

THE EMPLOYMENT RIGHTS ACT 2025

What It Means for Dental Practices, Employed Staff & Self-Employed Associates

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1. Overview

The **Employment Rights Act 2025** (“**ERA 2025**”) received Royal Assent on 18 December 2025 and is widely described as the most significant overhaul of UK employment law in a generation. It delivers on the Government's “Make Work Pay” agenda and introduces 28 separate reforms spanning unfair dismissal, statutory sick pay, family leave, zero-hours contracts, trade union rights, harassment prevention and enforcement.

The changes are being introduced in phases rather than all at once. Some provisions were already in force before Royal Assent (such as the fire-and-rehire Code of Practice); others took effect in April 2026; a further tranche follows in October 2026; and the most significant reforms – including the reduced unfair dismissal qualifying period and the new zero-hours rights – are expected in 2027, with some dates still to be confirmed by regulations.

For Dental Practices, the Act matters on two key levels:

- 1. **As Employers:** Practices must update contracts, policies, and payroll processes for employed staff (dental nurses, receptionists, practice managers, hygienists/therapists, and employed dentists).
- 2. **Associate Status Scrutiny:** The Act sits alongside a wider, ongoing shift in how “self-employed” associate dentists are treated for both tax and employment law purposes – a trend this Act reinforces.

2. Implementation Timetable at a Glance

The table below sets out the key changes and their current expected implementation dates based on the Government’s published implementation roadmap. Many dates – particularly those for 2027 – remain provisional and subject to ongoing consultation.

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Change	Effective date	Applies to
Fair tipping consultation & policy review duty	In force since 1 Oct 2024 (policy review duty extended)	Practices that receive tips/ service charges
Statutory Code of Practice on fire and rehire	In force since 18 Jul 2024	All employers
Repeal of Strikes (Minimum Service Levels) Act 2023	Immediate, on Royal Assent (18 Dec 2025)	N/A to most dental practices
Statutory Sick Pay: day-one right, waiting period removed, lower earnings limit removed	6 April 2026	All employed staff, incl. part-time

Change	Effective date	Applies to
Paternity leave & unpaid parental leave: day-one rights	April 2026	Employed staff
Bereaved partner's paternity leave	April 2026	Employed staff
Collective redundancy consultation threshold changes	April 2026	Practices with multi-site or larger workforces
Whistleblowing protection extensions	April 2026	All staff
Fair Work Agency enforcement powers begin	April 2026 onwards	All employers
Trade union reforms (access, recognition, facility time)	From 18 Feb 2026, phased	All employers
Tipping policy consultation & 3-yearly review duty (enhanced)	By end of 2026	Practices distributing tips
Duty to prevent sexual harassment strengthened to "all reasonable steps"; third-party harassment liability	2026 (regulations awaited)	All employers
Unfair dismissal qualifying period cut from 2 years to 6 months; cap on compensation removed	1 Jan 2027 (retrospective from that date)	Employed staff
"New triple lock" on fire-and-rehire / fire-and-replace	January 2027	All employers
Zero/low-hours workers: right to guaranteed hours, notice of shifts, payment for cancelled/curtailed shifts	2027 (date to be confirmed)	Any zero/low-hours staff, e.g. bank nurses
Strengthened flexible working right (employer must justify refusal against 8 statutory grounds)	2027	Employed staff
Statutory bereavement leave (1 week, unpaid)	2027	Employed staff

Note: Dates reflect published guidance as of August 2026. Several 2026 and 2027 provisions depend on secondary legislation and consultations – always check for the latest regulatory position.

3. Implications for Employed Practice Staff

The majority of ERA 2025's reforms apply to people who are legally "employees" or "workers" – in most practices this covers dental nurses, receptionists, practice managers, treatment coordinators, hygienists and therapists, and any dentists engaged on an employed basis.

3.1 Statutory Sick Pay (from 6 April 2026)

- **Day-One Entitlement:** SSP is now payable from the first day of sickness absence, removing the previous three "waiting days".
- **Lower Earnings Limit Removed:** Staff who earn below the previous £125–129/week threshold (commonly part-time nurses or reception staff working reduced hours) are now eligible, paid at the lower of the flat SSP rate or 80% of average weekly earnings.

- **Practical Impact:** Practices should expect higher short-term absence costs and should update payroll systems, sickness policies, and staff handbooks accordingly.

3.2 Unfair Dismissal (from 1 January 2027)

- **Qualifying Period Cut to Six Months:** Down from two years. This is a major change for a sector with relatively high staff turnover during probationary periods.
- **Compensation Cap Removed:** There is no longer a statutory ceiling on the compensatory award (previously the lower of £118,223 or a year's gross pay), significantly increasing the financial risk of getting a dismissal wrong.
- **Practical Impact:** Practices will need robust, well-documented probation, performance-management and disciplinary processes from the outset of employment – recruitment decisions and early-stage performance issues can no longer be “parked” for two years.

3.3 Family and Bereavement Leave

- **Paternity and Parental Leave:** Become day-one rights from April 2026, removing existing qualifying-service requirements.
- **Bereaved Partner's Paternity Leave:** Introduced from April 2026.
- **Statutory Bereavement Leave:** A new day-one right to at least one week's unpaid leave, expected in 2027, extended to cover a wider group of bereavements including stillbirth and pregnancy loss before 24 weeks.

3.4 Flexible Working

The existing day-one right to request flexible working is strengthened. From 2027, a practice refusing a request will need to justify the refusal against one of eight statutory grounds and show the refusal is reasonable. Given the shift-based, patient-facing nature of dental nursing and reception roles, practices should expect more requests (particularly around school hours working) and should build a clear, consistent decision-making process now.

3.5 Zero and Low-Hours Contracts (expected 2027)

- **Guaranteed Hours Offer:** Staff on zero or low-hours contracts (for example, bank/relief dental nurses) who work regular hours over a 12-week reference period will gain the right to be offered a contract reflecting those hours.
- **Shift Notice & Cancellation Pay:** Workers gain rights to reasonable notice of shifts and compensation if a shift is cancelled, moved or cut short at short notice – relevant to practices that flex nursing or reception cover around clinic lists.
- **Agency Workers:** Additional protections apply where agency-supplied staff accept a guaranteed hours offer.

3.6 Harassment, Equality and Whistleblowing

- **Sexual Harassment Duty Strengthened:** Employers must take “all reasonable steps” (up from “reasonable steps”) to prevent sexual harassment of staff.
- **Third-Party Harassment:** Practices can become liable for harassment of staff by third parties – including patients – unless all reasonable steps were taken to prevent it. This is directly relevant to dentistry given the patient-facing nature of the role.
- **Whistleblowing Protections:** Extended from April 2026, reinforcing the importance of clear, accessible raising-concerns procedures.

3.7 Trade Unions & Collective Rights

Employers must remind staff, via their written statement of employment particulars, of their right to join a trade union – even where none is recognised. Union access, recognition and industrial action rules are also streamlined. While these have limited practical relevance for most small independent practices, multi-site corporate groups should review their union policies.

3.8 Enforcement: The Fair Work Agency

A new **Fair Work Agency** is being established with stronger powers to investigate and enforce employment rights (including SSP, holiday pay and the minimum wage). Practices should expect a higher likelihood of proactive enforcement action, not just tribunal claims brought by individuals.

4. Implications for Self-Employed Associate Dentists

The vast majority of dentists working in general practice are engaged as self-employed “associates”, typically on BDA or Dental Practitioners Association template agreements. Associates usually retain patient/NHS fee income, meet their own costs (laboratory fees, indemnity, etc.) and pay the practice a percentage or facility fee for use of the surgery, equipment and support staff.

4.1 The Act Does Not, By Itself, Reclassify Associates

ERA 2025 does not contain a specific provision converting associate dentists into employees or “workers”. Genuinely self-employed associates – particularly those on properly followed BDA-style contracts with a real right of substitution – should, in principle, remain outside the Act's core employee-only protections.

4.2 The Direction of Travel is Towards More Scrutiny

- **HMRC's Position Shift:** Since April 2023, HMRC withdrew its long-standing guidance specifically endorsing associate contracts as self-employment, meaning status is now tested case-by-case against normal tests (personal service, control, mutuality of obligation, financial risk).
- **Moving Case Law:** The Supreme Court's ruling in *HMRC v Professional Game Match Officials Ltd* refined how “sufficient framework of control” is assessed. Employment tribunals continue to scrutinise dental associate agreements closely, turning on details such as whether a genuine substitution clause exists in practice.
- **Government Reform Signals:** The Government has indicated further consultation on employment status – including a possible move to a two-tier (employee/self-employed) framework – is still to come.

4.3 Practical Risk Areas for Practice Owners

- **Paper Substitution Clauses:** Substitution clauses must be genuine and actually usable in practice – not just present on paper.
- **High Practice Control:** Associates operating with fixed rotas, mandatory use of specific labs, or restrictions on private work outside the practice face higher status challenge risks.
- **Financial Exposure:** A successful status challenge exposes practice owners to backdated tax/NI liabilities, pension auto-enrolment obligations, holiday pay claims, and potential unfair dismissal claims – risks that increase materially once ERA 2025's uncapped compensation and six-month qualifying period take effect from January 2027.

4.4 What Associates & Practice Owners Should Do Now

- Review current associate agreements against the latest template wording and ensure day-to-day working practices match the contract.
- Test whether the substitution clause would survive scrutiny in practice.
- Avoid practice rules that closely resemble employee management (fixed rotas without flexibility, disciplinary-style performance management).
- Keep records evidencing financial risk on the associate's part (payment of facility fee, liability for lab costs).
- Take independent legal advice from a specialist dental employment solicitor before renewing or amending agreements.

5. Recommended Action Checklist for Practice Owners

To ensure your practice remains compliant and protected from legal risk, we recommend completing the following audit steps:

1. Written Particulars: Update written statements of employment particulars to include the mandatory trade union membership reminder.

2. Statutory Sick Pay: Revise sickness absence policies and payroll processes ahead of the 6 April 2026 SSP changes.

3. Family Leave: Review family leave policies (paternity, parental, bereavement) for day-one eligibility.

4. Probation & Performance: Strengthen probation, induction and performance-management procedures ahead of the January 2027 unfair dismissal changes – don't wait until 2027 to start.

5. Zero-Hours Arrangements: Review any use of zero-hours or bank staff arrangements (nursing cover, reception cover) ahead of the 2027 guaranteed-hours reforms.

6. Harassment Policies: Refresh anti-harassment policies and training to reflect the “all reasonable steps” standard, with particular attention to patient-facing roles.

7. Associate Contract Audit: Audit associate dentist agreements for status risk and align day-to-day working practices with contract terms.

8. Compliance Calendar: Build a rolling compliance calendar against the ERA 2025 timeline and revisit it regularly.

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