



To: Members of the Remuneration Committee

Notice of a Meeting of the Remuneration Committee

Monday, 16 October 2023 at 11.30 am

Room 1 - County Hall, New Road, Oxford OX1 1ND

If you wish to view proceedings online, please click on this [Live Stream Link](#).
However, that will not allow you to participate in the meeting.

Martin Reeves
Chief Executive

October 2023

Committee Officer: **Colm Ó Caomhánaigh, Democratic Services Manager**
Tel: 07393001096 Email: colm.ocaomhanaigh@oxfordshire.gov.uk

Membership

Chairman – Councillor Liz Leffman
Deputy Chairman - Councillor Liz Brighthouse OBE

Councillors

Yvonne Constance OBE
Glynis Phillips

Eddie Reeves
Alison Rooke

Notes:

- ***Date of next meeting: 3 November 2023***

If you have any special requirements (such as a large print version of these papers or special access facilities) please contact the officer named on the front page, but please give as much notice as possible before the meeting.

AGENDA

1. **Apologies for Absence and Temporary Appointments**
2. **Declarations of Interest - see guidance note**
3. **Minutes (To Follow)**

To approve the minutes of the meeting held on 5 October 2023 (**RC3**) and to receive information arising from them.

4. **Petitions and Public Address**

Members of the public who wish to speak at this meeting can attend the meeting in person or 'virtually' through an online connection.

To facilitate 'hybrid' meetings we are asking that requests to speak or present a petition are submitted by no later than 9am four working days before the meeting. Requests to speak should be sent to committeesdemocraticservices@oxfordshire.gov.uk.

If you are speaking 'virtually', you may submit a written statement of your presentation to ensure that your views are taken into account. A written copy of your statement can be provided no later than 9am 2 working days before the meeting. Written submissions should be no longer than 1 A4 sheet.

PARTIALLY EXEMPT ITEM

In the event that Members wish to discuss the information in Annex A for item 5, it is RECOMMENDED that the public be excluded since it is likely that if they were present there would be disclosure of exempt information as defined in Part I of Schedule 12A to the Local Government Act 1972 (as amended) and specified below in relation to those items and since it is considered that, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

5. **Approval of redundancy with costs exceeding £100k (Pages 1 - 8)**

The information contained in the Annex is exempt in that it falls within the following prescribed categories:

1. Information relating to a particular individual.
2. Information which is likely to reveal the identity of an individual.
3. Information relating to the financial or business affairs of any particular person (including the authority holding that information).

It is considered that in this case the public interest in maintaining the exemption outweighs the public interest in disclosing the information, in that such disclosure would distort the proper process of free negotiations between the authority with another party for the purposes described and would prejudice the position of the authority in those negotiations and other negotiations of a similar nature in future.

The Remuneration Committee is RECOMMENDED to

- a) **Approve the potential payments set out in this paper.**
- b) **Recommend to Full Council that such potential payments are approved.**

EXEMPT ITEMS

Exempt Items

It is RECOMMENDED that the public be excluded for the duration of items 6 and 7 since it is likely that if they were present during those items there would be disclosure of exempt information as defined in Part I of Schedule 12A to the Local Government Act 1972 (as amended) and specified below in relation to those items and since it is considered that, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

THE EXEMPT MINUTES, REPORT AND ANNEXES TO THE ITEMS HAVE NOT BEEN MADE PUBLIC AND SHOULD BE REGARDED AS 'CONFIDENTIAL' BY MEMBERS AND OFFICERS ENTITLED TO RECEIVE THEM.

THIS ALSO MEANS THAT THE CONTENTS SHOULD NOT BE DISCUSSED WITH OTHERS AND NO COPIES SHOULD BE MADE.

6. Exempt Minutes (To Follow)

To approve the exempt minutes of the meeting held on 5 October 2023 (RC6) and to receive information arising from them.

7. Executive Director Assessment (To Follow)

Councillors declaring interests

General duty

You must declare any disclosable pecuniary interests when the meeting reaches the item on the agenda headed 'Declarations of Interest' or as soon as it becomes apparent to you.

What is a disclosable pecuniary interest?

Disclosable pecuniary interests relate to your employment; sponsorship (i.e. payment for expenses incurred by you in carrying out your duties as a councillor or towards your election expenses); contracts; land in the Council's area; licenses for land in the Council's area; corporate tenancies; and securities. These declarations must be recorded in each councillor's Register of Interests which is publicly available on the Council's website.

Disclosable pecuniary interests that must be declared are not only those of the member her or himself but also those member's spouse, civil partner or person they are living with as husband or wife or as if they were civil partners.

Declaring an interest

Where any matter disclosed in your Register of Interests is being considered at a meeting, you must declare that you have an interest. You should also disclose the nature as well as the existence of the interest. If you have a disclosable pecuniary interest, after having declared it at the meeting you must not participate in discussion or voting on the item and must withdraw from the meeting whilst the matter is discussed.

Members' Code of Conduct and public perception

Even if you do not have a disclosable pecuniary interest in a matter, the Members' Code of Conduct says that a member 'must serve only the public interest and must never improperly confer an advantage or disadvantage on any person including yourself' and that 'you must not place yourself in situations where your honesty and integrity may be questioned'.

Members Code – Other registrable interests

Where a matter arises at a meeting which directly relates to the financial interest or wellbeing of one of your other registerable interests then you must declare an interest. You must not participate in discussion or voting on the item and you must withdraw from the meeting whilst the matter is discussed.

Wellbeing can be described as a condition of contentedness, healthiness and happiness; anything that could be said to affect a person's quality of life, either positively or negatively, is likely to affect their wellbeing.

Other registrable interests include:

- a) Any unpaid directorships

- b) Any body of which you are a member or are in a position of general control or management and to which you are nominated or appointed by your authority.
- c) Any body (i) exercising functions of a public nature (ii) directed to charitable purposes or (iii) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union) of which you are a member or in a position of general control or management.

Members Code – Non-registrable interests

Where a matter arises at a meeting which directly relates to your financial interest or wellbeing (and does not fall under disclosable pecuniary interests), or the financial interest or wellbeing of a relative or close associate, you must declare the interest.

Where a matter arises at a meeting which affects your own financial interest or wellbeing, a financial interest or wellbeing of a relative or close associate or a financial interest or wellbeing of a body included under other registrable interests, then you must declare the interest.

In order to determine whether you can remain in the meeting after disclosing your interest the following test should be applied:

Where a matter affects the financial interest or well-being:

- a) to a greater extent than it affects the financial interests of the majority of inhabitants of the ward affected by the decision and;
- b) a reasonable member of the public knowing all the facts would believe that it would affect your view of the wider public interest.

You may speak on the matter only if members of the public are also allowed to speak at the meeting. Otherwise you must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation.

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Divisions Affected –

REMUNERATION COMMITTEE

– 16 OCTOBER 2023

Proposal for Organisational Change Resulting in Proposed Redundancy

Report by Corporate Director – Environment and Place

RECOMMENDATION

1. The Remuneration Committee is **RECOMMENDED** to
 - a) Approve the potential payments set out in this paper.
 - b) Recommend to Full Council that such potential payments are approved.

Executive Summary

2. On 12 May 2022, statutory guidance was released which provides further clarity on the approval processes required within local government when severance payments are made, which are referred to in that guidance as “special severance payments”. This supplements earlier guidance issued under the Localism Act 2011 on severance payments including those that are contractual and required by legislation such as the Local Government Pension Scheme (LGPS), where such payments reach a threshold of £100,000. Full details of the requirements and eligibility for redundancy were included in the paper to Remuneration Committee on 1 July 2022.
3. Environment and Place is going through a Transformation process which may result in staff at risk of redundancy where potential payments exceed the £100,000 threshold. Under the statutory guidance (see Legal Implications) and Pay Policy Statement (approved in February 2023), Remuneration Committee is asked to recommend the potential payments for endorsement by Full Council. ***Currently, there is a payment to one employee proposed within this paper.***

Exempt Information

4. The accompanying Annex A is exempt from publication as it includes sensitive and confidential information.

Proposal

5. Annex A which is exempt from publication, sets out the detailed proposal relating to the proposed organisational change that may result in redundancy.

Financial Implications

6. The cost of the proposed redundancy payment will be met from a central reserve in FY23/24. The employer pension strain cost can be met by the service budget. Within approximately 2 years and 7 months, the cost of the redundancy will be recouped by not paying this employee's salary.

Comments checked by:

Rob Finlayson, Finance Business Partner

Legal Implications

7. On redundancy an employee with more than two years' continuous service is entitled to a statutory redundancy payment. In addition, Council employees are entitled to a contractual redundancy payment and those employees who are a member of the Local Government Pension Scheme will also have entitlements as a result of the LGPS Regulations if they are aged 55 or over when they are made redundant. These are entitlements which fall due as a consequence of contractual or statutory protections.
8. On 12 May 2022, the Department for Levelling Up, Housing and Communities published statutory guidance on the making and disclosure of Special Severance Payments by local authorities in England. In summary the new guidance:
 - Defines Special Severance Payments as additional, discretionary sums paid on top of statutory and contractual redundancy or severance terms.
 - Gives examples of payments that are likely to be Special Severance Payments which includes payments reached under a settlement agreement to discontinue legal proceedings without admission of fault.
 - Gives examples of payments which may constitute Special Severance Payments including pension strain payments arising from employer discretions to enhance standard pension benefits and PILON payments.
 - Identifies payments which will not constitute Special Severance Payments including statutory redundancy payments and contractual redundancy payments whether applicable to compulsory or voluntary redundancy and whether agreed by collective agreement or otherwise, a pension strain cost where a member's retirement benefits become immediately payable without reduction, payments made as part of an ACAS early conciliation procedure and payments ordered by a court or tribunal or agreed as part of a judicial or non-judicial mediation. Provides an expected approval process for Special Severance Payments where any payment of £100,000 or more must be approved by full council,

payments of £20,000 and above but below £100,000 to be personally approved and signed off by the Head of Paid Service with a clear record of the Leader's approval and payments below £20,000 to be approved according to the authority's scheme of delegation (noting that it is expected that local authorities should publish their policy and process for approving these payments).

9. Whilst the contractual and statutory redundancy payment and pension strain cost referred to in this paper would not amount to a Special Severance Payment under the wording of the new statutory guidance, due to the impact of the Localism Act and earlier guidance issued pursuant to the Localism Act approval from Remuneration Committee and Full Council should currently be offered. Guidance under the Localism Act, issued on 12 February 2012 ("Openness and Accountability in Local Pay: Guidance under Section 40 of the Localism Act"), requires local authorities to be open and transparent in respect of terms and conditions and remuneration of senior officers' pay, particularly for officers earning more than £100,000. Supplementary guidance issued on 23 February 2013, suggests that Full Council should be given the opportunity to vote before large severance packages beyond a particular threshold are approved for staff leaving the organisation. As with salaries on appointment, the Secretary of State considered that £100,000 is the right level for that threshold. The £100,000 threshold needs to include all aspects of a severance payments such as payment in lieu of notice, accrued holiday, redundancy, and any costs of early access to pension (i.e. capital payments to the Fund). Approval is also required under the current wording of the Council's current Pay Policy Statement.

Comments checked by:

Catherine Herries-Smith, Employment Solicitor

Equality & Inclusion Implications

10. The proposals contained within this report have been reviewed in accordance with the Council's duties under the Equality Act (2010) with no impacts identified.

Bill Cotton, Corporate Director

Annex: Annex A is EXEMPT on the basis it contains sensitive and confidential information.

Background papers: This report and Annex A will be retained by the Director of HR and OD.

Contact Officer: Bill Cotton, Corporate Director

September 2023

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By virtue of paragraph(s) 1, 2, 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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