Offer of voluntary severance

Sample letter

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

Dear

## Offer of voluntary severance

I am pleased to be able to offer you voluntary severance in accordance with the provisions of regulation 11 of the Public Sector Management (Redeployment and Redundancy) Regulations 2014 (the Regulations).

The offer of voluntary severance is subject to you resigning your employment with the **INSERT AGENCY** effective no later than 4 weeks after the date of your acceptance of this offer.

In accordance with regulations 13 and 14 and as at the date of this letter, estimated severance and leave payment amounts (subject to adjustment) that you would receive are outlined hereunder:

**INSERT $ AMOUNT** Voluntary Severance Payment

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

**INSERT $ AMOUNT** Gross total pay out

**INSERT $ AMOUNT** Net total pay out

The final amounts you receive if you accept the offer are dependent upon the date of acceptance and the date your resignation becomes effective.

If you accept the offer of severance and resign effective earlier than 4 weeks after the date of acceptance of the offer you will also receive an incentive payment calculated as follows:

1. If the resignation day is less than one week after acceptance day – 12 weeks’ pay;
2. If the resignation day is more than one week and less than 2 weeks after acceptance day – 8 weeks’ pay;
3. If the resignation day is more than 2 weeks and less than 3 weeks after acceptance day – 4 weeks’ pay.

While the Department is obliged to and will deduct the amounts it is required to by law 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.

In considering the appropriateness of the acceptance of voluntary severance in your circumstances, you are strongly encouraged to obtain independent and professional financial advice. You may also wish to seek advice from the Australian Taxation Office and your superannuation fund provider.

As part of the terms in agreeing to accept voluntary severance, you will be precluded from working in the public sector for a period equivalent to the total number of weeks represented by your severance payment. If you are unsure what this means in your case, please refer to regulation 17.

Should you wish to accept the offer of voluntary severance, please sign the attached copy of this letter and return it to **INSERT OFFICER** and **ADDRESS** by no later than **INSERT DATE**. [being a date not less than 8 weeks after the date of this offer] If your acceptance is received after this date it will be invalid unless the Department is prepared to accept it out of time.

Following receipt of your acceptance, a formal Letter of Severance will be provided to you to confirm the terms and conditions of your voluntary severance. The amounts that will be paid to you will be adjusted to accord with your date of acceptance and the effective date of your resignation.

You should note that in the event you choose to not accept this offer, you may be registered for redeployment under regulation 18 of the Regulations. Should this occur, your employment may be terminated under Part 6 of the Regulations if you are not offered suitable employment by the end of your redeployment period.

Please contact **INSERT OFFICER/TITLE** on **INSERT TELEPHONE NUMBER** if you require additional information concerning the offer of voluntary severance.

Yours Sincerely

**INSERT CEO/DELEGATED OFFICER NAME**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(Signature and date)

## Endorsement of acceptance

I …………(name)…………….….hereby accept the offer of voluntary severance constituted by this letter and in doing so hereby irrevocably tender my resignation from……………………………. (Agency/organisation) effective xx weeks from the date upon which I have below signed this letter by way of acceptance of the offer.

Signed by ……………………………………………………………………………………

On the …………….day ……………………month ………………………20……………