

9 May 2011

Mark Williams  
Joint Chief Executive  
South Somerset & East Devon District Councils  
Brympton Way  
Yeovil  
Somerset  
BA20 2HT

**Direct line** 0844 798 8736

— Dear Mark

### **Internal Audit report on redundancy payment**

In our telephone discussion at end of March, you asked me to review and comment on the report then being finalised by Internal Audit (the South West Audit Partnership) on the redundancy of the former Chief Executive, Phil Dolan. This followed the Audit Committee on 24 February which requested that, in view of the amount of public interest and concern, Internal Audit should independently review the severance package.

The Internal Audit review has since been completed and the report concluded that the “payments made were fully in accordance with council policy, national agreements and pension regulations.”

I can confirm that this conclusion, and the detailed findings in the report, is consistent with the results of our own review carried out as part of the 2009-10 audit. The severance expenditure was incurred during 2009-10 and was examined as part of our audit that year. We reported our findings to the Audit Committee on 23 September 2010 and issued an unqualified audit opinion on the accounts shortly afterwards.

I can confirm that the work we carried out as part of the 2009-10 audit is broadly similar to that undertaken by Internal Audit. In reviewing the expenditure, we confirmed that:

- The accounts properly reflected the severance expenditure and that there was full disclosure of all required information
- The severance expenditure complied with appropriate legal provisions
- The expenditure was properly authorised and all relevant information was presented to the Executive when the redundancy decision was approved

Based on our earlier work and the detail set out in the Internal Audit report, I can therefore confirm that the Internal Audit report findings are accurate and consistent with our own conclusions.

Yours sincerely

A handwritten signature in black ink that reads "B. Bethell". The signature is written in a cursive style with a large, looped initial "B".

Brian Bethell  
*District Auditor*