

REMUNERATION COMMITTEE – 13 APRIL 2016

EXIT PAYMENTS: CONSULTATION ON FURTHER REFORMS.

Report by Chief HR Officer

Introduction

1. The Government has published a consultation document on its proposals for controlling exit payments for public sector employees. The deadline for responses via the LGA is 15 April and for direct comments it is 3 May 2016.

Background

2. The Local Government Association has provided useful advice on the Government's latest consultation document and this is attached at Annex 1. The specific questions asked in the consultation document are set out and the LGA has included comments and proposed responses to the questions. The Council can comment on these responses. The LGA will submit final responses on behalf of local authorities. Local authorities are also free to submit their own independent responses.
3. The proposed changes to exit payments are likely to affect the termination packages for senior staff of the Council. This will include redundancy cases, efficiency of the service retirements and settlement agreements. The Remuneration Committee Report on the Council's current Pay Policy is at Annex 2. This is considered by Council annually.

Financial and Staff Implications

4. Restrictions on exit payments will result in less costly payments for the Council in the short term, however, if agreement cannot be obtained from employees whose employment is ending the likelihood of legal challenge, with its associated significant costs, will probably rise.

Equalities Implications

5. None.

RECOMMENDATION

6. **The Remuneration Committee is RECOMMENDED to indicate if it is content with the LGA responses to the consultation, or alternatively to make comments as an individual council.**

STEVE MUNN
Chief HR Officer

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