



Premature Retirement Factsheet

Introduction

If you are made redundant or retired prematurely in the interests of the efficiency of the service, your pension benefits may be paid immediately. You must have at least two years' service and have reached minimum pension age to qualify for your pension benefits to be paid

Redundancy

Compulsory Early Retirement

This is available under the compensation for Loss of Office Scheme, which is applicable to employees, aged 50 and over, with at least five years' service, who are members of the pension scheme.

Under the early retirement scheme you would receive an immediate payment of pension. The payment would be based on your length of service, which would be enhanced, as follows:

- For more than 10 years' service, there would be an additional 10 years' service enhancement
- Between 5-10 years' service, the service enhancement would depend upon the number of years worked.

In either case, this enhancement will be limited to the number of years remaining before you reach the set retirement age (either 60 or 65, depending on whether your employment began before 1 April 1987).

You would receive the statutory redundancy payment. The amount of the redundancy payment will be deducted from the enhancement if the latter amounts to more than 6 ²/₃ years. This is on a sliding scale, and should you be entitled to the full service enhancement of 10 years, there will be no redundancy payment.

Compulsory Early Severance

This scheme applies to staff under 50 with two or more years' qualifying service and those aged 50 or over with between two and five years' service. You would receive a redundancy payment based on:

- One week's salary for each full year worked between the ages of 16 and 40, inclusive
- One and half weeks' salary for each full year worked aged 41 and over
- These amounts being enhanced by three times

The payment would be based on your actual week's salary, not subject to any statutory restriction. Your pension will be preserved until you reach normal retirement age.

Retirement in the interest of the efficiency of the service

Voluntary Early Retirement with Employer's Consent

As a member, if you are aged 50* or more and have at least 2 years' service, SLAB may agree, in the interests of efficiency, to your Voluntary Early Retirement. Your benefits will be paid without actuarial reduction so you will receive an immediate payment of pension, which you have earned up to your date of leaving. SLAB will meet the cost of paying the pension. There will be no additional pension enhancements or redundancy payment due.

You may apply for this benefit using the form which you can download from the www.sppa.gov.uk

* AGE 55 FOR MEMBERS OF STAFF JOINING THE SCHEME POST 6 APRIL 2006

Part time workers

If you work part time any service enhancements will be reduced to take account of your part time service. You will receive the pro-rata enhancement based on the ratio between your part time and calendar pensionable service

Members buying additional pension, added years or an unreduced lump sum

If you are buying additional pension, an unreduced lump sum or additional service by regular deductions from your pay, you will be credited with a proportion of the pension or benefit that you have chosen to buy. This benefit will be reduced to take account of the early payment of your benefits.

Questions

If you are unclear about any aspect of this Factsheet or have a specific question that is not answered by the information above, please contact the SLAB or SPPA.

