

DISCRETIONARY COMPENSATION POLICY
(REDUNDANCY PAYMENTS)
LOCAL GOVERNMENT (EARLY TERMINATION OF EMPLOYMENT)
(DISCRETIONARY COMPENSATION) REGULATIONS 2006

POLICY STATEMENT OF THE CITY OF BRADFORD METROPOLITAN
DISTRICT COUNCIL

The above Regulations give powers to employing authorities to award compensation on the termination of employment.

The Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2006 require that every employer should formulate and publish a policy statement on how it intends to exercise its discretion under the powers available.

Set out below are the policies of the City of Bradford Metropolitan District Council as from 21 November 2010.

The Regulations require that in formulating their policy statement, an employer should have regard to the extent to which the exercise of their discretionary powers, unless properly limited, could lead to a serious loss of confidence in the public service. The Regulations also require that the employer must be satisfied that their policy is workable, affordable and reasonable having regard to the foreseeable costs.

This policy will apply to any employee of City of Bradford Metropolitan District Council (with the exception of the Chief Executive) who is a member of or is eligible for membership of the Local Government Pension Scheme.

For the avoidance of doubt this policy does not apply to:

- Employees employed as Teachers in maintained schools or nursery schools.
- Any employees in schools where the Council is not the employer, including those employed in maintained schools, for example employees of voluntary aided schools, trust schools, foundation schools and academies.
- Non teacher employees employed to work in a Community School, Community Special School or Voluntary Controlled School (as defined in the School Standards and Framework Act 1998 and in any subsequent amendments.)

IN ORDER TO QUALIFY UNDER THE DISCRETIONARY COMPENSATION REGULATIONS 2006, THE EMPLOYMENT MUST BE TERMINATED ON THE GROUNDS OF REDUNDANCY.

AWARD OF COMPENSATORY LUMP SUM

REGULATION 5 gives employers the power to **waive the statutory limit on a weeks pay** when calculating a redundancy payment in accordance with the Employment Rights Act 1996.

Policy Statement

The City of Bradford Metropolitan District Council will normally calculate and pay in relation to both compulsory and voluntary redundancy situations any redundancy payment under Part XI of the Employment Rights Act 1996 as if there had been no limit on a weeks pay used in the calculation of that payment.

REGULATION 6 gives the Council the power to **award up to 104 weeks pay as a lump sum compensation payment** for the termination of employment on the grounds of redundancy.

This compensation is in the form of a lump sum payment made once on termination of employment.

To be eligible the employee must:-

- Be eligible to be a member of the Local Government Pension Scheme (whether or not they are a scheme member) or would have been eligible had they not made more than one election with the Council to opt out of the Local Government Pension Scheme
- Not be awarded a period of additional membership or additional pension under the Local Government Pension Scheme Regulations.

Policy Statement

The City of Bradford Metropolitan District Council **does not** consider the exercise of the discretion to pay discretionary lump sum compensation to be an integral part of this policy.

The City of Bradford Metropolitan District Council **does not** propose to exercise its discretion to award up to 104 weeks pay as a lump sum compensation payment to those employees whose employment is terminated on the grounds of redundancy including voluntary redundancy.

This discretion will only be exercised in the most exceptional circumstances having regard to the Council's general policies and the particular circumstances of the case.

In the most exceptional circumstances, the City of Bradford Metropolitan District Council will only consider making lump sum termination payments having regard to the following:

- The interests of the Council
- The member's personal circumstances
- Any potential benefits or savings to the employer arising from the exercise of this discretion
- Other options that are, from time to time, available under the Council's severance arrangements
- The ability of the Council to meet the cost of granting such an award.

Ready Reckoner - Statutory Redundancy Payments Table

To calculate the number of week's redundancy pay, cross reference the person's age and years of service and then multiply that number by the actual weekly salary. 61+ the table stops at age 61 because for employees age 61 and over, the payment remains the same as for age 61.

| Age | Service (Years) | | | | | | | | | | | | | | | | | | | |
|-----|-----------------|----|----|----|----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|--|
| | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | |
| 17* | 1 | | | | | | | | | | | | | | | | | | | |
| 18 | 1 | 1½ | | | | | | | | | | | | | | | | | | |
| 19 | 1 | 1½ | 2 | | | | | | | | | | | | | | | | | |
| 20 | 1 | 1½ | 2 | 2½ | - | | | | | | | | | | | | | | | |
| 21 | 1 | 1½ | 2 | 2½ | 3 | - | | | | | | | | | | | | | | |
| 22 | 1 | 1½ | 2 | 2½ | 3 | 3½ | - | | | | | | | | | | | | | |
| 23 | 1½ | 2 | 2½ | 3 | 3½ | 4 | 4½ | - | | | | | | | | | | | | |
| 24 | 2 | 2½ | 3 | 3½ | 4 | 4½ | 5 | 5½ | - | | | | | | | | | | | |
| 25 | 2 | 3 | 3½ | 4 | 4½ | 5 | 5½ | 6 | 6½ | - | | | | | | | | | | |
| 26 | 2 | 3 | 4 | 4½ | 5 | 5½ | 6 | 6½ | 7 | 7½ | - | | | | | | | | | |
| 27 | 2 | 3 | 4 | 5 | 5½ | 6 | 6½ | 7 | 7½ | 8 | 8½ | - | | | | | | | | |
| 28 | 2 | 3 | 4 | 5 | 6 | 6½ | 7 | 7½ | 8 | 8½ | 9 | 9½ | - | | | | | | | |
| 29 | 2 | 3 | 4 | 5 | 6 | 7 | 7½ | 8 | 8½ | 9 | 9½ | 10 | 10½ | - | | | | | | |
| 30 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 8½ | 9 | 9½ | 10 | 10½ | 11 | 11½ | - | | | | | |
| 31 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 9½ | 10 | 10½ | 11 | 11½ | 12 | 12½ | - | | | | |
| 32 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 10½ | 11 | 11½ | 12 | 12½ | 13 | 13½ | - | | | |
| 33 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 11½ | 12 | 12½ | 13 | 13½ | 14 | 14½ | - | | |
| 34 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 12½ | 13 | 13½ | 14 | 14½ | 15 | 15½ | - | |
| 35 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 13½ | 14 | 14½ | 15 | 15½ | 16 | 16½ | |
| 36 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 14½ | 15 | 15½ | 16 | 16½ | 17 | |
| 37 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 15½ | 16 | 16½ | 17 | 17½ | |
| 38 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 16½ | 17 | 17½ | 18 | |
| 39 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 17½ | 18 | 18½ | |
| 40 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 18½ | 19 | |
| 41 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 19½ | |
| 42 | 2½ | 3½ | 4½ | 5½ | 6½ | 7½ | 8½ | 9½ | 10½ | 11½ | 12½ | 13½ | 14½ | 15½ | 16½ | 17½ | 18½ | 19½ | 20½ | |
| 43 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | |
| 44 | 3 | 4½ | 5½ | 6½ | 7½ | 8½ | 9½ | 10½ | 11½ | 12½ | 13½ | 14½ | 15½ | 16½ | 17½ | 18½ | 19½ | 20½ | 21½ | |
| 45 | 3 | 4½ | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | |
| 46 | 3 | 4½ | 6 | 7½ | 8½ | 9½ | 10½ | 11½ | 12½ | 13½ | 14½ | 15½ | 16½ | 17½ | 18½ | 19½ | 20½ | 21½ | 22½ | |
| 47 | 3 | 4½ | 6 | 7½ | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | |
| 48 | 3 | 4½ | 6 | 7½ | 9 | 10½ | 11½ | 12½ | 13½ | 14½ | 15½ | 16½ | 17½ | 18½ | 19½ | 20½ | 21½ | 22½ | 23½ | |
| 49 | 3 | 4½ | 6 | 7½ | 9 | 10½ | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | |
| 50 | 3 | 4½ | 6 | 7½ | 9 | 10½ | 12 | 13½ | 14½ | 15½ | 16½ | 17½ | 18½ | 19½ | 20½ | 21½ | 22½ | 23½ | 24½ | |
| 51 | 3 | 4½ | 6 | 7½ | 9 | 10½ | 12 | 13½ | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | |
| 52 | 3 | 4½ | 6 | 7½ | 9 | 10½ | 12 | 13½ | 15 | 16½ | 17½ | 18½ | 19½ | 20½ | 21½ | 22½ | 23½ | 24½ | 25½ | |
| 53 | 3 | 4½ | 6 | 7½ | 9 | 10½ | 12 | 13½ | 15 | 16½ | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | |
| 54 | 3 | 4½ | 6 | 7½ | 9 | 10½ | 12 | 13½ | 15 | 16½ | 18 | 19½ | 20½ | 21½ | 22½ | 23½ | 24½ | 25½ | 26½ | |
| 55 | 3 | 4½ | 6 | 7½ | 9 | 10½ | 12 | 13½ | 15 | 16½ | 18 | 19½ | 21 | 22 | 23 | 24 | 25 | 26 | 27 | |
| 56 | 3 | 4½ | 6 | 7½ | 9 | 10½ | 12 | 13½ | 15 | 16½ | 18 | 19½ | 21 | 22½ | 23½ | 24½ | 25½ | 26½ | 27½ | |
| 57 | 3 | 4½ | 6 | 7½ | 9 | 10½ | 12 | 13½ | 15 | 16½ | 18 | 19½ | 21 | 22½ | 24 | 25 | 26 | 27 | 28 | |
| 58 | 3 | 4½ | 6 | 7½ | 9 | 10½ | 12 | 13½ | 15 | 16½ | 18 | 19½ | 21 | 22½ | 24 | 25½ | 26½ | 27½ | 28½ | |
| 59 | 3 | 4½ | 6 | 7½ | 9 | 10½ | 12 | 13½ | 15 | 16½ | 18 | 19½ | 21 | 22½ | 24 | 25½ | 27 | 28 | 29 | |
| 60 | 3 | 4½ | 6 | 7½ | 9 | 10½ | 12 | 13½ | 15 | 16½ | 18 | 19½ | 21 | 22½ | 24 | 25½ | 27 | 28½ | 29½ | |
| 61+ | 3 | 4½ | 6 | 7½ | 9 | 10½ | 12 | 13½ | 15 | 16½ | 18 | 19½ | 21 | 22½ | 24 | 25½ | 27 | 28½ | 30 | |