



PEOPLE INSIGHTS NEWSLETTER

December 2025

WELCOME TO OUR DECEMBER NEWSLETTER!

Is it just me, or has 2025 sprinted past at record speed?

One minute we were talking New Year goals and good intentions, and now suddenly it's mince pies, Secret Santa panic, and wondering how early is too early to put on the out-of-office!

In this month's newsletter, we've got a quick update to round off the year. There's an important update on the ever changing Employment Rights Bill, some light-hearted but important reminders about keeping Christmas parties fun, inclusive and safe, details of Breathe's brilliant free management training, and our regular Q&A to wrap things up.

Thank you for your support throughout 2025. Siarah People Solutions will be closed from 19th December 2025 through to Monday 5th January 2026 inclusive.

Wishing all clients and subscribers a very happy, healthy and safe festive season. May your celebrations be cheerful, your inbox be quiet, and your Christmas crackers contain at least one decent joke 🥰🎉

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TOP NEWS

Employment Rights Bill Update

Christmas Party preparation

Free Line Manager Training with Breathe

Questions & Answers



LATEST NEWS

Employment Rights Bill Spotlight:

The 2025 Autumn budget has introduced additional cost pressure for employers, including higher dividend taxes, increased living wage rates and a salary sacrifice pension contribution cap.

Alongside this, the upcoming Employment Rights Bill introduces significant changes that all employers need to prepare for. Understanding what's changing now will help you stay compliant and support your workforce effectively.

We have highlighted below some of the key changes that are on the horizon which will need forward planning:-

What's changing with Unfair Dismissal rights?-

After much debate between the House of Lords and the House of Commons, the government has conceded and agreed to a statutory 6-month period before employees become entitled to claim unfair dismissal (as opposed to a day-one right).

This is likely to be introduced from **1st January 2027**, meaning that **employees hired from June 2026** onwards will have protection from unfair dismissal.

BREAKING NEWS: The government published its amendments to the ERB on 5th December 2025 and is proposing to remove the cap on compensatory awards for unfair dismissal. If this passes the House of Lords, unfair dismissal compensatory awards will be uncapped. The current cap is the lower of £118,223 or 52 weeks' gross pay, plus a separate basic award (max £21,570).

What's changing with Statutory Sick Pay (SSP)?:-

From **April 2026**, SSP will be available from the first day of work, and there will no longer be a lower earnings limit. Every worker will qualify for SSP, regardless of hours or income.

What's changing with Family Leave?:-

From **April 2026** employees will have day one rights to paternity and unpaid parental leave.

What to do now:

1. Review contracts, policies and procedures to make sure they're ready for the incoming changes.
2. Review your recruitment, onboarding and induction processes. Are your processes robust enough to ensure you are hiring the best talent and is your induction process giving them the best chance of success?
3. Equip line managers with the necessary skills to manage performance, especially during the shorter probation period. They sit at the centre of compliance, so need to understand the new obligations and apply them fairly and consistently.
4. Review your financial forecasts to account for the increased staff costs.
5. Review your staffing structure - as employment costs are rising, would freelancers, part-time staff, fractional consultants or outsourcing be a more sustainable option for your business?

Need help reviewing your policies and procedures ahead of the changes? Please get in touch - we are here to help.



🎄 Keeping Christmas events fun, inclusive and safe for everyone 🎄

Festive celebrations are a great way to bring teams together, but they also come with responsibilities. With the Worker Protection Act introducing a proactive duty to prevent sexual harassment, employers need to take simple steps to keep events safe and respectful.

Our latest article includes practical tips to help you plan a Christmas event that's fun, inclusive, and safe for everyone.

👉 Read the full article on our website: [How to keep your Christmas party fun, inclusive and safe](#)

Breathe Growth Academy - Line Manager Essentials Training

We're excited to let you know that our partner, Breathe HR, has launched a free Skills Hub — and it's now available to all businesses. The hub includes brand-new **Line Manager Essentials training** - short, e-learning modules perfect for those stepping into management roles for the first time or as a refresher for those with years of experience.

The Academy gives you accessible, practical resources, and **it doesn't cost a penny**. It's a great way to help you uncover any people-management or training gaps in your business, and give your team a strong start in leading effectively.

➡ Check out the Line Manager Essentials and other resources [here](#).

Q&A



Is it my responsibility to ensure employees use their holiday entitlement?

Ultimately, it's a shared responsibility. Employees should plan their time off, but you, as an employer, must provide opportunities and encourage its use to comply with the law.

Practical steps include sending periodic reminders about holiday balances, ensuring you have a clear policy outlining how and when holidays should be taken and encouraging staff to book time off, especially if they are approaching year-end with unused entitlement.

Should I be paying a Christmas bonus?

Paying a Christmas bonus is a great way to reward staff and boost morale, but it's only a legal requirement if specified in the employee's contract. If it's part of the contract, it becomes a binding obligation. Otherwise, it's entirely at the employer's discretion.

Need a hand with your people challenges? 🤔

If any of the topics in this newsletter have sparked questions, or if you need support with any other people issues in your business, we're here to help. Don't hesitate to get in touch — we can offer practical advice, guidance, and solutions tailored to your team and your business.

✉ Get in touch today. Let's make sure your people processes are working as hard as you do.