

**REMUNERATION REPORT****STATEMENT 3****34 Employee Exit Packages**

The number of employee exit packages with total cost per band is set out in the table below. There were no compulsory redundancies in 2023/24 or 2022/23.

Exit package Cost Range	Number of employee exit packages agreed		Total cost of employee exit packages in each band	
	2023/24	2022/23	2023/24 £'000	2022/23 £'000
£0 - £20,000	13	2	161	21
£20,001 - £40,000	4	2	111	61
£40,001 - £60,000	-	-	-	-
£60,001 - £80,000	1	-	64	-
£80,000 - £100,000	1	-	85	-
<b>Total</b>	<b>19</b>	<b>4</b>	<b>421</b>	<b>82</b>

The application for early retirement or voluntary severance (ERVS) is prepared by the staff members line manager and Human Resources. The application contains employee personal details, details of the business case and includes a summary of costs and savings populated by Human Resources. The application for ERVS is reviewed and signed by the relevant Head of Service and Depute Chief Executive.

**4. PENSIONS****4.1 Local Government Pension Scheme Details (LGPS)**

Pension benefits for councillors and local government employees are provided through the Local Government Pension Scheme (LGPS).

Councillors' pension benefits are based on career average pay. The councillor's pay for each year or part year ending 31 March (other than the pay in the final year commencing 1 April) is adjusted by the increase in the cost of living, as measured by the appropriate index (or indices) between the end of that year and the last day of the month in which their membership of the scheme ends. The total of the revalued pay is then divided by the period of membership to calculate the career average pay. This is the value used to calculate the pension benefits.

For local government employees the LGPS changed on 1 April 2015 from a final salary pension scheme to a career average scheme. In the 2015 scheme, normal retirement age for both councillors and employees is equal to the member's state pension age subject to a minimum of 65.

From 1 April 2009 a five tier contribution system was introduced with contributions from scheme members being based on how much pay falls into each tier. This is designed to give more equality between the cost and benefits of scheme membership. Prior to 2009 contribution rates were set at 6% for all non-manual employees.

The members contribution rates for 2023/24 remain at the 2022/23 rates, however the ranges have changed as follows:

Whole time pay	Range 2023/24	Range 2022/23	Contribution rate 2023/24	Contribution rate 2022/23
On earnings up to and including	£25,300	£23,000	5.5%	5.5%
On earnings above	£25,301 and up to £31,000	£23,001 and up to £28,100	7.25%	7.25%
On earnings above	£31,001 and up to £42,500	£28,101 and up to £38,600	8.5%	8.5%
On earnings above	£42,501 and up to £56,600	£38,601 and up to £51,400	9.5%	9.5%
On earnings above	£56,601	£51,401	12.0%	12.0%

If a person works part-time their contribution rate is worked out on the whole-time pay rate for the job, with actual contributions paid on actual pay earned.

The Local Government Pension Scheme changed on 1 April 2015 from a Final Salary to a Career Average Scheme. For each year in the Scheme from 1 April 2015, a scheme member builds up pension at 1/49ths of pensionable pay. The pension is built up in the member's Pension Account which is revalued each scheme year by HM Treasury Revaluation Order which is currently the Consumer Prices Index (CPI).