

## **Abolition of the Default Retirement Age confirmed**

Despite the concerns expressed by employers during the consultation process the Government yesterday confirmed that the Default Retirement Age (DRA) of 65 will be phased out from 6 April 2011, with complete abolition on 1 October 2011.

From 6 April 2011, employers will no longer be able to issue compulsory retirement notifications using the DRA procedure. Between 6 April 2011 and 1 October 2011, only people who were notified before 6 April, and whose retirement date is before 1 October, can be compulsorily retired using the DRA. From 1 October, employers can no longer use the DRA to compulsorily retire employees. Employers will only be able to operate a compulsory retirement policy if it can be objectively justified. We anticipate that there will be many cases brought on this very issue and it will be interesting to see how they are resolved.

Employers are required to give six months notice of compulsory retirement, and therefore any notifications given after 30 March but before 6 April will be on a 'short notice' basis. While the current scheme allows 'short notice' of at least two weeks, it may be possible for an employee to claim compensation.

The Government has stated that it will introduce an exception to the age discrimination rules to enable employers to stop offering employees insured benefits, such as life assurance and private medical cover, beyond their normal retirement ages.

Employers should review their contracts of employment, policies and procedures to prepare for the change and consider whether to give notice to employees who are 65 prior to 1 October 2011.

### **If you are an employer we can –**

- identify areas where you may be at risk and help you to address them
- support you with advice on day to day and major issues
- defend you against employment related claims
- revise your employment documentation and procedures
- provide training to your staff
- improve your health and safety compliance
- keep you informed on developments in the law and best practice
- draft compromise agreements for you to give employees and negotiate with their representatives.

### **If you are an employee we can –**

- bring any employment related claims for you
- negotiate an exit from employment for you on favourable terms
- help you with any issues arising during your employment

- advise you on contractual documentation
- advise you on compromise agreements and negotiate improved terms.

### **For further information**

Please call us on 020 7148 7850 or email [info@levenesemployment.co.uk](mailto:info@levenesemployment.co.uk).

Alternatively please contact Victoria Willson directly on 020 7148 7852 or [vwillson@levenesemployment.co.uk](mailto:vwillson@levenesemployment.co.uk).

### **Disclaimer**

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