



<b>Workforce Planning</b>	
<b>Voluntary Redundancy Policy</b>	
<b>Summary</b>	The Voluntary Redundancy Policy sets out what staff should do if they wish to apply for voluntary redundancy. It outlines when staff are eligible to apply, what the selection criteria is, the procedure for applying and who staff should contact for advice. The policy also provides information on redundancy payments and different types of early retirement for staff wishing to explore this option.
<b>Status</b>	Awaiting Board approval
<b>Impact Assessment Date</b>	23/01/12
<b>Partnership Forum Sign Off</b>	30/04/2015
<b>Remuneration Committee Approval</b>	13/04/2015
<b>Staff Governance Committee Approval</b>	15/05/2015
<b>Board Approval</b>	tbc
<b>Review</b>	04/2015
<b>Review Date</b>	05/2018
<b>Contact</b>	Josephine White, HR Manager

Voluntary Redundancy Policy	Version: 2.0	Last Updated: 04-2015	Updated by: Cath Denholm
Policy Owner: Josephine White		Page 1	

Introduction ..... 3

Principles of the Design and Operation of the Voluntary Redundancy Policy at NHS Health Scotland ..... 3

Eligibility to Apply ..... 5

Timelines ..... 5

Voluntary Redundancy Entitlements ..... 5

Criteria for Selection ..... 6

Procedure for Applying ..... 7

Invitation to Express an Interest in Voluntary Redundancy ..... 7

Applying for Voluntary Redundancy ..... 8

Application Outcomes ..... 8

Points of Contact..... 10

Monitoring & Review ..... 10

Appendix 1 - Information Regarding Voluntary Redundancy Payments and Types of Early Retirement..... 12

Appendix 2 - Contact Details ..... 14

Appendix 3 - Expression of Interest and Application Form For Eligible Employees ..... 15

Appendix 4a - Health Scotland Voluntary Redundancy – Acknowledgement and Provision of Estimate (for Open Schemes) ..... 30

Appendix 4b - Health Scotland Voluntary Redundancy - Acknowledgement and Provision of Estimate (for individual requests) ..... 32

Appendix 5 - Confirmation of Support for Voluntary Redundancy ..... 34

Appendix 6 - Health Scotland Voluntary Redundancy ..... 35

Appendix 7 - Glossary of Terms ..... 36

Appendix 8 - Summary Flowchart – Applying for Voluntary Redundancy.38

Appendix 9 - Summary Flowchart – Application Outcomes.....39

Appendix 10 - Approved Scheme of Reporting of Early Departures.....40

Voluntary Redundancy Policy	Version: 2.0	Last Updated: 04-2015	Updated by: Cath Denholm
Policy Owner: Josephine White		Page 2	

## Introduction

1. NHS Health Scotland, as all other public sector organisations, is operating within a climate of significant cuts in public expenditure and also within a climate of significant organisational change. NHS Health Scotland remains determined to find ways of delivering necessary efficiencies in a way that is well planned, that increases efficiency and that safeguards the high quality of its business and supports staff to make the right decisions about their futures. Given that approximately half of our costs are invested in staff, efficiency savings of the scale sought are likely only to be achievable through a permanent reduction in expenditure on staffing and Voluntary Redundancy (VR) is an option which the organisation is prepared to view constructively within this climate.
2. Voluntary Redundancy can be made available to staff at NHS Health Scotland in two ways:
  - a) When the organisation agrees to offer a scheme to all staff or certain groups of staff over a certain time period in order to meet a particular organisational objective, such as a permanent reduction in expenditure on staffing or reduction of headcount either generally or within a specific area (referred to in this document as an Open Voluntary Redundancy Scheme or simply Scheme).
  - b) Any member of staff has the right to voluntarily approach the organisation and ask for a redundancy to be considered under the terms of the policy at any time (referred to in this document as an Individual Application for Voluntary Redundancy or VR Application)

## Principles of the Design and Operation of the Voluntary Redundancy Policy at NHS Health Scotland

3. Whether an individual applies through a Scheme or VR Application, the following principles apply to VR at NHS Health Scotland:
  - a) In none of the circumstances described above will redundancy be offered on anything other than a voluntary basis.
  - b) NHS Health Scotland will work within national guidelines and Agenda for Change NHS Terms and Conditions of Service.
  - c) Any amendments made to this policy must be made in partnership and approved by the Remuneration Committee.

Voluntary Redundancy Policy	Version: 2.0	Last Updated: 04-2015	Updated by: Cath Denholm
Policy Owner: Josephine White		Page 3	

- d) Staff have the right to request VR and for the request to be fully considered against set criteria. However, staff do not have the right to have VR approved.
- e) The basic premise on which VR is offered is that it will lead to a permanent reduction in salary and headcount within the organisation. Applications for VR will not be accepted where the post in question is to be continued. Where the loss of the post will in part be compensated for with additional salary costs elsewhere (e.g. the addition of a lower graded post or the increase in hours of another post) this must be made explicit in the application. Applications which will result in the post and associated resource being lost fully and permanently from the organisational structure will be viewed most favourably.
- f) The terms, objectives and period of any Open Voluntary Redundancy Scheme will be proposed and discussed at the Partnership Forum and recommended to the Remuneration Committee for approval prior to implementation.
- g) Applications for VR – whether made through the auspices of a Scheme or received as an ad hoc individual request - will be considered by a VR Panel. This is a four person panel consisting of two staff side members and two management members, normally an HR manager and the Director of Strategy. The panel’s role is to individually assess all applications, then agree a joint recommendation to make to the CEO whether or not to support the request.
- h) The CEO considers the recommendation of the panel and may also seek other advice and views before coming to a conclusion whether to accept the panel’s recommendation or reach an alternative decision.
- i) The CEO has authority to approve VR decisions provided they do not relate to a member of the Senior Management cohort, do not exceed £100k in overall value and are not judged to be of high risk to the organisation for any other reason. Where any of these conditions do apply, the CEO will, after considering the VR Panel’s recommendation, make a final recommendation with regards to the request to the Remuneration Committee for approval.
- j) The decisions reached through these routes will be final. However, staff would be entitled to call on NHS Health Scotland’s Dealing with Employee Grievances policy where they felt the process had not been appropriately or fairly applied.
- k) Whether an individual applies for VR through a scheme or on an individual basis, every effort will be made by the individual’s line manager and by HR to ensure that the staff member is supported to fully understand the implications of this policy and these decisions for them. A decision to offer or accept VR is not binding until a settlement agreement has been signed.

Voluntary Redundancy Policy	Version: 2.0	Last Updated: 04-2015	Updated by: Cath Denholm
Policy Owner: Josephine White		Page 4	

- l) Settlement agreements will be reached for all terminations in contract resulting from voluntary redundancy.
  - m) It is normal practice for NHS Health Scotland not to re-engage any individual in either an employment or consultancy context following a VR settlement. This organisational position is confirmed in PF Paper 35/12 and reflects recommendations from Audit Scotland.
  - n) The governance and outcomes of all early departures (including VR) are monitored by the Remuneration Committee and reported to the Audit Committee, Staff Governance Committee and Board. The agreed scheme of reporting is attached as Appendix 10.
4. A glossary of terms is available at Appendix 7.

### **Eligibility to Apply**

5. These terms of VR can be offered to all staff within NHS Health Scotland who have a contract of employment and meet the eligibility criteria outlined in Appendix 1 in relation to length of service and the SPPA age requirements.

### **Timelines**

6. The terms of a Scheme (e.g. the time period for which a Scheme remains open) will depend on the circumstances and objectives agreed at the time. The general principles that will apply will be ensuring decisions are made in as timely a manner as possible, but also allowing staff and managers due time to consider the consequences of the decision and seek individual advice as needed.

### **Voluntary Redundancy Entitlements**

7. The VR entitlements offered by NHS Health Scotland are either:
- a) A Voluntary Redundancy Payment

Voluntary redundancy payments are based on the principles contained in the Agenda for Change NHS Terms and Conditions of Service Handbook, Section 16 – Redundancy Pay, i.e. one month's pay for each complete year of continuous service up to a maximum of 24 years.

**OR**

Voluntary Redundancy Policy	Version: 2.0	Last Updated: 04-2015	Updated by: Cath Denholm
Policy Owner: Josephine White		Page 5	

- b) Early retirement on grounds of redundancy for employees entitled to pension benefits.

Entitlements are based on the Scottish Public Pensions Agency (SPPA) policies. This is the terminology used by SPPA and will therefore be used throughout this VR Policy.

You will find further information regarding early retirement and VR payments in Appendix 1.

Where you are not of minimum retirement age or do not hold sufficient NHS Superannuation Scheme service, you may be entitled to a VR payment, calculated in line with Section 16 of the NHS Terms and Conditions of Service Handbook (Appendix 1).

Should you be eligible to apply for Early Retirement but prefer to pursue a VR payment instead, you should indicate this on your Expression of Interest Form (Appendix 3 – Section A). It is not the role of NHS Health Scotland to advise staff on which route to take, but the organisation will ensure staff are aware that there are options with different implications and will encourage the staff member to seek advice and ensure they understand the options fully before making a decision.

### Criteria for Selection

8. A VR Panel considers all applications for VR against the following criteria:-

Criteria	Weighting
Impact on NHS Health Scotland	12
Impact on the Individual	4
Financial Payback Period	8

9. The criteria are described in detail in Appendix 3, Section C, along with the points which will be awarded by the VR panel individually following assessment of the form and the personal statement (if supplied). The weighted score for each criterion will be calculated by multiplying the points awarded by the weighting. A total weighted score for each employee will be calculated by adding together the weighted score for all 3 criteria. Using this scoring to inform and evidence the discussion, the VR Panel will then seek to reach agreement on whether or not to recommend approval of the application to the CEO. This is an overall judgement which

Voluntary Redundancy Policy	Version: 2.0	Last Updated: 04-2015	Updated by: Cath Denholm
Policy Owner: Josephine White		Page 6	

is based on two aspects: 1) the affordability of the decision (which incorporates both the financial payback period and costs of covering all or elements of the duties of the post that is being made redundant); 2) the business sense of the decision (which incorporates the impact on both the organisation and the individual). The recommendation of the panel is recorded by the chair of the panel (normally the Director of Strategy) in Section D, Appendix A and returned to HR for submission to the CEO.

## Procedure for Applying

### Invitation to Express an Interest in Voluntary Redundancy

10. Staff wishing to express interest in VR should complete the Expression of Interest Form (Appendix 3 – Section A) and submit it to the HR team. It is a major decision and staff are encouraged to approach the HR Team to have a discussion about how the policy could impact and to understand any aspect of the policy which is not clear. It should be noted that HR cannot provide individual advice on pensions or the financial implications but they will be able to signpost staff to sources of help.
11. Expression of Interest is regarded as confidential between the HR Team and the staff member. It will **not** be discussed by HR with the staff member's Line Manager, unless indicated otherwise. However, staff should be aware that the application must be discussed with their Line Manager before the application is considered by the VR Panel and are encouraged to do this as early as possible.
12. Submitting the Expression of Interest Form as early as possible means that estimates can be processed as quickly as possible. Completion of the Expression of Interest Form and provision of an estimate of entitlement **do not** commit either the staff member or NHS Health Scotland to VR.
13. All Expressions of Interest received will be acknowledged (Appendix 4) and will include the completed Section B – Confirmation of Estimate and Application Form (Appendix 3) which will contain an estimate of the staff member's potential VR entitlement as at a specified date. This will be sent to the staff member's home address and will normally be sent within 20 working days of submission, but may be longer depending on the number of expressions received. It will be made clear that any figures

Voluntary Redundancy Policy	Version: 2.0	Last Updated: 04-2015	Updated by: Cath Denholm
Policy Owner: Josephine White		Page 7	

quoted are **estimates** only. **Staff are advised to seek independent financial advice before reaching any decisions.**

### **Applying for Voluntary Redundancy**

14. Whether staff decide to progress further an application or not, the remainder of Section B - Confirmation of Estimate and Application Form (Appendix 3) should be completed and returned to the HR Team outlining their intentions within 10 days from the date of the estimate being received.
15. If staff have indicated that they wish to proceed with the application for VR the HR Team will notify their Line Manager. Separately the staff member should send a copy of Section B of the Application Form to their Line Manager to enable them to complete Section C Criteria for Assessment Form. The Line Manager is also asked to discuss the application with their Director, who will comment on and sign the form.
16. The role of the Line Manager and the Director is to provide commentary and evidence against each criterion to help the VR Panel in the review process. It is possible that the Line Manager and/or Director sign the form stating that they do not support the application and why. The application will still be passed to the VR Panel for a recommendation in these circumstances.
17. The Line Manager/Director may be invited by the chair of the panel to provide further information or clarification to the VR Panel if it is felt some vital information is missing or unclear.
18. Formal Application **does not** commit either staff or NHS Health Scotland to VR.

### **Application Outcomes**

19. All decisions will be recorded on Section D of the paperwork.

#### *Application Approved*

20. If the application for VR is supported by the VR Panel and endorsed by the CEO, the HR Team will write to the staff member (Appendix 5), to arrange a meeting to confirm the outcome and discuss details of the

Voluntary Redundancy Policy	Version: 2.0	Last Updated: 04-2015	Updated by: Cath Denholm
Policy Owner: Josephine White		Page 8	



potential termination of the contract the meeting to take place within 10 working days.

21. Where the application for VR pertains to a member of the Senior Manager pay cohort, is estimated to amount to more than £100k or considered for some other reasons to present high risk to the organisation, the decision must be approved by the Remuneration Committee. While we seek to complete discussions with the Remuneration Committee as quickly as possible, it should be noted that the Remuneration Committee normally meet four times a year. It is strongly preferred by the Committee to discuss such cases in Committee and not through electronic means.
22. On conclusion of this process, the HR team will write to the staff member (Appendix 4b) to arrange a meeting to confirm the outcome and discuss details of the potential termination of the contract.
23. The letter will be copied to the Line Manager and the relevant Director.
24. The meeting will be conducted by a representative from the HR Team. Staff will be given the opportunity to be accompanied by a work colleague or a recognised Trade Union/Professional Organisation Representative.
25. At this stage there is still **no legal obligation** for either party to proceed with VR.
26. After the meeting, staff normally have five working days to either accept or decline a formal offer of VR in writing.
27. All successful applicants for VR are asked to sign a Settlement Agreement, which will also be signed by NHS Health Scotland. This is a legally binding agreement following the termination of employment. The content of this agreement may vary depending on personal circumstances but this will be subject to agreement by legal representatives of both parties.
28. Staff would normally be required to use all pro rata leave entitlement prior to the last working day with NHS Health Scotland. However, the details of this will be discussed between the member of staff and a member of the HR team.

Voluntary Redundancy Policy	Version: 2.0	Last Updated: 04-2015	Updated by: Cath Denholm
Policy Owner: Josephine White		Page 9	

*Application Not Approved*

29. If an application is declined by the CEO or Remuneration, the HR Team will write to the applicant (Appendix 6) as soon as possible after the decision is reached. The letter will explain why the application was not approved. This does not preclude the member of staff from re-applying at a future date should a new Scheme open or their circumstances or the circumstances of their work change.

**Points of Contact**

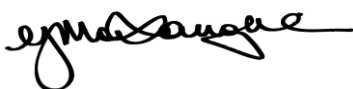
30. Further details regarding points of contact are attached at Appendix 2.

**Monitoring & Review**

31. The Partnership Forum is responsible for monitoring the implementation of the VR Policy and this is overseen by the Remuneration Committee, which reports via the Staff Governance Committee to the Board.

Date Policy approved.....

Approved by .....

Agreed by  **Chief Executive**

Agreed by  **Staff Side Chair,  
Partnership Forum**

Voluntary Redundancy Policy	Version: 2.0	Last Updated: 04-2015	Updated by: Cath Denholm
Policy Owner: Josephine White		Page 10	

Voluntary Redundancy Policy	Version: 2.0	Last Updated: 04-2015	Updated by: Cath Denholm
Policy Owner: Josephine White		Page 11	

## Information Regarding Voluntary Redundancy Payments and Types of Early Retirement

### a. Voluntary Redundancy Payments

Voluntary Redundancy payments will be based on Section 16 of the Agenda for Change NHS Terms and Conditions of Service Handbook.

To qualify for a voluntary redundancy payment, staff must have at least 104 weeks of continuous full time or part time NHS service.

The lump sum will be calculated on the basis of one month's pay, which equates to 1/12<sup>th</sup> of the annual salary **in payment** at the date of termination of employment. This is for each complete year of reckonable service (see definition in Appendix 7).

This is subject to a minimum of 2 years' (104 weeks') continuous service and a maximum of 24 years' reckonable service being counted (this can be either open ended or fixed term, provided it meets the 104 weeks). Fractions of a year of reckonable service will not be taken into account.

For example:

Years Service	No of Months Pay Entitlement
2	2
12	12
24 & over	24

### NHS Pension Scheme Entitlements

To qualify for early retirement when leaving NHS Health Scotland under this Voluntary Redundancy Scheme, employees in the Scottish Public Pensions Agency (SPPA) NHS Pension Scheme must have at least two years' pensionable service. If the member of staff has been an active pension scheme member since 5 April 2006 or earlier, early retirement may be possible from age 50. If the member of staff joined the NHS Pension Scheme after this date, early retirement may be possible from age 55.

Voluntary Redundancy Policy	Version: 2.0	Last Updated: 04-2015	Updated by: Cath Denholm
Policy Owner: Josephine White		Page 12	

**b. Early Retirement on Grounds of Redundancy for Employees Entitled to Pension Benefits**

Staff will receive the full value of qualifying pension benefits at the point of leaving without the actuarial reduction that would occur had they voluntarily retired early. NHS Health Scotland will pay the NHS Pension Scheme the cost of paying the pension and lump sum early. This sum will be paid from the lump sum voluntary redundancy payment that otherwise would have been paid to the member of staff. If the cost to NHS Health Scotland is less than the value of the voluntary redundancy payment, then staff will also receive a voluntary redundancy payment equivalent to the difference between the two sums. However, if the cost of early retirement is more than the voluntary redundancy payment, NHS Health Scotland will pay the additional cost.

Or

If a member of staff takes voluntary redundancy over the minimum pension age, they may choose to take the voluntary redundancy payment and have their pension paid at normal retirement age.

**Note**

A further option exists in line with the SPPA Scheme for Early Retirement in the Interest of the Efficiency of the Service.

NHS Health Scotland does not expect to use this option.

Voluntary Redundancy Policy	Version: 2.0	Last Updated: 04-2015	Updated by: Cath Denholm
Policy Owner: Josephine White		Page 13	

**Contact Details**

You may find the following points of contact helpful for any queries you may have regarding any aspect of the Voluntary Redundancy Scheme.

**HR Team**

**HR Officers**

**Erin Giles**

0141 414 2703

[erin.giles@nhs.net](mailto:erin.giles@nhs.net)

**Jen Burt**

0141 414 2702

[jen.burt@nhs.net](mailto:jen.burt@nhs.net)

**Scottish Public Pensions Agency (SPPA)**

The National Health Service Superannuation Scheme

<http://www.sppa.gov.uk/>

**ECS**

Support, guidance and advice maybe sought from the Employee Counselling service on 0800 389 7851.

Voluntary Redundancy Policy	Version: 2.0	Last Updated: 04-2015	Updated by: Cath Denholm
Policy Owner: Josephine White		Page 14	

## Expression of Interest and Application Form For Eligible Employees

**Section A – Expression of Interest Form (to be completed by the employee and submitted IN CONFIDENCE).**

**Please note that it is anticipated that not everyone that applies will be accepted and that only a small number of individuals will leave NHS Health Scotland through Voluntary Redundancy.**

### 1. Personal Details

Title:	
Name:	
Date of Birth:	
Home Address:	
Postcode:	
Contact Tel Numbers:	

(Please ensure these are up to date. If you are planning to be on leave or absent for another reason around the time of the decision making of this application, please make sure that you have contacted the HR team with details of how you should be contacted.)

Payroll Number (see payslip):	
Member of NHS Pension Scheme:	Yes/No (please delete)
Superannuation Number (can be found on pay slip if a member of the NHS Pension Scheme):	
National Insurance Number:	

### 2. Information About Your Post

Date joined NHS Health Scotland:	
Date joined NHS (if different):	
Have you had a break of 12 months or more from a previous NHS	Yes/No (please delete)

Voluntary Redundancy Policy	Version: 2.0	Last Updated: 04-2015	Updated by: Cath Denholm
Policy Owner: Josephine White		Page 15	

employer before joining NHS Health Scotland?	
Job title:	
Directorate:	
Location:	
Line Manager:	
Contracted Hours:	
Grade:	
Are you engaged in other pensionable employment?	Yes/No (please delete)

### 3. Estimate Request

I am interested in Voluntary Redundancy and request an estimate of the payment I would receive (please tick  as appropriate – you may choose both options):

a	Voluntary Redundancy Payment	
b	Early Retirement on Grounds of Redundancy for Employees Entitled to Pension benefits	

### 4. Declaration

By completing and signing this form I confirm that I am expressing an Interest in Voluntary Redundancy and there is no obligation on me or the organisation to take this forward. I understand that making an Expression of Interest is not a formal application.

I also give authority for the organisation to contact SPPA on my behalf to enquire about my pension entitlement if applicable.

Signature:	
Date:	
Print Name:	

**Please return the completed section of this form to HR.**

Voluntary Redundancy Policy	Version: 2.0	Last Updated: 04-2015	Updated by: Cath Denholm
Policy Owner: Josephine White		Page 16	



This information is required by NHS Health Scotland so that a written estimate of your potential entitlement can be provided and also to allow any subsequent application to be considered fully. All information will be held securely and will remain confidential within the HR team until you have agreed, after having received a written estimate of your entitlement that you wish to proceed with an Application. If you decide to make an Application this information will be shared with your Line Manager, Director and the Workforce Review Group

This quote is provided to you directly from SPPA, it will be based on the leaving date supplied and only when you have confirmed your intention to proceed and we have approval will we seek a final quote. This quote will be sent to NHS Health Scotland and we will provide a copy of this quote to you at your home address. All information contained within this quote is personal to you and NHS Health Scotland do not accept liability for any information that is factually incorrect, this will be the responsibility of the individual and SPPA.

Please note that it is anticipated that not everyone that applies will be accepted and that only a small number of individuals will leave NHS Health Scotland through Voluntary Redundancy.

Voluntary Redundancy Policy	Version: 2.0	Last Updated: 04-2015	Updated by: Cath Denholm
Policy Owner: Josephine White		Page 17	

**Section B – Confirmation of Estimate and Application Form**

Please note that it is anticipated that not everyone that applies will be accepted and that only a small number of individuals will leave NHS Health Scotland through Voluntary Redundancy.

To be completed by the Employer following receipt of Section A – Expression of Interest

Reference Number:	
Employee Name:	
Superannuation Number:	
Payroll Number:	
Estimate As At:	

**a. Voluntary Redundancy Payment (if applicable)**

Estimated entitlement as at above date:	
Voluntary redundancy payment:	£
Payback period based on no backfill of post (this is the length of time it will take NHS Health Scotland to recoup the salary costs):	

**b. Early Retirement on Grounds of Redundancy for Employees Entitled to Pension Benefits (if applicable)**

Estimated entitlements as at above date:

Annual Pension:	£
Lump Sum:	£
Capitalisation cost to NHS Health Scotland which NHS Health Scotland has to pay to SPPA:	£
Voluntary Redundancy Lump Sum:	£
Difference between Voluntary Redundancy Lump Sum and Capitalisation cost to NHS Health Scotland:	£
Payback Period based on no backfill of post (this is the length of time it will take NHS Health Scotland to	

Voluntary Redundancy Policy	Version: 2.0	Last Updated: 04-2015	Updated by: Cath Denholm
Policy Owner: Josephine White		Page 18	

recoup the salary costs):	
---------------------------	--

**To be completed by the Employee**

On receipt of your estimate please sign and return your intentions below to the HR Team in the envelope provided within 10 days of the date of your estimate.

I **do not** wish to proceed with my application for Voluntary Redundancy from NHS Health Scotland.

Signature:	
Date:	
Print Name:	

**OR**

I **do** wish to proceed with my formal application to NHS Health Scotland for Voluntary Redundancy (delete option a) or b) as appropriate). I request:

- a. Voluntary Redundancy Payment OR
- b. Early Retirement on Grounds of Redundancy for Employees Entitled to Pension benefits.

I understand that there is still no obligation on me or the organisation to take this forward. I also understand that the estimated entitlements that have been provided to me are the estimates provided by SPPA and may be subject to change.

I understand that the HR Team will now notify my Line Manager of my intention to proceed with a formal application for Voluntary Redundancy.

I understand that if my application for Voluntary Redundancy is approved I will be required to sign a Settlement Agreement prior to my leaving date and before any SPPA forms can be processed.

Signature:	
Date:	
Print Name:	

Voluntary Redundancy Policy	Version: 2.0	Last Updated: 04-2015	Updated by: Cath Denholm
Policy Owner: Josephine White		Page 19	

**In addition to returning this form to the HR Team, please now copy and submit this form to your Line Manager to enable them to complete.**

You may wish to include a personal statement along with your application. Please note that it is your choice whether or not to include a statement and that, if you do choose to include one, this will be submitted as part of the paperwork reviewed by your line manager, Director, the VR panel and CEO.

**Personal Statement in Support of Application:**

<b>Name &amp; Date:</b>

Voluntary Redundancy Policy	Version: 2.0	Last Updated: 04-2015	Updated by: Cath Denholm
Policy Owner: Josephine White		Page 20	

**Section C – Criteria for Assessment (to be submitted in CONFIDENCE to the HR team).**

Reference Number:	
Name of Applicant:	
Job Title:	
Directorate:	
Payroll Number:	

**To be completed by the Line Manager and copied to the Director who is a member of the CMT**

**1. Introduction**

This section must be completed in full by the Line Manager/Director to help the VR Panel and the CEO in the decision making process.

The following criteria, weightings and scores will be applied by the Change Management Group in assessing all requests for Early Retirement/Voluntary Redundancy.

<b>Criteria</b>	<b>Weighting</b>
Impact on NHS Health Scotland	12
Impact on the Individual	4
Financial Payback Period	8

Each criterion is described in detail below along with the points which will be awarded by the VR Panel following assessment. The weighted score for each criterion will be calculated by multiplying the points awarded by the weighting. A total weighted score for each employee will be calculated by adding together the weighted score for all 3 criteria. A higher score will indicate a more favourable assessment.

As Line Manager you are not expected to score the sections, but the information you give under each section will be used by the VR Panel to assess the criteria and form a scoring.

Please note that applications for Voluntary Redundancy do not lead to automatic acceptance.

Voluntary Redundancy Policy	Version: 2.0	Last Updated: 04-2015	Updated by: Cath Denholm
Policy Owner: Josephine White		Page 21	

## 2. Criteria for Selection

- **Impact on NHS Health Scotland**

What is the impact on the organisation if the individual was released through early retirement/voluntary redundancy? The aim is to secure long-term and permanent saving in salary costs as a result of this decision and applications for voluntary redundancy will not be accepted where the post in question is to be continued. This criteria will therefore include consideration of the current and future requirements of the Directorate. It may be possible to distribute the work of the post among the remaining members of the team or for it to be backfilled by another team member.

Where the loss of the post will in part be compensated for with additional salary costs elsewhere (e.g. the addition of a lower graded post or the increase in hours of another post) this must be made explicit. Applications which will result in the post being lost permanently from the organisational structure will receive the highest weighting in this regard.

You should also consider whether it would be in NHS Health Scotland's interest to allow this person to leave if they apply for voluntary redundancy because of time taken up through managing performance/conduct issues. Please give examples/evidence to support your assessment.

Finally, there may also be potential impact of this decision on the organisation and staff in terms of organisational reputation and precedent, depending on the particular circumstances of the individual applying. It should be noted this aspect is of particular note to the Remuneration Committee in its role in overseeing the application of the VR Policy.

### **Scoring:**

- 0 Significant adverse impact due to the specialist nature of skill mix or critical business need and no beneficial impact on the team or organisation and/or the post cannot be removed from the organisational structure without serious detriment and/or there are serious reputational or management considerations at play.
- 2 Some adverse impact on service delivery and no beneficial impact on the team or organisation if this individual were to leave and/or the responsibilities of the postholder would have to be covered in some

Voluntary Redundancy Policy	Version: 2.0	Last Updated: 04-2015	Updated by: Cath Denholm
Policy Owner: Josephine White		Page 22	

other way and/or there are potentially significant reputational or management considerations at play.

- 4 Positive Impact – Early retirement/redundancy would provide a reorganisation/restructuring opportunity which would result in business efficiencies and/or benefit the team in terms of releasing management time and improving team function. In addition, the responsibilities of the post will either cease, or be covered elsewhere through a completely cost neutral solution. There are no known reputational or other management considerations at play.

**Evidence** *Please note that it is a requirement of voluntary redundancy that the postholder will not be replaced. If you are proposing that the post must be backfilled to some extent, then it is essential you provide details of the proposed grading and wte of this backfilling arrangement and any other resource implications.*

--

Voluntary Redundancy Policy	Version: 2.0	Last Updated: 04-2015	Updated by: Cath Denholm
Policy Owner: Josephine White		Page 23	

- **Impact on the Individual**

Consider the individual's personal circumstances, e.g. health issues, work life balance, etc. Please give reasons and evidence to support your assessment.

Scoring

- 0 There are no individual circumstances that need to be taken into account.
- 2.5 There are some minor issues that should be taken into account as they could impact on the individual's ongoing performance in the organisation.
- 5 There are issues which could significantly impact on the individual's performance if they remained in the organisation.

Evidence

Voluntary Redundancy Policy	Version: 2.0	Last Updated: 04-2015	Updated by: Cath Denholm
Policy Owner: Josephine White		Page 24	



- **Financial Payback Period**

Priority will normally be given to requests with a payback period to Health Scotland of less than 24 months.

Scoring

- 0 Payback period of more than 24 months.
- 2 Payback period of more than 12 months up to 24 months.
- 4 Payback period of 12 months or less.

**Evidence** *The HR team will provide the evidence of financial payback based on the costed application. This section will therefore be completed by HR.*

**Cost of VR/Early Retirement:**  
**Estimated Additional Costs (PILON etc):**  
**Estimated Total Cost:**  
**Anticipated Payback Period:**

Voluntary Redundancy Policy	Version: 2.0	Last Updated: 04-2015	Updated by: Cath Denholm
Policy Owner: Josephine White		Page 25	

**Manager's Support for the Application**

<b>Please indicate overall whether, as Line Manager, you support or do not support this application and give the reasons why:</b>	

I confirm that I have discussed this formal application for Voluntary Redundancy and my decision to support/not support (delete as appropriate) the application with the staff member. I understand that the VR Panel will review this application and make a recommendation to the CEO whether or not to support the application.

Line Manager's signature:	
Print Name:	
Date:	

<b>Please indicate overall whether, as Director, you support or do not support this application and give the reasons why:</b>	

I confirm that I have discussed this formal application for Voluntary Redundancy and my decision to support/not support (delete as appropriate) the application with the Line Manager and with Director colleagues. I understand that the VR Panel will review this application and make a recommendation to the CEO whether or not to support the application.

Director's signature:	
Print Name:	
Date:	

**Please submit the completed form to the HR Team.**

Voluntary Redundancy Policy	Version: 2.0	Last Updated: 04-2015	Updated by: Cath Denholm
Policy Owner: Josephine White		Page 26	

**SECTION D – RECORD OF DECISION**

Reference Number:	
Name of Applicant:	
Job Title:	
Directorate:	

**VR PANEL RECOMMENDATION**

Criteria	Weighting	Panel Score (weighting x score)				Total (average)
Impact on NHS Health Scotland	12 (0, 2, 4)					
Impact on the Individual	4 (0, 2.5, 5)					
Financial Payback Period	8 (0, 2, 4)					
<b>Total</b>						

**Does the Panel support this request? Yes/No**

<b>Reasons for Decision:</b>
Affordability:
Overall Business Sense:

<b>Have any other considerations been discussed or taken into account?</b>

Signature (On behalf of the VR Panel):	
Panel Members:	
Date:	

Voluntary Redundancy Policy	Version: 2.0	Last Updated: 04-2015	Updated by: Cath Denholm
Policy Owner: Josephine White		Page 27	

**CEO RECOMMENDATION**

1. Is the recommendation of the VR Panel supported by CEO?	YES / NO
If no, please give reason:	
2. Is this a member of the Senior Management Cohort? Yes/No	YES / NO
3. Is the settlement payment proposed higher than £100k?	YES / NO
4. Is the settlement considered to present high risk to the organisation in any way?	YES / NO
If yes, please say why:	

**CEO Authority:**

***If the answers to Qs 1, 2 or 3 are no, the CEO has the authority to approve or reject the VR request. If the answer to Qs 1, 2 or 3 is yes, the CEO will make a recommendation to the Remuneration Committee for approval.***

Signature (CEO decision)	
Print Name:	
Date:	

Voluntary Redundancy Policy	Version: 2.0	Last Updated: 04-2015	Updated by: Cath Denholm
Policy Owner: Josephine White		Page 28	

**REMUNERATION COMMITTEE DECISION TO APPROVE**

<b>Date reviewed by the Remuneration Committee:</b>
<b>Is the recommendation of the CEO approved or not approved?</b>
<b>Reason for decision:</b>

Voluntary Redundancy Policy	Version: 2.0	Last Updated: 04-2015	Updated by: Cath Denholm
Policy Owner: Josephine White		Page 29	

**To be sent by paper copy to home address**

**Personal and Confidential – Addressee only**

Dear

**Health Scotland Voluntary Redundancy – Acknowledgement and Provision of Estimate (for Open Schemes)**

Thank you for submitting Section A of the Expression of Interest and Application Form. I attach completed Section B which provides an estimate of your entitlement as at DATE.

Whether you decide to progress further with your application or not you should complete the remainder of Section B of the Expression of Interest Form and return this to the HR Team outlining your intentions within 7 days of receipt of this estimate.

If you have indicated that you wish to proceed with your application for Voluntary Redundancy the HR Team will notify your Line Manager. Separately you should send a copy of your Section B to your Line Manager to enable them to complete Section C. Your Line Manager should then e-mail the completed form to the confidential e-mail box at [nhs.healthscotland-vr@nhs.net](mailto:nhs.healthscotland-vr@nhs.net) by DATE for submission to the Workforce Review Group for consideration. I will acknowledge receipt of the completed form to both you and your Line Manager.

A VR Panel will review your application and make recommendations to the CEO for a final decision. We anticipate that your application will be reviewed on DATE and we hope to have a decision to you by DATE, however please feel free to contact us for an update.

Please note that completion of this documentation and submission to the VR Panel does NOT in any way commit either yourself or NHS Health Scotland to Voluntary Redundancy at this stage.

May I reaffirm that it is not anticipated that everyone that applies will be accepted and that only a small number of individuals will leave NHS Health Scotland through Voluntary Redundancy.

Voluntary Redundancy Policy	Version: 2.0	Last Updated: 04-2015	Updated by: Cath Denholm
Policy Owner: Josephine White		Page 30	

HS Paper 27/15a

Should you have any queries on any of the above, please do not hesitate to contact your HR Manager or Officer.

Yours sincerely

HR Manager

Voluntary Redundancy Policy	Version: 2.0	Last Updated: 04-2015	Updated by: Cath Denholm
Policy Owner: Josephine White		Page 31	

**To be sent by paper copy to home address**

**Personal and Confidential – Addressee only**

Dear

**Health Scotland Voluntary Redundancy – Acknowledgement and Provision of Estimate (for individual requests)**

Thank you for submitting Section A of the Expression of Interest and Application Form. I attach completed Section B which provides an estimate of your entitlement as at DATE.

Whether you decide to progress further with your application or not you should complete the remainder of Section B of the Expression of Interest Form and return this to the HR Team outlining your intentions within 7 days of receipt of this estimate.

If you have indicated that you wish to proceed with your application for Voluntary Redundancy the HR Team will notify your Line Manager. Separately you should send a copy of your Section B to your Line Manager to enable them to complete Section C. Your Line Manager should then e-mail the completed form to the confidential e-mail box at [nhs.healthscotland-vr@nhs.net](mailto:nhs.healthscotland-vr@nhs.net) by DATE for submission to the VR Panel for consideration. I will acknowledge receipt of the completed form to both you and your Line Manager.

The VR Panel will review your application and make recommendations to the CEO. We cannot confirm at this stage exactly when a decision will be made.

Please note that completion of this documentation and submission to the VR Panel does NOT in any way commit either yourself or NHS Health Scotland to Voluntary Redundancy at this stage.

May I reaffirm that it is not anticipated that everyone that applies will be accepted and that only a small number of individuals will leave NHS Health Scotland through Voluntary Redundancy.

Voluntary Redundancy Policy	Version: 2.0	Last Updated: 04-2015	Updated by: Cath Denholm
Policy Owner: Josephine White		Page 32	



HS Paper 27/15a

Should you have any queries on any of the above, please do not hesitate to contact your HR Manager or Officer.

Yours sincerely

HR Manager

Voluntary Redundancy Policy	Version: 2.0	Last Updated: 04-2015	Updated by: Cath Denholm
Policy Owner: Josephine White		Page 33	

**Appendix 5**

**Personal and Confidential – Addressee only**

Dear

**Confirmation of Support for Voluntary Redundancy**

I am writing to confirm that the organisation has indicated its willingness to support your application. At this stage there is still no legal obligation on either NHS Health Scotland or yourself to reach a Voluntary Redundancy Agreement, but we would now like to meet with you to discuss the next steps should you choose to progress.

To discuss this matter further, i.e. the potential termination of your Contract of Employment on the grounds of Voluntary Redundancy, I wish to invite you to attend a meeting with (name of representative from HR) and <Line Manager > on <date> at <time> in the <venue>, <address>.

You have the right to be accompanied at this meeting by a trade union/professional organisation representative or work colleague. Should you wish to exercise this right please let me know, in advance, the name of the person who will be attending.

If for any reason you are unable to attend this meeting, please let me know as soon as possible in order for a more convenient date and time to be arranged.

In the meantime, should you have any queries regarding any of the above please do not hesitate to contact me.

Yours sincerely

HR Manager  
Cc Line Manager

Voluntary Redundancy Policy	Version: 2.0	Last Updated: 04-2015	Updated by: Cath Denholm
Policy Owner: Josephine White		Page 34	

**Personal and Confidential – Addressee only**

Dear

**Health Scotland Voluntary Redundancy**

Thank you for submitting an application for Voluntary Redundancy.

After careful consideration, I am writing to inform you that NHS Health Scotland is unable to release you via Voluntary Redundancy at this time.

The reasons for this decision are as follows:

**Rationale:**

Please note that this is a final decision. However, if you wish to discuss this outcome in further detail then please contact HR to make arrangements for a suitable time so that you can discuss the decision and also any follow up options available to you.

Yours sincerely

HR Manager

Cc Line Manager

Voluntary Redundancy Policy	Version: 2.0	Last Updated: 04-2015	Updated by: Cath Denholm
Policy Owner: Josephine White		Page 35	

**Glossary of Terms**

**Definition of ‘Continuous Service’**

‘Continuous Service’ means full-time or part-time employment with the present or any previous NHS Employer. If with more than one NHS Employer, there must not have been a break of more than a week (measured Sunday to Saturday) between employments.

**Definition of ‘Reckonable Service’**

‘Reckonable Service’ for the purposes of an NHS Redundancy payment, which is calculated on the basis of the service up to the date of termination of the contract, means continuous full-time or part-time employment with the present or any previous NHS employer and where there has been a break in service of 12 months or less, the period of employment prior to the break will count as reckonable service..

In addition to this, periods of employment as a trainee with a general medical practitioner in accordance with the provisions of the trainee practitioner scheme will count as reckonable service.

The following employment will **not** count as reckonable service

- Employment that has been taken into account for the purposes of a previous redundancy, or loss of office payments by an NHS Employer
- Where the employee has previously been given pension benefits, any employment that has been taken into account for the purposes of those benefits.

**Definition of ‘One Month’s Pay’**

This is the amount equal to 1/12<sup>th</sup> of the annual salary **in payment** at the **date of termination of employment**.

**Definition of ‘Settlement Agreement’**

A Settlement Agreement is the legal agreement that will be drawn up between your solicitor and NHS Health Scotland’s solicitor once you have accepted the terms of VR and a date of termination of employment has been agreed. The primary purpose of a Settlement Agreement is to confirm a clean break with no outstanding claims and set out any particular arrangements that apply, for

Voluntary Redundancy Policy	Version: 2.0	Last Updated: 04-2015	Updated by: Cath Denholm
Policy Owner: Josephine White		Page 36	

example, if there are certain things that either party have agreed to do or not to do in the future.

**Payback period**

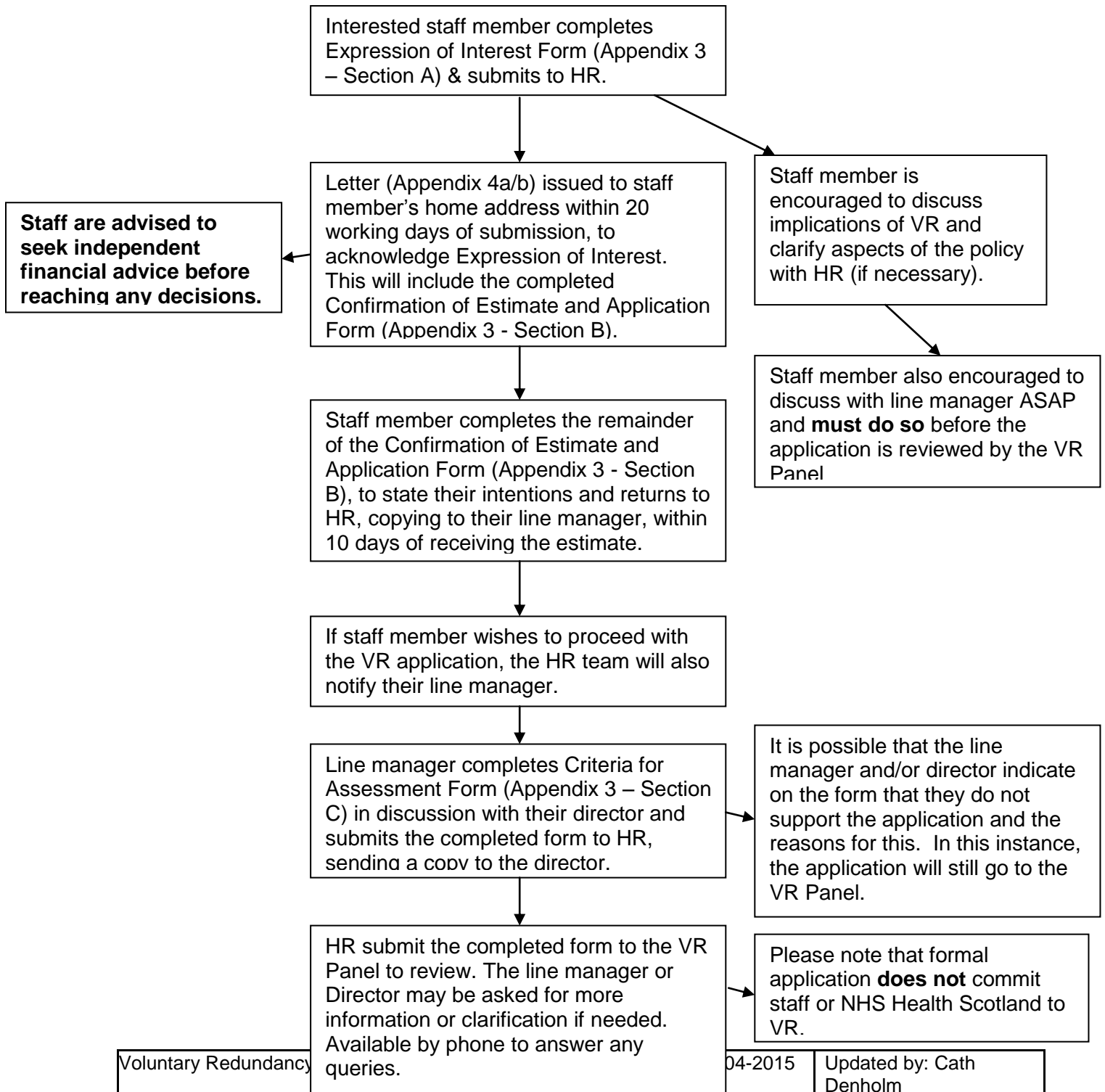
If you are released from NHS Health Scotland through voluntary redundancy the payback period is the length of time that it would take for NHS Health Scotland to recoup your voluntary redundancy/early retirement costs from the savings achieved by deleting your post.

**Capitalisation Costs**

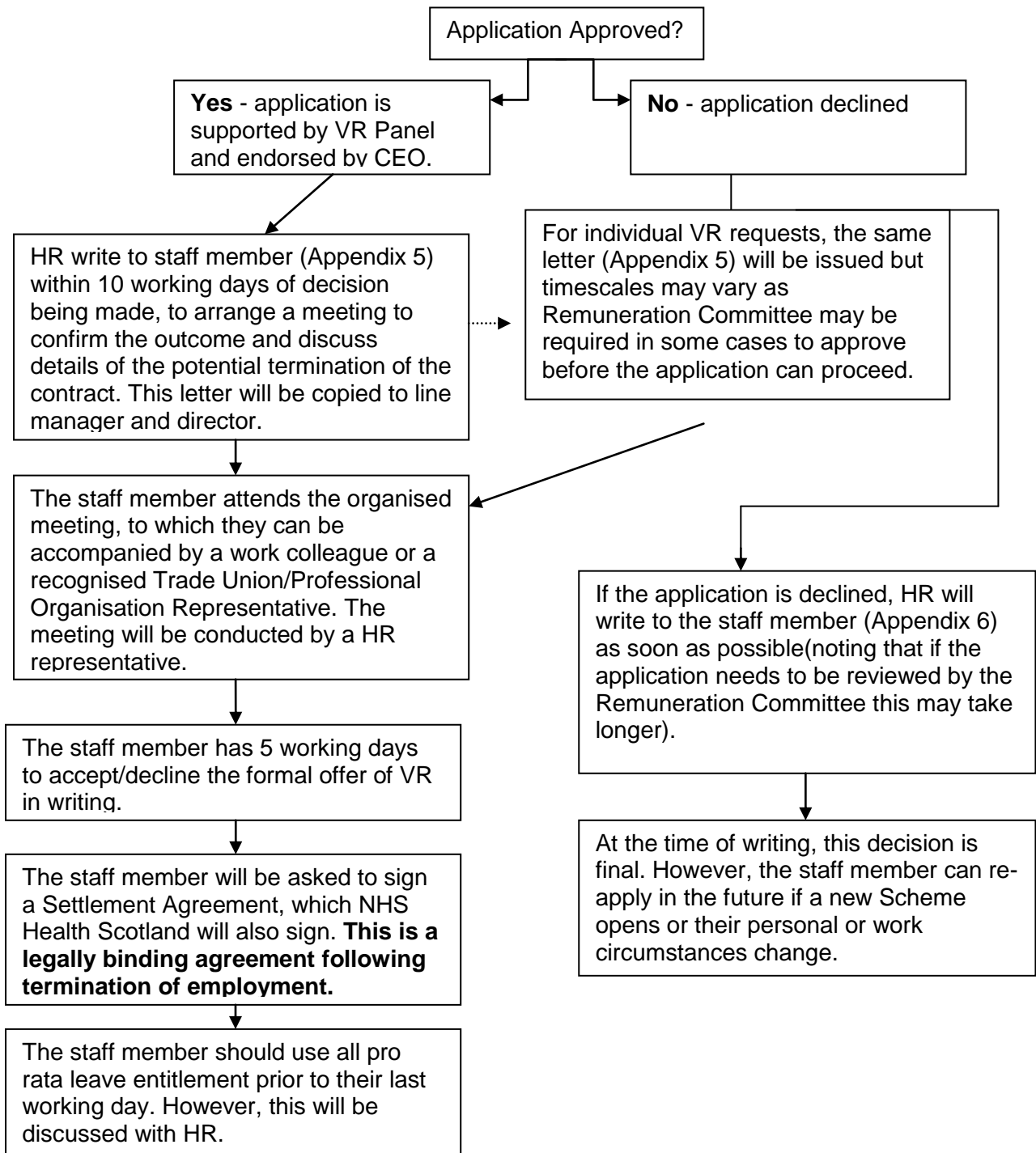
The capitalisation costs are the costs which NHS Health Scotland has to pay to SPPA to enable your pension to be released before your SPPA retirement date. The nearer to retirement that you are the less the capitalisation cost is to NHS Health Scotland.

Voluntary Redundancy Policy	Version: 2.0	Last Updated: 04-2015	Updated by: Cath Denholm
Policy Owner: Josephine White		Page 37	

Summary Flowchart – Applying for Voluntary Redundancy



Summary Flowchart – Application Outcomes



Voluntary Redundancy Policy	Version: 2.0	Last Updated: 04-2015	Updated by: Cath Denholm
Policy Owner: Josephine White		Page 39	

**Approved Scheme of Reporting of Early Departures**

	<b>Report</b>	<b>Committee</b>	<b>Frequency</b>	<b>Reported on to</b>	<b>Frequency &amp; Schedule</b>
1	Number of staff applied to access EDS Number of staff receiving EDS broken down by type and category of staff (senior manager and non senior manager) Initial cost of these decisions. Update of costs saved (following years) Organisational headcount, adjusted for new teams incorporated at SG request.	Remuneration Committee	6 monthly	Audit Committee  Rationale: To approve the information for incorporation into annual accounts* as good practice. Full Board receives report when annual accounts received.	Annual; April.
2	Number of staff applied to access EDS Number of staff receiving EDS broken down by type and category of staff (senior manager and non senior manager)	Remuneration Committee	6 monthly	Staff Governance Committee  Rationale: To provide assurance against Treated Fairly and Consistently Staff Governance Standard	Annual; April

\* Since 2010/11 details of Early Departures are published in our Annual Management Accounts and provide details of numbers of staff and overall costs.

Voluntary Redundancy Policy	Version: 2.0	Last Updated: 04-2015	Updated by: Cath Denholm
Policy Owner: Josephine White		Page 40	