
STATUTORY INSTRUMENTS

2000 No. 1410

The Local Government (Early Termination of
Employment) (Discretionary Compensation)
(England and Wales) Regulations 2000

PART V

EFFECT OF OTHER RECEIPTS ON PART IV COMPENSATION

Effect of occupational pension

12.—(1) Where the conditions in paragraph (2) are met, a person's basic entitlement shall, if necessary, be reduced so that the total of the annual rates for the time being of—

- (a) any occupational pension to which the person is entitled and which is being paid;
- (b) his pension under regulation 26 of the Pension Regulations; and
- (c) his annual compensation,

is not more than the relevant amount.

(2) The conditions are—

- (a) that immediately before the termination date the person was entitled to an occupational pension in respect of any period (whether or not it was being paid); and
- (b) that the total of that period, his total membership and any credited period is more than 40 years.

Effect of redundancy payments

13.—(1) This regulation applies to a person who, in respect of any terminated employment—

- (a) has been awarded a credited period that is longer than $6\frac{2}{3}$ years; and
- (b) has received, or is entitled to receive, a redundancy payment under Part XI of the 1996 Act or compensation under Part II of these Regulations.

(2) If, but for this paragraph, such a person would be entitled—

- (a) to lump sum compensation of an amount which is equal to or less than the calculated amount, he shall not be entitled to any such compensation;
- (b) to lump sum compensation of an amount which is greater than the calculated amount, his lump sum compensation shall be reduced by the calculated amount.

(3) If a person to whom this regulation applies has no entitlement to lump sum compensation—

- (a) because sub-paragraph (a) of paragraph (2) applies, his basic entitlement shall be reduced by the appropriate percentage of the difference (if any) between the amounts referred to in that sub-paragraph;

- (b) for any other reason, his basic entitlement shall be reduced by the appropriate percentage of the calculated amount.
- (4) The calculated amount is that found by applying the formula—
- $$(A \times B) - C$$

where—

A is an amount equal to 30 per cent of the total amount of the redundancy payment and compensation referred to in paragraph (1)(b),

B is the amount, expressed in years and fractions of a year to the nearest day, by which the credited period exceeds $6\frac{2}{3}$, and

C is the total amount of any reductions made in the redundancy payment and compensation referred to in paragraph (1)(b) in accordance with the 1965 Regulations.

Effect of other termination payments

14.—(1) This regulation applies to a person who—

- (a) has been awarded a credited period; and
- (b) receives a termination payment from his employing authority.

(2) Such a person shall not be entitled to lump sum compensation if, after deduction of the calculated amount (where required by regulation 13), the amount of that compensation would be the same as, or less than, the termination payment.

(3) The amount payable to a person who is entitled to lump sum compensation is the amount remaining after the deduction of the termination payment and, where required, the calculated amount.

(4) The basic entitlement of a person to whom this regulation applies shall be adjusted (in addition to any other adjustment required by regulations 13, 17, 19 and 20)—

- (a) if, after the deduction of the calculated amount (where required by regulation 13), his termination payment exceeds his lump sum compensation, by the deduction of the amount of that excess;
- (b) if he is not entitled to lump sum compensation for a reason other than the operation of paragraph (2), by the deduction of the amount of the termination payment;
- (c) if he receives the whole or part of the termination payment after a credited period has been awarded and his compensation has not been adjusted on account of that payment, by the deduction of the amount received.

(5) Where adjustments to a person's basic entitlement are required in accordance with paragraph (4), no instalment of annual compensation is payable to him until the total of the deductions under that paragraph equals the amount of the adjustment.

Effect of periodic payments

15.—(1) A person who receives periodic payments from his employing authority shall not be entitled to annual compensation for any period in which the total of the periodic payments received is greater than his basic entitlement (as adjusted, where required, under regulations 13, 14, 17 and 19) otherwise payable for that period.

(2) The amount payable to a person who—

- (a) receives periodic payments from his employing authority; and
- (b) is entitled to annual compensation for a period,

is the amount of his basic entitlement for that period (as adjusted, where required, under regulations 13, 14, 17 and 19) less the total of the periodic payments received for that period.