

## Severance Policy\*

---

### 1. Dismissal on the Grounds of Redundancy

- 1.1 All staff to be eligible to compensation under the 2006 Discretionary Compensation Regulations. The compensation will be based upon a multiplier of four times the number of weeks of pay to which the individual is entitled under the Statutory Redundancy Payment, but subject to a maximum of 104 weeks, and with the use of normal weekly pay; or
- 1.2 In respect of those staff aged 50 years and over, and who are in the local government pension scheme, either the application of the Discretionary Compensation Regulations as above, or augmentation of pensionable service as set out in 1.3 below.
- 1.3 Augmentation of pensionable service to be graduated as follows:-
- |   |   |                 |
|---|---|-----------------|
| Less than five years pensionable service      | - | No augmentation |
| Five up to ten years reckonable service       | - | Two years       |
| Ten up to fifteen years reckonable service    | - | Three years     |
| Fifteen up to twenty years reckonable service | - | Four years      |
| Twenty years and over reckonable service      | - | Five years.     |
- Plus the payment of redundancy payment with the use of normal weekly pay.
- 1.4 If necessary, augmentation to be “capped” at the cost to the Council of applying the Discretionary Compensation arrangements set out in 1.1 above.

### 2. Efficiency of Service

- 2.1 The arrangements set out in paragraph 1.1 will apply, or in respect of staff aged over 50 years, in paragraph 1.2 subject to there being no redundancy payment.

### 3. Timescale

- 3.1 These arrangements have been designed for local government reorganisation and will be reviewed no later than April 2011.