

**From:** Edinburgh College Freedom of Information

**Sent:** 12 June 2018 16:10

**To:** [REDACTED]

**Subject:** RE: FOI Request

Dear [REDACTED]

**Our Ref: 030/18**

As of 1 October 2012, Edinburgh's Telford College, Jewel & Esk College and Stevenson College merged to create a single college called Edinburgh College.

We refer to your request for information dated 15 May 2018. The College has considered your request as a request for information under section 1 of the Freedom of Information (Scotland) Act 2002 ("FOISA"):

**030/18 (1):** The criteria for awarding Voluntary Severance (VS)

The criteria for awarding VS is outlined in the attached guidelines, terms and conditions for the current VS scheme. We have highlighted the relevant section below:

- 6.3.2 Applications will be considered by the college Executive team in the week commencing 30 April 2018 or as soon as possible thereafter. In making the decision whether to accept an application, the criteria and considerations below will be taken into account, although for the avoidance of doubt, even if the following criteria are met the college is under no obligation to accept an application. Please refer to section 3:
- a) The applicant must have at least two years' continuous service with the college by 30 June 2018
  - and
  - b) The cost of voluntary severance of the applicant should generate savings after 12 months for the college. This could be achieved in a number of ways, for example:
    - Not replacing the post;
    - Replacing the post in a cost-effective way;
    - Reorganisation of work activity.
  - c) The function of the college in which the applicant works and the number of other applications made from same area
  - d) The role held by the applicant, and the impact of lost skills and experience on the remaining employees
  - e) The total cost of releasing the employee (including any strain on funds related to Lothian Pension Fund)

6.3.3 The outcome of all applications will be confirmed via email.

6.3.4 If the applicant is successful they will be notified by email, followed by written confirmation. Following receipt of the outcome, the applicant should meet with their line manager to discuss next steps and finalities around leaving, including handover and approval of untaken annual leave.

6.3.5 Where an application has been rejected, reasons for the decision will be given.

6.3.6 Except in the case where clear factual errors have been made, there is no right of appeal against the outcome decision.

**030/18 (2):** The process for evaluation of [REDACTED] application for VS

Please refer to **030/18 (1)** which confirms the evaluation process for VS applications.

**030/18 (3):** Why this tranche of VS is not subject to appeal, given that previous college VS schemes have been

There was no right to appeal against the previous VS schemes run by the college (November 2014; June 2015; May 2016). Please note, the VS scheme is subject to the following clause:

6.3.6 Except in the case where clear factual errors have been made, there is no right of appeal against the outcome decision.

Edinburgh College is subject to the provisions of the Freedom of Information (Scotland) Act (FOISA) 2002. If you are dissatisfied with this response, you may ask the college to review this decision. To do this, please contact the Head of Corporate Development at the postal address below or e-mail the Head of Corporate Development at [governance@edinburghcollege.ac.uk](mailto:governance@edinburghcollege.ac.uk) describing your original request and explaining your grounds for dissatisfaction. (Please include in your review request, your name and home address for correspondence).

You have 40 working days from receipt of this letter to submit a review request to:

Head of Corporate Development

4th Floor

Edinburgh College (Milton Road Campus)

24 Milton Road East

Edinburgh

EH15 2PP

When the review process has been completed and if you are still dissatisfied, you may ask the Scottish Information Commissioner to intervene.

The Commissioner's online appeal service is available from their website:  
[www.itspublicknowledge.info/Appeal](http://www.itspublicknowledge.info/Appeal)

The online appeal service is available 24/7 and offers you real time help and advice about your appeal.

You must appeal to the Commissioner within six months of receiving the review decision.

You also have the right to appeal to the Court of Session on a point of law following a decision of the Commissioner.

Regards

FOI Team

## **VOLUNTARY SEVERANCE SCHEME – Phase Four**

**Opens:** Monday 12 March 2018

**Closes:** Noon, Tuesday 3 April 2018

**Note:** Quotations can be requested until Monday 26 March to allow time for any liaison with pension providers where relevant. After this date, but prior to the application closing date, the HR team will endeavor, where possible, to turn around quotation requests in advance of the scheme closing date.

### **1. Introduction to the Scheme**

- 1.1 The Voluntary Severance Scheme complies with the requirements of the Scottish Funding Council and Scottish Government guidance. It specifically takes into account the SFC guidance issued on 23 February 2016 SFC/GD/01/2016 – ‘Guidance on seeking approval for severance schemes and settlement agreements’.
- 1.2 The Voluntary Severance Scheme (the scheme) as detailed below is open to all employees who meet the qualifying criteria outlined in Section 3 (Application Criteria). The scheme is offered on a purely discretionary basis and gives no rise to contractual rights or entitlements and can be withdrawn, partially or entirely, or altered without notice at any time by the college and without liability.
- 1.3 The process is underpinned by the principles of regularity, propriety, value for money, fairness and transparency.
- 1.4 This voluntary severance proposition is enhanced over statutory severance terms.
- 1.5 The scheme will be administered by the Human Resources team and is led by the head of HR & OD.
- 1.6 This document provides the details of the scheme, including:
  - scope of the scheme;
  - application criteria;
  - terms of the voluntary severance package;
  - timescales;
  - additional information.

### **2. Scope of the Scheme**

- 2.1 Applications will be considered from all functional areas of the college, subject to individuals meeting the qualifying criteria as outlined below.

### 3. Application Criteria

- 3.1 The scheme is open to all employees of the college who have two or more years' continuous service with the college as at the anticipated leaving date of 30 June 2018 (see exceptions below).
- 3.2 The scheme is time limited and applications will only be accepted if **received before noon Tuesday 3 April 2018**.
- 3.3 This scheme does not set a precedent for any future schemes.
- 3.4 Requests for information will be treated in the strictest confidence. However, it should be noted that when making decisions on the applications received, it is likely that heads of faculties/departments might need to consult with wider team members to establish the impact of any post holder leaving the organisation.
- 3.5 Exceptions - The scheme will not apply if an employee:
- has less than two years' continuous service at 30 June 2018
  - is in the process of leaving the college's employment and has submitted a letter of resignation, or is otherwise known to have been offered a job by another organisation
  - or
  - is planning to leave on early or ill-health retirement and is already being progressed.

### 4. General Terms

- 4.1 This scheme has been prepared having taken into account associated obligations under employment law. It has due regard in the appropriate use of public funds and the need to demonstrate a financial saving to the college in forthcoming years. The financial savings target for this scheme is £700,000, which will improve the college's future financial position.
- 4.2 There is no guarantee that an application for voluntary severance will be automatically approved. All decisions will be considered on an individual basis and voluntary severance will only be granted where, in accepting an application, it is considered to be in the interests of the college, offers value for money, and demonstrates and/or achieves the organisational change required.
- 4.3 All applications will be considered following receipt of applications as outlined in paragraph 6.2.3. Final approval will be sought from the Executive team during the week commencing 30 April 2018, subject to the availability of Executive team members.

The outcomes of decisions will be communicated as soon as practicably possible thereafter. It should be borne in mind that some decisions might be dependent on external factors before being confirmed.

- 4.4 All decisions are final, except in the case where clear factual errors have been made.
- 4.5 The college will ensure that it retains sufficient staff skills and experience before authorising voluntary severance applications, and will consider the impact of the release of employees before any voluntary severance application is approved.
- 4.6 Any employee who has previously applied for consideration under an earlier voluntary severance scheme offered by the college is free to apply, subject to the exceptions detailed in section 3 above. However, if they were not released previously, they should bear in mind that the reason/s for that decision may still apply.
- 4.7 It is anticipated that **in most cases** employees who are accepted under this scheme will leave college employment on or before **30 June 2018**. Those staff applying are, by their application, requesting to leave the college on 30 June 2018. However, should there be related work issues, the college may propose an alternative date on a case-by-case basis.
- 4.8 The scheme applies to employees who wish to leave the college or who have more than one contract of employment, and wish to take voluntary severance in relation to one (or more) of their contracts.
- 4.9 The college will not re-employ any individual in the role which they have left or in an alternative role, in any capacity, within a period of three years from date of termination. This does not, however, preclude an individual from continuing in an existing contract(s) where they have more than one contract of employment with the college.
- 4.10 It is expected that all applications are made in good faith. Once the college accepts an application in writing, the application cannot be withdrawn other than at the college's sole discretion, which may be granted if, for example, there are life-changing circumstances.
- 4.11 The scheme is non-contractual and is entirely voluntary.

## **5. Financial Terms of the Scheme**

- 5.1 Individuals whose application is accepted will receive **one month's gross salary for each completed continuous year's service with the college, up to a maximum of 12 months**. Gross salary excludes any bonuses, overtime, allowances or other regular or non-regular payments, and is defined as the salary before deduction of the employee's National Insurance contributions and tax.
- 5.2 The payment made under the scheme as detailed above is inclusive of any statutory entitlement. No cash equivalent will be offered for any benefits to which the employee is entitled, contractual or otherwise.
- 5.3 In all cases the total calculation for the voluntary severance salary payment, based on the salary of the employee, must not exceed £95,000. The gross annual salary, as per an employee's contract of employment as at the leaving date, will be used for calculation purposes, and the college will not enter into any individual negotiations to enhance the

payment.

- 5.4 Any employee who would like further information and/or advice on the implications of taking voluntary severance in relation to their pension is advised to contact their pension scheme administrator and/or an independent financial advisor. The contact details for the Scottish Public Pensions Agency and Lothian Pension Fund are shown in section 8 below. The names of local independent financial advisers can be obtained from the Financial Services Authority, or through local directories. You can also contact our employee assistance scheme (PamAssist) on 0800 882 4102.

#### 5.5 Notice periods

5.5.1 Employees who apply for the scheme should note that by doing so they are waiving their right to any contractual notice periods. The anticipated scheme leaving date for applicants is 30 June 2018 and, as noted previously, this date can only be adjusted if approved by the college on a mutually agreeable basis. Under no exceptions will payment in lieu of notice be paid.

5.5.2 All accrued benefits including annual leave will be paid pro-rata up to and including the leaving date. It is anticipated that line managers of successful applicants will encourage their employees to take annual leave where possible.

#### 5.6 Salary

5.6.1 The pay used to calculate the voluntary severance payment will be the annual basic salary, up to a maximum of £95,000, on the agreed leaving date. For quote purposes the college will use the salary recorded on the HR system at the time of the quote being requested. The only exception will be a permanent pensionable allowance, eg. contractual shift allowance that will be added to the basic salary where applicable.

5.6.2 Where an individual is not receiving their 'normal' annual basic salary on 'normal' last day of service, only in the following circumstances should they be treated as receiving pay of an amount equal to that which they would have received if those circumstances did not apply. This is referred to as 'assumed salary':

- sick leave on reduced pay;
- receiving statutory maternity pay;
- maternity leave;
- adoption leave;
- paternity leave.

5.6.3 Where salaries are variable, the average earnings over the last paid 12 weeks prior to the agreed leave date will be used to determine the gross annual salary for the purposes of the voluntary severance scheme. Any extraordinary payments paid but not earned during this period will be excluded from this calculation.

#### 5.7 Lothian Pension Fund (LPF) – Strain-on-the-Fund costs

5.7.1 Although the college is not offering any enhancement to pension rights under the

voluntary severance scheme, an individual member of the Lothian Pension Fund may be entitled to access their pension through voluntary severance if they satisfy the age and service criteria.

5.7.2 The decision to accept an application for voluntary severance will be based on the total cost to the college of the voluntary severance payment, and any mandatory pension benefits costs (known as 'strain on the fund').

5.7.3 If an application is accepted by the college, any mandatory pension-strain costs associated with the application will be paid by the college, and will not be deducted from the voluntary severance payment.

## 5.8 Taxation

5.8.1 The college understands that, with the exception of any payments made in lieu of accrued annual leave, tax and National Insurance are not due in respect of the first £30,000 of payments under the scheme. Accordingly, the college shall not deduct tax and national insurance contributions at source from the first £30,000. Tax, but not National Insurance contributions, shall be deducted from the balance in excess of £30,000.

5.8.2 In the event that HM Revenue and Customs deems tax or National Insurance contributions to be due, you shall be responsible for those sums and, by applying under the scheme, you agree to indemnify the college in respect of such sums.

## 6. Process

### 6.1 Requesting a quotation or making an enquiry

6.1.1 Requests for a quotation for voluntary severance can be submitted up to and including the deadline for quotations (**Monday 26 March 2018**), and should be submitted to the HR team using the Voluntary Severance Quotation Form (see Appendix 1 or by completing the form via the intranet). Following receipt of the form, the HR team will try to provide a written quotation within one working week of receiving the request. If quotations are received after 26 March 2018, but in advance of the scheme application closing date, the HR team will make every effort to turn this request around.

6.1.2 Employees can make an enquiry about any aspect of the scheme during the period it is open. In order to facilitate this process, it is preferred that enquiries are made in writing directly to HR, using the [vsenquiries@edinburghcollege.ac.uk](mailto:vsenquiries@edinburghcollege.ac.uk) email address.

6.1.3 Employees are advised to seek independent financial advice to enable them to understand the implications of the quotation they have received. Requesting or receiving a quotation places no obligation on either the employee or the college to proceed to the next stage.

### 6.2 Submitting an application to proceed



6.2.1 It is not necessary to request a quotation or to make an enquiry before submitting an application. However, employees should consider matters very carefully before submitting their application.

6.2.2 By submitting an application, the employee is confirming their agreement to leave the college under the terms of the scheme. If the application is approved there will be no opportunity to retract the application other than at the college's sole discretion, which may be granted if, for example, there are life-changing circumstances. Employees should therefore only submit an application when they are certain they wish to proceed.

6.2.3 To submit an application, the employee should complete a hard copy of the Voluntary Severance Application Form (see Appendix 2 or access the form via the intranet\_. These can be **signed, scanned and emailed** to [vsenquiries@edinburghcollege.ac.uk](mailto:vsenquiries@edinburghcollege.ac.uk) or hard copies can be **hand delivered** to **HR, Milton Road Campus**. The HR team will register all incoming mail, and all applications will be date stamped either via email or in person to ensure that they are received before the 12pm deadline on 3 April 2018.

6.2.4 Confirmation that the application has been received will be sent to the employee by email. Please note that an acknowledgement at this stage does **not** imply that the application has been accepted or is likely to be accepted.

6.2.5 Only an original signed form or scanned form (with signature), will be accepted.

### 6.3 Approval of applications

6.3.1 The scheme will be administered by the Human Resources team and led by the head of HR and OD.

6.3.2 Applications will be considered by the college Executive team in the week commencing 30 April 2018 or as soon as possible thereafter. In making the decision whether to accept an application, the criteria and considerations below will be taken into account, although for the avoidance of doubt, even if the following criteria are met the college is under no obligation to accept an application. Please refer to section 3:

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b) The cost of voluntary severance of the applicant should generate savings after 12 months for the college. This could be achieved in a number of ways, for example:

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- c) The function of the college in which the applicant works and the number of other applications made from same area
- d) The role held by the applicant, and the impact of lost skills and experience on the remaining employees
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6.3.5 Where an application has been rejected, reasons for the decision will be given.

6.3.6 Except in the case where clear factual errors have been made, there is no right of appeal against the outcome decision.

## **7. Finalities around Leaving Employment with Edinburgh College**

- 7.1 Once an application has been approved, the termination date can only be changed by agreement with the college.
- 7.2 Any untaken annual leave must be taken prior to the termination date except when this is impossible for operational reasons. No recompense will be given for any unused TOIL or flexi-time.

## **8. Additional information - Pensions**

- 8.1 Additional information regarding pensions can be found on the Lothian Pension Fund and Scottish Public Pensions Agency websites or by contacting them directly. Please refer to contact details below:

### **Lothian Pension Fund**

Waverley Court  
4 East Market Street  
Edinburgh EH8 8BG  
EH8 8BG

0131 529 4638

[www.lpf.org.uk](http://www.lpf.org.uk)

[pensions@lpf.org.uk](mailto:pensions@lpf.org.uk)

### **Scottish Public Pensions Agency**

7 Tweedside Park  
Tweedbank  
Galashiels TD1 3TE

01896 893 000

[www.sppa.gov.uk](http://www.sppa.gov.uk)

[teachersservice@scotland.gsi.gov.uk](mailto:teachersservice@scotland.gsi.gov.uk)

- 8.3 If you wish to obtain a pension quotation from LPF, please email [VSEnquiries@edinburghcollege.ac.uk](mailto:VSEnquiries@edinburghcollege.ac.uk). HR will then contact LPF on your behalf to

request a quotation.

## **9. Queries and Questions**

- 9.1 Should you have any questions arising from this document or any aspect of this Voluntary Severance Scheme, or would like any of the documentation in a different format, please contact the HR Department on: [VSEnquiries@edinburghcollege.ac.uk](mailto:VSEnquiries@edinburghcollege.ac.uk)

