

## **Perth & Kinross Council**

### **Voluntary Severance**

#### **1. Introduction**

- 1.1 The Council's [Framework for Managing Workforce Changes](#) which covers voluntary severance was updated in 2023. Our approach continues to make best use of opportunities to reshape the workforce on an ongoing basis and protect people by developing additional workforce measures which enable service redesign, transformation, efficiencies, and prioritisation of service delivery. The framework is reviewed regularly to ensure it is fit for purpose.
- 1.2 Voluntary severance is an additional workforce management measure which reflects the Council's commitment to provide greater choice and support to employees whilst allowing the Council to take all reasonable steps to avoid compulsory redundancies as far as possible.

#### **2. Eligibility**

- 2.1 Voluntary severance is available to employees within Perth & Kinross Council with the exception of Teachers. This will be kept under review.
- 2.2 After considering the estimated final figures payable for voluntary severance, employees will have the option of formally applying for voluntary severance.

#### **3. Voluntary Severance Terms – Effective from 1 March 2023**

- 3.1 The terms available for voluntary severance are based on provisions within the Retirement Scheme and Framework for Managing Workforce Change and are summarised as follows:
  - Employees aged 55 and over and in the Local Government Pension Scheme (LGPS) – retirement on grounds of efficiency of the service with immediate access to pension on an unreduced basis.
  - Employees aged between 50 and 54 and who were in the LGPS on 5 April 2006 – retirement on grounds of efficiency of the service with immediate access to pension on an unreduced basis.
  - Employees aged between 50 and 54 and who were not in the LGPS on 5 April 2006 – severance payment calculated in accordance with Appendix 2, plus a cash flat payment of £6,000 (pro-rated for part-time staff).
  - Employees aged under 50, and employees aged over 50 and not in the LGPS – severance payment calculated in accordance with Appendix 2, plus a cash flat payment of £6,000 (pro-rated for part-time staff).

- 3.2 Appendix 1 sets out the detailed terms which apply.
- 3.3 The benefits available will be in accordance with the legislation that applies at the agreed date of leaving.

#### 4. **Assessment**

- 4.1 Prior to any requests for VS estimates being submitted to the Pension Team, your Service and representatives from Human Resources will carry out an initial assessment of your VS request. The purpose of the initial assessment will be to provide an initial screening of each request to determine whether it is likely to meet the required criteria of Sustainable Revenue Budget Savings, and Impact on Service Delivery through retaining a Balanced Workforce.

This will ensure that only genuine enquiries for VS figures which have a realistic prospect of being approved are progressed. If an employee's request for an estimate is not progressed at this time, this will be explained.

- 4.2 Formal applications for voluntary severance from employees will be assessed based on a business case analysis.
- 4.3 The assessment criteria is –
- Sustainable Revenue Budget Savings – ie must produce a saving. Priority will be given to those voluntary severance requests which have a payback period of less than 60 months, with priority given to those which have a payback period of less than 24 months.
  - Impact on service delivery through retaining a balanced workforce in terms of skills, competencies and experience, scope for redeployment or by the creation of additional Modern Apprenticeship or Graduate Trainee opportunity.
- 4.4 An assessment of each request will be made by Service Management Teams with advice and support from their Service Accountant and HR Officer.
- 4.5 The Executive Leadership Team, who will be advised by the Head of Finance and Corporate HR Manager, will consider the Service Management Teams' assessments, take a corporate overview, and make the final decision.
- 4.6 There is no right of appeal against a decision not to approve a request for voluntary severance.

#### 5. **Process**

- 5.1 Voluntary severance will be administered by Human Resources who will liaise with the Pension Team in Dundee City Council.

5.2 The process is as follows:-

- Employee requests estimated voluntary severance figures payable
- HR and Pension Team provide estimated voluntary severance figures
- Employee formally applies for voluntary severance
- Service Management Team assessment
- Executive Leadership Team decision
- HR inform employee of ELT's decision
- Employee formally accepts voluntary severance

## 6. **Re-Engagement**

6.1 An employee who leaves the Council under voluntary severance will not normally be re-engaged by Perth & Kinross Council. If in exceptional circumstances they are re-engaged, restrictions may apply.

## 7. **Support For Employees**

7.1 In the first instance, employees should discuss any queries they have about voluntary severance with their manager.

7.2 Information on voluntary severance is available on our website. General enquiries should be emailed to [vss@pkc.gov.uk](mailto:vss@pkc.gov.uk).

7.3 Details of other support for staff, such as preparing for retirement courses and preparing for the future, are available on [eric](#).

7.4 Employees are encouraged to take their own independent financial advice when making decisions about voluntary severance. It should be noted the terms currently available may be influenced by changes in legislation, HMRC (tax) rules or Council policy.

## 8. **Conclusion**

8.1 Voluntary severance is an additional workforce management measure designed to facilitate organisational change and to support a reduction in the workforce where employees choose to leave the Council's employment. There must be demonstrable benefit to the Council for agreement to release an employee on these terms. There will be ongoing monitoring of the application of voluntary severance to ensure fairness and consistency.