

Council Report

Ward(s) affected: n/a

Report of Managing Director (Head of Paid Service)

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Date: 4 March 2021

## Amendments to Pay Policy Statement 2021-22

### Executive Summary

The Public Sector Exit Pay Cap Regulations came into force on 4 November 2020. The regulations implemented a £95,000 cap on exit payments and the Council, at its meeting on 8 December 2020, approved the amended Pay Policy Statement 2020-21 to reflect the Regulations. The Pay Policy Statement 2021-22 for the next financial year was approved by the Council at its meeting on 10 February 2021. However, the Government revoked the Regulations on 12 February 2021. The Pay Policy Statement 2021-22 now needs to be amended.

This report will also be considered by the Employment Committee at its meeting to be held on Wednesday 3 March 2021. The Committee's recommendation will be reported on the Order Paper.

### Recommendation to Council

That the proposed amendments to the Pay Policy Statement for the 2021-22 financial year, shown by way of tracked changes in Appendix 1 to this report, be approved.

### Reason for Recommendation:

The Pay Policy Statement 2021-22 requires amendment following the Government's revocation of the Public Sector Exit Pay Cap announced on 12 February 2021.

**Is the report (or part of it) exempt from publication?** No

### 1. Background

- 1.1 The Public Sector Exit Pay Cap Regulations came into force on 4 November 2020. The regulations implemented a £95,000 cap on exit payments and the Council, at its meeting on 8 December 2020, approved the amended Pay Policy Statement 2020-21 to reflect the Regulations. The Pay Policy Statement 2021-22 for the next financial year was approved by the Council at its meeting on 10

February 2021. However, the Government revoked the Regulations on 12 February 2021. The Pay Policy Statement 2021-22 now needs to be amended.

- 1.2 The Pay Policy Statement currently contains reference to a termination pay cap of £95,000 for payments associated with a termination and refers to a Discretionary Waiver process. This needs to be removed from paragraphs 3.2, 10.4 and 12.5 within the document.
- 1.3 The proposed amendments to the Pay Policy Statement for 2021-22 are shown in Appendix 1.

## **2. Financial Implications**

- 2.1 There are no financial implications associated with making the amendments to the Pay Policy Statement.

## **3. Legal Implications**

- 3.1 Under Section 39 of the Localism Act 2011, the Council is required to consider and approve a pay policy statement each year. The Act also requires that we make provision for Council to make in year amendments to the statement at any time and this function cannot be delegated.
- 3.2 The amendments to the Pay Policy Statement 2021-22 recommended in this report are necessary for legal compliance.

## **4. Conclusion**

- 4.1 The proposal seeks to amend the Pay Policy Statement 2021-22 in accordance with the law.

## **5. Background Papers**

None

## **6. Appendices**

Appendix 1 Proposed amended Pay Policy Statement 2021-22