

REPORT TO: Audit and Governance Committee

DATE: 20 March 2024

REPORTING OFFICER: Corporate Director, Chief Executive's Delivery Unit

PORTFOLIO: Corporate Services

SUBJECT: Settlement Agreement Position

WARD(S): Borough-wide

1.0 PURPOSE OF THE REPORT

- 1.1 The Council does not have policy nor a provision in the Constitution covering situations where settlement agreements are used for positions appointed to by the Councils Appointment Committee, or for positions appointed to by service managers under delegated authority.
- 1.2 This report details the Council's position on settlement agreements when the exceptional circumstance arises where a settlement agreement is used. The report is for information purposes and no proposals are attached to the report.

2.0 RECOMMENDATION: That content of the report is noted.

3.0 SUPPORTING INFORMATION

- 3.1 Where the need arises to use a settlement agreement within the Council, the legal framework set out in Section 111A of the Employment Rights Act 1996, and the guidance for Best Value authorities on Special Severance Payments as set out in Section 26 of the Local Government Act 1999, would be discharged appropriately.
- 3.2 In the event that a settlement agreement is considered appropriate for a position appointed to by the Councils Appointment Committee, only following discussions between the Leader, Chief Executive and appropriate Executive Board Portfolio holder, would a decision be made to use a settlement agreement for that position.
- 3.3 In considering, and if deemed appropriate entering into a settlement agreement, the legal framework outlined above is discharged

appropriately. External legal expertise would be used in any case of settlement to protect the interests of the Council.

- 3.4 The Council is not required to have a policy or provision in the Constitution covering situations where settlement agreements are used. It is generally accepted that the existence of a policy position on settlement agreements could be viewed as a route to an option that employees might attempt to avail themselves of.
- 3.5 Employment relations practice, as set out by the professional body for Human Resources Management - the Chartered Institute of Personnel and Development, cites that settlement agreements should only be used in exceptional circumstances. This is reflected in the Council's general approach to people management.

4.0 POLICY IMPLICATIONS

- 4.1 There are no specific policy implications arising from the publication of this report.

5.0 FINANCIAL IMPLICATIONS

- 5.1 There are no specific financial implications arising from the publication of this report.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children & Young People in Halton

None

6.2 Employment, Learning & Skills in Halton

None

6.3 A Healthy Halton

None

6.4 A Safer Halton

None

6.5 Halton's Urban Renewal

None

7.0 RISK ANALYSIS

7.1 There are no specific risks arising from the publication of this report.

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 There are no specific equality and diversity implication arising from the publication of this report.

9.0 CLIMATE CHANGE IMPLICATIONS

9.1 There are no specific climate change implication arising from the publication of this report.

10.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

10.1 There are no background papers under the meaning of the Act.