

New sexual harassment rules may signal changes to office parties or a decline altogether

Tomorrow is expected to be one of the busiest nights for office Christmas parties this year. While these celebrations are a staple of the festive season, offering a chance for colleagues to unwind and bond, they also bring unique challenges for employers. With stricter sexual harassment laws now in place, businesses must carefully navigate their responsibilities to ensure a safe and respectful environment for all employees, even during off-site social events. This year, the stakes are higher than ever, and understanding the legal obligations under the new rules is crucial for avoiding potential risks and fostering a culture of inclusion.

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The festive season is upon us, but businesses may need to rethink their approach to office Christmas parties following the introduction of stricter sexual harassment laws. The updated legislation, which came into effect in October, places a greater duty on employers to take reasonable steps to prevent sexual harassment in the workplace, including at social events. Failing to do so means employers could face claims for unlimited compensation at the Employment Tribunal.

As a result, the new rules may spell the end of traditional alcohol-fuelled office celebrations, especially in any regulated sector such as financial services.

Head of Employment at RIAA Barker Gillette (UK), [Karen Cole](#), highlights the impact on businesses.

"With increasing legal responsibilities for staff welfare and safety, some companies may feel such events are becoming too risky, too difficult to manage and too costly."

The new legal duty represents a significant shift in how employers must act to prevent sexual harassment. Previously, employers could defend themselves by demonstrating they had policies and procedures in place and had taken reasonable steps after an incident occurred. Now, businesses must take action to anticipate and prevent sexual harassment, regardless of whether a complaint has been made.

Sexual harassment involves any unwanted sexual behaviour that causes someone to feel intimidated, degraded, humiliated, or offended, regardless of intent. This includes actions like inappropriate remarks about someone's appearance, offensive jokes, unwelcome questions about personal matters, or non-consensual touching. It also extends to digital communication, such as unwanted messages, emails, or phone calls.

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And the stakes are high for employers who fail to meet this new duty. If the Equality and Human Rights Commission (EHRC) receives a report that a business is not taking reasonable preventative steps, it can take enforcement action, even if no specific harassment claim has been made. Where a case proceeds to an employment tribunal, non-compliance could result in an increased compensation award of up to 25%.

In addition, businesses in high-risk industries may need to consider extra safeguards, such as in hospitality, where research has found more than half of women reporting workplace sexual harassment. Measures could include ensuring employees never work alone, providing additional reporting channels beyond direct supervisors, and treating social events as extensions of the workplace.

Karen warns:

“Waiting for something to happen is not an option: every employer needs to be able to show they have taken reasonable steps to prevent a situation arising.”

For employers, the message is clear: ignoring these risks could result in significant legal and reputational damage and simply scrapping social events like the Christmas party isn't a solve-all action. Instead, businesses need to mitigate risk by implementing clear policies, providing staff training, and promoting a culture of respect and inclusion.

Karen further explains:

“This legislative shift will be a wake-up call for many industries. Yes, festive gatherings can boost morale and foster team cohesion, but they must be carefully planned with an emphasis on safeguarding employee wellbeing.

This is about looking at the bigger picture and taking action to foster a safe and respectful environment that protects both employees and the business.”

While the current legislation does not specifically allow for claims due to third-party sexual harassment, legal liability may arise if employers fail to act on inappropriate behaviour by clients or suppliers. Looking to the future, the Employment Rights Bill progressing through Parliament will increase employer responsibilities in this area.

Are you concerned about how the new sexual harassment rules impact your business? Contact [Karen Cole](#), Partner and Head of Employment Law at RIAA Barker Gillette (UK), for expert advice on ensuring compliance and protecting your organisation

Note: This article is not legal advice; it provides information of general interest about current legal issues.