

Appendix 1

The current enhanced voluntary redundancy payment terms and additional retention payment terms are summarised in brief below and detailed in full on the FN2 SharePoint site [here](#).

Current Enhanced VR Terms:

Contractual redundancy plus a weighted enhancement as follows:

- +8 weeks of pay for <2 years of service
- +6 weeks of pay for 2-5 years of service
- +4 weeks of pay for 6-10 years of service
- +0 weeks of pay for 11+ years of service

Current Additional Retention Payment (ARP) Terms:

Contractual redundancy plus one month salary per year of completed service (pro rata)

To seek a resolution to the ongoing dispute with UCU, and with agreement to call off industrial action and to ensure that all marks are submitted by 9th July 2026, it is proposed to provide the following enhancement to the voluntary redundancy payment terms for the purposes of any voluntary redundancy exits relating to the FN2 proposed changes only;

Contractual redundancy plus a weighted enhancement as follows – the section in bold highlights the proposed change.

- +8 weeks of pay for <2 years of service
- +6 weeks of pay for 2-5 years of service
- +4 weeks of pay for 6-10 years of service
- **+2 weeks of pay for 11+ years of service**

This provides a proposed enhancement to the voluntary redundancy payment terms to incentivise applications for those employees with 11 years service or more. This would enable an additional 1,194 employees currently at risk of potential redundancy to be eligible to apply for the enhanced payment. This proposal provides an average additional uplift (for eligible staff with over 11 years' service) of between 13.7% to 3.4% depending on service and age.

This further enhancement, if agreed, would be available to those employees who applied for voluntary redundancy in the first application window and those who choose to apply in the proposed second application window which is proposed to open on 29 July and close on 11 August 2026.