



Enhanced Voluntary Severance Scheme

The University is offering an enhanced voluntary severance package to all academic staff with at least 1 year of service at the University subject to approval and agreement by the Voluntary Severance Review panel. **This is a one off exercise, which is unlikely to be repeated in the near future on these terms.**

1. Rationale

The University has seen a significant drop in its student intake for 2023 that has resulted in a substantial financial deficit for this academic year and will negatively impact the following academic year/s. The new University strategy and accompanying work streams will seek to address the challenges faced by Hope and many in the sector. We will be seeking ways to:

- Increase our student numbers both domestically and internationally,
- Increase our income streams through commercial activity and a range of short course provision,
- Enhance our curriculum offering and build capacity for new provision such as Physiotherapy and where subjects or courses are less popular consider their closure,
- Improve our research and KE income,
- Increase sustainability savings,
- Create further efficiencies with the formation of a Faculty structure.

However, these initiatives on their own will not be able to address the deficit fully.

The continuing need to ensure the ongoing financial sustainability of the University against the backdrop of an unprecedented economic crisis, fixed fees, increased staffing and operational costs, increase in utilities cost, government decisions in relation to the delivery of professional course, without reducing the capacity of the University to operate effectively remains of crucial importance.

In addressing these challenges it has become clear through reviewing SSR's that the balance of academic staff numbers across schools/departments and subject areas is skewed and disproportionate to the numbers of students studying in particular areas and this needs realigning. The Voluntary Severance Scheme will provide an opportunity in helping to support a sustainable realigned staffing profile appropriate to the University's plans and address the challenges faced.

2. Principles

This scheme acknowledges that there may be circumstances where an employee wishes to volunteer for severance. The scheme is temporary and non-contractual and the University reserves the right to vary or withdraw the scheme at any time. Based on the approved level of up take from the scheme, the University will only consider creating new posts that are key to Hope's Strategy.

The Severance Scheme seeks in line with Hope's values to minimise any potential need to make redundancies at a later point in time. In support of seeking to prevent any future

potential redundancy scenario the terms of this severance as a **one off** are intended to be financially attractive. Although the university may seek volunteers as a means of avoiding future potential redundancy scenarios, any application to leave voluntarily is the employee's choice.

The workload of remaining staff remains of vital importance. Decisions on acceptance for severance will be made with the potential impact on remaining staff being considered. Careful consideration will be given to the impact of severance exits on service delivery, the student experience, staff wellbeing and the delivery of the curriculum.

Any data or information concerning the process will be managed in accordance with Data protection requirements.

For colleagues who have sought to exercise their right to apply for severance and are subsequently not approved there will be no negative impact on their future career prospects. Individual applications will be kept confidential and shared only with their Dean/Head, the decision making panel and Personnel colleagues who are managing the process.

3. Scope

To be eligible to make an application to this scheme the individual should be an employee operating on an academic contract at Grade 7 or above, with at least 1 year of continuous service at the University at the time of their application. Non-core funded staff will not be eligible to apply. Individuals who have already submitted and/or had approved their resignation for whatever reason will also be ineligible to apply. This is inclusive of retirement. Staff on fixed-term contracts need to have at least two years remaining on their contract to apply.

The University reserves the right to refuse an application for voluntary severance. There is no guarantee of the approval of any application for voluntary severance. The severance scheme is voluntary on both the University's and employee's part. The affordability of the scheme based on the number applying will also set a natural limit of how many acceptances there are in line with the criteria.

4. Criteria

Individuals require the University's approval for requests for voluntary severance. The decision to accept a particular application will depend on the University's need to retain the types of knowledge and skills believed to be essential to meet its future strategic aims, whilst considering the need to retain a balance of people with different skills. The University's decision to accept or reject an application is final.

In considering requests the University will ensure that the request fits with its operational interests. The following criteria provides illustrative but not exhaustive examples:

- The opportunity to reconsider the operations of a School or Department and its particular activity

- The employee's area of work is identified as diminishing or over resourced
- Financial or other efficiency savings to be gained which may off-set the costs of the severance
- Research contribution and potential
- Impact and contribution to teaching programme
- Contribution to particular initiatives or activities, other than teaching and research, with which the member of staff is associated
- Fit with strategic and organisational priorities

5. Process

- 5.1 The individual employee obtains a without prejudice quote from Personnel. The HR Manager for the employee's particular area will confirm without prejudice the quote prior to any severance application being made to the Director of Personnel. To obtain this quote colleagues should email their HR Manager.
- 5.2 The individual employee should complete the enhanced voluntary severance form available on the Personnel internet site at <https://www.hope.ac.uk/gateway/staff/personnel/voluntaryseverance>. In completing the form the employee should outline ideally against criteria identified in this document, the business reason/s why they should be considered for voluntary severance and any other information that they consider helpful.
- 5.3 This form should be forwarded to hrv@hope.ac.uk Following receipt a submission via a standard form will be obtained from the Dean/Head's or if required the DVC, to support the request or not.
- 5.4 When supporting the application the senior manager identified at 5.3 should set out the case for support, taking into account the criteria identified in this document including the following:
- How the measure could contribute to the financial viability of the relevant School/Department.
 - How the release of the employee from their role can be achieved whilst still ensuring and maintaining a quality student experience
 - Review the impact on the Staff Student Ratio in their School
 - Whether the release of the employee from their role would give the University the opportunity to reconsider the nature of particular areas of activity within the School/Department and University
 - How the work/role undertaken by the employee either ceases or is delivered in a more cost efficient manner
- 5.5 A Voluntary Severance Review panel comprising of the Vice Chancellor, Deputy Vice Chancellor, Pro Vice Chancellor of Research, Executive Director of Finance, Services and Resources will consider all applications once the deadline for submission has closed. Any decisions will take into account the criteria already stated and the budget available for the scheme. For the avoidance of doubt

whether or not an application is approved is at the absolute discretion of the University. There is no right of appeal against this decision.

- 5.6 Applications may only be approved where the necessary skill base can be maintained, and if it is necessary to select between applications selection will be made taking into consideration such as but not exhaustive of; maximising skills, cost efficiencies and individual performance within the role and overall contributions to the University.
- 5.6 The employee will be informed as to whether they have been accepted for voluntary severance or not. If approved, the Director of Personnel or his representative will advise the employee in writing detailing the exact payments which will be made and the exact date on which the voluntary severance will be effective.
- 5.7 The employment contract of an employee who accepts an offer of voluntary severance shall be deemed to be a mutually agreed termination. The employee will be required to waive their rights to make an application to an employment tribunal by accepting the severance payment in full and final cessation of employment under the terms of a Settlement Agreement provided by the University. Payment of the voluntary severance is dependent on the signing of a Settlement Agreement. The University will make a maximum contribution of £400 plus VAT towards legal expenses.
- 5.8 Notice periods for any employee who has their application accepted will either be worked or a payment could be paid in lieu of notice. Alternatively, a combination of the two aforementioned options may be determined. Confirmation of notice requirements will be communicated in the acceptance letter and included in the Settlement Agreement and will be based on operational requirements. The agreed termination date should normally be no later than the 3rd May 2024.
- 5.9 Employees leaving under the scheme will be expected to use all their leave entitlement (pro rata) prior to their leaving date. However, in exceptional circumstances, a payment in lieu of outstanding leave entitlement calculated pro rata at the date of the voluntary severance may be made only where operational requirements mean it is difficult for the leave to be taken. Only upon request from the Dean/Head would the Deputy Vice Chancellor consider approving any such payment.
- 5.10 Any voluntary severance payment will be instead of and will not be in addition to any entitlement to statutory redundancy payment.
- 5.11 Staff who take enhanced voluntary severance payments will not normally be re-employed by the University within 12 months of leaving, without repayment of the enhanced severance package. Any proposed re-engagement, earlier than this 12 month period will require the approval of the Deputy Vice Chancellor.

6. Severance Package

The University will make a voluntary severance payment of **7 months gross salary** for employees who have their request for voluntary severance approved. The monthly gross salary calculation will be that paid in the November pay run. **Any temporary allowance payments for leadership roles/duties or subject lead responsibilities or any other temporary payment received are not included when calculating VS payments.**

A 'voluntary severance payment' is any payment in connection with a mutually agreed and voluntary early departure from employment.

An illustrative guide to the payment based on a full time equivalent is available to view on the Personnel intranet site at <https://www.hope.ac.uk/gateway/staff/personnel/voluntaryseverance>. This is solely illustrative and any applicant should get confirmation of their exact severance payment via a request to their HR Manager (see 5.1).

Any severance payment made to an individual employee who has their severance request approved **would be capped at £50,000.**

Any severance payment will usually be paid free of tax up to a value of £30,000. Any payment above this amount will be subject to normal tax and national insurance deductions upon payment.

However, should HM Revenue and Customs deem any aspect of the severance payment to be taxable, this will be paid by an individual employee.

7. Pension

The University will not make any payments in respect of pension enhancements to individuals leaving the University due to severance. The TPS and the USS do not require pension release.

Employees should visit dependent on which scheme they are in the TPS and USS website if they have any queries regarding their pension. The University will not provide specific individual advice as to what course of action the employee may wish to take with their pension. Any decisions will be solely that of the employee.

8. Timeline for Process

Scheme launched: **22nd November 2023**

Application Deadline: **5pm, 4th January 2024**

Voluntary Severance Review Panel considers applications W/C 8th **January 2024**

Extension to application deadline

(Updated 12th December 2023)

Both UCU and members of staff have asked that the deadline for the Voluntary Severance Scheme be extended. In light of this request the University scheme will now have a deadline for returned applications of 5pm 18th January 2024.

Applications submitted after the 4th and by the 18th of January will be considered the week commencing 22nd January 2024.

For staff who have already submitted an application or intend to do so by the original deadline of the 4th January, their application will be considered the week of the 8th January 2024 as previously confirmed.

9. Equality Statement

The policy will be applied in a non-discriminatory way.