

Employment Rights Act 2025 Employer Readiness Checklist

Preparing for the new unfair dismissal regime

July 2026 Edition

We set out below some practical actions employers should take to prepare for the forthcoming reforms to the unfair dismissal regime, expected to take effect from 1 January 2027.

Probation periods: review your approach

- Review probation periods and ensure review points align with the new six-month qualifying period.
- Check that notice provisions support effective decision-making before unfair dismissal protection is acquired.
- Consider whether probation extension processes remain appropriate.

Performance management: intervene early

- Set clear expectations from the beginning of employment.
- Provide timely feedback where concerns arise.
- Hold regular probation review meetings.
- Address performance and conduct issues promptly rather than allowing concerns to drift.

Documentation and record-keeping: strengthen evidence

- Document performance concerns as they arise.
- Record the reasons behind employment decisions contemporaneously.
- Ensure managers understand the importance of consistent and accurate record-keeping.

Dismissal processes: review fairness

- Review dismissal procedures to ensure fair process is followed consistently.
- Ensure investigations are proportionate and properly documented.
- Apply policies consistently across comparable cases.
- Escalate higher-risk dismissals to HR or legal advisers at an early stage.

Transition planning: identify employees at risk

- Identify employees who will have between six months' and two years' service on 1 January 2027.
- Monitor new joiners closely, as they may acquire protection shortly after implementation.
- Consider the impact of contractual and statutory notice periods when planning dismissals during the transition period.

Employment Rights Act 2025 (ERA): Employer Readiness Checklist

Preparing for the new unfair dismissal regime

Immediate priority actions

- Brief HR teams and line managers on the forthcoming reforms.
- Review probation, performance management and dismissal policies before implementation.
- Train managers on documentation and fair decision-making.
- Begin preparing for increased employment tribunal exposure under the new regime.

The expected changes to the unfair dismissal regime represent one of the most significant phases of the Employment Rights Act 2025 reforms. Employers who review their policies, train managers and strengthen processes now will be better placed to manage risk when the reforms come into force.

This checklist forms part of our Employment Rights Act 2025 series. Further editions will follow as further phases of the Employment Rights Act 2025 are implemented throughout 2026 and into 2027.

Contacts

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