

**Bulletin 177**

**July 2010**

## DEFAULT RETIREMENT AGE TO BE SCRAPPED

The Government has today announced that it plans to completely phase out the Default Retirement Age (currently 65 years) from 1 October 2011. The proposals are subject to a consultation, which will run until 21 October 2010.

The key proposals are:

- Employers will no longer be able to force staff to retire at 65 regardless of their circumstances
- No new notices of intended retirement may be issued after 6 April 2011
- Retirement dismissals will still be permissible after 1 October 2011, but only if objectively justified
- Transitional arrangements will apply to retirements that have been notified before 6 April 2011 to take effect before 1 October 2011. Retirements notified before 6 April 2011, but intended to take effect after 1 October 2011, will not be valid (unless objectively justified)
- The procedural requirements applicable to a retirement dismissal, currently set out in Schedule 6 of the Employment Equality (Age) Regulations 2006, will be abolished.

### ➤ **Practical Tips**

- Employers must ensure that their existing retirement policies and contracts of employment are reviewed and amended to ensure that they are in line with the new proposals
- If you are planning to retire employees before 1 October 2011, make sure you act promptly and make sure you comply with the transitional arrangements.

If you require any specific advice in connection with the material contained in this bulletin, or on any other Employment Law issues, please contact: Paul Chamberlain in Manchester on 0161 836 8864, Andrew Cross in Liverpool on 0151 600 3062 or Kevin James in Preston on 01772 229847.

If you no longer wish to receive the bulletin please let us know by return e-mail to [helen.calvert@brabnerscs.com](mailto:helen.calvert@brabnerscs.com)

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