

## **Retirement Procedure – Employers’ Guide**

This retirement guide is designed to assist employers through the retirement process, highlighting their obligations and the statutory minimum requirements, as well as best practice guidelines.

### **Notification of Intended Retirement Date:**

Employers must give written notification to employees approaching retirement age at least 6 months but no more than 12 months before their 65<sup>th</sup> birthday, of their intended retirement date and their right to request to work beyond this date and how to do so.

### **Employees’ Right to Request to Continue Working:**

An employee wishing to continue working beyond retirement age has to submit his or her request in writing to you no less than 3 months, but not more than 6 months, before their intended retirement date. They must specify whether the request is to continue working indefinitely, for a specified period, or until a specified date. If they wish to have any other factors considered, such as job pattern or role, they should also state this.

### **‘Duty to Consider’ Procedure:**

Where a request to continue working is submitted and you wish to retire them, there is a mandatory requirement to follow the prescribed ‘duty to consider’ procedure below:

- Meet with the employee to discuss their request. They can be accompanied by a colleague or Trade Union Representative.
- Confirm your decision in writing to the employee. Their employment continues until they have been informed of the decision on the request.
- Grant the employee the right of appeal where a request is refused and inform them of how and to whom they should appeal.

The procedure must be repeated each time an individual nears an extended point for retirement. It is suggested that any extension to the retirement date should be limited to one year and reviewed thereafter should any employee wish to continue working.

If your employee submits a request to continue working and you agree to this, you do not have to follow the above steps, but should confirm in writing that you can meet their request and detail any review dates etc that have been agreed. Similarly, if you inform an employee of their intended retirement date and they wish to retire, then there is no need to follow the above steps.

**Refusal of a Request:**

As long as the 'duty to consider' procedure is completed, you can refuse to permit an employee to continue working beyond retirement age without providing a reason for refusal. However, giving reasons may enable the employee to leave with dignity and respect and help to maintain good workplace relationships with other employees.

**Employee's Right of Appeal:**

An employee whose request to continue working or the conditions of them continuing working has not been granted has the right to one appeal.

- An Appeal Meeting should be held with the employee by a different member of management to the person that conducted the original meeting. The employee can be accompanied by a colleague or Trade Union Representative.
- During the Appeal Meeting, the reasons for not granting the employee's request should be reviewed, together with the employee's case for continuing working.
- Provide a decision as soon as reasonably practicable and confirm this in writing to the employee, stating either that their request has been granted, the new retirement date and any associated terms or that you still intend to retire them on the set date.

**National Insurance:**

Employees who work beyond the age of 65 will no longer be required to make National Insurance Contributions. The Inland Revenue will automatically send to the employee a Certificate of Age Exemption (LA4140), which should be forwarded to you for payroll purposes.