

EARLY VOLUNTARY RELEASE

BOLSOVER DISTRICT COUNCIL

INTRODUCTION

1. There are a number of circumstances where early voluntary release may be under consideration for an employee. These can relate to the individual situation of an employee or be through the result of organisational change. This policy sets out the Council's application of voluntary release through early retirement and severance arrangements.
2. This policy is applicable to all staff of the Council.
3. Where it is decided, in each case, that after taking all considerations into account, early voluntary release is appropriate for sound business reasons, then discretion will be exercised reasonably and objectively with any payments agreed being affordable in both the short and long term.
4. This scheme sets out the arrangements for:
 - Voluntary Early Retirement – Business Efficiency
 - Voluntary Redundancy with Severance

VOLUNTARY EARLY RETIREMENT – BUSINESS EFFICIENCY

5. This is a voluntary scheme, unlike redundancy where there are circumstances when a dismissal may be compulsory.
6. Employees are allowed to leave their job before normal retirement age. There is usually a reduction in the monthly retirement benefit and possible cost implications to the Council.
 - (a) Local Government Pension Scheme (LGPS):

Members aged under 55 who volunteer, and are approved for early release, will be entitled to preserved benefits. Members aged 55 or over who volunteer and are approved for early release will automatically be entitled to immediate unreduced benefits.

VOLUNTARY REDUNDANCY WITH SEVERANCE

7. Should a change event realise a decrease in the number of employees, the Council will consider applications for voluntary redundancy with a lump sum payment. The payment will be in excess of the statutory redundancy payment provision. This will provide some incentive for those staff considering voluntary severance and potentially mitigating the need for compulsory redundancies from the remaining workforce. It should be noted that compulsory redundancy will not attract an enhanced payment. Please refer to the [Redundancy Policy](#).

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8. Severance payments will be calculated in accordance with contractual terms and statutory redundancy provisions. The relevant statutory provisions are based on the employee's age and length of continuous service and a maximum weekly amount. The Council will provide an enhanced benefit of utilising the employee's actual weekly wage in addition to providing a multiplier of 1.5 times the statutory redundancy payment as per the following example:

An employee who is 33 years of age with 10 completed years' service and an actual weekly wage of £350 would be entitled to:

10 (weeks) x £350 (weekly wage) = £3500 x 1.5 = £5250 enhanced redundancy payment

9. Those staff accepted for the enhanced terms associated with voluntary redundancy will be required to participate in a settlement agreement which will negate any existing or future claims against the organisation.
10. Staff who are accepted for voluntary redundancy, and are aged less than 55, will receive the enhanced lump sum payment with preserved pension benefits. Staff aged over 55 will also receive the enhanced lump sum payment and may access their pension with immediate unreduced benefits.

**If you require any further guidance in relation to this policy,
please contact Human Resources**