ce people

Checklist:
Unfair dismissal law changes



This checklist is designed to help small and medium-sized employers get ready for the January 2027 unfair dismissal law changes. You can use this checklist as a practical starting point, but remember it's always sensible to take HR or legal advice on your own circumstances, especially if you are reviewing dismissals, probation periods, contracts or performance processes.

Inform the business

- [ ] Make sure senior leaders, managers and HR understand that from 1 January 2027, ordinary unfair dismissal rights will apply after six months' service rather than two years.
- [ ] Explain that the cap on unfair dismissal compensation is being removed, so the financial risk attached to getting a dismissal wrong may be much higher, especially for higher earners or employees with bonuses and pensions and benefits.
- [ ] Remind the business that employees can still bring other claims before six months, including discrimination or automatically unfair dismissal claims, so the early months of employment are not risk-free.

Employer checklist:

preparing for the January 2027 unfair dismissal law changes

ce people

Audit who will qualify on 1 January 2027

- [ ] Review your workforce now and identify who will have six months' service by 1 January 2027, because existing employees can benefit from the new unfair dismissal threshold too.
- [ ] Pay particular attention to employees in probation, employees on fixed-term contracts and anyone whose role is already under review.

Review your probation periods

- [ ] If you currently use a six-month probation period, review whether that still works for your business.
- [ ] Consider moving to a shorter probation period, such as three months, with the option to extend if needed.
- [ ] If you keep a six-month probation period, build in clear review points before the end, for example at three months and five months, so you are not waiting until the last minute to decide what to do.

Tighten performance from day one

- [ ] Set expectations clearly at the start of employment and make sure managers know what 'good' looks like for the role.
- [ ] Address concerns early instead of letting them drift.
- [ ] Hold regular one-to-one, supervision meetings and review conversations during the first six months, and make sure they are documented properly in a secure HR system.
- [ ] Keep evidence showing both the concern and the support you gave, including feedback, coaching, supervision notes and follow-up emails.

Train managers to follow a fair procedure

- [ ] Make sure managers understand that you can still dismiss after six months, but the shortcut is gone. If someone has six months' service or more, you'll need a fair reason and a fair procedure.
- [ ] Train managers on how to handle probation reviews, performance concerns, difficult conversations and dismissal meetings consistently and fairly.
- [ ] Give managers guidance on checkpoints, escalation, written reasons, evidence gathering and when to seek outside HR or legal advice.
- [ ] For misconduct and capability cases, make sure everyone follows your company policy and the Acas Code of Practice on disciplinary and grievance procedures. For other dismissals, you should still follow a fair procedure, even if the Code does not strictly apply in the same way.

ce people

Preparing for the January 2027 unfair dismissal law changes

Employer checklist



1 Review policies, contracts, notice periods and dismissal wording

- [ ] Update your dismissal, disciplinary, capability, grievance and probation policies, especially wording around the Acas Code not being followed until someone has two years' service, because that wording will no longer reflect the new laws.
- [ ] Review your employment contract templates, especially probation clauses and notice period wording.
- [ ] Be especially careful with dismissals close to the six-month mark, because notice can push the effective date of termination over the threshold and trigger an unfair dismissal claim.
- [ ] If someone asks for written reasons for dismissal after six months' service, you will need to be ready to provide them.

2 Do not overlook fixed-term and casual arrangements

- [ ] If you rely on fixed or short-term contracts, casual arrangements, family leave cover or project roles, make sure the purpose of these roles is clearly defined and that your process at the end of the contract is thought through in advance.

3 Be clear on fair reasons for dismissal

- [ ] Refresh your understanding of ordinary unfair disposal, automatically unfair disposal, constructive dismissal and wrongful disposal. Make sure leaders and managers know too.
- [ ] Remind yourself, leaders and managers of the potentially fair reasons for dismissal: capability or qualifications, conduct, redundancy, statutory restriction, or some other substantial reason.
- [ ] Make sure you and your team capture and can show reasons, evidence and process for all dismissals. Saying someone is 'not the right fit' isn't enough on its own.

4 Keep accurate records

- [ ] Keep accurate records of probation reviews, performance concerns, supervision, support offered, warnings, dismissal meetings and written reasons.
- [ ] Store those records securely and consistently, so they are easy to find if a decision is challenged months later.

ce people

Need a hand putting all this into action?

Ordinary unfair dismissal risk is going to arise much earlier in the employment relationship, so the best preparation is simpler and earlier action: clearer probation processes, better manager conversations, stronger documentation and more joined-up HR systems.

CE People can help you turn these priorities into practical next steps, with clear processes, consistent documentation and people-focused HR support.

Contact CE People to learn more.

www.ce-people.co.uk **01604805634** **Enquiries@ce-people.co.uk**