



Mutually Agreed Resignation Scheme (MARS) Process

1. INTRODUCTION

The Mutually Agreed Resignation Scheme (MARS) has been designed to support the flexibility of the organisation to address periods of rapid change and service re-design.

2. DEFINITION

(MARS) is a scheme under which an individual employee, in agreement with their employer, chooses to leave employment (through a resignation) in return for a severance payment. MARS is not redundancy or voluntary redundancy. (AFC - Section 20).

Some of the implications for employees to consider when resigning would include, for example:

- the possible loss of entitlements to welfare benefits
- mortgage protection insurance policies not covering resignations.
- any possible impact on pensions
- lease car penalties
- multi-post contracts

This list is not exhaustive.

3. SCOPE

The principles apply to staff employed on Agenda for Change terms and conditions of service. However, the Trust will determine the Sectors, Services, Functions or Staff Groups that the scheme will apply to when run.

Eligibility for the current round from 5 April to 19 April will be restricted to:



- AfC band 8a to VSM
- Lower banded roles that meet the scope by exception

4. BUSINESS CASE

The purpose of MARS is to create job vacancies which can be filled by redeployment of staff from other jobs or as a suitable alternative for those facing redundancy. Posts vacated as a result of the scheme must be filled by another employee. Anyone in a redundancy situation should be treated accordingly and is not eligible for this. Business cases must be submitted to support each applicant and must be clear about what is intended for any post vacated under the scheme.

5. ELIGIBILITY

The following groups would not normally be allowed to leave under this scheme:

- where an employee has already formally given notice of their intention to resign/retire, prior to the date when applications are formally being sought.
- where an employee has already secured employment with another employer.
- where an employee has been notified of the date of the termination of their contract of employment for any other reason.
- where an employee is undergoing a performance management procedure to address poor performance.
- where an employee is undergoing a conduct procedure.
- where employees are currently in a selection pool identifying them for potential redundancy.



- Where an employee is awaiting the outcome of an ill health retirement application.

The scheme is not available to those engaged on Casual Worker Agreements/Bank, Fixed Term Contracts or Agency Staff.

It is a Trust decision as to when MARS may operate. It may be restricted to target groups and will be time limited outside of publicised timeframes MARS would remain closed.

Each application made in accordance with MARS will be considered on its own merits. The Trust reserves the right to determine whether or not an application will be approved and there will be no right of appeal on the part of those employees whose applications are not successful.

MARS is entirely voluntary from the employer's and employee's perspective and there is no legal obligation on the part of Trust to accept any individual application.

A MARS scheme is viewed as being a voluntary resignation on the part of the individual employee, in return for a severance payment. As there may be significant financial and life-style implications for the employee, employers should support the decision-making process by assisting individuals with understanding these implications (please see annex B). Employees may wish to augment this by seeking advice from a regulated financial advisor.

6. RE-EMPLOYMENT

Employees who leave the NHS under MARS would not be re-employed under normal circumstances by the NHS in England, in the same or different post, before a period of one month has elapsed. If an individual does return to the NHS within one month, they would be required to repay any MARS payment in full.

Where an employee returns to work for the NHS in England within six months and before the expiry date of the period for which they have been compensated (as measured in equivalent months/part-months' salary), then an employee



would be required to repay any un-expired element of their compensation. This would be reduced to take account of any appointment to a lower grade and reflect net salary. Where an individual returns on reduced hours then the repayment would be on a pro-rata basis.

7. SETTLEMENT AGREEMENT

Employees who decide to proceed with a successful application to leave under the scheme will be issued with a Settlement Agreement to sign, which will set out the financial and other terms under which the employment relationship will end.

Independent legal advice will need to be obtained by the employee before signing the Settlement Agreement. The Trust will contribute up to a maximum of £400.00 inclusive of VAT towards the cost of this legal advice.

8. PAYMENT

The payment rate under this scheme is fixed at ½ month's salary for each full year of service, up to a cap of 12 months' salary, with a minimum payment of 3 months' salary for 1-5 years reckonable service.

For staff with total earnings greater than £80,000, the figure used for calculating MARS payment will be capped at £80,000 (pro rata for part time workers).

Please note that tax and national insurance deductions will be applicable on any settlement amount.

MARS payments will be calculated using the model below.

Reckonable Service (complete years)	Scale of Payment
1 year's continuous service (organisation/NHS)	3 months' basic salary
2 years' continuous service (organisation/NHS)	3 months' basic salary



3 years' continuous service (organisation/NHS)	3 months' basic salary
4 years' continuous service (organisation/NHS)	3 months' basic salary
5 years' continuous service (organisation/NHS)	3 months' basic salary
6 years' continuous service (organisation/NHS)	3 months' basic salary
7 years' continuous service (organisation/NHS)	3 ½ months' basic salary
8 years' continuous service (organisation/NHS)	4 months' basic salary
9 years' continuous service (organisation/NHS)	4 ½ months' basic salary
10 years' continuous service (organisation/NHS)	5 months' basic salary
11 years' continuous service (organisation/NHS)	5 ½ months' basic salary
12 years' continuous service (organisation/NHS)	6 months' basic salary
13 years' continuous service (organisation/NHS)	6 ½ months' basic salary
14 years' continuous service (organisation/NHS)	7 months' basic salary
15 years' continuous service (organisation/NHS)	7 ½ months' basic salary
16 years' continuous service (organisation/NHS)	8 months' basic salary
17 years' continuous service (organisation/NHS)	8 ½ months' basic salary
18 years' continuous service (organisation/NHS)	9 months' basic salary
19 years' continuous service (organisation/NHS)	9 ½ months' basic salary
20 years' continuous service (organisation/NHS)	10 months' basic salary



21 years' continuous service (organisation/NHS)	10 ½ months' basic salary
22 years' continuous service (organisation/NHS)	11 months' basic salary
23 years' continuous service (organisation/NHS)	11 ½ months' basic salary
24 years' continuous service (organisation/NHS)	12 months' basic salary

9. RECKONABLE SERVICE

Reckonable service means continuous full-time or part-time employment with present or previous NHS employer where there has been a break of service of 12 months' or less, as at the time of leaving. Employment that has been taken into account for the purposes of a previous redundancy or loss of office payment by an NHS employer will not count as reckonable service.

For the purpose of MARS, employers have discretion to take into account any period or periods of employment with employers outside the NHS, where these are judged to be relevant to the NHS employment.

Any severance payment made will be offset against any subsequent payment made for the purposes of any future calculation of redundancy payments in subsequent employment.

This would apply where the period of employment covered by the severance payment is taken into account in calculating the redundancy payment.

The severance payment would be subject to having not secured another job in the NHS at the time of leaving.

An employee accepting a MARS severance payment and resigning from the Trust may find alternative employment elsewhere in the NHS subject to conditions set out in section 5 above. In the event that any future NHS employer intends to make the employee redundant, that employer will be notified of this provision of MARS.



The employee's proposed leaving date will be subject to negotiation and mutual agreement between the employer and employee.

10. PENSIONS

Staff whose application under MARS is accepted, and who have reached their 'normal pensionable retirement age', will also be eligible to claim their NHS pension benefits. This will not involve the organisation in incurring additional costs related to the payment of pension benefits. For members of the 1995 Section of the NHS Pension Scheme, normal pension age is 60 (55 for members of the 'special classes'). For members of the 2008 Section of the NHS Pension Scheme, normal pension age is 65.

Staff whose application under MARS is accepted and who have reached their minimum pension age, may also wish to apply for Voluntary Early Retirement with reduced pension benefits. For members of the 1995 Section of the NHS Pension Scheme, minimum pension age is 50 for most but 55 for some members who first joined or returned on or after 6 April 2006. For members of the 2008 Section of the NHS Pension Scheme, a minimum pension age is 55.

Please note, however, that we are unable to guarantee the timing of the payment of such benefits in line with any MARS payments and applications for pension benefits will need to be made in the normal manner.

Further information about the NHS Pension Scheme is available at www.nhsbsa.nhs.uk/pensions

11. APPLICATION PROCEDURE

Employees who wish to apply for MARS should discuss their case with their line manager in the first instance. Informal discussions will be confidential and not make a binding commitment on either party. The Human Resources (HR) team will also be available to provide advice on the scheme. Please note that the line manager will be asked to indicate their support or otherwise for their application by completing the attached form (see annex B), outlining the potential financial



savings and payback time along with reassurance as to how the business needs of the organisation will continue to be met.

The member of staff should then submit their application for MARS by the notified closing date, using the application form in annex A. This must be submitted to the Executive Director of People Services who will arrange for the application to be acknowledged within 5 days of receipt. The information submitted will then be verified and the potential MARS payment calculated.

Once an application is submitted, it will be dealt with in a strict confidence by all those involved with the process.

Applications will be submitted to a MARS Panel comprising the following:

- Chief Executive Officer
- Member of the People Services Leadership Team
- Non-Executive Director
- HR Business Partner Support

The panel will make the final decision on whether to accept or reject an application.

Where the MARS Panel approves an application, the Panel will write to the member of staff confirming that their application has been approved, confirming the MARS payment, a mutually agreed leaving date and requesting their acceptance or rejection of the offer within a prescribed timescale.

Where the MARS Panel does not approve an application, the Panel will write to the member of staff advising that their application has not been successful and why it has not been possible to approve the application at this time and that there is no right to appeal against the decision.



ANNEX A - MUTUALLY AGREED RESIGNATION SCHEME – APPLICATION FORM

PART A: For completion by the employee			
Assignment Number			
NI Number			
Full Name			
Job Title			
Service		Base Location	
Band / Grade		Date of Birth	
Contracted Hours		WTE	
NHS Start Date		Trust Start Date	
Gross Annual Salary:			
Preferred Contact Details:	Email:		
	Phone:		
	Address:		
I wish to apply for the Mutually Agreed Resignation Scheme. I understand that the information above will be validated, and the outcome of my application will be communicated to me in writing.			



East of England
Ambulance Service
NHS Trust



Date:	
Signed:	



ANNEX B

PART B: To be completed by Line Manager	
Details required of how recurrent cost savings can be made through skill mix / redeployment:	
1. Why is the employee being considered for voluntary severance?	
2. Savings to be delivered as a result of agreeing a MARS payment? (recurrent and non-recurrent)	
3. Voluntary severance costs – what will the severance payment amount to?	
4. Does this application create an opportunity for another displaced member of staff?	
I do / do* not support this application. (* delete as appropriate)	Reason:



Signed:	Line Manager
Signed:	Executive Director
Date:	

PLEASE FORWARD ALL COMPLETED FORMS TO THE DEDICATED INBOX:
EEASTMARS@eastamb.nhs.uk

<p>Authorisation from Manager</p> <p>This application has / has not been approved.</p> <p>Name: _____</p> <p>Job Title: _____</p> <p>Signed: _____</p> <p>Date: _____</p>
--

For Completion by Resourcing / HR Support Services Team

Basic		Organisation	
Annual		Start Date:	
Salary:			



MARS Payment Calculation:	Leaving Date:	Completed Years:	
Completed by: _____			
Date: - _____			