



SOLVE IT HR MATTERS

How much money are you spending on "HR"?

Most business owners we speak to say they don't have an HR budget. What they usually mean is that they don't have a planned one.

Because in reality, most businesses are already spending money on HR. They just don't think of it in that way.

It shows up reactively...

- A grievance that needs dealing with
- An investigation that swallows management time
- External advice brought in once something has already gone wrong

By the time these costs become visible, they are often higher than expected and harder to control.

The question worth asking is a simple one: what has HR actually cost your business over the last 12 months?

When you add up the time spent on disciplinaries, grievances, sickness linked to unresolved issues and recruitment after avoidable exits, the number is usually an eye-opener.

And with employment law changes on the way that will make it easier for employees to bring claims, the cost of getting things wrong is only going up.

There are broadly four options for how you handle HR in your business.

- 1: Giving it to an existing team member
- 2: Hiring a dedicated HR manager
- 3: Using a large provider
- 4: Or working with an independent consultant

Each comes with different costs, different levels of expertise and different trade-offs.

What we find is that most small businesses benefit from having someone they can call before a situation escalates.



Not a generic helpline. Someone who knows your business, your team and the specific pressures you are dealing with.

We've put together a short guide that breaks down each option, what it costs, what you get and how to decide what is right for your size and stage.

If you would like a copy, just get in touch and we'll send it over.

LATEST NEWS

A flawed investigation cost one employer over £12,000 at tribunal

A recent tribunal case is a useful reminder that how you investigate matters just as much as what you investigate.

An employee with over 20 years' service was dismissed for gross misconduct. But the tribunal found that the investigation process was flawed. The employer failed to consider whether the issue was actually about capability rather than conduct and did not offer support at the investigation stage, despite being aware of the employee's health condition. No advance warning of the investigation interview was given either.

The result was an unfair dismissal finding and a compensation award of over £12,000, with further compensation still to be agreed.

The lesson for business owners is straightforward. Before you move to dismiss someone, make sure that you have properly investigated the situation, considered all possible explanations and given the employee a fair chance to respond. Rushing to a conclusion, even when you believe the facts are clear, can leave your business exposed.



Everyday mistakes that end up in tribunals

Most tribunal claims do not start with bad intentions...

They start with a conversation that was not documented, a process that was skipped or a decision that felt right at the time but was not handled properly.

Here are some common practices we see that often lead to an employment tribunal:

A quiet word:

A quiet word about someone's performance that is never written down.

Months later, the business decides to dismiss. The employee claims they were never told there was a problem and there is nothing on file to say otherwise.

Unfair treatment:

Different treatment for different people. Even when the reasons seem reasonable at the time, it can quickly look like unfairness or discrimination when viewed from the outside.

Strict policies:

Sickness policies applied rigidly without checking whether there is an underlying health condition. What starts as absence management can escalate into a disability discrimination claim.

Dismissal of rights:

Flexible working requests turned down without a valid business reason. A "no" that feels reasonable to you may not hold up if it is challenged.

Or a short-service dismissal that looks low risk on the surface but overlooks the fact that the employee has a protected characteristic.

These are not unusual situations.

They happen in businesses of every size, every week.

If you do not have someone to sense check your decisions with, now is a good time to think about that.

A short conversation before you act is almost always cheaper than dealing with the fallout afterwards.



LATEST NEWS

A fifth of workers are not taking their full holiday entitlement

Research from Timetastic found that around 1 in 5 UK employees fail to use their full annual leave because of work pressures. Over a quarter finished last year with more than 15 unused days.

Mid-level managers and supervisors were most likely to skip holidays, with around a quarter saying that they felt unable to step away. Nearly 1 in 10 said that they felt guilty simply for taking their earned leave.

For small business owners, this is worth paying attention to. People who do not take proper breaks are more likely to burn out, make mistakes or eventually leave. If your team is hoarding leave or quietly working through it, that is a sign worth exploring. A quick check on where your team's leave balances stand could flag issues before they become problems.

Remote job adverts have dropped to their lowest level since 2020

Data from Adzuna shows that remote job adverts in the UK fell by 42% over the past year, reaching their lowest point since March 2020. Overall vacancies also declined for a sixth consecutive month, with competition for roles rising to an estimated 2.3 jobseekers per vacancy.

For small business owners, this shift creates both a challenge and an opportunity. If you are recruiting, you may find more candidates available than in recent years. But if you are relying on office-based roles to attract talent, keep in mind that flexibility still ranks as one of the top priorities for jobseekers.

Getting the balance right between what your business needs and what candidates expect could make the difference in who you attract.

Your top HR questions

If I dismiss someone with less than 2 years' service, am I safe?

Not necessarily and this is about to change. From 1 January 2027, the qualifying period for unfair dismissal drops to 6 months. That means anyone you employ from 1st July 2026 onwards will be covered. Even now, short-service employees can bring claims for discrimination, whistleblowing or automatic unfair dismissal regardless of length of service. Do not assume a short tenure removes risk.

Do I need to update my contracts after the 2026 law changes?

Yes. Many of the changes under the Employment Rights Act will affect your contracts, policies and procedures. Areas like probation periods, notice terms, flexible working and dismissal processes may all need reviewing. If you have not looked at your documentation recently, now is the time. Get in touch if you would like us to carry out a policy audit so you know where you stand.

At what point do I need formal HR processes?

From the moment you decide to employ someone. Once you have staff, you need contracts, policies and a basic framework for handling things like absence, grievances and performance. It does not need to be complicated, but it does need to exist. Many of the problems we see could have been avoided if the basics had been in place from the start.

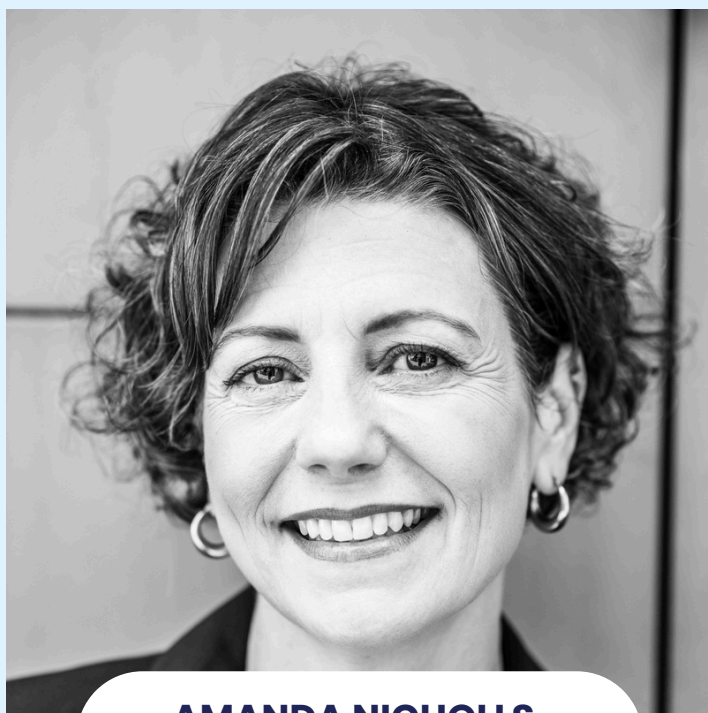
Need a confidential chat?

If you have a problem brewing in your business, you're worried about something or you simply need some expert HR support then please get in touch with us for a confidential chat.

A quick conversation could save you from a very costly mistake and we could give you the clarity you need to decide your next steps with confidence.

We offer a free 30 min chat (without any obligation to buy from us in the future).

Contact us here: [click here](#)



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