

APPENDIX 2: Redundancy multiplier examples (for under 55 years of age or not in LGPS)

Up to 20 years' service:

Step 1: Work out number of statutory weeks via ready reckoner

Step 2: Multiply number of weeks by 2

Step 3: Multiply total number of weeks by actual weekly pay

= Uncapped amount

Step 4: Where total redundancy pay is greater than £30,000, the surplus should be halved so that it has in effect, been multiplied by one instead of 2.

= Total final redundancy pay

Example:

Service: 10 years

Age: 54

Calculation

Salary	£60,000	£35,000	£25,000
Weekly pay	£1,151	£671.23	£479.45
Ready reckoner weeks	15	15	15
Multiplied by 2	30	30	30
Multiplied by weekly pay	£34,530	£20,137	£14,384
Surplus over £30,000	£4,530	0	0
Surplus divided by 2	£2,265	0	0
£30,000 + surplus / 2	£32,265 (total payment)	£20,137	£14,384

Over 20 years' service:

Step 1: Work out number of statutory weeks via ready reckoner

Step 2: Multiply number of weeks by 2

Step 3: Add one week for every year of service over 20 (up to a maximum of 66 in total)

Step 4: Multiply total number of weeks by actual weekly pay

= Uncapped amount

Step 5: Where total redundancy pay is greater than £30,000, the surplus should be halved so that it has in effect, been multiplied by one instead of 2.

= Total final redundancy pay

Example:

Service: 30 years

Age: 54

Calculation

Salary	£60,000	£35,000	£25,000
Weekly pay	£1,151	£671.23	£479.45
Ready reckoner weeks	26.5	26.5	26.5
Multiplied by 2	53	53	53
Add one week for every year of service over 20 (up to maximum of 66 in total)	63	63	63
Multiplied by weekly pay	£72,513	£42,287	£30,205
Surplus over £30,000	£42,513	£12,287	£205
Surplus divided by 2	£21,257	£6,144	£103
£30,000 + surplus / 2	£51,257	£36,144	£30,102