SIARAH People Solutions YOUR HR PARTNER

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PEOPLE INSIGHTS NEWSLETTER

September 2025

WELCOME TO OUR MONTHLY NEWSLETTER!

I hope you had a great summer. I pressed pause on the newsletter in August while I enjoyed the summer holidays, including some family time in sunny Spain.

Now the kids are back at school, my tan is fading and I'm wearing a cosy jumper... it must be September! 🍂

As we head into autumn, attention turns back to business, and there's plenty happening on the HR and legal front.

The Employee Relations Bill is making its way through the House of Commons and House of Lords, and I'll be keeping a close watch on how this will affect employers in the months ahead.

TOP NEWS

Employment Rights Bill Updates

Update to the proposed 'day one' right to unfair dismissal.

Retention strategies

How to retain your staff when pay budgets are strained

Questions & Answers

Answers to commonly asked HR questions

LATEST NEWS

Employment Rights Bill update

The House of Lords have passed an amendment to the Employment Rights Bill (ERB), reversing the proposed day-one protection against unfair dismissal and changing this to a six-month qualifying period.

This amendment, and others, were debated in the House of Commons on 15th September and referred back to the House of Lords for further consideration.

It is clear that the House of Lords are trying to water down many aspects of the ERB, arguing that it is anti-business, whilst the government are still pushing ahead with their commitment to the full measures in the ERB.

So what's still likely to become law:

- Day-one rights to sick pay, parental leave and protection against unfair dismissal.
- Ban on exploitative zero-hours contracts
- Extended tribunal time limits (from 3 to 6 months)
- Fire and re-hire restrictions
- Pregnancy loss leave before 24 weeks
- Limits on NDAs in harassment cases
- A new Fair Work Agency to enforce the new law.

The Bill is expected to be given Royal Assent in Autumn 2025 to become the Employment Rights Act 2025. The measures in the Act are then expected to be phased in over the next 3 years.

Making retention work when pay growth stalls

Recent reports show that UK employers are seeing the slowest hiring and pay growth since the pandemic.

In the finance sector, competition for skilled people remains fierce, yet smaller firms often cannot match the salary packages offered by larger players.

The good news is that retaining valued employees is not just about pay. Firms that focus on engagement, development, and recognition can strengthen loyalty even in a cautious pay environment. Here are three strategies that can make a difference:

1. Invest in Development Opportunities
Offering structured training, mentoring, or study support for professional qualifications signals long-term commitment. Even small firms can provide development through job shadowing or project work.

2. Enhance Flexibility and Work–Life Balance
Flexibility remains a top priority for many professionals. Clear, fair hybrid or flexible working policies can help staff feel trusted and valued. Small firms often have an advantage here, able to adapt more quickly than larger institutions.

3. Strengthen Recognition and Culture
Simple recognition—regular feedback, celebrating achievements, or spotlighting contributions in team meetings—goes a long way. A positive, inclusive culture can be a bigger retention driver than incremental pay rises.

4. **Review Benefits Creatively**
Consider low-cost benefits such as wellbeing days, enhanced family-friendly policies, or financial wellbeing workshops. These can add real value at minimal cost.

Q&A

What should I do if my employee has a backlog of annual leave to take before the end of the holiday year?

They can carry over some of their non statutory annual leave entitlement, if your policies allow, if they're on long-term sick leave or if you didn't let them take all their entitlement.

If they're on statutory leave, like maternity leave, they can carry it all over.

Do I need a probationary period?

There's no legal requirement, but it can protect your financial and business interests. It helps you assess whether your new hire is right for the job - and if it's right for them - and you can set a shorter notice period during the probation period.

Probationary periods are expected to become even more important once the current 2-year qualifying period for unfair dismissal rights is removed in 2026.

My employee needs glasses - do I need to pay?

The Health and Safety (Display Screen Equipment) Regulations require you to protect employees from health risks associated with screen exposure.

This means conducting workstation assessments, encouraging breaks, offering an eye test if requested, providing training and paying towards the cost of glasses for screen work.

Having a clear policy on eye care and what costs, if any, are covered by you will keep everyone in the know.

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