

11. **Audit Committee Request for a Review of Severance Payment Made to Former Chief Executive of SSDC**

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Purpose of the Report

This report has been prepared for the Audit Committee in response to a request for a review of the process and decision in the redundancy of the former Chief Executive of South Somerset District Council.

Recommendation

To note the finding of both SWAP (Internal Audit), and the District Auditor on behalf of the Audit Commission (External Audit).

Background

As a result of articles in the local and national press approximately 24 members of the public complained or requested further scrutiny of the redundancy payment made to the Chief Executive of South Somerset District Council in March 2010. The Audit Committee requested that an internal examination of the process and decision was made through SWAP who provide Internal Audit services to this authority. As Chief Executive I requested that an external review was also completed to ensure the committee and the public had assurance that due process had been followed and the decision had been made with the full information provided, and that, the decision made was lawful.

The Reviews

Both reviews are attached as an appendix to this report at pages 48-52. The main findings were as follows:

- All payments made to the previous Chief Executive were fully in accordance with SSDC's policy;
- No ex gratia payments of any kind were made to him;
- The report to the District Executive meeting outlined clearly all aspects of the severance proposal;
- The accounts for 2009/10 properly reflected the severance expenditure and fully disclosed all information required (note these were available to the public in June 2010);
- The severance expenditure complied with appropriate legal provisions;
- The expenditure was properly authorised and all relevant information was presented when the decision was made;

All members of the public that requested a review of the payment and decision making process will be sent a copy of both reviews.

Financial Implications

The cost of the review of SWAP has been found from within resources in the Audit Plan.

Background Papers: None
