

## EMPLOYMENT GROUP

### Default Retirement Age to be phased out from April 2011

The Government has announced plans to remove the Default Retirement Age (DRA), which under the Employment Equality (Age) Regulations 2006, currently enables an employer to retire an employee upon reaching the age of 65. The Government's proposals are subject to a consultation, which will run until 21 October 2010, but it intends to begin phasing out the DRA from April 2011.

The Government's key proposals are:

- From 6 April 2011, companies will no longer be able to provide notices to employees informing them of their compulsory retirement on reaching the age of 65.
- From 1 October 2011, companies will no longer be able to require employees to retire when they reach the age of 65.
- A company will still be entitled to dismiss an employee because of retirement after 1 October 2011, but only when it can be objectively justified.
- The procedural requirements applicable to a retirement dismissal will be abolished.
- To assist companies with this major transition — retirements that have been notified prior to 6 April 2011 and intended to take effect before 1 October 2011 will be unaffected — retirements notified prior to 6 April, but intended to take effect after 1 October, will not be valid (unless objectively justified);

**IMPORTANT** The Government's proposals will have a huge impact on how companies will recruit and manage their employees. Companies must address their current policies and procedures immediately to ensure compliance. If you would like to know more about the Government's proposals and how to accommodate these proposals within your organisation's policies and procedures, please do not hesitate to contact Andrew Young or Charles Avens.

**This note does not constitute legal advice but is intended as general guidance only**  
If you would like further information on this or any other employment related matter please contact either Andrew Young ([a.young@druces.com](mailto:a.young@druces.com)) or Charles Avens ([c.avens@druces.com](mailto:c.avens@druces.com)) on 020 7216 5543 or 020 7216 5568.