



University of
St Andrews

Voluntary Severance Scheme

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|-----------------------------------|---|
| Document type | Policy |
| Scope (applies to) | All staff |
| Applicability date | 19/05/2021 |
| Review / Expiry date | 29/06/2023 |
| Approved date | 20/05/2021 |
| Approver | Deputy Director |
| Document owner | Human Resources Officer |
| School / unit | Human Resources |
| Document status | Published |
| Information classification | Public |
| Equality impact assessment | None |
| Key terms | Staff/Employee relations/Severance |
| Purpose | Procedure to follow to request voluntary severance. |

| Version number | Purpose / changes | Document status | Author of changes, role and school / unit | Date |
|-----------------------|---|------------------------|--|-------------|
| 2.2 | Minor tweak to wording & change to application form format. | Published | Lisa Stewart HR | 20/05/2021 |

Table of contents

| | | |
|-----|---|---|
| 1. | Introduction | 3 |
| 2. | Scope | 3 |
| 3. | Eligibility | 4 |
| 4. | Options for taking payments | 4 |
| 5. | Obtaining pension information | 4 |
| 6. | Returning to the University | 5 |
| 7. | Initiating the process | 5 |
| 8. | Decision process | 5 |
| 9. | Further information | 6 |
| 10. | Version control | 6 |
| | Appendix A: Application for Voluntary Severance | 7 |

1. Introduction

- 1.1 The University has operated a Voluntary Severance (VS) Scheme for several years to provide an opportunity for individuals to apply to leave the University, on a voluntary basis, to pursue other career or personal interests.
- 1.2 In view of the current financial crisis and following numerous queries, the University is relaunching its VS Scheme. Please be assured that the commencement of this package is not linked to any compulsory redundancy plan for the University.
- 1.3 The University will consider all applications but will only agree to support if, in the University's opinion, it is clearly and demonstrably in the managerial, financial, and strategic interest of the University.
- 1.4 Where a post is accepted for VS, Schools/Units will be able to seek a lower graded replacement if the cost of the VS can be reimbursed within 12 months and long-term efficiencies can be achieved. It should be noted that where a lower graded post has been approved, a regrading/promotion application would not be expected within 3 years of appointment.

2. Scope

- 2.1 The VS Scheme will be open to any employee who has been continuously employed by the University, for at least one year, at the date of application.
- 2.2 Each case will be considered on its own merit; however, the voluntary severance calculation will be based on a defined formula to ensure consistency in approach as follows:
 - 0.75 of a week's salary per year of service performed when under the age of 22.
 - 1.5 weeks salary per year of service performed when aged 22 to 40.
 - 2.25 weeks salary per year of service performed when aged 41 and above.
 - Length of service to be capped at 20 years.
- 2.3 Employees leaving under the VS scheme will normally work their contractual notice. If an employee leaves before they have worked all or part of their notice, a payment equivalent to the notice period will be made, separate to the VS payment, which will be subject to normal deductions. Any payment associated with notice, will be subject to tax.
- 2.4 Unless an employee is leaving early and not working their notice period, employees accepting VS will be expected to use all their outstanding annual leave and TOIL prior to their termination date.
- 2.5 There is no right of appeal against the decision by the University should a VS application be declined.
- 2.6 The University reserves the right to withdraw or amend the scheme with three months' notice.
- 2.7 The scheme is dependent upon formal acceptance of applications by the University. There is no contractual right to severance or early retirement conferred by this scheme.

2.8 Each case will be decided on its own merits and must be in the best interests of the University.

2.9 Decisions regarding the acceptance of any application will be made by the [Workforce Planning Group](#).

3. Eligibility

3.1 The University will consider proposals which enable a service provision to be changed in a manner that brings improvement to the University.

3.2 The cost of enabling the severance should be recovered in the first year after change, and the level of saving or benefit is to be sustained thereafter.

3.3 The scheme is a discretionary one, and voluntary, and is open to all employees with continuous service of more than one year. The scheme is not open to employees:

- who have given notice of their intention to resign or retire.
- who have already secured employment with another employer.
- who have been notified of the termination of their contract of employment for any other reason.
- currently at risk of redundancy.
- whose contracts of employment are dependent on external funding.

4. Options for taking payments

4.1 VS can be taken as follows:

- Payment as a lump sum voluntary severance payment.
- Payment of monies into recognised pension scheme i.e. USS or S&LAS.
- Payment of monies into recognised pension scheme i.e. USS or S&LAS to allow Early Retirement either with or without actuarial reduction (Refer to section 5).

5. Obtaining pension information

5.1 Where an employee wishes to access their pension as part of the VSER process, it is recommended that they contact the [Pensions Administrator](#), in advance, to seek an indicative pension benefits estimate.

5.2 Where the employee indicates they wish to take early retirement, Human Resources will confirm their eligibility to retire, and if not already requested, will obtain an indicative pension benefits estimate along with any associated costs on receipt of an expression of interest. This information will be forwarded to the employee as part of the decision-making process.

5.3 In cases where the cost of the release of pension benefits is in excess of the severance payment available, the employee will be advised of this. The University may still meet the additional cost where exceptionally the business case justifies it.

5.4 Employees are encouraged to seek independent financial advice before making any decision regarding their pension.

6. Returning to the University

6.1 Employees who take VS payments or early retirement will be unable to be re-employed by the University, in any capacity, within 36 months of leaving, without repaying the enhanced severance package. This includes re-engagement, returning as a contractor, agency worker, consultant, or flexible worker.

7. Initiating the process

7.1 To be considered for scheme, the employee should discuss this with their Head of School/Unit in the first instance, before submitting the VS application to them for completion. A word version of this form can be downloaded from the [HR policy page](#) or via the following [link](#).

7.2 The Head of School/Unit will be required to submit the completed form to the Director of HR and the Workforce Planning Group for consideration, setting out the impact, recovery period or costs and benefits gained by supporting the application.

7.3 Employees should be aware that submitting an expression of interest does not commit them at this stage to proceeding with voluntary severance. Where it is determined that consideration in principle should be given to the expression of interest, the employee will receive full written details of the proposed arrangement and will be asked to confirm in writing, at that point, whether or not they wish to proceed. The employee is free to withdraw their expression of interest from the consideration process at any stage up to and including this point.

7.4 Once an employee has formally accepted the VS package, they may not withdraw their application.

7.5 Payment under the VS will be conditional upon the employee entering into a Settlement Agreement with the University.

7.6 To enable the assessment of any equality related issues, Human Resources will record details of all expressions of interest received and will monitor these against outcomes.

8. Decision process

8.1 All VS applications will be considered by the Workforce Planning Group with three potential outcomes.

8.1.1 Case refused

- If, in light of the consultation process, it is clear that the case cannot be supported at this time, Human Resources will write to the employee to explain this and the case will not progress.

8.1.2 Case deferred

- In some cases, it may not be possible to reach a decision straight away since it may be dependent on other decisions yet to be made, such as in relation to wider staffing requirements. Where it is not possible to make an early decision, Human Resources will write to the employee to explain this, and, where possible, give an indication of the likely decision-making timescale.

8.1.3 Case agreed

- Where it is agreed that a case may be supported, Human Resources will write to the employee with full details of the proposed voluntary severance arrangement.

9. Further information

9.1 Advice and guidance on the VS scheme can be obtained from [Human Resources](#).

10. Version control

| Version number | Purpose / changes | Document status | Author of changes, role and school / unit | Date |
|----------------|--|-----------------|---|------------|
| 1.0 | Migration of document to the Governance Zone. | Published | Lisa Stewart Human Resources | 27/06/2019 |
| 1.1 | Change to appendix A | Published | Lisa Stewart Human Resources | 08/06/2020 |
| 2.0 | VSER updated to incorporate calculation and clarify process. | Published | Mairi Stewart HR | 11/02/2021 |
| 2.1 | Minor change to wording in 3.3 | Published | Lisa Stewart HR | 23/02/2021 |
| 2.2 | Minor tweak to wording & change to application form format. | Published | Lisa Stewart HR | 20/05/2021 |

Appendix A: Application for Voluntary Severance

A word version of this form can be downloaded from the [HR policy page](#) or via the following [link](#).

Section 1:

To be completed by the employee

| | | | |
|---|--------------------------|--------------|--|
| Employee ID number | | | |
| Full name | | | |
| Job title | | | |
| School/Unit | | | |
| Annual salary | | | |
| Grade | | | |
| Contracted hours | | | |
| Start Date (continuous service) | | | |
| Reason for requesting Voluntary Severance: | | | |
| | | | |
| Proposed leaving date: | | | |
| | | | |
| By signing this application, I confirm that: | | | |
| I wish to apply for Voluntary Severance. | <input type="checkbox"/> | | |
| I wish to apply for Voluntary Severance and access my pension, if feasible. | <input type="checkbox"/> | | |
| I have read and understood the principles upon which the VS scheme is based. | <input type="checkbox"/> | | |
| I consent to the processing of this data for the consideration of my application for voluntary severance. I understand that my data will be processed in accordance with the HR Privacy Notice. | <input type="checkbox"/> | | |
| Signature: | | Date: | |

Please submit this to your Head of School/Unit

Section 2:

To be completed by the Head of School/Unit in conjunction with the line manager (if different)

Please explain how approval of this application might impact on delivery of strategic activities:

Please explain how approval of this application might impact on delivery of operational activities:

What are the plans for the work undertaken by the current post-holder if VS is agreed?

If you are seeking replacement at a lower grade, please confirm the changes to the post, the impact this will have on the service offered, why this is no longer required and the impact on remaining staff and workload.

How VS will deliver cost savings?

Where appropriate, confirm how agreeing to VS will aid or impede succession planning?

Head of School/Unit recommendation and justification

Proposed leaving date

Signature:

Date:

Please submit the completed application to [Human Resources](#)

Section 3: Voluntary Severance calculation
To be completed by Human Resources

| Details verified as correct / amended as necessary | |
|--|--|
| Annual salary/weekly salary | |
| Grade | |
| Contracted hours | |
| Start Date (continuous service) | |
| VS amount | |

Please submit this to the Workforce Planning Group

Section 4:
To be completed by the Workforce Planning Group

| | | |
|--|--|--|
| Application Outcome | Approved <input type="checkbox"/> | Not approved <input type="checkbox"/> |
| If not approved, please detail the reasons for this decision: | | |
| | | |
| If approved, please detail any conditions applied: | | |
| | | |
| Panel Date | | |