

Global Immigration alert

September 2026

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United Kingdom

UK expands right-to-work compliance obligations from 1 October 2026

Executive summary

The UK government has recently published an updated draft of the Employer's Guide to Right to Work Checks, incorporating stakeholder feedback on the version [released](#) on 16 July 2026. The new guidance will take effect on 1 October 2026.

The most significant change is further clarification on the expanded scope of the right-to-work scheme, including a new assessment section for determining employment status. The updated guidance also provides clearer definitions of key concepts, confirms that right-to-work checks can be delegated across all checking methods and includes updated examples to help employers understand how the rules apply to different workforce arrangements.

Importantly, the new extended liability provisions are not retrospective and will generally apply only to contractual arrangements entered into on or after 1 October 2026. Existing contracts will not automatically be brought within scope simply because the work continues beyond 1 October 2026, although organizations should review ongoing arrangements to ensure appropriate illegal working controls are in place.

Key developments

Key developments include:

- *Expansion of the definition of "employer"*: Historically, right-to-work obligations primarily applied to individuals employed under contracts of employment. Under the updated guidance, the definition of an employer for right-to-work scheme purposes has been significantly expanded and now includes persons or organizations engaging individuals:
 - Under a worker's contract
 - As individual subcontractors
 - Through online matching services that connect service providers with potential clients or customers
 As a result, organizations engaging workers outside traditional employment arrangements may now be required to undertake prescribed right-to-work checks to obtain a statutory excuse against civil penalties.

- *Individual subcontractors brought within scope*: A key feature of the revised framework is the inclusion of individual subcontractors within the right-to-work scheme. The guidance defines an individual subcontractor as a person contracted to provide work or services where another organization has separately contracted with a third-party to provide those services. This change is expected to have a significant impact on sectors that rely on subcontracting arrangements, including construction, engineering, logistics, facilities management, technology and IT consulting, and professional services. Businesses engaging individual subcontractors should review whether existing onboarding processes adequately address right-to-work compliance requirements.
- *Introduction of extended liability*: The most significant development is the introduction of extended liability provisions. Under the updated legislation, civil penalty liability may extend beyond the direct employer in certain circumstances, including where:
 - A business contracts to provide services to a third-party and subsequently engages another organization or individual to fulfill those services
 - An online matching platform facilitates the engagement of service providers by customers
 - A contractual arrangement permits workers to provide substitutes to perform the work
 In such circumstances, businesses higher up the contractual chain may be treated as employing the individual for right-to-work purposes and may become liable for civil penalties if prescribed compliance requirements have not been met. This represents a significant departure from the traditional position, where liability generally rested with the organization directly employing or engaging the worker.
- *New statutory excuse framework*: The guidance confirms that organizations may establish a statutory excuse by:
 - Conducting prescribed right-to-work checks before the worker commences work; and
 - In extended liability scenarios, complying with the prescribed requirements relating to the relevant contractual arrangements.

This reflects a broader compliance approach that focuses not only on the individual worker but also on the contractual mechanisms through which labor is supplied.

- **Continued emphasis on digital verification:** The updated guidance reaffirms the use of:
 - The Home Office online right-to-work checking service
 - e-Visas
 - The Employer Checking Service (ECS)
 - Certified right-to-work Digital Verification Service Providers (DVSPs)

The Home Office has also clarified that only its prescribed online checking service can be used to conduct online right-to-work checks for statutory excuse purposes.

Impact on employers

The updated guidance expands the right-to-work scheme beyond traditional employment relationships and introduces extended liability across labor supply chains. Businesses engaging contractors, subcontractors, outsourced service providers or platform workers may face civil penalty risks even where they do not directly employ the worker.

- **Increased risk for subcontracting and outsourced workforce models:** Liability for right-to-work compliance may extend beyond the direct engager, increasing compliance risks across subcontracting and outsourced workforce arrangements.
- **Review existing supply chains:** Organizations should review workforce engagement arrangements, including subcontractors, agencies, third-party suppliers and online platforms, to identify potential compliance obligations.
- **Review contractual arrangements:** Employers should review contracts for appropriate right-to-work compliance, audit, information-sharing, record-keeping and indemnity provisions. Substitution clauses may require particular attention.
- **Enhance internal compliance processes:** Employers should ensure relevant stakeholders are trained and compliance processes are applied consistently across all worker categories. Organizations relying on contingent labor, subcontractors or outsourced workforce models should review their arrangements before 1 October 2026 to reduce civil penalty risks.

Key steps

EY will continue to monitor these developments. Should you have any questions, we encourage you to contact one of our immigration professionals.

Seema Farazi, Partner
Global Immigration
+ 44 207 951 7122
seema.farazi@uk.ey.com

Denise Isaacs, Partner
Global Immigration
+44 207 980 9244
disaacs@uk.ey.com

Lisa Amos, Partner
Global Immigration
+ 44 207 197 0817
lisa.amos@uk.ey.com

Anthony Michael, Partner
Global Immigration
44 207 760 9413
anthony.michael@uk.ey.com

Nikita Potdar, Director
Global Immigration
+44 20 7760 8208
nikita.potdar@uk.ey.com

Kellie Sullivan, Director
Global Immigration
+ 44 207 806 9707
kellie.sullivan1@uk.ey.com

Caitlin Graham, Director
Global Immigration
+44 207 760 9332
cgraham2@uk.ey.com

Vicky Cregan, Director
Global Immigration
+44 20 7951 1897
vcregan@uk.ey.com

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SCORE 114779-26-GBL

2101-3682263
ED None

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