Confirming letter of severance

Sample letter

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| --- | --- |
| Our ref # |  |
| Enquiries |  |
| Telephone |  |
| Facsimile |  |
| Email |  |

Dear

## Voluntary severance arrangements

Thank you for acceptance of the offer of voluntary severance contained in the letter of ….……. of ………………. 20…..

You are currently employed as **INSERT TITLE AND LEVEL** **by the INSERT EMPLOYING AUTHORITY**. You accepted the offer on ………………of……………20….. and your resignation becomes effective on ……………..of…………..20…...

Based upon the cessation date of your employment, severance payment details are outlined hereunder, and will be paid to you as soon as practicable after the agreed date of your cessation:

**INSERT $ AMOUNT** Voluntary Severance Payment

**INSERT $ AMOUNT** Leave pay out based on **INSERT NO** weeks of leave

**INSERT $ AMOUNT** Incentive Payment (xx weeks- if applicable)

**INSERT $ AMOUNT** Gross total pay out

**INSERT $ AMOUNT** Net total pay out

As previously advised, while the Department is obliged to deduct appropriate amounts for taxation purposes in respect to the above payments, ultimately the taxation liability is determined by the Australian Taxation Office. Consequently, if there are any discrepancies in the treatment of your personal taxation arrangements then you will be responsible for the payment of any additional taxation on these payments.

Regulation 17 of the Regulations states, in summary, that a person to whom a severance payment is made must not subsequently be employed in the public sector before the expiry of a period of restriction. The period of restriction commences on the day on which the severance payment is made. The period of restriction is equal to the total number of weeks in respect of which the severance payment was paid. The bodies which constitute the ‘public sector’ for the purposes of these terms is as defined in the Public Sector Management Act 1994.

The period of restriction applicable to you, based on your severance payment as above, is **insert weeks**.

Acceptance of voluntary severance does not affect those obligations which arise out of your employment and which survive severance, particularly obligations of confidentiality. Those obligations persist regardless of the severance process.

Yours sincerely

CEO/DELEGATED OFFICER NAME