

# Daw v Intel Corporation (UK) Ltd. [2006]

## EWCA Civ 1188 (24 July 2006)

STRESS AND OCCUPATIONAL  
HEALTH  
£134,000.00  
NEGLIGENCE - EMPLOYERS  
DUTY OF CARE



Daw v Intel 2006

## Summary

The Daw v Intel Corporation case is a landmark ruling from 2007 by the UK Court of Appeal, wherein an employee successfully sued Intel for negligence due to work-related stress that resulted in a breakdown.

The court determined that while Intel provided a counselling service, it was insufficient because management failed to address the employee's repeated complaints about an excessive workload and unclear reporting structures. This decision underscored that employers must undertake proactive and substantial measures to manage workplace stress, emphasising that merely offering a helpline does not satisfy their duty of care.

### FACTS

In 2001, the claimant experienced a breakdown at work, rendering her unable to continue her duties. She had been with the company for 15 years, initially serving as a finance assistant and later as a payroll analyst. Prior to her new role, she had two instances of sickness leave due to postnatal depression.

Shortly after assuming the payroll position, her workload significantly increased. The claimant made at least 14 written and verbal requests for assistance and additional resources, expressing that she was working excessive hours to keep up. Although the employer made various promises of support, she remained in her role despite the mounting stress. Internal counselling options were available, but she did not utilise them. Ultimately, she was diagnosed with chronic stress-induced depression caused by overwork following her breakdown in 2001.

### THE DECISION: HIGH COURT

The claimant was awarded £134,000 in damages due to the employer's negligence in failing to mitigate the risk of harm to her. The judge deemed that the injury to her health was reasonably foreseeable, and the employer had not taken appropriate action. Issues such as unclear reporting lines and insufficient support contributed to the situation. The judge stated that the claimant could not be blamed for not using the internal counselling services.

### THE DECISION: COURT OF APPEAL

The employer appealed on two grounds. First, they claimed that the risk of work-related illness was not reasonably foreseeable, arguing that the claimant's history of postnatal depression did not indicate a vulnerability to work-related stress. Second, they asserted that providing an internal counselling service fulfilled their duty of care.

The Court of Appeal dismissed the appeal on both points, affirming that the claimant's breakdown was indeed foreseeable. Given the demands of her role and her numerous requests for assistance, the risk to her health was urgent and clear.

The Court of Appeal upheld the High Court's ruling regarding counselling services. They highlighted that, as established in the Hatton case, offering an internal counselling service does not absolve employers of their duty of care. In this instance, management failures could not be alleviated by merely providing access to counsellors; the only viable solution was to lessen the claimant's workload.

## THE LEGAL ISSUE

The main legal question was whether Intel had breached its duty of care to Daw. Intel's appeal centered on two main arguments:

**Foreseeability:** Intel argued that it could not have reasonably foreseen that Daw would suffer a mental health breakdown.

**Counselling services:** Intel contended that its provision of a confidential counselling service was sufficient to discharge its duty of care, citing guidance from the earlier case of Hatton v Sutherland.



## EFFECTS OF STRESS ON THE EMPLOYEE

- **Psychiatric injury:** The excessive work pressure led to a psychiatric injury, specifically depression, which was diagnosed after she was found in tears and wrote an email detailing her complaints.
- **Work-related breakdown:** The prolonged stress resulted in a complete breakdown of her health.
- **Attempted suicide:** The severity of her condition led to a suicide attempt shortly after being signed off sick.

## EFFECTS OF THE CASE ON EMPLOYERS

- **Duty of care:** The case reinforces that employers have a duty to take reasonable and timely action to prevent foreseeable psychiatric injury from workplace stress.
- **Action is required:** Employers cannot rely on a counselling service alone; they must take practical steps to reduce workload when an employee complains of excessive pressure.
- **Liability:** The employer was found liable for the injury, as they were aware of the excessive workload and failed to take sufficient action to address it. The court rejected the argument that the employee's previous history of post-natal depression made the injury unforeseeable, stating that the employer was aware of her current excessive workload, which was the primary cause.



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## KEY PRECEDENTS FROM INTEL V DAW

- Proactive action required: Employers must take positive steps to prevent psychiatric injury from work-related stress.
- Counselling is not a cure-all: Providing a confidential counselling service is insufficient on its own to discharge the employer's duty of care.
- Address the root cause: The employer must tackle the source of the stress, such as an excessive workload, rather than just offering support services.
- Knowledge of susceptibility is not a prerequisite: The employer was found liable even though they did not know about the employee's predisposition to depression, because they were aware of the excessive workload.

Fact-finding is essential: The courts will conduct a thorough fact-finding exercise to determine if the employer's actions were reasonable in the circumstances of the specific case.

## CASES INVOLVING WORK-RELATED STRESS

Walker v Northumberland County Council: This case established the principle that employers owe a duty of care regarding stress-related illness. An employee suffered a second breakdown after being returned to his previous, high-pressure duties without any changes, which the court found was a foreseeable risk.

Green v DB Group Services Limited: The High Court upheld a claim for personal injury due to psychiatric illness caused by bullying and harassment.

## CASES HIGHLIGHTING THE EMPLOYER'S DUTY OF CARE

Walker v Northumberland County Council: The employer should have foreseen the risk of another breakdown when the employee returned to the same workload that caused the first one.

Green v DB Group Services Limited: This case, along with Daw v Intel, emphasizes that employers must take reasonable steps to prevent stress-related illness and that simply offering counseling may not be enough to discharge their duty of care.

Morland v London Borough of Tower Hamlets: A claim failed because the employer had monitoring and supervision procedures in place, and it was not reasonably foreseeable that the specific work-related stress would lead to a health risk.  
Other related cases

Wealmoor Ltd v Poniatowski: While not about stress, this case highlights the importance of employers thoroughly assessing medical evidence and considering reasonable adjustments, especially when managing long-term sickness absences and dismissals.  
Kostal v Dunkley: This Supreme Court case clarified that employers must follow and exhaust collective bargaining agreements before making direct offers to employees to change terms and conditions.

## KEY IMPLICATIONS FOR EMPLOYERS

The **Daw v Intel** ruling has significantly influenced employment law, highlighting essential responsibilities for employers regarding work-related stress.

### A PROACTIVE DUTY

Employers must actively manage and reduce stress-related risks in the workplace. Counseling cannot replace effective management that addresses the root causes.

### HEED EMPLOYEE COMPLAINTS

Complaints about excessive workloads and stress must be taken seriously and investigated promptly. Ignoring signs of distress can lead to negligence claims.

### COUNSELING AS A SUPPLEMENT, NOT A CURE

Employee assistance programs are valuable but do not absolve employers of their responsibilities. Offering counseling alone is not a solution for stress management.

### THE EMPLOYEE'S RESILIENCE IS NO DEFENSE

Employers cannot assume that a resilient employee will endure excessive stress without harm. The court rejected this argument.

## THE COURT'S DECISION

The Court of Appeal rejected Intel's appeal on both grounds, siding with the High Court's original ruling that Intel was liable.

### FORESEEABILITY WAS ESTABLISHED:

The court found that Daw's many complaints, combined with her earlier history of depression (which management knew about), provided clear and ample warning that she was at serious risk of psychiatric injury. Her breakdown was therefore reasonably foreseeable.

### COUNSELLING IS NOT A "PANACEA":

The court ruled that the provision of a counselling service is not enough to satisfy an employer's duty of care in all circumstances. In Daw's case, the service would have simply advised her to see a doctor; it would not have addressed the root cause of her stress, which was the excessive workload. Addressing the workload was management's responsibility.

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