

Settlement Agreements

Summary

1. Following recommendations from Audit and Governance Committee in March 2019, Staffing Matters and Urgency Committee (SMUC) have confirmed the process the council will follow prior to agreeing settlement agreements and for formally noting settlement agreements made through SMUC.

Recommendation

2. That the Report be noted.
3. That Audit & Governance receive an annual report on the number of settlement agreements made across directorates throughout the financial year and the value.

Background

4. In March 2019 A&G committee considered a report from the Head of HR & OD with regards to Non-Disclosure Agreements.
5. The printed minutes show :

Resolved: That the following recommendations be made:

- A system of Member oversight of proposed settlement agreements and non-disclosure clauses be introduced to ensure that expenditure of Council Tax payers money is prudent and accountable;
- There should be a presumption against Non-disclosure agreements unless a business case is presented that is viable and is then approved by Members (in a format to be decided); and

- A formalised process be implemented so that there is consultation with Members on proposed settlement agreements and that the Constitution be amended to reflect this.

6. In line with the above, SMUC received a report from Head of HR & OD, setting out the protocol and business case to be used when agreeing settlement agreements, (inclusive of non-disclosure clauses where applicable).
7. SMUC recommended changes to the protocol and business case which were made and a copy can be found in Annex 1 and 2. These documents will be used by officers in seeking approval to progress a settlement agreement.
8. In summary an Executive Member will be consulted and agree to the parameters of the settlement agreement through the business case outlined by the Director or Assistant Director. Where agreement is given negotiations will commence.
9. The business case will be presented to SMUC for noting in their monthly meetings after it has been agreed.
10. On an annual basis the Audit & Governance committee should receive a report on the use of settlements and cost across the financial year.

Options

11. Not relevant for the purpose of this Report.

Analysis

12. Not relevant for the purpose of this Report.

Council Plan

13. Whilst the actions being proposed in the report are not material to the Council Plan they are consistent with the required outcomes of the Workforce Strategy (People Plan).

Implications

12. There are no implications for the process as described. Any implication on individual cases will be detailed in the business case and considered at the time.

Risk Management Assessment

13. This approach manages the risk to the council and gives greater oversight and scrutiny whilst maintaining confidentiality in line with the settlement agreements.

Recommendation

14. That the Report be noted.

15. That Audit & Governance committee have annual oversight through the receipt of a report on settlement agreements made throughout the financial year and a cost.

Reason

To provide assurance and oversight by Members, as agreed by SMUC.

Contact Details

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Approved

Specialist Implications Officer(s) List information for all

Peter Cairns, Senior Lawyer (Employment)

Wards Affected: List wards or tick box to indicate all

All

For further information please contact the author of the report

Annexes

Annex 1 Protocol

Annex 2 Settlement Agreement Business Case