



Employment and Appointments Sub-Committee (Compromise Contracts)

Date:	Thursday, 20 September 2012
Time:	5.15 pm
Venue:	Committee Room 4 - Wallasey Town Hall

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AGENDA

1. **APPOINTMENT OF CHAIR**
2. **MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST**

Members are asked to consider whether they have any disclosable pecuniary or non pecuniary interests in connection with any item(s) on this agenda and, if so, to declare them and state the nature of the interest.
3. **COMPROMISE CONTRACT (Pages 1 - 4)**
4. **ANY OTHER URGENT BUSINESS - COMPROMISE CONTRACT (Pages 5 - 8)**

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WIRRAL COUNCIL

THE EMPLOYMENT AND APPOINTMENTS SUB COMMITTEE

20 SEPTEMBER 2012

SUBJECT:	COMPROMISE CONTRACT
WARD/S AFFECTED:	ALL
REPORT OF:	INTERIM DIRECTOR OF FINANCE
KEY DECISION	YES

This report is exempt by virtue of paragraph(s) 1 of Part 1 of Schedule 12A of the Local Government Act 1972.

1.0 EXECUTIVE SUMMARY

- 1.1 The purpose of the report is to request approval from The Employments and Appointments Sub Committee for the release of Mr David Garry, Chief Internal Auditor with voluntary severance via a compromise contract on 30 September 2012.

2.0 BACKGROUND AND KEY ISSUES

Early Voluntary Retirement

- 2.1 Internal Audit are currently looking at options for restructuring the service. As such, Mr Garry has agreed to take voluntary severance as part of the restructure.
- 2.2 Mr Garry has [REDACTED] years continuous service on 30 September 2012 and is aged [REDACTED] years. Mr Garry works 21.6 hours per week and is currently paid at [REDACTED]. Mr Garry is currently on flexible retirement, and already has access to his pension.
- 2.3 The provisional contract is that Mr Garry would receive a severance payment which is his entitlement based on hours, salary, age and length of service. He would also be paid an amount equivalent to his contractual entitlement of 3 months notice pay, as well as payment for any outstanding leave and TOIL. Full financial details will be tabled at the Employment and Appointments Sub Committee.

Compromise Contract

- 2.4 It is recommended that Mr Garry be asked to sign a compromise contract to reduce risks to the Council and protect the Council from any future potential claim(s).
- 2.5 On 23 April 2012, the Employment and Appointments Committee agreed that all compromise contracts with payments over £30,000 would be considered by a Sub Committee of the Employment and Appointments Committee on a proportionality of (1:1:1).

3.0 RELEVANT RISKS

- 3.1 The Council has in place a Deputy Chief Internal Auditor who will manage the Internal Audit Service until the restructure proposals are further developed.
- 3.2 The Council will reduce the risk of future claims through the compromise contract process.

4.0 OTHER OPTIONS CONSIDERED

- 4.1 None

5.0 CONSULTATION

- 5.1 None

6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 6.1 None

7.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

- 7.1 Mr Garry is already in receipt of his pension. Financial details will be tabled at the Employment and Appointments Sub Committee.

8.0 LEGAL IMPLICATIONS

- 8.1 None

9.0 EQUALITIES IMPLICATIONS

- 9.1 Has the potential impact of your proposal(s) been reviewed with regard to equality?
- (b) No because there is no relevance to equality.

10.0 CARBON REDUCTION IMPLICATIONS

- 10.1 None

11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

- 11.1 none

12.0 RECOMMENDATION/S

- 12.1 That the Employment and Appointments Sub Committee approve the following:

- That the compromise contract process is followed in relation to Mr Garry.

13.0 REASON/S FOR RECOMMENDATION/S

- 13.1 Having regard for the pending Internal Audit restructure, and the current position of Mr Garry related to flexible retirement, the above recommendation is proposed in the best interests of the Council.

REPORT AUTHOR: Chris Hyams
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APPENDICES

Appendix One: Financial Information: compromise agreement (to be tabled at the Committee)

REFERENCE MATERIAL

None

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Employment and Appointments Committee	23 April 2012

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WIRRAL COUNCIL

THE EMPLOYMENT AND APPOINTMENTS SUB COMMITTEE

20 SEPTEMBER 2012

SUBJECT:	COMPROMISE CONTRACT AND ONGOING NEGOTIATIONS
WARD/S AFFECTED:	ALL
REPORT OF:	CHIEF EXECUTIVE
KEY DECISION	YES

This report is exempt by virtue of paragraph(s) 1 of Part 1 of Schedule 12A of the Local Government Act 1972.

1.0 EXECUTIVE SUMMARY

- 1.1 The purpose of the report is to request approval from The Employments and Appointments Sub Committee for a termination payment to Mr Bill Norman, Director of Law, HR and Asset Management who, subject to that approval, will leave the Council by means of redundancy on 30 September 2012.

2.0 BACKGROUND AND KEY ISSUES

- 2.1 Mr Norman has been employed by Wirral Council since 25 August 2008 as Director of Law, HR and Asset Management. He is also the Monitoring Officer which is a Statutory Role.
- 2.2 On 18 September 2012, The Employment and Appointments Committee agreed implementation of a revised senior management structure which will be funded by a re-structure of senior management and a reduction in posts. Proposals for this are to be brought forward. As a result of this, all Chief Officers are to be formally notified that they are at risk of redundancy.
- 2.3 Mr Norman's legal advisors approached the Council to seek agreement for him to leave the Council on agreed terms.
- 2.4 In view of the Council's budget deficit, senior management re-structure and Mr Norman's current employment position, there is a case for reaching an agreement with Mr Norman.
- 2.5 It is recommended that Mr Norman be asked to sign a compromise contract to reduce risks to the Council and protect the Council from any future potential claim(s). On 23 April 2012, the Employment and Appointments Committee agreed that all compromise contracts with payments over £30,000 would be considered by a Sub Committee of the Employment and Appointments Committee on a proportionality of (1:1:1).

- 2.6 There have been negotiations and discussions with the representatives of the other statutory officers with regards to possible compromise of matters raised against them. Authority is sought authorising the Chief Executive, who in consultation with the three Group Leaders, to explore and secure an appropriate settlement/resolution of such matters through the use of compromise contract.

3.0 RELEVANT RISKS

- 3.1 The Council has added capacity to the Legal Services Department and the current Head of Legal and Member Services is Acting Director of Law, HR and Asset Management and Monitoring Officer.
- 3.2 The Council will reduce the risk of future claims through the compromise contract process.

4.0 OTHER OPTIONS CONSIDERED

- 4.1 None

5.0 CONSULTATION

- 5.1 The District Auditor has been made aware of the proposed course of action,

6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 6.1 None

7.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

- 7.1 Financial details will be tabled at the Employment and Appointments Sub Committee.

8.0 LEGAL IMPLICATIONS

- 8.1 The Council has sought appropriate legal advice in relation to these matters. The Council will reduce the risk of future claims through the compromise contract process.

9.0 EQUALITIES IMPLICATIONS

- 9.1 Has the potential impact of your proposal(s) been reviewed with regard to equality?

(b) No because there is no relevance to equality.

10.0 CARBON REDUCTION IMPLICATIONS

- 10.1 None

11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

- 11.1 none

12.0 RECOMMENDATION/S

- 12.1 That the Employment and Appointments Sub Committee approve the following:
- That a termination payment is made via a compromise contract to Mr Norman.

12.2 That Chief Executive, in consultation with the three Group Leaders, be authorised to explore and secure an appropriate settlement/resolution upon the most advantageous terms for the Council of the outstanding employment matters involving the remaining statutory officers (that are subject to investigation) through the use of compromise contract.

13.0 REASON/S FOR RECOMMENDATION/S

13.1 Having regard for the pending Senior Management re-structure, Chief Officer posts at risk and Mr Norman's current employment position, the above recommendation is proposed in the best interests of the Council.

REPORT AUTHOR: **Chris Hyams**
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 telephone: (0151 691 8590)
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