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STATUTORY INSTRUMENTS

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**1996 No. 1680**

**The Local Government (Discretionary  
Payments) Regulations 1996**

**PART VI**

**GRATUITIES AS RESPECTS NON-PENSIONABLE SERVICE**

**Redundancy gratuities**

**42.**—(1) Where a person—

- (a) has been employed by a LGPS employer—
  - (i) for at least five years; or
  - (ii) in the case of a person who has attained the age of 60, for at least one year;
- (b) ceases to be so employed—
  - (i) by reason of redundancy; or
  - (ii) in the interests of the efficient exercise of the LGPS employer's functions; and
- (c) the LGPS employer—
  - (i) have certified in relation to him in accordance with regulation D6(2)(a) of the LGPS Regulations; or
  - (ii) are satisfied that if he were a LGPS member they would have so certified, the LGPS employer may make him a discretionary grant (“a redundancy gratuity”).

(2) A redundancy gratuity may consist of a lump sum or an annuity or both.

(3) Where—

- (a) the gratuity granted to a person under paragraph (1) is or includes an annuity; and
- (b) he dies before receiving payments of the annuity of an aggregate amount equal to its capital value,

the LGPS employer may grant a further gratuity by way of an annuity to one or more of the person's spouse and dependants.

(4) Where—

- (a) the gratuity granted to a person under paragraph (1) is or includes an annuity; and
- (b) he dies at a time when the capital value of the payments of the annuity he has received falls short of its capital value at the time of its grant,

the LGPS employer may grant a further gratuity by way of an annuity to one or more of his spouse and dependants.

(5) The amount of a redundancy gratuity in respect of any person (including the capital value of any annuity) or, in a case where the gratuity is paid to more than one person, the aggregate amount of such gratuity must not exceed the prescribed maximum (as defined in regulation 40(4)).

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**Status:** This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

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(6) The capital value of an annuity granted under paragraph (4) or, in a case where an annuity is paid to more than one person, the aggregate amount of such annuities must not exceed the shortfall mentioned in paragraph (4)(b).

(7) Where a person to whom a further gratuity is granted under paragraph (4) dies at a time when the capital value of the payments of the annuity he has received falls short of its capital value at the time of its grant, the LGPS employer may grant a further gratuity by way of an annuity to any other person to whom they might have granted a further annuity under paragraph (4) at the time of the original annuitant's death, but its capital value must not exceed that shortfall.