

### APPENDIX 3

|   |   |
|---|---|
| <p><b>Regulation 6: Discretionary compensation for redundancy (Please select option)</b></p> <p><b>Option A:</b> Introduce new regulations providing local authority employers with broad discretionary powers to make a one-off lump sum payment of up to two years pay.</p> | <p>No age banding constraints therefore provides employer with more flexibility to set the most appropriate compensation level for each individual case</p> |
| <p><b>Option B:</b> Introduce new regulations providing local authority employers with broad discretionary powers to make a one-off lump sum payment of up to five years pay.</p>   | <p>Implementing a discretion that is significantly greater than current arrangements may not be viewed as a sensible use of public funds</p>                |

**Note:** Based on affordability it is suggested that Option A would provide the authority with maximum flexibility whilst containing cost at an acceptable level.