

Sample Scenario

Redundancy Package Scenario Report

Generated 15 June 2026

ESTIMATED NET PAYMENT	ESTIMATED GROSS PACKAGE
£48,428.80	£61,785.50
TOTAL REDUNDANCY PAYMENT	TAX + NIC ON PACKAGE
£46,825.50	£13,356.70

SCENARIO INPUTS

Age at termination	45
Years of service	12
Weekly gross pay	£1,100.00
Notice	12 week(s) — PILON
Untaken holiday	8 day(s)
Enhanced redundancy	2 week(s) per year of service
Enhanced interaction	Enhanced is in addition to statutory redundancy
Ex gratia payment	£10,000.00
Income earned so far this tax year	£32,000.00

PACKAGE SUMMARY

Statutory redundancy	£10,425.50
Enhanced redundancy	£26,400.00
Ex gratia payment	£10,000.00
Total redundancy payment	£46,825.50
Notice pay	£13,200.00
Holiday pay	£1,760.00
Estimated gross package	£61,785.50
Estimated tax	£12,890.00
Estimated NIC	£466.70
Estimated net payment	£48,428.80

Planning estimate only — not legal, tax, payroll or employment advice.

WORKED CALCULATIONS

Statutory redundancy

- Weekly pay capped at £719.00 for statutory purposes (actual: £1,100.00).
- 12 full year(s) of service counted, capped at 20.
- Total statutory redundancy = £10,425.50.

Enhanced redundancy

- $12 \text{ year(s)} \times 2 \text{ week(s)} \times £1,100.00 = £26,400.00$.
- Enhanced is in addition to statutory in the redundancy subtotal.

Ex gratia payment

- Discretionary lump sum entered: £10,000.00.

Notice pay

- $12 \text{ week(s)} \times £1,100.00 = £13,200.00$.

Holiday pay

- $8 \text{ day(s)} \times £220.00 \text{ per day} = £1,760.00$.

Tax

- Income already earned this tax year: £32,000.00.
- Taxable redundancy elements: £41,360.00.
- Total taxable income: £73,360.00.
- Estimated incremental tax on package: £12,890.00.

National Insurance

- NIC applies only to earnings-type elements (PILON, holiday pay) in this estimate.
- Estimated NIC: £466.70.

Net payment

- $£61,785.50 \text{ gross} - £12,890.00 \text{ tax} - £466.70 \text{ NIC} = £48,428.80$.