs and redecorations to statutory compliance, 'dilapidations' is the catch-all term for a tenant's failure to meet their lease obligations around keeping commercial properties in shape. In this explainer, **Roger Matheroo** outlines what the process involves, when it arises and why tenants should take note.

For some commercial tenants, the end of a lease can bring an unwelcome surprise – an expensive dilapidations claim.

These typically arise during or at the end of the lease term and include:

- **Maintenance and repairs** – covering both internal and external parts of the property, depending on lease terms.
- **Decorations** – most leases require the landlord's approval for any decoration work within the final three months of the lease. Some leases also require decoration to be undertaken at fixed points during the term.
- **Reinstatement** – if alterations have been made to the property during the term, the tenant will likely be required to remove them at the end.
- **Compliance with statutory obligations** – such as Health & Safety and Fire Safety, in accordance with the lease terms.

It's not uncommon for tenants to neglect routine maintenance for their property or even make unauthorised alterations. Unfortunately, these oversights can result in costly and substantial works being required at or before expiry of their lease, to restore the property to its original state and condition.

The dilapidations process – step by step

Landlords usually start the dilapidations process early, often well before the lease comes to an end, to allow time for negotiation. The process will typically look like this:

1. In the last six months of the lease (or, if the lease allows, up to six months after it's ended), the landlord will instruct a qualified surveyor to assess the property and prepare a Schedule of Dilapidations. This is a formal report detailing a tenant's failure to meet their repair, decorating and reinstatement obligations. Depending on the terms of the lease, the landlord's costs for the Schedule are usually recoverable from the tenant.
2. The Schedule is then served on the tenant – ideally before the lease's expiry or in line with any timeframes set out in the lease.
3. The tenant typically has a fixed period, often 56 days, to respond. At this stage they should instruct their own surveyor to agree or dispute items in the Schedule.
4. Next follows a period of negotiation between the surveyors for each party, aiming to agree the extent of repairs and associated costs.
5. If the tenant doesn't carry out the agreed repairs, the landlord's surveyor will normally prepare a Quantified Demand – a formal claim setting out the costs of works – and serve this on the tenant. Again, the tenant will typically have a fixed period of 56 days to respond. In some cases, a Quantified Demand may even be included with the initial Schedule, giving tenants the option to settle swiftly, rather than carry out the works themselves.
6. If no agreement is reached or the tenant still fails to address the claim, the landlord may commence legal proceedings. At this stage, tenants risk being pursued for damages, in addition to the cost of remedial works.

Safeguarding against surprises

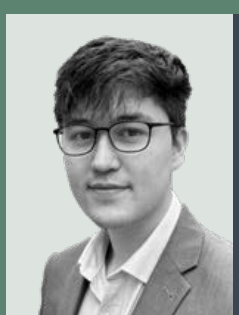
The simple practice of keeping clear records of any maintenance and repairs can make the dilapidations process far smoother for tenants – while helping to protect against unjustified claims from landlords.

Where the landlord does make a claim for damages, it's vital the tenant seeks professional advice as soon as possible.

With the right preparation and understanding, dilapidations needn't come as a nasty shock. Instead, they can be managed as a predictable process. One tenants can plan for, control and conclude with greater confidence – reducing the risk of future disputes or financial liabilities.

> “One thing is clear: employers will need to be more proactive in how they address workplace harassment.”

PUTTING AN END TO HARASSMENT



One of the core aims of the Employee Rights Bill is to tackle workplace harassment. **Calvin Reels** explores what these changes will mean – and how businesses should prepare.

The Bill introduces a wide range of new provisions. While these will not come into force until 2026, it's important that employers act now. Key measures include:

Taking all reasonable steps to prevent sexual harassment

The Bill requires employers to take all reasonable steps to prevent the sexual harassment of employees at work. While further regulations will specify what steps are 'reasonable', this amendment compels employers to consider all risks carefully and identify reasonable steps to prevent them. Failing to show that all reasonable steps were taken could see the employer fall foul of the Equality Act 2010.

Examples highlighted in the Bill include:

- Carrying out assessments of a specified description
- Publishing plans or policies of a specified description
- Formalising the reporting of sexual harassment and the handling of complaints.

By putting policies and procedures in place now, employers will be well placed to comply with the law once the Bill comes into force.

Protecting employees from harassment by third parties

The Bill also expands protection to include harassment by third parties. This is a significant change as previously employers could shrug off harassment by claiming it is outside the scope of their duties. Now, they must take preventative action.

Under the Bill, employers must take all reasonable steps to prevent a third party from harassing an employee. However, it is important to note that the harassment will only fall within this amended provision if it occurs in the course of an employee's employment – employers are not expected to police all aspects of an employee's life.

Instead, they should review their existing safeguards, ensure that they can extend to third parties or develop additional protections where necessary.

The finer details of the Employee Rights Bill are still being finalised. However, one thing is clear: employers will need to be more proactive in how they address workplace harassment. If you need to update your policies and procedures, seek professional advice now, rather than wait until the Bill comes into effect.

MERGERS AND ACQUISITIONS

Why does due diligence matter for M&A? And what about ethics?

Many – including legal advisers – cringe at the mention of due diligence when it comes to investments, mergers or acquisitions. Yet it remains a crucial part of any M&A deal, as **Edward Sluys** explains.

In England and Wales, caveat emptor (buyer beware) applies: the buyer assumes the risk when purchasing a business. In other words, if the buyer doesn't make adequate pre-purchase checks, they must suffer the consequences of a bad bargain.

Time and money invested in due diligence can yield strong returns for buyers – as well as shield sellers from future risk.

Identifying potential risks

Depending on the deal's precise structure, a buyer will likely be assuming future risks and liabilities. This may include potential litigation and employment disputes, which can have significant financial and reputational risks for the target company. It also provides an opportunity to review the financial standing of the target.

Additionally, consideration should be given to the core reasons for the purchase of, or investment in, the target company. For example:

- Does the company being purchased have valuable existing contracts and customer relationships? Due diligence should confirm that those relationships are secure, no termination rights have been triggered, and that there's no notable decline in orders from key customers.
- Does the company have valuable intellectual property that's being acquired? Due diligence should ensure that registration and/or ownership of those rights is appropriate.
- Does the company own property? Checks should be carried out relating to the condition of the property and any issues with title or adverse claims.
- Does the company operate under governmental or regulatory approval? A buyer will want to ensure that those approvals are in good order or transferable if necessary.

These are just examples of the checks that may be appropriate depending upon the transaction. What constitutes reasonable due diligence will vary from deal to deal. The cost of due diligence is an important consideration in that it should not be excessive relative to the transaction's value.

Heightened due diligence may also be appropriate when the target company operates in a riskier industry, such as pharmaceuticals.

> “Time and money invested in due diligence can yield strong returns for buyers – as well as shield sellers from future risk and liability.”

Doing the right thing

THE IMPORTANCE OF M&A ETHICS

Ethical conduct is vital during takeovers as failing to act honestly can cause companies to fail – impacting jobs and consumer costs, and even leading to civil liability and criminal charges.

An adversarial process

The process of buying and selling companies is inherently adverse: the buyer is trying to pay as little as possible, while the seller wants to maximise the price. To address this, France, Germany, the Netherlands and other European countries have included a duty to negotiate in good faith in their civil codes.

No such requirement exists in English and Welsh law. This means that a seller in England could threaten to withdraw from negotiations at a late stage unless the buyer increases the offer – even if the demand is unreasonable and not in good faith – as long as they act honestly.

Honesty in due diligence is taken seriously

As we’ve seen, in England caveat emptor (buyer beware) means that a buyer must live with the consequences of making a bad bargain.

Accordingly, courts take a dim view of unethical conduct that misleads a party during due diligence and may lead to liability under the Misrepresentation Act 1967.

Wider implications for the public may include causing a buyer to overpay, leading to workforce reductions and higher consumer costs.

Negotiation can go too far

The Guinness/Distillers takeover in the 1980s remains a cautionary tale of negotiation tipping into misconduct. Guinness executives agreed to protect certain investors from losses if they acquired Guinness shares, thereby inflating the company’s value. Four investors were convicted of offences related to the scheme, arguing unsuccessfully that such tactics were long-standing market practice.

Fiduciary duties and ethical obligations are all-important

Directors of companies – especially those that are also significant shareholders – must remember the duties they owe to all shareholders, not just the largest. Indeed, failing to give equal consideration to the rights of minor shareholders during a proposed sale may breach fiduciary obligations.

Legal advisers also face competing ethical duties – advancing the best interests of their client, while at the same time promoting public trust and confidence in the legal profession.

That broader duty includes not taking advantage of unrepresented parties (which can be a concern with lower value transactions) and not knowingly supporting dishonest conduct. When these two duties come into conflict, the duty to the wider public prevails.

Why sellers should also welcome due diligence

While due diligence may seem more important to buyers, it can also provide valuable protection for sellers. A seller that fully and fairly discloses potential issues during the process is more likely to be protected against liability for future claims. Disclosing potential claims allows the parties, if the risk is more than minimal, to discuss how to address the risk. This might be through a reduction in the purchase price, holding funds in escrow or obtaining insurance cover.

If one party misleads the other during due diligence to induce them to enter into a contract, they may face a claim under the Misrepresentation Act 1967, as well as for breach of contract. This further underscores the need for full and fair disclosure.

Important – as well as necessary

Although due diligence is often viewed as arduous and expensive, it should be embraced as a vital part of any deal. It can deliver immense value – whether by revealing facts that justify a lower purchase price or by preventing a buyer or investor from entering into a bad deal.

CASH FLOW UNCORKED

WHAT TO DO WHEN CLIENTS ARE SLOW TO PAY

The fundamental aim for most business owners is to build a profitable, sustainable company, with minimal liabilities. And, as **Deborah Liffchak** explains, maintaining a healthy cash flow is central to achieving this.

“If an invoice remains unpaid, contact the customer quickly to remind them of payment terms and resolve any issues. This can uncover reasons for the delay – such as rising costs or fuel shortages – and is often the fastest way to resolve outstanding accounts.”

To grow and run a successful company, business owners must ensure more money is coming in than going out. Overlook this simple fact and you could risk a business failing.

The key is to have a clear, well-controlled cash flow policy that encourages prompt payment and minimises bad debt, as well as being flexible enough to reflect your customers' circumstances and changes in their sector.

With a clear picture of your working capital, you'll be in a stronger position when making decisions.

CAREFULLY CHECK NEW CUSTOMERS

It's always important to understand your customer and carry out due diligence. For example, run credit checks to ensure that prospective clients are financially sound and will not default on their payments.

SET OUT CLEAR, ROBUST TERMS

Make sure prospective customers are aware of your payment terms and the consequences of late payments. A robust credit control policy should be embedded in your terms and conditions.

Be transparent about the consequences of defaulting on payments. Typically, these would include:

- An interest rate charged from the due date until the invoice is paid – this is often set at a fixed margin above the Bank of England base rate.
- If the client is a company, the right to charge a late payment fee (between £40 and £100 per invoice, depending on the size of the debt) under the Late Payment of Commercial Debts Regulations 2013.

These clauses are designed to make it easier to pursue payment for goods and services, encourage timely settlement and compensate businesses for delays.

CONSIDER DEBT FACTORING

If you are experiencing cash flow issues, another option is to consider selling invoices to a third party – for example, a debt factoring company – in exchange for an immediate cash sum. This can provide a vital injection of funds where a business is struggling.

CHASE UP CUSTOMERS – POLITELY AND PROMPTLY

If an invoice remains unpaid, contact the customer quickly to remind them of payment terms and resolve any issues. This can uncover reasons for the delay – such as rising costs or fuel shortages – and is often the fastest way to resolve outstanding accounts.

It's also an opportunity to suggest alternative payment options or incentives, like instalment plans or lump sum settlements.

If invoices remain unpaid after your credit control process is complete, consider involving a law firm to initiate debt collection. This usually begins with letters before action and, as a final resort, court proceedings to recover the outstanding amounts.

Of course, it's always preferable to avoid this costly process – so seeking early advice from legal specialists can help you develop a strong payment strategy and protect your cash flow.

> "It's always important to understand your customer and carry out due diligence."

IN SHORT

Cashflow is the lifeblood of any business – having a clear cash flow policy is crucial to your success

Set out clear terms and chase up customers promptly

If invoices remain unpaid, consider contacting a law firm to initiate debt collection.

What happens after the deal?

NAVIGATING THE LEGAL CONSIDERATIONS OF POST-COMPLETION INTEGRATION

Buying a business is a demanding process. While your legal and financial advisers will guide you through the acquisition itself, what follows is just as critical. In this guide, **Suellen De Lima Silva** outlines some of the key steps and legal considerations – now that you own the business.

WHERE TO START

A practical starting point is the due diligence reports prepared by your legal and financial advisers during the transaction. These reports highlight any risks that may need to be addressed post-completion.

ADMIN

These tasks are often handled by your deal team during the transaction, but if not, it's down to you to ensure that stamp duty is paid, the company registers are updated, share certificates are issued and the necessary Companies House filings are made.

You should also consider whether the business needs to be included in any group insurance arrangements.

LEADERSHIP AND GOVERNANCE

While the previous owners may stay in the business for a transitional period, this isn't always the case. Either way, it's vital to make sure that leadership is in place to oversee the integration – with clear responsibility for decisions, timelines and accountability.

> **“Ensuring compliance and governance post-completion is often harder than the acquisition itself.”**

ANNOUNCEMENTS

How announcements are made to employees is a vital part of the transaction. Make sure staff briefings and/or notices are coordinated to reassure employees and provide a clear point of contact for questions.

Under certain circumstances, you may be legally required to announce the acquisition to bodies such as the Regulatory Information Service. In other cases, you may choose to make a public announcement for marketing purposes. This can be particularly useful to reassure customers and suppliers, and strengthen those relationships.

FINANCE

Your finance team will help align the financial management of the business with your existing set-up. This may include changing banks, updating accounting reference dates at Companies House, reviewing the business’ accounting practices and processes, or – if the transaction involves a completion accounts mechanism – ensuring these are prepared on time.

COMMERCIAL

Customers and suppliers are the lifeblood of any business. Post-completion, you should notify them promptly about the change of ownership and comply with any provisions in the acquisition agreement governing confidential information and announcements.

It’s also worth reviewing customer and supplier contracts. Where there is duplication with existing arrangements, decide which to renegotiate or bring to an end.

EMPLOYMENT

It’s worth assessing whether a harmonisation of employment terms, conditions and policies is necessary.

Employment contract clauses that may need amendment include restrictive covenants, benefits, and – where staff are reorganised – role descriptions to bring them in line with the wider corporate group.

REGULATORY

Any major regulatory risks should have been highlighted during due diligence. However, additional regulatory audits may be valuable to check that processes and procedures are actually being followed, are fit for purpose, and align with group standards.

Unifying compliance programmes is a key way to ensure legal compliance and streamline ongoing monitoring, auditing and risk management.

Common audits include health and safety, environmental and data protection.

OPERATIONAL

The new business is likely to have different processes and IT systems. As part of post-completion integration, it’s a good call to review and align these where possible.

Ultimately, the acquisition of a new business is a key vehicle for growth. But the process of ensuring that the new business is integrated smoothly and in line with legal and regulatory requirements can sometimes pose more difficulties than the acquisition itself.

Careful planning, specialist committees and advice from appropriate advisers can make or break an integration process – so early planning and the right professional advice are essential.

IN SHORT

- Due diligence reports highlight risks that often need addressing after completion
- Essential admin includes filings, registers, stamp duty and insurance coverage
- Integration means aligning leadership, finance, contracts, employees and systems
- Compliance and regulatory audits are key to ensuring legal obligations are met.

Dial up your difference offline

SHOW THE WORLD WHAT YOU REALLY LOOK, SOUND AND FEEL LIKE

In a world saturated with digital communication, moving offline can reinvigorate your marketing, reach audiences that online channels may miss, and build deeper trust. Here, **Nitika Babani** shares five ways to ensure your message resonates offline.

"The art of communication is the language of leadership."
James Humes

1. REAL CONVERSATIONS, REAL CONNECTIONS

Talk with people face-to-face, not just on a screen. Join business meetups, attend local networking events, or organise a casual breakfast meeting. These simple, personal conversations make your brand more memorable. When people remember who they spoke with, it opens doors that emails can't unlock.

2. SUPPORTING WHAT MATTERS LOCALLY

Take part in your community. Sponsor local events or charities, or book a booth at a neighbourhood festival. Being visibly involved shows you care and helps people see you as part of their world. This creates goodwill and often leads to word-of-mouth recommendations – one of the strongest forms of marketing around.

> **“Include a simple QR code linking to exclusive content or invitations. This blend of human touch and tech-savvy engagement makes your message stand out.”**

3. POP-UPS AND HANDS-ON DEMOS

Show off your expertise in person by creating pop-up stations or live demonstrations. For B2C brands, this could mean letting potential customers try products in specially designed public settings. For B2B, set up branded desks at conferences with guides, pamphlets, or tailored merchandise on display. These personalised, eye-catching experiences don’t just showcase your offering - they anchor your brand in a person’s memory.

4. SHARING KNOWLEDGE AT LIVE EVENTS

Hosting or participating in seminars and workshops is a powerful way to genuinely help and inform your audience. Whether you’re leading a skills session at a venue or offering insights at a professional conference, these spaces encourage interactive learning and create opportunities for valuable discussions. Attendees leave not only with new knowledge, but also with a real connection to your brand.

5. SEND MAIL THAT MEANS SOMETHING

Unlike flooded inboxes, a well-crafted piece of direct mail still gets noticed and appreciated. Send thoughtful postcards, limited-edition booklets, or personalised letters. Include a simple QR code linking to exclusive content or invitations. This blend of human touch and tech-savvy engagement makes your message cut through – bridging online and offline worlds, and giving recipients tangible reasons to respond.

BRINGING IT ALL TOGETHER

Offline marketing builds genuine connections. By embracing real conversations, community involvement, hands-on experiences, educational events, and bespoke direct mail, your brand stands out and is remembered. In today’s noisy world of clicks, swipes and scrolling, being present and personal truly makes the difference.

INFORMATION OVERLOAD

The perils of 'too much choice' – and other lessons from behavioural science

Businesses often operate under the assumption that more is better: more products, more features, more options. However, behavioural science paints a different picture. **Kristian Tangen-Sorgendal** explains five principles that underpin our decisions.

Too much information overwhelms. Too many choices paralyse. And psychology has a bigger impact than logic. Understanding how people make decisions is essential for marketers and SMEs looking to cut through the noise and build genuine engagement.

1 THE PARADOX OF CHOICE: WHEN MORE MEANS LESS

It's a natural marketing instinct to offer a wide array of choices in the hope of appealing to every potential customer. Yet studies show that too many options leads to decision fatigue. Overwhelmed consumers often delay decisions, make impulsive choices or opt out entirely.

This effect, known as the paradox of choice, suggests that simplicity isn't just elegant, it's effective.

WHAT SHOULD YOU DO?

Streamline your product range. Promote bestsellers, create guided pathways and eliminate unnecessary complexity. Helping customers choose with confidence is more valuable than offering endless variety.

2 COGNITIVE LOAD: THE HIDDEN COST OF COMPLEXITY

Every customer interaction requires mental effort. When product pages, emails or websites are cluttered with dense information, industry jargon or conflicting messages, it increases cognitive load – the mental strain required to process and understand content. The result? Disengagement, poor decision-making and lower conversion rates.

WHAT SHOULD YOU DO?

Simplify your messaging. Use clear language, visual hierarchy and intuitive design. Prioritise clarity over completeness and guide your customers' attention to what matters most.

> **“Understanding how people make choices is essential for marketeers and SMEs seeking to cut through the noise and build genuine engagement.”**

MARKETING WITH THE ‘MIND’ IN MIND

As customers face increasing volumes of information, understanding the psychology behind decision making is essential. Behavioural science gives businesses this edge, providing practical insights into the emotional and cognitive drivers of choice that can transform how you communicate, design and sell.

By applying these principles, marketers and SMEs can move beyond assumptions and build strategies that align with real human behaviour. Resulting in simpler decisions, stronger engagement and smarter growth.

3 LOSS AVERSION: THE FEAR OF MISSING OUT

Behavioural economics shows that people are more motivated to avoid losses than to pursue gains. This principle, known as loss aversion, explains why urgency and scarcity tactics – such as limited-time offers or low-stock alerts – are so effective.

Customers respond more strongly to what they might lose than to what they might gain.

WHAT SHOULD YOU DO?

Frame your messaging around potential loss. Use phrases like Don’t miss out, Only a few remaining or Offer ends soon to create a sense of urgency and prompt action.

4 SOCIAL PROOF: TRUST IN NUMBERS

When uncertain, people look to others for guidance. This is the power of social proof: the influence of testimonials, reviews, endorsements and popularity indicators.

Social proof reduces perceived risk and builds trust, especially in competitive or unfamiliar markets.

WHAT SHOULD YOU DO?

Showcase customer feedback, ratings and case studies. Highlight popularity with phrases like Bestseller, Trusted by thousands or As seen on… to reinforce credibility and encourage adoption.

5 THE POWER OF DEFAULTS: DESIGNING FOR EASE

People tend to stick with default settings, even when alternatives are available. This behavioural shortcut, known as the default effect, is a powerful tool in digital design and customer experience.

Defaults simplify decision-making and subtly guide behaviour.

WHAT SHOULD YOU DO?

Use smart defaults to streamline the customer journey. Pre-select beneficial options, recommend bundles and make the desired action the path of least resistance.

> “Trust is the cornerstone of any business, and print advertising provides a tangible experience that feels more permanent and credible.”

GETTING REAL

WHY OFFLINE MARKETING STILL HAS A PLACE

Digital marketing has become the go-to method for reaching new audiences and engaging with clients. However, as **Jaime Molloy** explains, relying exclusively on digital tactics can create pitfalls.

As the digital landscape with its endless streams of communications dominates how brand interactions are made, cutting through the noise to position your business as the preferred choice often feels like an uphill battle.

This is where embracing traditional 'back to basics' offline marketing can help reinforce your company's identity and build trust in an environment where consumers are increasingly sceptical of online content.

Print advertising – designed to leave a longer-lasting impression

In a world dominated by fleeting online messages, returning to print and paper offers clients a tangible experience that feels more permanent and credible. Done well, it can help position your brand as more established and trustworthy than relying solely on digital communications.

Print reaches a targeted audience by quite literally getting into the hands of specific readers – especially those who engage with industry magazines or community publications. Its longevity is another advantage. Compared to the scrolling nature of online ads, the printed message remains visible, reinforcing brand recognition over time.

Print publications – tried and trusted

Print publications often work hand in hand with their digital counterparts. That's because readers tend to perceive printed content as more curated, professional and trustworthy. So, being featured in reputable print magazines or local publications adds a sense of credibility that just having an online presence can struggle to achieve.

Contributing articles or interviews to printed publications also helps position your business as an industry leader or 'one to watch'. Beyond this, the PR benefit of appearing in print can be leveraged online – maximising reach while retaining credibility through third-party endorsement.

Networking – making connections on a more human level

Every client wants to know that they are working with genuine, trustworthy people. That's why in-person networking events, conferences and conversations remain powerful. They make your brand's feel approachable, authentic and tailored.

Building rapport with prospective clients keeps your business front of mind and cuts through the competition by creating more meaningful connections. Networking also fuels word-of-mouth marketing, where clients recommend you based on positive personal experiences. It's a form of personal selling and connection building that no digital method can fully replicate. As the saying goes, people buy people. The professionalism, conviction and communication skills of your people can become the first brand touchpoint that sticks.

Public speaking – louder than online words

Whether at conferences, sponsorship events or seminars, public speaking complements networking opportunities. It builds both your company profile and your representatives' personal brands, allowing speakers to demonstrate personality, expertise and conviction far better than words on a screen ever could.

Audiences resonate with human delivery, tone and passion, which in turn, creates trust, authority and relatability. These moments can later be amplified online, but the initial impact is created in person.

Integrating offline with online – a powerful mix

Ultimately, while digital marketing remains essential, putting offline opportunities at the forefront of your marketing strategies ensures both methods work together seamlessly. By rooting your brand presence in authenticity and trust you can build stronger, longer-lasting client connections – and cements your reputation in the wider community as an industry leader.

KNOW YOUR RIGHTS

Understanding the new Employment Rights Bill

The new Employment Rights Bill represents the biggest overhaul of UK employment law in a generation. **Julia Fitzsimmons** examines what it could mean for employers.

Due to come into effect over the next 18 months, the new Bill is designed to modernise and enhance workers' rights, ensuring fair treatment and better working conditions. Currently making its way through the Houses of Commons and Lords, the Bill has already been much debated and voted upon. Significant amendments have already been put forward and defeated – and there are surely more to come!

But as a starting point, here are the main changes employers need to know about:

Zero-hours contracts

The Bill aims to eliminate zero-hours contracts. After 12 weeks of work, employees will have the right to request a contract that reflects their typical hours. They must also receive proper notice about shift changes and compensation for last-minute cancellations. Employers will need to offer more predictable and secure working arrangements, ensuring employees have a stable income and better work-life balance.

'Fire and rehire' ban

The practice of firing employees only to rehire them on less favourable terms will be prohibited. Any changes to employment terms will need to be negotiated fairly and transparently, with proper consultation and agreement.

Day-one employment rights

From their very first day, employees will gain new rights including entitlements such as paternity and parental leave and protection from unfair dismissal. Employers will also be given clearer guidance about dismissals during probation periods.

This is a prime example of how the Bill continues to evolve. While the Lords voted to extend the 'day one' qualifying period for unfair dismissal to six months, it's expected that the Commons will reject the Lords' amendment using its majority vote. This is where the Bill really takes shape.

Redundancy processes

The Bill introduces stricter procedures for handling redundancies. Employers will need to follow a more structured consultation process, provide adequate notice and offer support for those affected. The Bill also updates the process for collective redundancies which applies when an employer proposes 20 or more redundancies within a 90-day period at one establishment.

Equality in the workplace

Employers will have new duties to promote equality, including tackling gender pay gaps and racial discrimination, and ensuring equal opportunities for all employees.

Trade union changes

The Bill strengthens trade union rights, with the aim of giving workers more collective bargaining power and protection during industrial action.

Sick pay is changing

Reforms to statutory sick pay will make it more accessible and fairer for all workers. This includes extending eligibility and ensuring that sick pay is sufficient to cover basic living costs.

Better enforcement

A new Fair Work Agency (FWA) will be established to enforce employment rights. This will bring together various existing enforcement bodies to create a single, more streamlined system covering the national minimum wage, statutory sick pay, holiday pay and employment agency standards.

Sexual harassment prevention

Employers now have a legal duty to take reasonable steps to prevent sexual harassment and create a safe working environment.

These changes mark a significant shift in employment law, placing greater emphasis on workers' rights and job security. While some details are still being finalised, businesses should start preparing by:

- Reviewing current contracts and policies
- Planning for the changes to zero-hours arrangements
- Familiarising themselves with the new day-one rights
- Updating sick pay processes
- Ensuring training is available where required.

Staying informed and proactive will help you navigate these changes smoothly. If in doubt, seek professional legal advice to avoid potential pitfalls.

> **"These changes mark a significant shift in employment law, placing greater emphasis on workers' rights and job security."**

IN SHORT

The new Employment Rights Bill marks the biggest overhaul of UK employment law in a generation

Legal changes will cover everything from zero-hours contracts and redundancy to sick pay and sexual harassment

While the Bill is still evolving, employers should start preparing now.

Stick with the process

A PRACTICAL GUIDE TO DISCIPLINARY AND GRIEVANCE

It's inevitable that, at some point, an employee will make a complaint – or an employer will need to address a breach of employment terms. So how should these disciplinary and grievance matters be handled? The key is to trust the process, says **Simeon Blewett**.

While it's best to raise problems early and resolve them informally, there will be times when formal disciplinary and grievance procedures are necessary. Employers should stick to the ACAS Code of Practice to ensure that they're following a fair and transparent process. It's also a good idea for employers to have their own written procedures in place.

Handling a grievance

If an employee submits a grievance, the employer must deal with this appropriately. This involves investigating the issues raised – for example, by holding meetings with those involved.

Avoid making assumptions about the grievance or those involved and approach it in a fair and open manner. Employers will need to gather evidence and ensure that everyone is treated fairly.

Investigations should be thorough, yet completed as quickly as possible. More complex matters will, understandably, take longer.

Holding a grievance meeting

A grievance meeting – sometimes referred to as a 'hearing' – should be held within five working days of the grievance being raised, allowing the employee time to prepare. If the grievance is about an alleged breach of legal or contractual duty, the employee has a right to be accompanied by a colleague, workplace trade union representative or official employed by a trade union.

During the meeting, the employee can explain their grievance and present any evidence. The employer should discuss how it can be resolved while remaining impartial. A copy of the meeting notes should be given to the employee, and the employer should come to a decision soon after the meeting.

Following the outcome, the employee should be notified of their right to appeal the decision if they feel it was not dealt with fairly or that the outcome has not resolved the issue.

Disciplinary action

If an employer needs to bring disciplinary action against an employee – for misconduct or performance concerns – the process is very similar to that of a grievance.

The concerns should be put to the employee in writing together with the potential consequences pending investigation. The employee will need time to prepare for the disciplinary hearing and the employer should carry out a fair and thorough investigation.

Where applicable, the employee has the right to be accompanied. A decision should be made shortly after the hearing, with the employee again having a right to appeal.

Whether it involves an employee grievance or disciplinary action, employers are advised to familiarise themselves with the ACAS Code of Practice. Adhering to the process ensures a fair hearing and helps avoid lengthy and costly disputes.

TOP T&Cs

A MUST HAVE (NOT JUST NICE TO HAVE)

In the fast-paced business world, it's easy to overlook the fine print of those seemingly standard T&Cs. They're anything but minor – forming the backbone of your contractual relationship with clients, customers, suppliers and partners. Here, **Jenny Horsley** unpacks why keeping T&Cs updated isn't just good practice, it's essential.

Legal compliance evolves

Legislation is always changing. Consumer protection laws, industry specific rules and data privacy regulations (like GDPR or its international equivalents) are all regularly updated. If your T&Cs don't reflect the latest legal requirements, you may be leaving your business exposed to liability or enforcement action.

Your business has likely changed

Have you introduced new products or services? Expanded into new markets? Altered your payment or refund policies? If your T&Cs haven't evolved alongside your business, they may not accurately reflect what you do or protect you adequately.

Dispute prevention and resolution

Clear, comprehensive and up-to-date T&Cs can help prevent misunderstandings and disputes. If issues do arise, well-drafted terms provide a solid foundation for enforcing your rights and resolving matters effectively and efficiently – saving time and money, as well as any reputational damage.

Client confidence

Up-to-date legal documents show that your business is professional, transparent and trustworthy. Clients and customers take notice of companies that take legal compliance seriously. This, in turn, builds confidence and credibility.

Digital and e-commerce risks

If your business operates online or uses digital platforms for sales and services, your terms must cover online specific issues such as IP rights, user generated content, cookies and cyber security. These areas evolve rapidly and your T&Cs need to keep up.

We recommend reviewing and updating your terms at least once a year or whenever there's a significant change in your business operations or relevant legislation. That way you'll have peace of mind knowing that your T&Cs reflect both current best practice – and the latest legal requirements.

We recommend reviewing and updating your terms at least once a year.

A PLACE TO CALL YOUR OWN

THE PROS AND CONS OF BUYING COMMERCIAL PROPERTY

In a property market dominated by pension funds and large investors, buying your own business premises can often feel out of reach. But for those considering buying a freehold property rather than renting there are advantages to be had. **William Moore** examines both sides of the argument.

Walk along a typical British high street and most of the premises will be occupied by businesses under a lease. Renting commercial property is standard practice – particularly for small and medium-sized businesses – and it comes with certain advantages. But there are some circumstances where a business may want to consider buying the freehold instead.

Owning the freehold to a building can bring freedom and flexibility as well as long-term investment value. But it's important to consider the financial and legal aspects of a purchase. Simply finding commercial premises to buy with vacant possession can be a challenge. Commercial mortgages tend to be set over shorter terms, so repayments can work out higher than rental costs. And any funds the business contributes towards the purchase can affect cash flow.

Owning allows you to let all or part of the property, creating another income stream.

THE CASE FOR BUYING

Owning a building means your business can use and alter it as you wish (subject, of course, to planning regulations or lender conditions). For some businesses a certain layout or look will be central to their product, so having the power to make major changes is a worthwhile investment.

Other advantages include:

- Flexibility over the management or repair of the building
- Potential profit if the property increases in value
- The ability to let all or part of the property for additional income
- Freedom to move when you want to – without being tied to a fixed-term lease
- No rent reviews or high service charges often associated with commercial property leases.

Additionally, owning makes it easier to budget for future costs with more certainty – particularly if you have a fixed-rate mortgage.

THE POTENTIAL PITFALLS

The most obvious disadvantage is that it requires a lot of capital, which could otherwise be used to invest in the business. It may be difficult to recover the initial outlay for the property quickly, or at all, if you decide to give up the business and look to sell the property in a weak property market. If you are buying with the aid of a loan rather than outright, you could face negative equity or the threat of repossession if you can't keep up with repayments.

Commercial mortgages also come with certain risks. A number of lenders require personal guarantees from company directors or even security against their personal assets such as a family home. As well as the time and cost of the additional legal work needed to navigate these responsibilities, the associated risk is not always something company directors are prepared to take on.

If the building requires substantial work before the business can start using it, there may be a negative impact on cash flow and the general running of the business.

Other disadvantages include:

- Being responsible for the safety of the building - including compliance with fire and health and safety regulations (though some leases also require this).
- Ongoing costs – including business rates, future repair and maintenance costs and insurance.

OTHER COSTS TO CONSIDER

Beyond the purchase price, there are other costs to consider. Surveyor and solicitor fees can quickly add up, along with any other professional or specialist advisers you may need to engage. VAT is another factor, although it doesn't apply in every case, and if you're registered for VAT, you may be able to claim it back. Stamp Duty Land Tax is also likely to apply. Finally, there are fees for making searches or enquiries with the local authority or Companies House, but even more substantial still – the cost of any alterations and fit-out works.

IN SHORT

It can be a challenge to find commercial premises for sale with vacant possession

But buying comes with many benefits, from flexibility to potential investment gains

Be aware of the costs beyond the purchase price, which can quickly add up.

Dealing with dilapidations

FROM OBLIGATIONS TO REMEDIES WHEN A COMMERCIAL LEASE ENDS

Dilapidations disputes often hinge not only on physical disrepair, but also on the fine detail of lease wording – and the landlord's ultimate intentions for the property. Here, **Megan Wood** shares what tenants and landlords alike need to know.

> **"In dilapidations disputes, the smallest choice of words in a lease can mean the difference between minor touch-ups and a major repair bill."**

WHAT ARE DILAPIDATIONS?

Commercial leases usually set out obligations that require tenants to maintain, repair and, in some cases, even restore a property to its original condition. If these obligations aren't met – typically at lease expiry – the landlord can enforce them through the 'dilapidations' process.

For the landlord, the aim is to get the premises in the best possible condition, while for the tenant, the goal is to limit their responsibility, and any related expenditure, to the minimum required under the lease.

WHY WORDING MATTERS

In dilapidations disputes, the smallest choice of words in a lease can mean the difference between minor touch-ups and a major repair bill – which means it's crucial to consider the specific wording of any repair covenants. For instance, the obligation to 'keep in repair' is very different from 'keep in good repair and condition'.

Courts have even scrutinised the word 'keep' itself, ruling that a tenant may have to put a property into good repair at the outset – even if it wasn't in that state when the lease began – and then maintain it.

PRACTICAL TIPS FOR BOTH SIDES

Tenants

Ask the landlord to carry out any necessary repairs before your lease begins.

Request that your repairing obligations are limited to the condition of the premises at the outset.

Commission a schedule of condition to document the property's original condition.

Scrutinise the exact wording of repair clauses.

Landlords

Favour broad repairing covenants such as 'keep in good repair and condition', which can oblige tenants to carry out work even where there is no current disrepair.

Get legal advice well in advance of the lease ending, as you may need to serve notice on the tenant before expiry requiring reinstatement of alterations or repairs.

THE COST OF FALLING SHORT

Once a lease ends, if repair covenants have been breached, the landlord's only remedy is damages. The amount recoverable is limited by both common law and statute – specifically section 18(1) of the Landlord and Tenant Act 1927.

- Under common law, damages reflect the reasonable cost of putting the property into the condition required by the lease.
- Under statute, a cap applies, meaning damages can't exceed the actual loss in property value caused by the disrepair – and no damages can be recovered if the building is due to be demolished or altered in a way that renders repairs valueless.

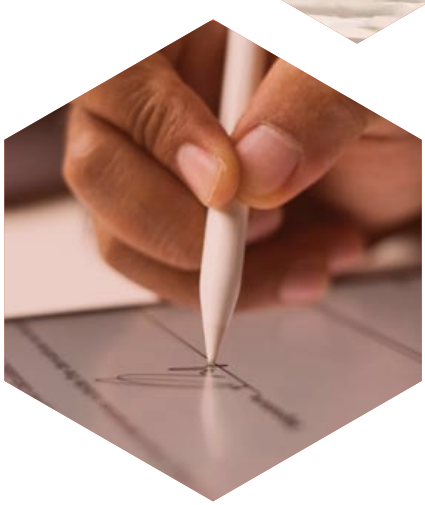
Examples of the statutory cap in action:

SCENARIO 1	
Property value before disrepair	£500,000
Property value after disrepair	£450,000
Statutory cap	£50,000
Cost of repairs	£25,000
Recoverable	**£25,000**

*Repairs cost is **within** the cap*

SCENARIO 2	
Property value before disrepair	£500,000
Property value after disrepair	£450,000
Statutory cap	£50,000
Cost of repairs	£70,000
Recoverable	**£50,000**

*Repairs cost **exceeds** the cap*



WHY PREPARATION IS PARAMOUNT

For landlords, timing is everything when it comes to the dilapidations process. Dealing with the disrepair during the lease term – including the option of seeking an injunction to compel repairs – can help avoid potential statutory cap losses later. Gathering clear evidence – and taking legal advice – on future plans for the property is also critical, as those intentions can influence how dilapidations are assessed.

If you're a tenant, the key takeaway from the Section 18 cap is straightforward: commissioning a valuation will set a clear upper limit on your potential liability, helping to ensure you don't pay more than the landlord could legally recover.

Ultimately, dilapidations disputes are decided by the small print, the timing and the evidence – making preparation the best protection for both sides.

SHIFTING THE BALANCE

How the leaseholder-landlord relationship has changed

Back in 2017, the Conservative government pledged to 'Improve consumer choice and fairness in leasehold.' But making a commitment and delivering on it are two very different things – as **Stuart Jacobs** explains.

Many landlords will feel that the 2024 Act is simply 'another bat to beat them with'. However, it does contain some interesting and important provisions intended to recast the landlord-leaseholder relationship.

The Leasehold and Freehold Reform Bill was introduced to Parliament in November 2023. Yet by the time of last year's general election, it still lacked the muscle to make it a truly effective piece of legislation. Michael Gove – then Secretary of State for Levelling Up, Housing and Communities – fast-tracked the Bill so that it became law in the last few hours of the Conservative administration.

Gove recognised that for the Act to be effective, secondary legislation or regulations would be needed, some of which would be difficult to put into practice.

The Act was intended to strengthen leaseholders' rights and, in doing so, would in some cases inevitably weaken those of landlords.

Here are ten key ways it goes about achieving this:

1. Makes it cheaper and easier for leaseholders in houses and flats to extend their lease or freehold. It also includes the requirement to pay marriage value – perhaps the Act's most controversial provision. While the new government has sensibly initiated a further consultation to determine how best to implement this change, the likely enormous loss to landlords is already the subject of a challenge in the courts. This could go to the European Court of Human Rights and take many years to resolve.
2. Increases the standard Lease Extension term to 999 years reducing ground rent to a peppercorn (zero financial value) upon payment of a premium. This is not a particularly controversial measure because leaseholders had been able to complete the same exercise but on the basis of a 90-year Lease Extension since the early 1990s.
3. Loosens the qualifying criteria so as to give more leaseholders the right to extend leases or buy their freehold. These measures have already been implemented by the removal of the two-year qualifying period required before leaseholders could apply for Lease Extensions.
4. Bans the granting of new leasehold houses (with some exceptions). Again, this is not a controversial measure and it has already been implemented.

   Improves the transparency of:

   a. Service charges and gives leaseholders a new right to request information about service charges and the management of the building.

   b. Administration charges and building insurance commissions.
5. While some landlords might argue that this is just a further unnecessary layer of administration for which leaseholders ultimately have to pay, few would argue that leaseholders should have a clear right to full information about the way in which their buildings are managed.
6. Changes the qualification threshold entitling leaseholders to impose right to manage companies (RTM) on landlords or enfranchise (purchase the freehold) for mixed use buildings in England to allow more buildings to qualify. The qualifying percentage of non-residential floor space in a building has been increased from 25% to 50% from 3 March 2025.
7. Removes the presumption that leaseholders pay their landlord's legal costs when challenging poor practice and gives them a new right to apply to claim their legal costs from the landlord. Rather surprisingly, there has been relatively little opposition to this proposal from landlords.
8. Removal of the requirement that leaseholders pay their landlord's costs on the grant of a lease extension, a collective enfranchisement or the creation of an RTM. Again, this is a controversial amendment because many landlords will cry 'foul', arguing why they should have to pay their own legal costs when being required to participate in a process which they did not initiate and was not of their making.
9. Extends access to redress schemes for leaseholders where the freeholder manages the property directly.
10. Ensures that relevant property sales information is provided to the leaseholders in a timely manner.

Many landlords will feel that the 2024 Act is simply 'another bat to beat them with'. However, it does contain some interesting and important provisions intended to recast the landlord-leaseholder relationship. The Act's more controversial aspects are likely to 'run and run', creating great uncertainty throughout the property world generally.

This uncertainty will not be resolved until there's clarity regarding issues relating to the proposal to remove marriage value in particular and, to a lesser extent, the requirement that landlords pay their own costs when leaseholders initiate claims to enfranchise or purchase Lease Extensions.

IN SHORT

The long-debated Leasehold and Freehold Reform Bill finally became law in the last days of the Conservative government

The Act's main aim is to strengthen leaseholders' rights on matters ranging from lease extensions and freehold purchases through to services charges, landlords' legal costs and redress schemes

While some landlords may see the Act as weakening their position, it essentially recasts the leaseholder-landlord relationship to make it more equitable

Uncertainty around some aspects of the changes will remain pending clarification on the proposal to remove the requirement to pay marriage value and the requirement for landlords to pay their own costs.

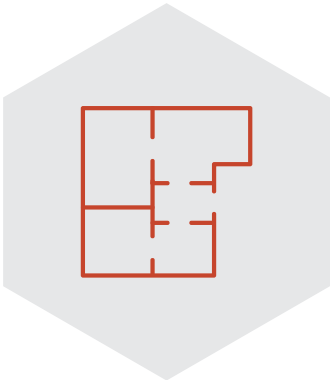
COMMERCIAL TO RESIDENTIAL CONVERSIONS

A gamechanger for housing

In a bold move to revitalise high streets and tackle the UK's housing shortage, the government introduced Class MA permitted development rights in August 2021. **Andrew Fielder** explores how this legislation offers a streamlined route for converting commercial properties into residential homes.

"The benefits of Class MA are substantial. Developers no longer need to go through the lengthy process of securing full planning permission."

> “Class MA presents a strategic opportunity for a range of stakeholders.”



What are Class MA permitted development rights?

Class MA allows property owners to change the use of buildings from Class E (which includes commercial, business and service uses) to Class C3 (residential dwellings) without the need for full planning permission. This makes it easier for developers, landlords and investors to repurpose underused spaces. And thus it opens the door to converting a wide range of properties into homes at a much faster rate, including shops, offices, light industrial units, restaurants, cafés, gyms, clinics and nurseries.

Why it matters

The benefits of Class MA are substantial. Developers no longer need to go through the lengthy process of securing full planning permission, which means shorter project timelines and reduced costs. Initially, conversions were limited to 1,500 square metres but, as of March 2024, that cap has been lifted entirely, allowing for even larger developments.

In another significant update the same year, the government removed the requirement for properties to be vacant for three months before conversion, making the scheme even more attractive.

What you still need to know

While Class MA removes many hurdles, it’s not a free pass. Prior approval from the local planning authority is still required. This process considers factors such as transport and highway impacts, flood risk, contamination, noise from nearby commercial uses and whether the proposed homes will receive adequate natural light. For taller buildings – those over 18 metres or with more than seven storeys – fire safety assessments are also mandatory.

Location matters too. Class MA rights don’t apply in certain protected areas, including National Parks, Areas of Outstanding Natural Beauty (AONBs), conservation areas with Article 4 Directions, listed buildings, World Heritage Sites and safety hazard zones.

Additionally, all new homes created under Class MA must meet the Nationally Described Space Standards to ensure that they’re functional, comfortable and marketable.

As already mentioned, local councils have the power to restrict Class MA rights through Article 4 Directions, particularly in key retail zones where they want to protect commercial activity. These restrictions take 12 to 18 months to come into effect, so early engagement with local planning authorities is crucial.

Who should be paying attention?

Class MA presents a strategic opportunity for a range of stakeholders. Commercial landlords with vacant or underused properties can unlock new value. Developers benefit from a faster route to residential conversion. Investors can diversify their portfolios with residential units. And town centre stakeholders may find this a valuable tool for revitalising local areas.

Class MA is more than just a planning shortcut – it’s a powerful tool for transforming redundant commercial spaces into much-needed housing. With fewer restrictions and a simplified process, now is an ideal time for property owners to explore conversion projects.

However, success depends on understanding the legal framework, local planning context and market demand. Working with planning consultants and staying informed about local authority policies and exemptions is essential.

IN SHORT

Class MA Permitted Development rights open the door to wider and faster commercial-to-residential developments

They offer a major opportunity to transform valuable urban spaces which no longer match the current property market’s needs

This isn’t a carte blanche for development. Exemptions apply and local authority approval must be granted.

Compassion vs compliance

HOW TO REACH A HEALTHY WORKPLACE BALANCE

Mental health is one of the most pressing issues in the workplace. Balancing compliance with genuine care is no longer an option, it's central to a productive workforce. **Saaqib Akhtar** explains what businesses can do – and what they must.

In 2022/23, it was estimated that 875,000 workers in the UK suffered from work-related stress, depression or anxiety, leading to 17.1 million working days lost. Today, employers are not only legally obliged to protect their staff's wellbeing, but they should also take the opportunity to create a culture of compassion that supports employees, enhances engagement, and drives performance.

Your legal obligations

When it comes to safeguarding the health, safety, and welfare of their staff, UK companies have a clear duty of care. Legal requirements include regular risk assessments to identify harmful factors such as heavy workloads or poor management.

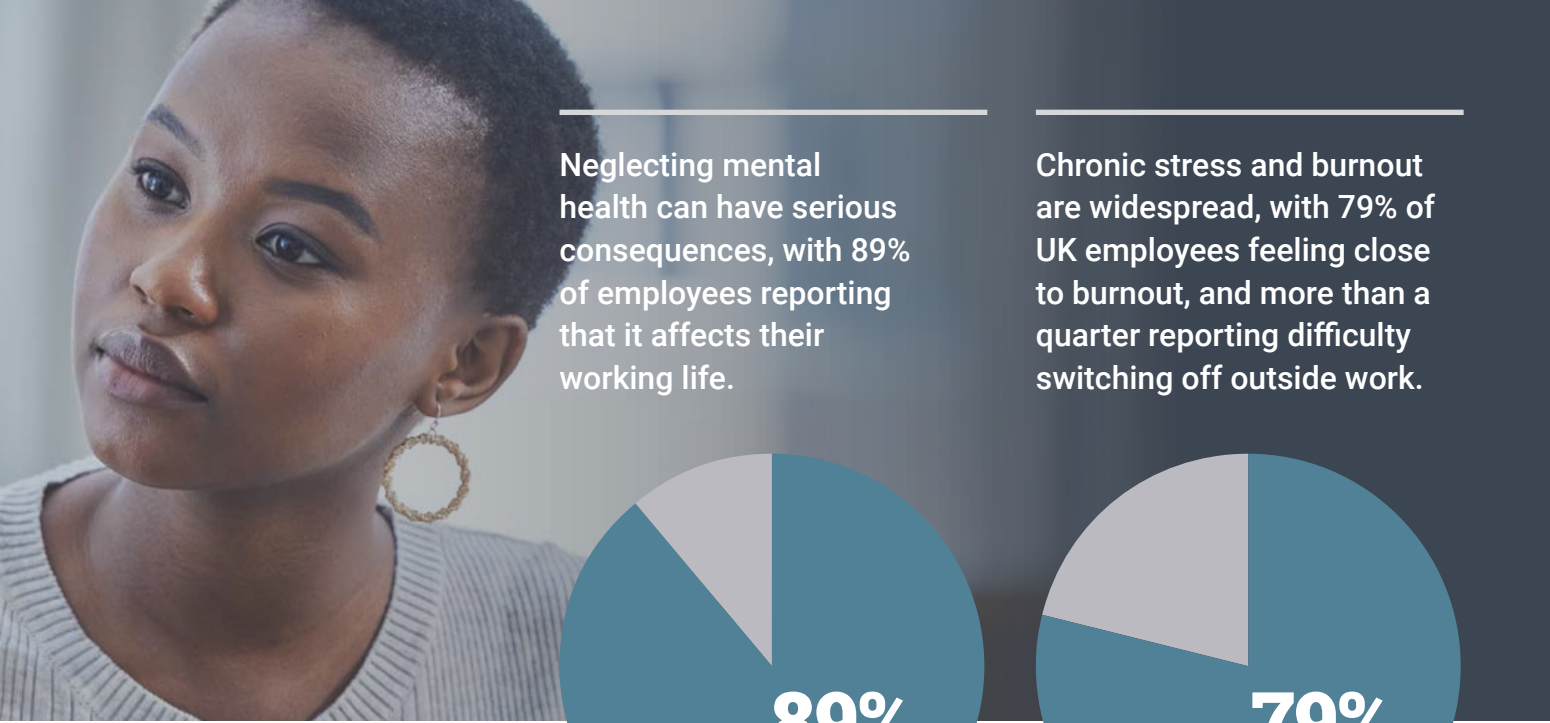
If an employee has a mental health condition that qualifies as a disability under the Equality Act 2010, employers are required to make reasonable adjustments, such as providing flexible hours or modified duties. Staff must also be protected from discrimination related to mental health – ensuring they are treated fairly during recruitment, training, promotion and dismissal processes.

Supporting mental health goes beyond compliance

While it's essential to fulfil legal obligations, taking a compassionate approach greatly enhances employee wellbeing as well as the overall culture of an organisation.

Open communication is a critical part of creating a safe environment where employees feel comfortable discussing their mental health challenges without the fear of stigma. This is where regular check-ins and an open-door policy encourage early disclosure of problems and enable the delivery of timely support.

Training managers and staff to recognise signs of stress and respond appropriately is key to preventing problems from escalating and compounding into issues that could lead to sickness absence. In some cases, this might require conducting occupational health reviews and making reasonable adjustments.



Neglecting mental health can have serious consequences, with 89% of employees reporting that it affects their working life.

Chronic stress and burnout are widespread, with 79% of UK employees feeling close to burnout, and more than a quarter reporting difficulty switching off outside work.

Turn initiatives into supportive action

Employee Assistance Programmes that provide confidential counselling and guidance, along with wellness programmes that include mindfulness sessions, physical activity and stress management workshops, all help cultivate an inclusive culture where mental health and physical health are treated as equally important – further reinforcing an organisation's commitment to its workforce.

It's also useful for an employer who may need to defend themselves against any potential claims, to be able to demonstrate that they have put measures in place to help employees.

Don't risk ignoring mental health

Neglecting mental health can have serious consequences, with 89% of employees reporting that it affects their working life. Over half have even considered leaving a job due to the negative impacts on their wellbeing. Legally, for the employer, failure to comply with duties such as making reasonable adjustments can result in claims and fines. And from an operational point of view, unaddressed mental health issues increase absenteeism, reduce productivity, and drive higher turnover. Workplace morale may also suffer, leading to disengagement and low motivation.

Chronic stress and burnout are widespread, with 79% of UK employees currently feeling close to burnout, and over a quarter reporting difficulty switching off outside work. This is why organisations that ignore mental health risk being perceived as uncaring – making it harder to attract and retain talent.

Put effective models and statistics to the test

There is evidence that proves proactive initiatives improve outcomes. Trials of four-day working weeks in UK organisations reduced stress and burnout, while maintaining, or even increasing, productivity (Time, 2022; The Guardian, 2025). And Employee Assistance Programmes which provide confidential help for managing stress, anxiety and personal issues (EAPA, 2023), have been widely adopted.

Go beyond the rules and reap the rewards Ultimately, employers who meet more than just the minimum requirements and actively foster a supportive environment benefit from a resilient, engaged, and productive workforce. Recognising mental health as integral to overall wellbeing is not just a legal responsibility – it is also a strategic advantage that strengthens both performance and reputation.

***Source**: ACAS - Supporting Mental Health in the Workplace*

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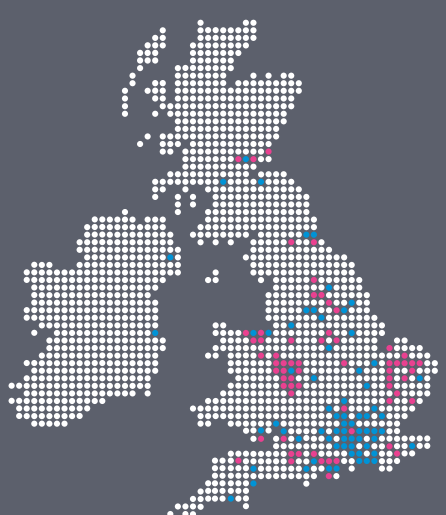

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