

## FACT SHEET

### VOLUNTARY SEVERANCE/EARLY RETIREMENT SCHEME FOR STAFF IN THE USS/AUS PENSION SCHEMES

#### Introduction

This fact sheet aims to provide details of voluntary severance and early retirement schemes which may be of interest to staff.

The fact sheet applies to staff in the AUS/USS Schemes. The Scheme does not apply to IBERS Legacy Staff, transferred from BBSRC under TUPE arrangements.

Staff may wish to express their interest in and thereafter make an application for a voluntary severance payment or voluntary early retirement benefits in the interests of the efficient exercise of University's functions.

#### **1. Details of the Scheme**

- a) Staff who apply for voluntary severance and whose application is accepted will receive the following financial package;

One month's pay for each complete year of service up to the effective date of termination of their employment up to a maximum of 12 months pay

and

A payment equivalent to their notice period.

- b) Staff aged 55 or over and who have pensionable service of at least 5 years in the USS who apply for early retirement in the interests of the efficient exercise of the University's functions, will with the University's consent, receive in most cases an unreduced pension and lump sum based on their pensionable service up to the effective date of termination of their employment.

Staff aged 55 or over who are members of the Aberystwyth University Pension & Assurance Scheme and who apply for early retirement may, depending on their individual circumstances, be entitled to an unreduced pension based on their pensionable service up to the effective date of termination of their employment.

In accordance with the rules of the AUPAS staff should note the following:

1. Retirement before Normal Pension Date (65th birthday) is subject to the consent of the University (as principal employer) - unless the member has reached age 60 and had joined the Scheme before 31 July 2003;
2. If consent to the early retirement pension is given by the University (where necessary, i.e. for all under 60, and for those over 60 where they joined after 31 July 2003), the pension and cash lump sum will be subject to an actuarial reduction unless s/he is

"leaving at or after attaining age 55 at the Principal Employer's request". In those circumstances, there will be no actuarial reduction;

3. Where there is an actuarial reduction, for those who have already reached age 60, this will only apply to benefits attributable to service after 31 July 2003 (i.e. the early service will not be reduced if the member has reached age 60).

## 2. **Process**

- a) Independent 'honest brokers' have been established to receive applications for VS from any members of staff who wish to consider it.
- b) Enquiries should be made to either Martin Davies in the Finance Department ([mad@aber.ac.uk](mailto:mad@aber.ac.uk)) or Sam Morrison in HR ([smd@aber.ac.uk](mailto:smd@aber.ac.uk)). Confidentiality to the staff member has been guaranteed.
- c) The member of staff can choose whether to proceed with the application or not. If they chose to proceed they should contact HR. The Head of Department and the Director of Finance will be approached. An application would be considered based on an assessment of alignment to the business plan and the benefits to the University.
- d) Staff who make an expression of interest are advised to take independent financial advice before making any application under the scheme. The University cannot advise individuals on whether to make an application or not.
- e) The University will consider all applications but will agree to such an arrangement only if, in the University's opinion, it is clearly and demonstrably in the managerial and financial interest of the University.
- f) Staff whose application is accepted will be expected to sign a compromise agreement which involves taking independent legal advice about the details of the agreement. The University will contribute £300 plus VAT towards these legal costs.

SM/CJS

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Footnote:

*This package reflects the University's position and is not the product of consultation with the Trade Unions.*