

URGENT ACTIONS 16/07 Issued 13 06 07 and 23/07 Issued 26 07 07

EXECUTIVE MEMBER: Councillor N Williams
LEAD OFFICER: H Mitchell, Head of Policy & Performance
REPORT AUTHOR: Len Gleed, Human Resources Manager

Summary and Recommendation: Executive members are asked to note this report, which was requested by Executive on 10 July 2007.

1. INTRODUCTION

- 1.1 Urgent Action 16/07 was required in order to respond to an estimated "computation of liability" submitted on 24 May 2007 by HM Revenue & Customs in relation to PAYE and National Insurance contributions which they concluded were due following an Employer Compliance Review, in relation to severance payments under the heading of "pay in lieu of notice", made to a total of 24 employees between 2002/3 and 2006/7. Action was taken under the Urgent Action procedure as a precaution in cases of this sort to prevent further accrual of interest on the amounts the Revenue & Customs stated were due. This is the prudent practice, even when there is scope for further dispute about the amounts involved.
- 1.2 Urgent Action 23/07 was required to complete the finally agreed payment, after final computations were agreed, following discussions under the Revenue's procedure for Employer Compliance Reviews and Negotiations.

2. BACKGROUND

- 2.1 The 24 cases which the Revenue were concerned with were made up of a variety of types of compulsory termination, including ill-health incapability dismissals and redundancies.

3. CONCLUSIONS

- 3.1 Following discussions with the Revenue, the matter has been settled by a total payment of £31,131, including £5,338 in interest charges. Of this total, £3,146 is recoverable.

List of Appendices

None

List of Background Documents: None

List of Consultees: Not applicable

CHECKLIST FOR DEALING WITH KEY ISSUES

Please confirm against the issue if the key issues below have been addressed .
This can be by either a short narrative or quoting the paragraph number in the
report in which it has been covered.

Impact on Crime and Disorder	None
Impact on Sustainability	None
Impact on Rural Proofing	None
Health and Safety Implications	None
Impact on Equality and Diversity Issues	None
Children and Young Persons Implications	None
Human Rights Act Implications	None

Please say if this report will require the making of a Key Decision **NO**