

# REDUNDANCY SCHEME

<b>Version:</b>	<b>Version 2 – June 2012</b>
<b>Scheme Ratified by:</b>	<b>Human Resources</b>
<b>Date:</b>	<b>1<sup>st</sup> June 2012</b>
<b>Area Applicable:</b>	The Redundancy Scheme applies to all non school based employees.
<b>Review Year</b>	<b>2013</b>

The Local Government Pension Scheme Regulations, 2008 introduced changes, from 31<sup>st</sup> March 2010, to the minimum age criteria in relation to staff retiring on the grounds of redundancy, interests and efficiency of the service and applications to release pension benefits early under Regulation 30 of the Local Government Pension Scheme (85 year rule). From that date, the minimum age increased from **50 to age 55** for all categories.

The Council's current Redundancy Scheme also changed from that date and the main details are as follows:

- In the event of a 'redundancy', staff between 55-60 will be entitled to a release of pension benefits based on accrued service plus a statutory redundancy payment up to a maximum of 30 weeks pay.
- Staff under 55 will not be entitled to a release of pension benefits but will receive enhanced compensation based on double the amount of statutory redundancy up to maximum of 60 weeks pay.
- For those staff that are not in the Local Government Pension Scheme and in the event of a 'redundancy', enhanced compensation will apply based on double the amount of statutory redundancy up to maximum of 60 weeks pay.

**A week's pay will not be capped at the statutory maximum but will reflect actual pay.**

For the avoidance of doubt, the Council does not sanction retirement in the interests and efficiency of the service.

The only change in relation to applications for early release of pension benefits under Regulation 30 (85 rule) of the Local Government Pension Scheme is that the minimum age will change from 50 to 55. Applications, which require employer's consent, applies to staff between 55 - 60. Transitional protection is available under the LGPS to those staff who will be age 60 or over by 31<sup>st</sup> March, 2016 and meet the 85 year test. Where the 85 year test cannot be met, an actuarial reduction will apply in normal circumstances.

If you have any queries, please do not hesitate to contact Corporate HR or your Business Partner Team in Penallta House.