

FURTHER INFORMATION IN RESPECT OF A REPLY BY THE CHIEF MINISTER OF THE POLICY COUNCIL TO A QUESTION ASKED PURSUANT OF RULE 6 OF THE RULES OF PROCEDURE BY DEPUTY P GILLSON ON 2ND JULY 2013

Note: An answer to a Rule 6 question posed by Deputy Gillson in respect of information about the number of employees who had left the States in circumstances facilitated by certain financial settlements was circulated to States Members and made public on 16th July 2013.

Following a further exchange of correspondence with Deputy Gillson the Policy Council has been able to provide the attached information set out below.

Question

For the period from January 2008 to 31st May 2013 please provide the following information:

1. *the total number of Former Employees whose exit from the employ of the States of Guernsey has been facilitated by such a financial settlement.*

Answer

While the Policy Council is not in a position to undertake a detailed review of all relevant records which are held either centrally or in Departments in sufficient depth to provide a definitive answer, nevertheless it is satisfied that it has made a reasonably accurate assessment. Compromise agreements have been used to facilitate the exit of 51 former employees.

Question

2. *the number of Former Employees who have left States employment and been subject to a “gagging” agreement.*

Answer

None of these employees have been subject to “gagging orders.” As previously explained in my response dated 16th July 2013, the States have not imposed so called “gagging orders” in its compromise agreements, which will contain the usual conditions to ensure that confidential information obtained while staff are in post continue to be protected.

Question

3. *the information provided in response to questions 1 and 2 analysed by employing department,*

Answer

While the Policy Council has prepared a breakdown by Department and Committee of the fifty one staff, having taken legal advice I regret to say that we are not at liberty to provide this analysis to you. With the exception of the two larger Departments, HSSD and Education, where in each case the numbers are under twenty, none of the remaining Departments or Committees have more than five people in this category and in five instances there is only one.

We are advised that given the small size of the Guernsey community, there is a real risk that publication of this information could potentially lead to identification of individuals, particularly in those Departments where one or just a few people have been subject to this arrangement. In the circumstances, publishing the information and the likely risk of certain people being identified, could, especially when taken with the information provided elsewhere in this answer represent a potential breach by the employer of the terms of the standard compromise agreement.

I regret therefore that I am not in a position to give you more information on this point.

Question

4. *Total number of Former Employees who subsequently provide services for the States of Guernsey either as an employee or consultant,*

Answer

It is important to appreciate that the usual termination agreements covering these staff do not include any future employment exclusion clause. Accordingly, while former employees may have been reemployed this is neither precluded by, nor represents any breach of the compromise agreement. In practice, however, few such staff are reengaged and where they are it is often for temporary periods or in a different role to their former post.

Of the 51 former employees identified our records show that 7 are **currently** “on the books.” In this respect, this includes temporary, bank and supply staff who may not currently be working, given the nature of their role.

The Policy Council does not currently have information about the number of former employees, if any, who may have left the States between January 2008 and May 2013, rejoined in some capacity but have since left.

Question

5. *The total amount of the settlements* paid to Former Employees who have left the employment of the States during the specified period who were subject of a gagging agreement.*

**the total cost of the settlements to the taxpayer is more than just the cash payment, but includes indirect payments such as enhanced pension contributions (paid immediately or payable over a period of time), retaining vehicles or the cost of gardening leave. Ideally it would be appreciated if such costs could be included in the reply to question 5, but I do appreciate that many of the events will be pre-SAP and so it may be time consuming for the information to be collated. Not wanting to create a significant amount of additional work, if the information is not easily available I will be content for the information other than the cash payments not to be collated as long as the reply to question 5 specifies which type settlement benefits for all Former Employees have not included in the total cost figure provided in response to question 5. Again for the avoidance of doubt I am not requesting details of individual settlements, just a listing of the types of costs not included. I am sure that the examples of such costs is not*

exhaustive and I trust that our reply will be transparent and include any such costs which I have not included in the above list.

Answer

The total cost of settlements of the fifty one staff identified is £827,394.00 ie. an average of £16,223.00 per person. There were no pension enhancements beyond contractual entitlement, nor indeed other costs in terms of benefits received by these former employees. There may have been occasions where a short period of “garden leave” was sanctioned in exceptional circumstances but those details are not readily available.

Question

6. *Assuming the reply to question 5 does not include all costs could you provide an explanation of why the information cannot be provided?*

Answer

Please refer to the answer to question 5.

Question

7. *I note that a compromise agreement will be signed by all employees who opt for voluntary redundancy under the current scheme. I assume that because the financial settlement is based on a pre-determined formula there will be no need for any “gagging” agreements but for completeness please confirm whether or not a “gagging” clause will be included in the compromise agreements?*

Answer

This question was answered comprehensively in the previous response dated 16th July 2013.

Date of Receipt of the Question: 2 July 2013

Date of Reply: 16 July 2013
6 August 2013