

## Examples Showing Impact of £95k

Position	Age when emp ends	Years' service when emp ends	FTE	Grade	FTE salary	Statutory Redundancy Payment	Enhanced Redundancy Payment	Pension Strain	Total 1 (statutory + pension strain)	Above / Below £95k	Total 2 (enhanced + pension strain)	Above / Below £95k
Practice Manager	58	39	1	LMG2	£47,546	£25,987	£45,478	£73,514	£99,501	+£4,501	£118,992	+£23,992
Snr Prac OT	56	37	1	SS13	£41,965	£22,132	£38,731	£100,546	£122,678	+£27,678	£139,277	+£44,277
Snr Prac SW	58	27	0.92	SS13	£41,965	£21,077	£36,885	£55,841	£76,918	-£18,082	-£92,726	-£2,274
Snr Trading Standards Officer	55	29	1	SS12	£36,133	£18,710	£32,742	£72,521	£91,231	-£3,769	£105,263	+£10,263

The draft regulations propose that the statutory redundancy element of the exit payment cannot be reduced. Using the 'Practice Manager' example above, the statutory redundancy pay is £25,987, leaving £69,013 until the cap is reached. The enhanced redundancy payment is £45,478, therefore leaving only £49,522 until the cap is reached. The greater the amount available towards pension strain costs will reduce the impact on the pension reduction.

Our current policy does not provide for any choice around whether or not an enhanced redundancy payment is made. Assuming the LGPS regulations are amended to allow for partial reduction of pension benefits, consideration could be given to amending our current policy to allow individuals to decide whether they want to take a statutory or enhanced redundancy payment, depending on how they are impacted by the cap. This will be a very individual decision, based on factors such as whether an immediate lump sum or annual pension at the maximum amount that can be achieved is more important.