

Audit and Standards Committee - Tuesday 20 February 2024

Adoption of Statutory Guidance on Settlement Agreements/Constitutional Changes

Recommendation(s)

I recommend that:

- a. Staffordshire County Council note and adopt the changes recommended by The Statutory Guidance.
- b. Amendments are made to the Constitution to reflect the Statutory Guidance, as required.

Local Member Interest: N/A

Report of the Deputy Chief Executive and Director for Corporate Services

Report

Background

1. On the 12th May 2022 the Department for Levelling Up, Housing and Communities published Statutory Guidance (the Guidance) concerning the making of special severance payments.
2. Staffordshire County Council Audit team had previously conducted an audit of settlement agreements as part of the 2019/20 Strategic Internal Audit Plan. The final report was issued in September 2022 and this was presented to A&S on 20th September 2022. A progress update was provided to A&S on the 25th April 2023 regarding the changes that had been implemented in line with the audit recommendations.
3. The Guidance was considered as part of the review work undertaken and was incorporated into policies and processes being drafted in response to the audit report. All aspects of the Guidance have now been implemented and the schemes of delegation have been amended to reflect the changes and additional and different levels of authority required for settlements up to £20,000 and up to £100,000.
4. The Statutory Guidance states that "payments of £100,000 and above must be approved by a vote of full council, as set out in the Localism Act

2011". It is proposed that this recommendation is formally amended into the Constitution.

5. The proposed amendment to the Constitution is that paragraph 2.4 of Section 5 (The Full Council) of the Council's Constitution be amended by the addition of the following bullet point:

To approve the making of special severance payments of £100,000 and above, as set out in the Localism Act 2011

Equalities Implications

6. The recommended changes will ensure additional visibility in relation to severance agreements and better enable identification of any equalities implications within service areas.

Legal Implications

7. The recommended changes will ensure that we are compliant with Statutory Guidance.

Resource and Value for Money Implications

8. The recommended changes will ensure additional visibility in relation to severance agreements and better enable identification of any issues within service areas giving rise to resource and value for money implications.

Risk Implications

9. Any reports taken to full Council will be heard in private due to the commercial and personally sensitive and confidential nature of discussions.

Climate Change Implications

10. There are no climate change implications resulting from the proposed change.

List of Background Documents/Appendices:

Appendix 1 – Statutory Guidance on the making disclosure of Special Severance Payments by Local Authorities. Published 12 May 2022.

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