

Parliamentary Roundtable Warns Misuse of NDAs Undermines Trust and Accountability

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A cross party group of MPs, peers and industry experts has warned that non disclosure agreements are “good for no one” when used to conceal workplace harm, following a roundtable held in Parliament.

The session, hosted by the Policy Liaison Group on Workplace Wellbeing on 18 March, brought together figures including Louise Haigh MP, Layla Moran MP, Rachael Maskell MP, Baroness Smith of Llanfaes and Zelda Perkins CBE. Participants agreed that while NDAs can serve a legitimate purpose, their misuse to hide harassment or discrimination damages trust and weakens accountability.

The discussion highlighted the need for a cultural shift towards greater psychological safety and more open workplace environments. Attendees argued that organisations must move beyond compliance with the Employment Rights Bill and focus on how workplace culture supports learning, performance and improvement.

Maria Paviour, Advisory Board member at the Policy Liaison Group, said psychological safety is fundamental to organisational effectiveness.

“Psychological safety is not a soft concept, it is the foundation of how organisations learn, perform and improve. When people are unable to speak openly about harm, systems like NDAs don’t just manage risk, they entrench it,” she said.

Research cited during the session showed that 79% of employees who report misconduct experience retaliation, while 43% of UK whistleblowers report losing their jobs or leaving employment after raising

concerns.

Legislative progress welcomed but gaps remain

Participants acknowledged recent legislative changes that make NDAs unenforceable in cases of harassment and discrimination. However, there was a clear view that further action is needed to ensure these protections are effective in practice.

Layla Moran MP said ongoing scrutiny will be critical as the legislation develops.

“The direction of travel is clear, NDAs are on course to become unenforceable in cases of harassment and discrimination. But passing legislation is only the beginning. We need to keep the pressure on to make sure these protections work in practice,” she said.

There were calls for stronger regulatory oversight and careful development of secondary legislation to ensure reforms deliver meaningful change.

Wider impact on workforce and economy

The roundtable also linked workplace culture to broader economic outcomes. Baroness Smith of Llanfaes said poor workplace environments can lead to disengagement and reduced labour market participation.

“This is not just a workplace issue. NDAs have wider implications for labour market participation and economic growth. Where workplace cultures fall short, people are more likely to disengage or leave work altogether,” she said.

Zelda Perkins CBE, founder of Can’t Buy My Silence, argued that NDAs often rely on individuals remaining silent at vulnerable moments.

“This system depends on silence, but it is not invincible. The moment people understand enforceability is questionable, it starts to break down,” she said.

She added that NDAs are increasingly seen as a “false economy” that can protect poor behaviour while discouraging employees from speaking up.

Shift towards transparency and resolution

There was broad agreement that responsible employers should not rely on NDAs as a default mechanism. Their routine use was described as a sign of deeper cultural issues within organisations.

Experts at the roundtable called for a move away from punitive grievance processes towards more transparent and restorative approaches that prioritise resolution and learning.

David Liddle, author and workplace culture specialist, said organisations should rethink how they handle conflict.

“Too often, workplace systems are designed to contain conflict rather than resolve it. A resolution first approach means issues are addressed openly and outcomes feel fair to everyone involved,” he said.

Other key points raised included the need for board level oversight of workplace culture, concerns from the Health and Safety Executive that high volumes of NDAs may signal systemic issues, and evidence suggesting that removing confidentiality requirements can increase settlement rates.

The discussion concluded that improving workplace culture, alongside legislative reform, will be essential to building safer, fairer and more accountable organisations.