

# EMPLOYMENT AND APPOINTMENTS COMMITTEE

Wednesday, 3 October 2012

<u>Present:</u>	Councillor	P Doughty (Chair)	
	Councillors	G Davies P Davies JE Green M Johnston	AER Jones P Kearney L Rennie
<u>Deputy</u>	Councillor	J Stapleton	
<u>Apologies for Absence</u>	Councillor	A McLachlan	

## 34 MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST

No declarations of interest were received.

## 35 EARLY VOLUNTARY RETIREMENT REQUEST

A report by the Chief Executive sought approval to a request for release from employment of the Director of Finance and Deputy Chief Executive, Mr Ian Coleman under Early Voluntary Retirement (EVR) on 5 October 2012. It was noted that Mr Coleman had 28 years of continuous local government service and was aged over 55 years.

Members raised concerns and their dissatisfaction because they had not been told why the meeting had been arranged and because of the lateness of the report. The report had only been made available to them on the evening of the meeting.

Members made reference to the Council's commitment to promoting open and transparent decision-making. They were concerned that the agenda had indicated that the report would contain exempt information and be considered in the absence of the press and public. However, now that the report was available Members were aware that it did not contain exempt information and should be considered in the presence of the press and public.

The Interim Legal Services Manager confirmed that the report did not contain any exempt information. The committee had been called with the agreement of the Chair, within the five day notice due to the nature of the issues, which were both pertinent and significant for the Council, and therefore require the urgent attention and consideration by the committee. Negotiations with Mr Coleman had been ongoing and it had not been possible to finalise the report until they had been concluded.

The Head of HR and Organisational Development presented the report informing that Mr Coleman was one of three Statutory Officers suspended from work whilst a preliminary investigation was undertaken (which had to be conducted in accordance with a statutory process) into concerns about the Council's governance arrangements arising from the District Auditor's Public Interest Report, dated 8 June 2012, into the Highways and Engineering Services Contract Award and Management.

The Committee was told that matters relating to the ongoing investigation fell into the remit of the Council's Investigation and Disciplinary Committee (IDC). After deliberations regarding the preliminary report into this matter the IDC had resolved that the Head of HR and Organisational Development be authorised to explore options with Mr Coleman, including his request for EVR.

In view of the impending senior management restructure (agreed by The Employment and Appointments Committee at its meeting on 18 September 2012, (Minute No. 21 refers)) which would reduce the number senior manager positions the Committee was requested to approve Mr Coleman's application for early voluntary retirement.

The Committee noted that the requirements for authorisation of EVR for any employee were based upon having regard to all the circumstances, including the best interests of the Council and that any additional pension costs to the Council could be contained within existing budgets.

The Committee's attention was drawn to the fact that at the point of EVR Mr Coleman had been Acting Chief Executive. Consequently, his pension had been calculated at the point of his final year's salary, in line with the Local Government Pension Scheme regulations.

The Council now had in place an interim Director of Finance and a Section 151 Officer. The Committee was told that this arrangement would continue until the senior management restructure was completed and ensured that the Council met its statutory obligations for such a role.

It was reported that the cost to the Council of the early release of Mr Coleman's pension was £71,139.58. If it was not paid as a lump sum, this may be paid back over a five year period with interest, in total which would cost £11,388.92 to spread the early retirement strain over five years. The Committee was informed that this is the Council's usual practice. This would result in an overall cost to the Council of £82,528.50.

The Committee considered the report in detail and was informed that the IDC had resolved that after deliberations regarding the preliminary report into this matter the IDC had resolved that the Head of HR and Organisational Development be authorised to explore options with Mr Coleman.

This had initially been delegated to the Head of HR and Organisation Development but any proposed agreement in relation to any option was delegated to the Chief Executive (however in his absence the Deputy Chief Executive) in consultation with the three Political Group Leaders and a meeting had taken place to discuss potential options/proposals.

Councillor Lesley Rennie declared a disclosable non pecuniary interest as she was a Member of the IDC and had attended the meeting on 21 September 2012 when the decision to explore Option 4 with Mr Coleman had been made.

It was noted that in reaching its decision to explore this option in respect of Mr Coleman the IDC had taken account of the potential costs of litigation and that it may take up to eighteen months to complete the statutory process with an uncertain outcome.

**RESOLVED:**

**That Mr Coleman's request for EVR on 5 October 2012 and the release of his pension on the grounds of the efficiency of the service be agreed.**

(8:1 – Councillor Mark Johnston voted against the motion).