

British Standards Institution response to the Business and Trade Committee's inquiry, Make Work Pay: Employment Rights Bill

December, 2024

1) Introduction

BSI supports the provisions of the Employment Rights Bill to 'Make Work Pay' as part of the Government's strategy to boost wages, improve security at work and grow Britain's economy in UK and international markets. We support measures that will enhance long term sustainable and inclusive growth of the economy and understand the dynamic of strengthening employment protections and enhancing the workings of labour markets, plus reforming outdated labour practices. This will all serve to bolster delivering on the government's mission and enhance living standards.

Whilst some of the planned changes require a change in law, there is an opportunity to utilise standards in support of legislation and future regulation.

BSI have a well-developed and wide suite of relevant standards in relation to Health, Safety and wellbeing, HR, governance, ageing, diversity and inclusion, and building designs. BSI also manages committees of experienced stakeholders, active at a national and international level, that are currently working to shape new standards in these topic areas, as referenced in a separate document. Below we explain the role of standards, and how they can support regulatory and legal objectives, plus highlight specific standards that support the Make Work Pay strategy and the Bill to help deliver positive change in the workplace.

A strengthened and improved work-based environment and employment conditions will help businesses be more productive, providing strong foundations for delivering the UK's ambitions as set out in the Industrial Strategy.

2) The role of standards in support of legislation and regulation

Standards are widely used to underpin and support regulation, or and as an alternative to regulation. Voluntary multi-stakeholder standards are already helping to deliver policy across a wide range of areas, including technical product safety, good governance, climate change, energy, fair markets, and public confidence.

Regulation can be appropriate when bringing about change, for example, to address market failures or set minimum requirements. But it can also be inflexible and expensive to develop and enforce; and if not sufficiently pragmatic and proportionate, can be intrusive to business and restrict innovation.

Using standards can ease pressure on the legislative process and reduce costs for government, and because they are transparent and independent, standards have the necessary legitimacy and degree of market acceptance to be used as tools for policy delivery.

Standards can support outcomes-based regulation by providing information to help target government intervention where it is most needed. For example, where standards are developed through usual BSI processes, and the relevant standards are then "designated" by government and listed on government websites in support of regulation.

3) Current standards that are protecting workers and their wellbeing

We have a wide variety of standards that support the government's strategy in delivering the objectives and implementation of the Employment Rights Bill.

We recognise the measures in the government's "Make Work Pay" initiative to boost productivity. In addition to legislative measures, we suggest that government could make much greater use of best-practice standards to improve employee wellbeing. These standards help to minimise employee absence, improve retention, and create workplaces that enable employees to be more productive.

BSI offers standards that help foster a broad, positive employment environment. These include occupational health and safety, HR, governance, neurodiversity, ageing, and diversity and inclusion. BSI is keen to explore the scope for developing standards in partnership with government to further its objectives in these fields. We are supplying a full list of these standards separately. We have highlighted a few standards below that can directly support the Make Work Pay plan.

- **BS 30416 Menstrual and menopausal health in the workplace – guide**

Particularly pertinent and of interest to the Committee will be our flagship standard on menopause and menstruation (*BS 30416 Menstruation, Menstrual Health and Menopause in the workplace – guide*) which is improving conditions for women in the workplace and helping to retain and attract the skills needed in the workplace. The standard also provides a means for employers to comply with the requirements for an "Equality Action Plan" proposed in the Employment Rights Bill, thereby minimising the burden on business.

BS 30416: 2023 Menstruation, Menstrual Health and Menopause in the workplace (can be downloaded [here](#)) could act as a useful exemplar to accelerate compliance and encourage best practice. By promoting the standard in advance of enactment, businesses will be ready to report sooner and deliver much desired benefits to employees and their businesses in the meantime.

There is now an international standard being developed, led by UK stakeholders, based on this UK standard, making this standard an example of UK leadership in this area.

This standard can also help to provide a healthier and more productive workforce e.g. by retaining women in the workplace, reducing absence. These are positive contributions to growth.

To support this work, BSI has produced a "[Little Book](#)" of *menstruation, menstrual health and menopause* to support SMEs. We also offer a free training course available to support business adopt the standard.

Going forward, BSI is looking to revisit our research into menopause in the workplace in the coming months and would be happy to share our findings with you.

- **Neurodiversity (and inclusive building standards)**

PAS 6463 *Design for the mind – Neurodiversity and the built environment – Guide* (can be downloaded [here](#)) provides guidance to the built environment on how to accommodate for neurodiverse needs, including incorporating suitable lighting when designing for people with dementia, autism and learning difficulties. It makes suggestions on particular lighting features such as glare, shadow, reflection, and flicker that can have an impact on a person's wellbeing. The guidance cross-references other standards, including the BS EN 12464 series (for indoor and outdoor workplaces), and BS EN 17037 (daylight in buildings). Clause 11.10 of the guidance covers the benefits of adaptational (circadian) lighting for therapeutic benefits.

PAS 6463 also addresses acoustics and noise management, in terms of zoning and layout, background noise, room acoustics, and controls. The guidelines make a reference to BS ISO 22955, which covers acoustic quality in open offices.

Within BSI's catalogue there are other accessible inclusive building standards that also foster good environmental employment conditions and make provision for disabilities which can be deployed to complement the Bill.

- **Modern Slavery**

In 2022 BSI published *BS 25700 Organizational responses to modern slavery - Guidance*. The standard provides in-depth guidance on organizational legal and compliance and operational measures around modern slavery examining bribery, governance, training, recording and reporting, recruitment and employment relations and controls, work empowerment, occupational health and safety and procurement and supply chain management.

Currently in development, *ISO 37200 Managing the risk of Modern Slavery: Guidance for the prevention, identification and mitigation of human trafficking and forced labour*.

These standards provide comprehensive guidance to businesses to stop poor practices in their own business operations and wider supply chains and mitigate the worst abuses in employment practices.

4) The continuous role of standards in support of business growth

Standards deliver consensus-based solutions to businesses and industries. BSI is the UK's National Standards Body, incorporated by Royal Charter and responsible independently for preparing British Standards and for coordinating the input of UK experts to European and international standards committees. BSI has a public function in support of the UK economy and brings together stakeholders to facilitate the development of "what good looks like."

The UK is a global leader in standardization. Through BSI the UK can create global leadership in shaping robust employment environment and growth for UK industries. This will encourage investment and help support UK industries and the domestic economy to grow.

Making full use of existing international channels ensures that the UK is able to influence and, where possible, take a leadership role in developing international standardization in high growth-driving sectors that support the UK economy.

BSI leads the development of cross-cutting core standards that support the business environment performance, including the new AI Management System Standard (BS ISO/IEC 42001), Quality Management (ISO 9001), Environment Management (ISO 14001), Information Security (ISO 27001), Occupational Health and Safety (ISO 5001), Energy Management (ISO 50001), Corporate Governance (ISO 37000) and Innovation Management Standard (ISO 56001).

Independent research shows that standards and assurance have a fundamental role to play in embedding trust into a system and in attracting investment and growth. BSI commissioned research from the Centre for Economics and Business Research in 2015 looking at the economic benefits of standards. The research was updated and revalidated in 2022. Key findings of the study show;

- The use of standards contributes £8.8bn to the UK economy each year
- 38% of UK productivity growth since 2000 is attributed to standards

- 78% of companies increased turnover and productivity levels as a result of using standards.
- Standards have boosted the UK's annual GDP by £161bn since 2000.

Standards help UK businesses to thrive on the global stage by being more productive, innovative, resilient and secure. They also help businesses to better serve their customers and to access global markets. Standards can do this for businesses of all sizes including Micro-businesses and SMEs.

5) The role of BSI in supporting “make work pay”

BSI operates in accordance with a Memorandum of Understanding with the UK Government. BSI represents the UK view on standards in Europe via the European Standards Organizations CEN and CENELEC and internationally via ISO and IEC. BSI is a member of ETSI (The European Telecommunications Standards Institute) and provides support to DSIT through their membership of ITU (the International Telecommunication Union).

In its role as the UK's National Standards Body, BSI provides the infrastructure for over 13,000 experts, who are the voice of UK economic and social interests, to be influential in the international standards organisations ISO, IEC and the European standards organizations CEN, CENELEC and ETSI. BSI has a public interest responsibility to develop and maintain the standards infrastructure to support UK emerging industries at home and internationally.

In addition, standards supported by assurance and conformity assessment play a vital role in enabling businesses to demonstrate compliance with regulation and provide trust to consumers in the UK and abroad.

- **The Future of Work**

Since 2023, BSI has been running a multi-stakeholder programme of global research, strategic engagement and campaigning on the Future of Work. Last year, the focus was on older workers – including factors governing retention in the workplace. Currently, we are focusing on how the younger demographic of workers has fared in the workforce since Covid, their expectations of work, and the challenges in supporting mental health and well-being in the population and across all the workforce. This project is designed to provide useful intelligence to inform our forward work programme for standards development.

We would be happy to share our research insights with the committee and discuss future planned programmes which might be useful for the Government's workplace strategy.

- **AI Management Standard**

Beyond the scope of the Bill, a key requirement for successful employer/worker relations is creating a culture of trust. This will be even more important with the deployment of AI systems in the workplace. The new AI Management Standard *BS ISO/IEC 42001:2023 Information technology – Artificial intelligence – management system* sets the benchmark for responsible development and use of AI. BSI has a large suite of international standards on AI and the trustworthy adoption of AI technologies that we would welcome sharing with the committee.

In addition, Government can utilise standardization more effectively to help address skills and competency barriers. Standards play an important role in defining good practice and can be used to

support skills development, technical investment, and knowledge diffusion. They can outline expectations regarding performance and technical competencies and define key capabilities.

6) Next steps/further work

There is scope to enhance the provisions and effective implementation of the Employment Rights Bill through partnering, alignment and adoption of BSI standards that can help deliver positive change in the workplace, making businesses more productive as a result.

In addition to standards that are already developed, BSI can collaborate with the government to develop new standards in areas where it would be beneficial or in support of the Bill. An example of one such area is managing absences and return to work. This could include all types of reasons for work absence including maternity, paternity, miscarriage, illness, bereavement and unemployment. A standard on this topic could be in the form of a toolkit (similar to BS 30416 on menstruation, menstrual health and menopause) that provides support, best practice and practical steps businesses can take to support their employees to get back to work.

We would welcome the opportunity to engage further with the Committee on key areas of work, in particular, our work on menopause, where we have worked with government since 2023.

We would urge the government to work with BSI to develop a wider standards strategy to achieve the objectives of the Make Work Pay strategy and Employment Bill and elevate the UK's position in the standards that will improve conditions in the workplace and help UK businesses to grow.

7) Further Information

BSI would be pleased to provide further information, or to discuss the content of this submission. For further information please contact:

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