

## Public Services Commission

### Mutually Agreed Resignation Scheme (MARS) 2023 Frequently Asked Questions

1.	<p><b>What is the PSC Mutually Agreed Resignation Scheme (MARS)?</b></p> <p>A mutually Agreed Resignation Scheme (MARS) is a scheme under which Departments, Boards and Offices may offer a severance payment to an employee to leave their post voluntarily. MARS helps to increase flexibility for Departments Boards and Offices to be able to address periods of rapid change and service redesign.</p>
2.	<p><b>What is the purpose of the scheme?</b></p> <p>The primary purpose of MARS is to facilitate a reduction in Public Service staff numbers by creating vacant posts which can be filled by redeployment of staff from other jobs or as suitable alternatives for those staff facing redundancy.</p> <p>The Mutually Agreed Resignation Scheme (MARS) has been designed to support periods of change and the drive for workforce efficiencies within the Public Service.</p>
3.	<p><b>Does the Scheme Apply to all employees of the Public Services Commission (PSC)?</b></p> <p>MARS may be made available to all PSC employees, except where the employee fails to meet the criteria for eligibility set out in rule 4 of the scheme.</p> <p>Please follow this link for further details of the scheme rules: <a href="https://hr.gov.im/resignation-and-retirement/mars/">https://hr.gov.im/resignation-and-retirement/mars/</a></p>
4.	<p><b>What if an employee registers and interest in leaving under MARS and then changes their mind about applying for the scheme?</b></p> <p>Registering an interest in the MARS does not commit an employee to proceeding with voluntary severance. An employee can withdraw their application at any time up to the point where a settlement agreement is signed.</p>
5.	<p><b>What about employees currently absent from their department – will they be able to apply?</b></p> <p>Yes, provided they satisfy the eligibility criteria. This should include employees on maternity leave, long term sickness leave, secondment or unpaid leave. The nature of their absence may mean that communications are difficult or sensitive, but it is important that their attention is drawn to the existence of the scheme. It is the responsibility of the Department, Board or Office to identify and contact these employees to inform them of the existence of the scheme.</p>

6.	<p><b>Should Departments, Boards or Offices contact employees directly to see if they are interested in applying to the scheme?</b></p> <p>It is the responsibility of Departments, Boards and Offices to ensure that all employees are aware of the scheme, but Departments, Boards and Offices should not target anyone specifically.</p>
7.	<p><b>Can individuals apply to the scheme if they have already indicated their intention to leave the organisation?</b></p> <p>If an employee has already submitted their resignation or given some other kind of clear indication that they intend to leave the organisation, they are not eligible to apply to the MARS scheme.</p> <p>If an individual asks to rescind their notice in order to apply for the scheme this should not be agreed to, regardless of whether a termination notice has been completed.</p>
8.	<p><b>How do the terms of MARS compare with redundancy payments?</b></p> <p>MARS is not a redundancy or voluntary redundancy scheme. Entitlements to redundancy are set out in the Public Sector Compensation Scheme.</p>
9.	<p><b>Could individuals that leave the organisation through MARS be classed as redundant, therefore potentially eligible to claim benefit?</b></p> <p>Individuals are not being made redundant under MARS as they are leaving voluntarily.</p> <p>The benefit rules are complex and depend upon an individual's personal circumstances. If an individual feels that they may have to rely on benefits, then they should seek advice before submitting an application.</p>
10.	<p><b>What is basic pay?</b></p> <p>Basic pay is defined as the pay individuals receive based on a pay scale / band and as stated on their pay slip.</p> <p>It does not include any additional payments such as overtime.</p>
11.	<p><b>If an individual receives an increment after submitting an application to the scheme, will this affect the MARS payment?</b></p> <p>Basic pay will be confirmed to individuals if their application is accepted. The MARS payment will be based on the basic pay to which an individual would be entitled to on their last day of service.</p>
12.	<p><b>How will periods / instances of part time employees be calculated?</b></p> <p>Periods or instances of part-time working will be calculated proportionate to calendar time and hours worked.</p>

13.	<p><b>How will periods of paid special leave be treated, such as maternity leave?</b></p> <p>Periods of paid special leave, whether at full or half pay, shall be taken into account in any MARS calculation.</p>
15.	<p><b>How will periods of unpaid special leave be treated, such as extended Maternity Leave?</b></p> <p>Whilst periods of unpaid special leave do not reckon for the purpose of pension benefits, it does count as qualifying service and will therefore be taken into account in any MARS calculation.</p>
16.	<p><b>Will previous service in other areas of Isle of Man Government be taken into account when calculating a MARS payment?</b></p> <p>Service in other areas of Isle of Man Government will be taken into account when calculating a MARS payment, provided that this service was gained immediately before being appointed and where there has been continuity of service.</p>
17.	<p><b>In instances where individuals have annual leave outstanding, what happens to their leave if their MARS application is successful?</b></p> <p>Employees should be asked to use any outstanding leave during their notice period. If this is not possible due to operational requirements, they should be paid in lieu for any outstanding annual leave due at the last day of service, provided that this has been agreed with their line manager prior to their resignation date being finalised.</p>
18.	<p><b>What happens in instances where an individual has exceeded their annual leave allowance at the date of leaving?</b></p> <p>Those who have exceeded their annual leave allowance will be required to refund from their salary, an amount equivalent to the number of days of exceeded leave allowance in accordance with their terms and conditions of service.</p>
19.	<p><b>Can individuals be re-appointed to the Public Service if they leave under MARS?</b></p> <p>Employees leaving under MARS, if re-employed within Government either as an employee or through an employment agency within 2 years, will be required to repay their lump sum payment, proportionate to the remaining notional period of their severance payment.</p>
20.	<p><b>Can an individual who is subject to capability procedures apply for MARS?</b></p> <p>Whilst capability is not in the list of exclusions, any application made to MARS will be considered on its individual merits and circumstance.</p>

21.	<p><b>Do I have to be a member of the Unified Scheme 2011 (GUS) in order to make a MARS application?</b></p> <p>No, employees do not have to be a member of GUS in order to make a MARS application.</p>
22.	<p><b>Can individuals who have an outstanding application for retirement on grounds of ill-health apply for MARS?</b></p> <p>Yes, but if they did so, it would preclude the opportunity to continue to be considered for ill health retirement.</p>
23.	<p><b>How will working reduced hours affect my MARS calculation?</b></p> <p>Service incurred during the period of reduced hours will be calculated proportionate to calendar time and hours worked.</p> <p>E.g. Lucy Smith worked full time 01/12/01 to 31/5/07 (37 hours), but then worked on reduced hours (30 hours) 01/06/07 to 31/08/12</p> <p>1<sup>st</sup> period 5.5 years  2<sup>nd</sup> period 3.44 years (30 hours/ 37 hours = 0.81 x 4.25 years)</p> <p>5.5 + 3.44 = 8.94 = 8 years (complete years of service)</p>
24.	<p><b>Would my Pensionable Service cease if my MARS application was accepted.</b></p> <p>Yes, as a departure under MARS is a resignation.</p>
25.	<p><b>What happens if I leave my pension deferred in the Isle of Man Government Unified Scheme (GUS)?</b></p> <p>If individuals leave their pension deferred within GUS, it will be index linked. This means it will grow in line with the UK Consumer Price Index, with the annual uplift being applied each April. It can then be taken at any age above 55.</p>
26.	<p><b>If an individual is of minimum pension age for GUS; can they take a MARS payment and apply for their pension?</b></p> <p>If members are aged 55 or over when they leave employment, they can retire and collect their pension entitlement from the Unified Scheme. Individuals should seek further information from the Public Sector Pension Authority (PSPA) either via its website at <a href="http://www.gov.im/pspa/">www.gov.im/pspa/</a> or by emailing <a href="mailto:pensions@pspa.im">pensions@pspa.im</a></p> <p>If members considering MARS are over age 55 at the time of application and are considering taking their pension immediately, the PSPA will provide a quotation of pension and lump sum free of charge, but only at the request of the member.</p> <p>Members below the age of 55 who cannot claim pension immediately can either refer to their last benefit statement for an indication of pension entitlement or can pay the £60.00 charge for a quotation.</p>

27.	<p><b>From what age can I receive my pension from GUS?</b></p> <p>The GUS scheme allows for pensions to be paid from age 55 up to age 75.</p>
28.	<p><b>How will my MARS application be acknowledged by the Commission?</b></p> <p>Where possible, MARS applications will be acknowledged by the Secretary or their delegate within 5 days of OHR receiving the completed MARS application. Both the Accounting Officer and the individual will receive notification.</p>
29.	<p><b>What happens if my MARS application is successful?</b></p> <ul style="list-style-type: none"> <li>• We will contact you to make a MARS offer and, if accepted, a settlement agreement will be drawn up which will contain a mutually agreed leaving date and will set out the financial and other terms under which the employment relationship will end.</li> <li>• Acceptance of the MARS offer will be subject to a timescale, which will be advised in the MARS payment offer letter.</li> </ul>
30.	<p><b>What happens if my MARS application is rejected, do I have a right of appeal?</b></p> <ul style="list-style-type: none"> <li>• Where the MARS panel does not approve an application, we will write to you, advising that your application has not been successful and why it has not been possible to approve the application.</li> <li>• The MARS panel reserves the right to determine whether or not an application will be approved and there will be no right of appeal where applications are not successful.</li> <li>• If your application to MARS is unsuccessful, you will continue to be employed in your current role. Your terms and conditions and rights as an employee of the PSC will remain unaffected.</li> </ul>
31.	<p><b>Does my line manager have to approve my application?</b></p> <p>Your Divisional Director is required to sign your application form to confirm that they are aware of your application.</p> <p>However applications not supported by the Divisional Director are still considered by the MARS Panel.</p>