



HR UPDATE

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THANK YOU!

A message from Claire, HR Director and Founder at WoodcoteHR:

As we get ready to close out another year, I just want to take a moment to say a genuine thank you. To my clients, partners, and anyone else who has supported me this year.

It's been another busy year (is there any other kind?). Running a business whilst raising a family can feel like a juggling act at times, but I've had the privilege of working with brilliant businesses, wonderful people, and a growing network of professionals who make the long days and spinning plates absolutely worth it.

As we all start wrapping things up for the year, I just wanted to wish you a restful, calm and lovely Christmas.

I can't wait for some proper time off with my kids, a glass (or two) of homemade sloe gin, and some cosy family days.

See you in the New Year - refreshed, recharged, and ready for whatever 2026 brings.

All the best,

Claire





On 16 December 2025, the House of Lords has formally approved the Employment Rights Bill after months of “ping-pong” between the two houses.

This is one of the biggest changes to employment law in decades and will massively increase compliance obligations, and costs, for many employers.

The next and final step is Royal Assent, which is the formal process that turns a Bill into law. Based on current parliamentary timings, Royal Assent is expected before Christmas, although the exact date has not yet been confirmed.

Key changes include:

- Unfair dismissal: Shorter qualifying period for claims.
- Zero-hours contracts: New rights to more predictable working hours.
- Fire and rehire: Tighter limits and stronger consultation rules.
- Harassment: Expanded employer duties, including third-party protection.
- Sick pay and family leave: Wider access and more day-one rights.
- Enforcement: New Fair Work Agency to enforce employment rights.

What happens next?

Once Royal Assent is confirmed and the Act is published, we will be able to see:

- Which sections take effect immediately.
- Which have fixed future start dates.
- Which will come into force later through commencement regulations.

BREAKING HR NEWS

WEDNESDAY, 17 DECEMBER 2025

WOODCOTEHR.CO.UK

EMPLOYMENT LAW SET FOR BIGGEST OVERHAUL IN DECADES

Major changes to unfair dismissal, zero-hours contracts and workplace protections are now one step away

from becoming law. The Employment Rights Bill has passed the House of Lords and could receive Royal Assent within weeks. Sign-off is expected before Christmas. Follow for updates.



At that point, we'll review the confirmed implementation timetable and provide a further update explaining:

- What applies to your business.
- When it applies.
- What practical steps (if any) you need to take.

If you'd like to discuss how these reforms may affect your business in 2026 and beyond, or if you have any questions about the Bill, please feel free to get in touch.



4 IMPORTANT THINGS TO REMEMBER THIS DECEMBER

December can be a busy month for small business owners and it often brings a few extra people issues to manage.

If you're dealing with challenges this month, here's how to handle them and survive the festive season (relatively) unscathed.



1 - Party problems

If someone's behaviour at Friday's event has led to a complaint, deal with it like any other workplace issue: get the facts, speak to everyone involved separately and keep clear notes of what was agreed. Remember: work social events count as an extension of the workplace. If behaviour there affects working relationships, you need to address it properly.

2 - Stressed staff

Money worries peak in December. Family pressures build. Some employees feel isolated whilst others celebrate. You can't fix their personal situations, but here's what helps: check in with people who seem withdrawn, be flexible (where possible) with hours or workload and remind staff about any support services you offer. Small adjustments make a real difference.

3 - Monday morning no-shows

When one or two people don't show up the morning after the night out, stay consistent.

Follow your usual absence procedures. If someone doesn't follow the right process, address it.

If lateness triggers a conversation, have it. Apply your rules fairly across the board, whoever's involved. December doesn't mean standards should slip.

4 - Keeping it inclusive

Not everyone celebrates Christmas and forcing participation or assuming everyone shares the same traditions creates problems.

The solution: keep work events optional, acknowledge different perspectives and focus on closing the year well rather than one specific celebration.

This helps to avoid resentment and keeps morale steady across your whole team.

Don't Forget

You can't prevent every December challenge. But you can handle them fairly, keep good records and protect your team's working relationships.

If it feels overwhelming, we're here to help you to sort through the tricky conversations and get back on track.



KEY TAKEAWAYS FROM THE LATEST BUDGET



Rachel Reeves has delivered the Budget, and after spending time going through it, one thing is crystal clear...

👉 Your people costs are rising

👉 HR compliance is tightening

There are major shifts coming that will affect how every small business hires, pays and manages their people.



But what does this mean for your business?

Your employment costs are going up, and the government is tightening compliance across the board.

Between the National Living Wage rise, frozen NI thresholds, the salary sacrifice cap and higher enforcement, most small businesses will see a meaningful increase in their people costs over the next two years.

At the same time, the new Fair Work Agency will be far more aggressive in targeting poor HR practices, missing paperwork and non-compliance. In short: higher costs, less room for error, and greater scrutiny of how you employ and manage people.

If you want guidance, reassurance or hands-on support, please reach out.

Alternatively, we've created a clear and practical guide, which can be found by clicking the link below.



[CLICK HERE](#)

Inside, you'll find:

- ✓ A straightforward breakdown of what the Budget really means for employers.
- ✓ Every key change and the impact it will have on your business.
- ✓ The actions you should take now to stay compliant and financially prepare.



WHAT HAPPENS WHEN KEY PEOPLE LEAVE?

Every small business has those key people you rely on.

When they leave after years in the role, they take with them knowledge about suppliers, processes and client relationships that nobody else has.

It's a familiar story. But it's also completely preventable through succession planning.

"Succession planning" sounds corporate, but it simply means knowing who could step into key roles and getting them ready before you need them.

Without it, knowledge disappears. You pay agency fees for replacements. Your business value stays tied to specific people who could leave tomorrow.

The practical approach involves:

- Identifying which roles would hurt most if empty: often not the senior titles, but the people whose absence would disrupt your week.
- Documenting what really makes them effective: which customers need special handling, which suppliers are flexible, problems only they spot.
- Looking at your existing team differently: who asks about the wider business and keeps things running during busy periods.
- Testing potential successors with holiday cover and routine decisions.
- Writing it down, sharing it with the people involved and reviewing quarterly.



The benefits are clear: good people stay when they see opportunities, you can take proper breaks from the business and, if you ever want to sell, buyers see a business that runs without depending on specific individuals.

We suggest starting with 3 critical roles and you can build from there.

Our latest guide covers all of this in more detail, so get in touch for your copy.

And if you'd prefer to talk it through, we can help to design something simple for your business.



IN OTHER HR NEWS

1

Digital IDs likely coming for Right to Work checks

The Government has proposed making Digital IDs mandatory for Right to Work checks. While this still needs legislation and consultation, it looks likely to happen in the next few years.

When it comes in, it should simplify the process, though fines for mistakes will still be significant. Nothing to do now, but worth keeping an eye on as plans develop. Getting familiar with changes early will save admin time when they arrive.

2

Financial stress affecting younger workers

Research shows that one in five Gen Z workers say that money concerns affect their performance at work. It's a reminder that financial wellbeing matters to productivity.

Consider offering practical support: signposting to resources, being open to conversations about financial wellbeing and sharing simple money management tools. Small steps can help to reduce stress and improve focus, particularly for younger team members.

3

Making workplaces work for disabled people

A new report highlights the employment barriers that disabled people face. For small businesses, it's worth remembering that inclusion goes beyond compliance.

Small adjustments can make a real difference: reviewing how you word job ads, being flexible with interview formats and making reasonable adjustments when needed. These steps help you to access a wider talent pool.





QUESTIONS & ANSWERS

Top HR Questions

What should I do if an employee uses AI tools incorrectly or without permission?

AI can be a great time-saver, but it comes with risks if staff use it in the wrong way. You don't want confidential data copied into a chatbot or poor-quality work passed off as complete. The best step is to set out a clear policy: explain what's allowed, what's off-limits and when approval is needed. Train your team on safe use and make sure managers check work quality.

How can I spot the signs that someone is about to resign?

Often people give clues before they hand in their notice. They might become less engaged, avoid long-term projects or show frustration more easily. Sometimes it's small changes, like reduced effort or more sick days. The key is to stay close to your team. Regular check-ins and "stay interviews" will help you to understand what's going on and give you a chance to fix issues before it's too late.

Do I need to give staff a written policy on hybrid or remote working?

Yes, if people are working from home some or all of the time, it's important to have it in writing. A simple policy avoids confusion and protects your business. It should cover when staff are expected in the workplace, how performance is measured and responsibilities around health and safety. Even if you only have one or two people working remotely, putting expectations down on paper saves problems later.

*Merry
Christmas*
AND HAPPY NEW YEAR

