



Voluntary Severance Policy

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History of most recent Policy Changes – Must be completed

Date	Page	Change	Origin of Change (e.g. TU request, change in legislation etc)
30 April 2015		Pay cap for redundancy payments updated	New financial year
20 February 2015	5	Paragraph 6.6 clarified about re-applying for jobs with the council after accepting an offer of voluntary severance	Legal advice
4 February 2014	4 & 5	Minor amendment to para 5.1iii and 6.4 to clarify procedure	Feedback

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1. Introduction

- 1.1 This policy forms part of a number of measures to enable the Council to respond to the need to reduce the level of the Council's workforce (including budgetary pressures), both currently and in the immediate future.
- 1.2 It is considered that a Voluntary Severance Scheme will supplement existing HR policies and procedures as a means of achieving the required reductions in the workforce, thereby avoiding compulsory redundancies wherever possible.

2. Scope

- 2.1 The Council's Voluntary Severance Scheme can be used for specified workgroups, where it is considered at the outset that the anticipated reduction (in the workgroup) cannot be achieved by:
 - vacancy management and (anticipated) employee reductions through normal turnover
 - redeployment via the New Opportunities Programme
 - the application of other "objective" selection criteria, including the termination of casual temporary and fixed term employees who have less than 2 years continuous service, and discontinuing the use of agency workers
- 2.2 This scheme applies to all Council employees except:
 - employees who work in schools where the governing body is responsible for the appointment and dismissal of staff
 - temporary, casual or agency staff (with less than 2 years continuous service)
 - external agency workers, contractors/consultants and persons engaged by the Council who are "self employed"
 - employees on fixed term contracts where the reason for the expiry of the contract would not be redundancy.

3. The approval process for voluntary severance

- 3.1 Where any headcount reductions are not part of the Council Change Programme and it is thought that Voluntary Severance may be needed to achieve the required reduction in headcount, it will be necessary to seek approval for the application of the Voluntary Severance Scheme to a particular workgroup. The Service Director and their Business Partners are required to prepare a "business case". The "business case" must include details of:
 - the anticipated reduction in the number and type of jobs
 - the number of these posts which are currently vacant, filled by temporary/fixed term/agency staff
 - current turnover for the workgroup concerned, and the extent to which the reduction

in jobs may/may not be met by natural wastage given the anticipated implementation date

- the extent to which council-wide redeployment is viable for the number/type of displaced employees
- the age/service profile of the workgroup
- whether or not vacancy management processes are already, or should be, in place (at directorate level) for the workgroup concerned

The above will enable the directorate/Corporate Finance to give a reasonable estimate of employee displacement costs.

- 3.2 This information will be submitted to the Head of Paid Service, for consideration/approval.

4. Management responsibilities

The responsibilities of management, HR and Finance are as set out above, and further outlined in Section 4 of the Council's Managing Change Policy.

5. Voluntary severance process

- 5.1 Invitations to apply for voluntary severance will be issued to ALL members of the defined workgroup including those on maternity, sickness and unpaid leave etc. The steps in the process will be:
- i. securing Head of Paid Service (Service Director: HR & OD) approval regarding the application of the Voluntary Severance Scheme to a defined work group
 - ii. displacing other employees and agency workers as defined in paragraph 2.1 above
 - iii. issuing an invite to all members of the defined workgroup. This will specify:
 - the application deadline. This will be the final date by which an application can be submitted – this will be 3 weeks after the date of the invite letter.
 - the proposed leaving date if the application for voluntary severance is successful.
 - the estimated redundancy payment that will be offered to the individual and if applicable, an estimate of pension benefits.
 - the date that the employee will be informed of the outcome of their application in writing.
 - that once an application has been approved and formally accepted by the individual, it cannot be withdrawn unless there is management agreement.
 - iv. deciding which applicants are successful and can be made redundant; and the selection criteria to be used
 - v. approving actual employees for Voluntary Severance or the HR committee in the case of 1st and 2nd Tier Officers

6. Key points for employees considering making an application for voluntary severance

- 6.1 Submitting an application for voluntary severance as described in 5.1 means that an employee is formally agreeing to the option that their employment with the Council may be ended through mutual consent if the application is successful.
- 6.2 Applications will only be considered after the application deadline has passed.
- 6.3 Applications will be considered by management in discussion with the Head of Paid Service or delegated power for the work group concerned. Submitting an application does not guarantee that an individual will be granted voluntary severance. It is at the discretion of management whether or not to agree to voluntary severance and each individual application will be considered case by case against published criteria.
- 6.4 Applications for voluntary severance will be treated confidentially until the specified application deadline, after which they will be passed to management for consideration. If a request is approved and formally accepted by the employee, it will be considered to be a binding agreement and may only be withdrawn by an employee in exceptional circumstances and with the agreement of management.
- 6.5 Prior to submitting an application, employees who are considering applying for voluntary severance should seek independent financial advice on the implications on their own finances.
- 6.6 Employees who leave on voluntary severance should note that they will not be able to take up employment with Bristol City Council for a period of one year following their voluntary severance. This includes permanent, fixed term, casual or consultancy positions. Therefore, applications in the first nine months after the date of voluntary severance should not be considered.

7. Selection criteria

- 7.1 Some posts may be excluded due to the Council's need to retain specific skills, knowledge and experience within a given service area. Generally, where the number of requests is less or equal to the number of applications that are required, they will be approved. However, the Council reserves the right to refuse an application for voluntary severance on cost, operational or other business grounds.
- 7.2 Where the number of applications exceeds the number of volunteers sought, selection will be based upon cost, operational or business grounds. Where sufficient volunteers are not forthcoming the Managing Change Policy will be applied to the remaining posts in the work group.

8. Voluntary severance payments

8.1 Redundancy payments

If the request for voluntary severance is approved, the employee will be eligible to a redundancy payment in accordance with the entitlements set out in the revised Voluntary Severance Scheme approved by the HR committee at its meeting on 24th September 2010.

The level of payment will be based upon 'actual earnings' to a maximum of £723 per week. The maximum payment that can be made to any employee is £43,380 which is the equivalent of 60 weeks' pay.

8.2 Access to occupational pension

If the employee is age 55 or over, and is member of Local Government Pension Scheme, they will receive the pension benefits due to them in accordance with the scheme regulations.

If the employee is a member of the Teachers' Pension Scheme, and they are age 55 or over, they will have the option to receive:

- i) a redundancy payment in accordance with the 60 week calculator with no access to premature retirement benefits; or
- ii) a payment in accordance with the 30 week calculator and access to the pension under the teachers' premature retirement regulations.

9. Declined Expression of Interest and appeals

There is no right to appeal if an application for voluntary severance is declined. Employees whose applications are declined will be informed of the reasons, and that they will suffer no detriment to their future career development within the Council.

Where the application of the Voluntary Severance Scheme is not approved by the Head of Paid Service / delegated power for use within a particular workgroup, the provisions of the Council's Managing Change Policy and "Methods of Appointment" will apply.

10. Notice periods for employees taking voluntary severance

An employee who leaves under the voluntary severance scheme will be treated as leaving the Council by mutual consent as specified in the severance offer. Employees will be required to take any outstanding annual leave prior to leaving the Council.

11. Monitoring voluntary severance

HR will record all applications for voluntary severance and the outcome of requests. This will be subject to regular audit and financial scrutiny.

12. Date of implementation

1st October 2010

13. Other relevant policies and procedures

- [Redeployment Scheme](#)
- [Pay Policy](#)
- [Managing Change Policy](#)

14. Voluntary reductions in contractual working hours to avoid redundancies

- 14.1 Where an employee agrees by mutual consent to reduce their contractual weekly hours of work and where subsequently they are made redundant on compulsory grounds within two years of the contractual change in working hours, the redundancy payment will be calculated by reference to their former weekly pay i.e. their weekly earnings before they agreed to a reduction in weekly hours to avoid a redundancy.
- 14.2 Employees covered by paragraph 14.1 above, who have accepted the reduction in hours, and who subsequently increase their hours during the 2 year period (owing to further changes in the workgroup) will be subject to an adjustment to their redundancy payment (ie if the number of hours worked exceeds their previous level of contractual hours) above the 'protected' level.