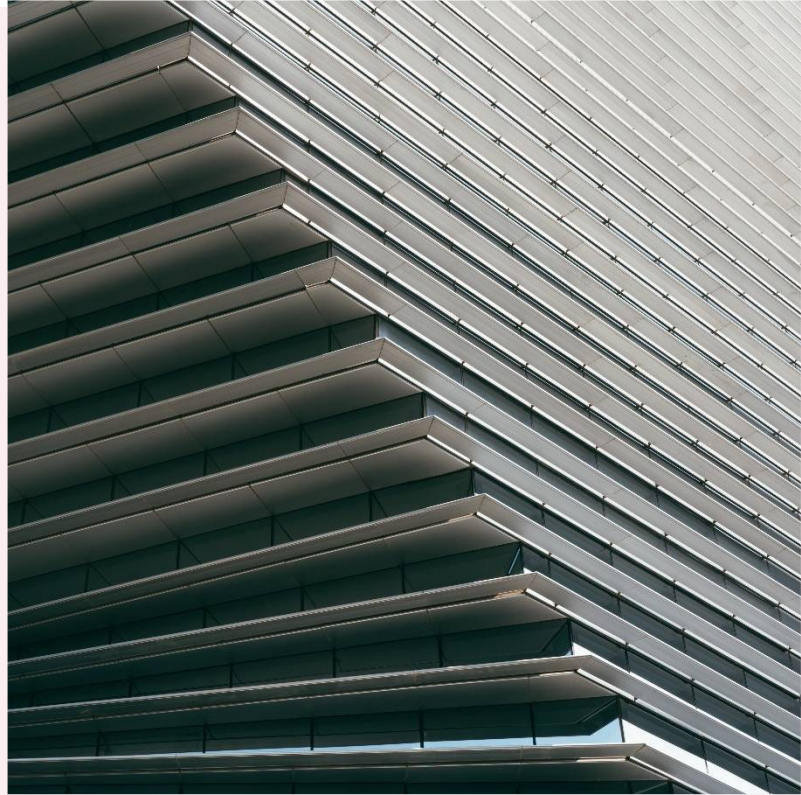


UK whistleblowing reform: what employers need to know

14 October 2026



The UK government has launched a three-month [Consultation](#) which is the most comprehensive review of whistleblowing law since 1999. It is also seeking views on a proposed Serious Fraud Office ("SFO") financial reward scheme for individuals who report economic crime.

Key issues

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What's on the table

The Consultation reviews the current whistleblowing framework in the Employment Rights Act 1996 ("ERA"). The areas under review include:

- Expanding who is protected. The government is considering extending protection beyond workers and employees to groups such as charity trustees, non-executive directors, job applicants and some self-employed individuals.
- Expanding the list of protected wrongdoing. Views are sought on whether the existing categories capture emerging risks from AI technologies and corruption-related misconduct, such as misuse of public funds.

- **Disclosure routes.** The current whistleblowing framework encourages workers to report concerns internally to their employer, or to their legal adviser, in the first instance as the threshold for protection is lower. To be protected when reporting to an employer, a worker must reasonably believe their disclosure relates to specified wrongdoing and is in the public interest. Where a disclosure is made to a prescribed person (such as a regulator), the worker must meet an additional requirement to be protected: they must reasonably believe that the information disclosed is “substantially true” and comes within the prescribed person's remit. The government is testing whether the “substantially true” threshold for disclosures to regulators discourages reporting, and whether a new standalone route for disclosures to trade unions that would be subject to the same thresholds as employer disclosures should be created.
- **Employer policies and procedures.** Two reform options are on the table: Option 1, enhanced non-statutory guidance; or Option 2, a new statutory duty. Option 2 would potentially be modelled on Ireland's Protected Disclosures Act 2014 (which implements the EU Whistleblowing Directive). This provides for secure whistleblowing channels, seven-day acknowledgment of a report, a designated case handler, diligent follow-up, and feedback within three months and at three-month intervals until the matter is resolved if requested by the whistleblower. Alternatively, a less prescriptive regime modelled on the FCA's SYSC 18 whistleblowing rules is being considered for Option 2. This would still require proper assessment and feedback where appropriate rather than fixed deadlines and specific follow-up steps.
- **Interim relief.** Employees who claim they were dismissed for whistleblowing can apply for interim relief within seven days. If granted, an Employment Tribunal can order reinstatement, re-engagement or continued pay until the case is decided. The Consultation considers whether the seven-day deadline should be extended to 14 days.

Separately, the Consultation addresses the SFO's proposed scheme to pay financial rewards to individuals who report economic crime, following recommendations in Jonathan Fisher KC's Independent Review of Disclosure and Fraud Offences.

Disclosure routes: what the statutory duty could require

If Option 2 (i.e. a new statutory framework) is taken forward, the Consultation's preferred model is based on Ireland's Protected Disclosures Act 2014 (which implements the EU Whistleblowing Directive). Four elements sit at the core of that model.

- **Secure reporting channels.** Employers would need to operate channels that protect the identity of the whistleblower and any third party named in a disclosure, with access restricted to those who need to know. Confidentiality controls will be essential.
- **Prompt acknowledgment.** Receipt of a disclosure would need to be acknowledged in writing within seven days.

- A designated, impartial case handler. Each disclosure would be managed by a nominated person responsible for liaising with the whistleblower throughout the process.
- Diligent follow-up and feedback. Employers would need to assess each disclosure, seek clarification where necessary, and form a view on whether there is prima facie evidence of wrongdoing. Where there is, appropriate action would follow, such as a formal investigation or referral to a regulator. The whistleblower would then receive feedback within three months, repeated every three months on request until the matter closes.

The government has indicated that any duty would be backed by civil, not criminal, penalties (that is, fines not imprisonment) and is weighing whether enforcement should sit with a government body rather than depend on individual tribunal claims. The level of any such civil penalties is unknown.

A statutory duty would effectively convert elements of today's good-practice recommendations into more prescriptive enforceable minimum standards.

What organisations would be in scope?

If the statutory duty option is adopted it would apply to private-sector employers (including charities) with 50+ employees and all public-sector employers regardless of size, potentially excluding sectors already subject to equivalent duties (e.g. FCA-regulated firms).

Consideration is being given to whether employers that are already subject to equivalent whistleblowing requirements in certain regulated sectors, such as certain firms in the financial services sector, should be exempt from any new statutory duty. If organisations are not exempted, depending on the nature of any new statutory duty, this could result in well-established policies and processes having to be revised and some organisations having to straddle several regimes.

Practical implications

If a statutory duty modelled on the Irish legislation is progressed (in combination with other proposed changes) this would potentially reshape how organisations actually run whistleblowing investigations if they are not currently following a similar process (and would set more prescriptive provisions): who can trigger one, how quickly it must be acknowledged and followed up, how disclosures must be channelled and documented, and what follows if the process falls short. Organisations with a UK presence will need to consider their case-handling workflow as well as any written policy.

If protection extends beyond workers and employees to groups such as non-executive directors or the self-employed, organisations will need to recognise and triage disclosures from people outside the traditional employment relationship, including some consultants and contractors. Triage criteria built around the employee lifecycle may not fit this wider population.

Any expansion of the reportable wrongdoing categories to better capture AI-related and corruption risks would require case handlers to apply updated criteria when assessing whether a disclosure falls within scope, adding a new category of judgment calls to the intake stage.

Removing the "substantially true" threshold for disclosures to regulators and creating a lower-threshold route to trade unions would make it easier for workers to escalate externally. This could compress the window organisations have to triage and act internally before a regulator becomes involved, making early, documented engagement more important.

Current discretionary good practice, such as prompt acknowledgment and structured follow-up, will become a minimum standard that could be tested on enforcement or in litigation. Investigation records, triage decisions and feedback to whistleblowers would need to be documented in a form that can withstand that scrutiny.

Proposed SFO scheme to financially reward economic crime whistleblowers

The proposed SFO whistleblower incentivisation scheme would reward people who provide information about economic crime to the SFO ("economic crime whistleblowers"). The scheme would reward people who provide information about economic crime to the SFO where that information leads to a corporate conviction or alternative enforcement action, such as a Deferred Prosecution Agreement ("DPA").

Eligibility criteria, the percentage range and cap (if any) on rewards, and whether rewards are split among multiple informants are all undecided.

Rewards would be funded from a proportion of the financial penalty or fine paid by the company and paid only after the case has concluded successfully and appeal rights have been exhausted. Relevant factors could include the value of the information, the level of cooperation, promptness, complicity and the relative significance of the information compared with other material.

The Consultation is also considering the introduction of a new criminal offence for knowingly making false reports under the SFO scheme and a new offence for harassing or intimidating SFO whistleblowers, particularly for individuals not covered by ERA protections.

The scheme is also not linked to the Employment Rights Act 1996 "worker" definition, so its eligibility pool may be wider or narrower than existing whistleblowing law. Organisations will have to be mindful of this differentiation, particularly in the context of actions that could be construed as harassment or victimisation in relation to their policies, processes and staff training.

The proposed SFO financial reward scheme could increase the volume of reports organisations and regulators receive. Investigators may need to consider the extent to which they can or should factor financial motive into their credibility and corroboration assessments where a report could also qualify for an SFO reward (or is positioned in this way by the individual complainant).

Preparatory steps

If the government follows its preferred approach, the direction of travel appears to be increasingly transparent and process-driven whistleblowing approaches and a materially higher incentive for individuals to report externally (as well as an expanded protected group). Although there is no indicative legislative timetable, employers should plan how they would assess current policies against the Irish model outlined in the Consultation to identify gaps now so remediation is not rushed if a statutory duty is introduced and, more broadly, manage in their workforce the introduction of a paid regime (and how this interacts with their existing internal measures in respect of economic crime).

Multinationals already subject to the EU Whistleblowing Directive in other jurisdictions should assess whether UK reform narrows the gap with EU member state requirements, and plan for a more harmonised global whistleblowing policy where practical.

Timeframe: a formal government response setting out next steps is expected in 2027. There is no indicative timetable for implementation of any reforms taken forward. The Consultation is however considering a phased implementation, initially only large employers (i.e. employers with 250+ employees) would be in scope before the regime extends to those with 50 to 249 staff a year later.

[A Consultation on whistleblowing](#) 12 October 2026 to 8 January 2027

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