



Cabinet Office



Civil Service Pensions

Civil Service Compensation Scheme

Scheme application form – guidance for completion of a request for single person scheme under £95,000

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Purpose

The purpose of this guidance note is to support you on the technical areas when completing the appropriate form(s) and supporting business case(s) for the Scheme Manager's consideration. The form(s) should be completed in conjunction with the CSCS guidance, which can be found at [Annex 6F of the Employers Pension Guide](#)

Approval(s)

Employers must have approval from the Scheme Manager to run any single exit or bulk exit scheme(s) under the Civil Service Compensation Scheme (CSCS). No offer(s) should be made to staff in any circumstance without prior approval.

Please note that explicit Cabinet Office Ministerial approval is required for:

- any exit scheme(s) involving 20 or more staff; and
- any exit with a value of over £95,000 (this also includes exits that have been approved previously as part of a bulk scheme).

Applications for approval must be submitted on the following forms and can be found at [Annex 6C of the Employer Pension Guide](#):

- Application for single person scheme over £95,000.
- Application for single person scheme. This is an application for single exits where packages are less than £95,000.
- Application for a bulk person scheme.

Please note: if you have received approval for a bulk scheme and an individual's package is in excess of £95,000, you will be required to gain further approval.

Application forms and any queries about the process should be sent to redundancyschemes@cabinetoffice.gov.uk

Timing

Exits below £95,000 are dealt with normally within 10 working days. Exits over £95,000 require ministerial approval which may take up to 20 working days. Approval may take longer if there are further queries to be clarified.

Completing the Form(s) – Part one

You will need to insert the name of your Department or Organisation into the box provided.

Type of departure and flexibilities (incl. tariff)

Where staff are in scope for an exit exercise you should consider the type of exit scheme required - Voluntary Exit (VE), Voluntary Redundancy (VR) or Compulsory Redundancy (CR). You will need to put an 'X' in the relevant box(es).

If appropriate it is possible to approve applications for all three schemes (VE, VR and CR) at the same time. If this is the case, individual scheme identifiers will be allocated.

TIP: For many situations, VE schemes may be the most appropriate and quickest approach.

Voluntary Exit (VE) scheme

There are a number of flexibilities available. You will need to put an 'X' in the relevant box for any of the flexibilities that you wish to apply for your scheme.

- Employers can determine the tariff offered. You do not have to offer the standard tariff of one months' salary (capped at 21 months). Employers may include a higher tariff up to two times the standard, or a lower tariff as a percentage, decimal, set or capped amount. Employers may include a lower tariff as a percentage, decimal, set or capped amount.

Employers should expect the Scheme Manager to challenge them on the degree to which you have explored whether it is possible to achieve voluntary exits on less than the standard terms.

- Employer funding of early access to unreduced pension (often known as employer "pension buy out" or "pension top up").

This provision may increase the value of the exit package, quite significantly in some cases and as such employers will need to justify why this option has been chosen.

Guidance on discretion to vary qualifying service is contained in Annex 6F. You will need to provide further justification on the flexibilities within Part two of the application.

Voluntary Redundancy (VR) scheme

The flexibilities under VR are limited. Employers **must**:

- offer the standard tariff, and
- offer the employer pension buy out (for eligible staff in accordance with the CSCS rules).

Please refer to [Annex 6F](#) about flexibility to vary qualifying service.

Compulsory Redundancy (CR) scheme

The flexibilities under CR, like VR, are limited. An employer must offer the standard tariff.

There is no discretion under CR to vary the qualifying service or to offer the early access provision (employer top up).

Individuals must have been offered a VR scheme in the first instance; this is in accordance with the CSCS rules. Employers must be explicit when offering VR terms that the individual is at risk of CR. The CR scheme, when run, must be linked to the previous VR scheme unique identifier. Schemes approved jointly (VE, VR/CR) will be allocated separate unique identifiers.

Notes:

This section gives you an opportunity to provide any additional information that you feel is required such as TUPE terms, details of any tariff under standard that is a comparison of terms such as best of three weeks for every year or 12 months.

Other:

To proceed with VR and/or CR scheme, you will need to confirm that formal consultation has begun.

You will need to input the number of exits and quotations that you anticipate there to be under the scheme(s) that you are requesting. For example, you may need to put 'one' in each of the schemes that would be in scope for this individual. This is for the administrator – you will be required to provide more information relating to this within Part two.

You will also need to include your anticipated date of exit.

TIP: You should contact the Scheme Administrator to ensure delivery of your scheme will be possible.

Please ensure that you sign the form. Without a signature, your form will not be progressed.

Completing The Form(s) – Part Two

You will need to provide the reason for the proposed scheme by answering **yes** or **no** to the rationales listed. You are also being asked to expand on your reason why you believe that launching a scheme is an appropriate and justified measure.

If you intend to launch a VR and/or CR scheme, you will need to explain why you do not feel that a VE scheme is appropriate.

Selection Criteria

The selection criteria used by employers for any exercises they run will be scrutinised by the Scheme Manager. It is important that employers consider carefully the rationale for the exit scheme and the criteria they will use to select people for exiting the organisation. It is for employers to consider the criteria they use for exit schemes but as part of the approval process, the Minister for Cabinet Office will expect all employers to have considered three broad criteria; value for money, overall cost and retention of key skills. This is required for VE, VR and CR schemes.

Projected numbers of exits and estimated costs

As suggested within the guidance at part one, you are required to provide further information/detail on:

- which schemes you intend to use (e.g. one in VE, one in VR, one in CR);
- intended dates; and
- associated costs.

Voluntary Exit (VE) scheme flexibility justifications

You will need to complete this form if you plan to launch a VE scheme.

As suggested in part one of this guidance, this is where you are required to provide further justification on the flexibilities that you may have included within your scheme. If the flexibility does not apply to your scheme, you should add **N/A**.

Points to note

Employers should note:

- All sections of the form must be completed. If a section is not relevant, for example if there is no deviation from the standard tariff, that section of the form should be marked 'not relevant'.
- It is the employer's responsibility to ensure that the information and costs recorded on the form are accurate.
- In no circumstances should the employer make offers to individuals without first having approval from the Scheme Manager for the exit(s).
- If the cost of an exit increases, the employer must refer it back to the Scheme Manager for further approval.