

Discretionary Payments Policy Statement

TO: ROYAL BOROUGH OF GREENWICH EMPLOYEES (EXCLUDING TEACHERS)

THE LOCAL GOVERNMENT (EARLY TERMINATION OF EMPLOYMENT) (DISCRETIONARY COMPENSATION) (ENGLAND AND WALES) REGULATIONS 2006

When the Royal Borough of Greenwich has to reduce or reorganise its workforce it can use the above regulations to enhance the payments it makes to employees who volunteer for early termination of their employment.

Note: Employees who leave early on the grounds of the efficiency of the service will be considered for a compensation payment. When deciding on the amount of any compensation payment, the Council will note the policy for enhancement that would have been payable if the reason for leaving had been redundancy.

Waiving of the Weekly Pay Limit for Redundancy Payments

Under the Employment Rights Act 1996, employers are required to pay redundancy payments based on a week's pay, which is the statutory minimum, up to a given limit, which is based on the statutory maximum per week. The Council has decided to use its discretion to waive the limit and base redundancy pay calculations on an actual week's pay.

Redundancy Payment Enhancement

The Council has agreed that the redundancy payment made to employees leaving due to voluntary redundancy will be a total of twice the standard redundancy payment.

Option to Increase Pension

Employees who are members of the Local Government Pension Scheme (LGPS) will also be given the option to give up their redundancy payment enhancement in exchange for an increase to their LGPS pension, to the maximum allowable per annum under Regulation 31 of the Local Government Pension Scheme Regulations 2013.