



Title	Redundancy and Special Severance Payment Costs – 1 April 2025 to 30 September 2025
Purpose of the report	To note the report for information
Report status	Public report
Executive Director/ Statutory Officer Commissioning Report	Louise Duffield, Executive Director Resources
Report author	Kathryn Cook, Assistant Director HR&OD
Lead Councillor	Councillor Ellie Emberson – Lead Councillor for Corporate Services and Resources
Council priority	Ensure Reading Borough Council is fit for the future
Recommendations	1. To note the report for information

1. Executive Summary

- 1.1 This report provides the regular monitoring statement of all termination costs incurred due to employees leaving the Council on redundancy grounds between 1 April 2025 and 30 September 2025 as required under the terms of reference for Personnel Committee. It also includes a summary of Special Severance Payments made within the same period where these have been paid.
- 1.2 Please note that it does not include termination costs for schools-based staff or Brighter Futures for Children for this reporting period. Any termination costs incurred by the newly created Directorate of Children's Services will be included in future reports.
- 1.3 There have been no early retirements on the grounds of efficiency and no Special Severance Payments during this period.
- 1.4 Redundancy payments incurred between 1 April 2025 and 30 September 2025 totalled £74,574.98.

2 Policy Context

- 2.1 This report is provided in accordance with the Terms of Reference for Personnel Committee which state that the Committee will receive from the Assistant Director of HR and Organisational Development twice a year a report on all early retirements and redundancies made in the preceding six months. This report covers the six months from 1 April 2025 to 30 September 2025.
- 2.2 Redundancy and early retirement decisions are made in accordance with Council criteria requiring costs to normally be paid back with on-going efficiency savings within one year. The level of redundancy and early retirement costs is calculated in accordance with the Employment Stability Agreement and discretionary compensation tables agreed by this Committee.

2.3 Personnel Committee is also provided – where relevant- with a summary of Special Severance Payments (SSPs). SSPs are payments made to employees when leaving employment in public service. The following types of payments are likely to be SSPs:

- settlement agreement payments, to discontinue legal proceedings without admission of fault
- the value of any employee benefits or allowances which are likely to continue beyond the employee's agreed exit date
- loan write-offs
- honorarium payments
- hardship payments
- retraining payments related to termination of employment

2.4 The following payments are not SSPs:

- statutory and contractual redundancy payments
- severance payments made under the authority's policy under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006
- pension strain payments for those who leave by reason of redundancy or business efficiency aged 55 or over
- payments for accrued annual leave
- payments made to compensate for injury or death of the worker
- payments made as consequence of the award of an ill-health pension under regulation 35 of the LGPS Regulations.

2.5 In accordance with statutory guidance on SSPs issued by the Department for Levelling Up, Housing & Communities (DLUHC) on 12 May 2022, all SSPs above £20,000 but below £100,000 must be personally approved and signed off by the Head of Paid Service, with a clear record of the Leader's approval and that of any others who have signed off the payment. At the Council, this would always include the relevant Executive Director, the Section 151 Officer and the Monitoring Officer, who will also continue to sign off SSP business cases below £20,000 along with the Head of Paid Service. Payments of £100,000 and above must be approved by a vote of full Council, as set out in the Localism Act 2011.

2.6 The Council did not incur SSP costs during this period.

2.7 All the payments referred to were made in accordance with the Council's Pay Policy Statement.

3 Contribution to Strategic Aims

3.1 This report seeks to ensure that arrangements are in place for the effective management of the Council's workforce. High performing, motivated and healthy staff are crucial to achieving the Council's vision to help Reading realise its potential and to ensure that everyone who lives and works here can share the benefits of its success.

4 Environmental and Climate Implications

4.1 None for this report

5 Community Engagement

5.1 Not applicable to this report

6 Equality Implications

6.1 Not applicable to this report

7 Other Relevant Considerations

7.1 None

8 Legal Implications

8.1 Not applicable to this report

9 Financial Implications

9.1 The Redundancy cost of £74,574.98, made between 1 April 2025 and 30 September 2025, was met from within existing budgets.

10 Timetable for Implementation

10.1 Not applicable.

11 Background Papers

11.1 There are none.