

Full Council

21st May 2019



Report of: Human Resources Committee

Title: Amendment to the Council's Pay Policy Statement for the period 1st April 2019 to 31st March 2020

Ward: N/A

Officer Presenting Report: Councillor Jon Wellington (Chair of Human Resources Committee)

Contact Telephone Number: (0117) 92 22000

Recommendation

That Full Council approves the addition to the Council's Pay Policy Statement at Appendix A.

Summary

This report sets out an addition to the Council's current Pay Policy Statement at 10d incorporating a protocol for considering severance arrangements (including mutually-agreed terminations of employment) in relation to the Head of Paid Service and JNC Chief Officers.

The significant issues in the report are:

This report responds to statutory recommendations arising from a Senior Executive Remuneration Review, which was conducted as part of the audit of the Council's accounts for the year ended 31st March 2018.



Policy

1. The Council's policy in respect of contractual payments to the Head of Paid Service and JNC Chief Officers is set out in its Pay Policy Statement, in the Council's HR policies and in contracts of employment with those officers.

Consultation

2. **Internal**
None.
3. **External**
None required.

Context

4. A Senior Executive Remuneration Review conducted as part of the audit of the Council's accounts for the year ended 31st March 2018 has made statutory recommendations, which have been accepted by the Council.
5. The proposed addition was approved at the HR Committee on 9th May 2019 for recommendation to Full Council.

Proposal

5. It is proposed that the following paragraph be added to the Council's Pay Policy Statement (Appendix A) at 10d:
 - 5.1. *Where a situation arises that may lead to a proposal to make a severance payment to the Head of Paid Service or a JNC Chief Officer, a meeting of the Human Resources Committee will be called in exempt session in order to brief members on:*
 - a) *The facts and circumstances relating to the matter*
 - b) *Identifying potential risk and liabilities including legal costs*
 - c) *Presenting potential options to resolve; and*
 - d) *Seeking the Committee's decision on the preferred option(s), including the parameters of any negotiation.*

The Mayor (or his nominee) may attend this meeting.

The options provided to the Committee will include a costed options appraisal clearly identifying any discretionary elements of the proposed severance payment and will be approved by the Council's s.151 officer (or deputy) and the Monitoring Officer before being presented to the Committee.

Other Options Considered

6. None.

Risk Assessment

7. The Council is required to respond to the statutory recommendations of its auditors.

Public Sector Equality Duties

8. a) Before making a decision, section 149 Equality Act 2010 requires that each decision-maker considers the need to promote equality for persons with the following “protected characteristics”: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. Each decision-maker must, therefore, have due regard to the need to:
 - i) Eliminate discrimination, harassment, victimisation and any other conduct prohibited under the Equality Act 2010.
 - ii) Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to -
 - remove or minimise disadvantage suffered by persons who share a relevant protected characteristic;
 - take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of people who do not share it (in relation to disabled people, this includes, in particular, steps to take account of disabled persons' disabilities);
 - encourage persons who share a protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
 - iii) Foster good relations between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to –
 - tackle prejudice; and
 - promote understanding.
- 9b) An equality impact assessment has not been completed because this proposal concerns less than 20 individuals.

Legal and Resource Implications

Legal

“The Pay Policy Statement 2019/20 fulfils the legal requirement placed on the Council by s.38(1) of the Localism Act 2011 to produce an annual pay policy statement. The addition to the current

Pay Policy statement reflects the recommendations agreed by Full Council at its meeting on 19th March 2019.”

Husinara Jones, Solicitor/Team Leader, 9th May 2019

Financial

(a) Revenue

Full Council considered the statutory recommendations issued by the Council’s external auditors, relating to the Senior Executive’s remuneration review, at its meeting of the 19th March 2019. Those included a requirement to review the terms of reference of the HR Committee specifically to incorporate arrangements for any severance payment to the Head of Paid Service to be approved either by Full Council or determine arrangements for their delegation.

A costed options appraisal along with determination of all disclosure requirements will be reviewed by the S151 Officer (or deputy) and Monitoring Officer, and will be incorporated into any recommendations made to the Committee where circumstances require consideration of severance for chief officers. The report will inform Committee of the final treatment of proposed payments in the accounts, including the incorporation of appropriate explanatory notes required to be published to ensure transparency and accuracy in their reporting.

There are no additional financial implications arising from the recommendations.

Advice provided by Chris Holme - Head of Corporate Finance, 9th May 2019

(b) Capital

Not applicable

Land

Not applicable.

Personnel

The proposals set out the arrangements that will apply in the event of a Severance Package being considered for the Head of Paid Service or JNC Chief Officer. These will need to be followed in all cases where a severance package is being considered. These arrangements will apply to a cohort of 17 employees.”

Advice provided by Mark Williams - Head of Human Resources, 9th May 2019

Appendices:

Appendix A – Pay Policy Statement 2019/2020 amended

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers: None.