

**STAFFING MATTERS & URGENCY
COMMITTEE**

18 October 2021

Report of the Head of HR & OD

**Report in the Public Interest: Exit Strategies: Guidance on the use
of Settlement Agreements including Special Severance Payments**

Summary

1. In accordance with Recommendations detailed within the Report in the Public Interest dated 19th April 2021, guidance has been prepared for approval by the Staffing Matters & Urgency Committee relating to the use of settlement agreements including special severance payments (included in the Exit Strategies Guidance attached at Appendix A).
2. Audit & Governance Committee has considered this guidance on 8 and 29 September and recommendations have been taken on board.
3. If approved by the Staffing Matters and Urgency Committee, this will be implemented immediately with training & development for Officers. This training has already commenced on 7 October 2021.
4. In accordance with Recommendations detailed within the Report in the Public Interest dated 19th April 2021, guidance has been prepared for noting by the Staffing Matters & Urgency Committee relating to approval process for pay discretions. This will be included within the constitution and therefore will go through the relevant approval process.

Recommendations

5. The Staffing Matters & Urgency Committee is recommended to:

- a. Approve the Exit Strategies: Guidance on the use of Settlement Agreements including Special Severance Payments and agree to its adoption and immediate implementation; and
- b. That the Head of HR liaise with the Executive and the Corporate Management Team to ensure consistent compliance with the Guidance, training key Officers across Corporate Leadership Group and Human Resources.
- c. To note the pay discretions presented to committee, and that this will progress for approval within the constitution.

Reasons for the recommendations

6. To ensure compliance with the recommendations detailed by the Council's External Auditor in the Report in the Public Interest dated 19th April 2021.

Options

7. The Staffing Matters & Urgency Committee can chose not to accept the recommendations contained within this report however to do so would hinder the Council's ability to comply with the Action Plan prepared in response to the Report in the Public Interest.

Background

8. On 4th May 2021, Council received a Report in the Public Interest dated 19th April 2021, and in doing so agreed an Action Plan to address the recommendations contained therein.
9. Of those, Recommendations One, Two and Five related to the Council's framework for the management of exit strategies and the use of special severance payments.
10. In response the Council has now, following consultation with the Trade Unions, Internal Audit and with taking into account external legal advice produced the draft Guidance which appears as Appendix One to this report. This Guidance also takes into account the recently published guidance from MHCLG relating to exit payments.
11. Audit & Governance Committee were asked to review the attached guidance at Appendix A and consider a recommendation

to this Committee in their meeting on 8 September 2021. The recommended amendments to be made and these were taken on board and the updated document returned to Audit & Governance Committee on 29 September, where they agreed the content with a minor amendment which has been made for version 5. For reference the original settlement agreement is attached in Appendix C.

12. The pay discretion document, contained in Appendix 2, details the approval process and control measures in place around pay discretions across the council. This will be included within the constitution.

Consultation

13. The Trade Unions have been consulted on the guidance in appendix one and the pay discretions in Appendix 2. Their comments have been taken into consideration and they are content for the documents to be progressed.
14. Internal Audit has been consulted with regarding the guidance and appendix A, and agree for it to progress. At the time of publishing this report we are still awaiting the comments regarding appendix B. A verbal update will be provided at the meeting on 20 September 2021.
15. Audit & Governance have considered this document twice in September, (8 and 29). Recommendation's from Audit & Governance have been taken on board and reflected in the updated guidance.

Implications

16. **Financial** - none directly related to this report but decisions made in accordance with the Guidance and Pay Discretions will be the subject of financial consideration on a case by case basis.
17. **Human Resources (HR)** - none directly related to this report but decisions made in accordance with the Guidance and Pay Discretions will be the subject of staffing and employment related considerations on a case by case basis.
18. **Equalities** - none directly related to this report but decisions made in accordance with the Guidance and Pay Discretions will be the subject of any equality considerations on a case by case basis.

19. **Legal** – the Council is required to take all steps to ensure compliance with the Action Plan approved in response to the Report in the Public Interest and compliance with the Action Plan is monitored by the Audit & Governance Committee. Specialist external employment law advice has been received in respect of the Guidance to ensure it complies with relevant legislation and the Statutory Guidance issued by the MHCLG.
20. **Crime and Disorder, Information Technology and Property** – none directly arising from this report

Author:

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& OD

Chief Officer responsible for the report:

Janie Berry, Director of Governance

Report	X	Date	<i>6 October</i>
Approved			<i>2021</i>

Specialist Implications Officer(s): Janie Berry, Monitoring Officer
Debbie Mitchell, Chief Finance Officer

Wards Affected: *List wards or tick box to indicate all* **All**

For further information please contact the author of the report

Background Papers:

Report in the Public Interest dated 19th April 2021, and received by Full Council on 4th May 2021, together with the Action Plan approved by Full Council on 4th May 2021.

<https://democracy.york.gov.uk/ieListDocuments.aspx?CId=331&MIId=13092&Ver=4>

Audit & Governance Papers 8 and 29 September 2021.

<https://democracy.york.gov.uk/ieListDocuments.aspx?CId=437&MIId=13015&Ver=4>

<https://democracy.york.gov.uk/ieListDocuments.aspx?CId=437&MIId=13152&Ver=4>

Appendix

Appendix A - Exit Strategies: Guidance on the use of Settlement Agreements including Special Severance Payments.

Appendix B – Pay Discretions

Appendix C – Original Settlement Agreement Advice