

St Leonards Office
28/29 Grand Parade
St Leonards On Sea
East Sussex
TN37 6DR
TEL: 01424 720044
FAX: 01424 722221

Bexhill Office
21 Eversley Road
Bexhill On Sea
East Sussex
TN40 1HA
TEL: 01424 730630
FAX: 01424 730313

How to retire an employee

A major concern for many of our employer clients is that they are worried about being accused of age discrimination if they decide to retire an employee at the default retirement age (which is currently 65).

Under the Employment Equality (Age) Regulations 2006, when an employee reaches the default retirement age of 65, an employer is generally entitled to force them to retire.

There is however a procedure that has to be followed and if it is not followed there are serious consequences for the employer. We always advise employers to discuss such matters with us prior to informing an employee that they are going to be asked to retire in order that we can provide them with tailored advice and assistance.

Broadly speaking, an employer must inform the employee in writing between 6 and 12 months before their 65th birthday. Critically, this letter to the employee MUST inform them of their right to request to continue working. The employee's request to continue working and must be given to the employer between 3 and 6 months before their scheduled retirement date.

If the request is made, the employer and employee must meet to discuss it but the employer is under no obligation to concede to the request to continue working. It is important that you seek advice from our employment team prior to retiring employees because it is easy to get caught up in an age discrimination claim which can prove to be financially damaging to your business.

The law on retirement is changing and therefore whilst this information sheet is up to date at the date of publishing (September 2009) it cannot be relied on. Please contact our employment team for up to date information.

September 2009