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News release

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Systemic failures in dealing with chief fire officer's retirement and re-employment

Strathclyde Fire and Rescue Joint Board demonstrated systemic failures in handling the retirement and re-employment of its chief fire officer, says the Accounts Commission

In June 2009 the board approved the retirement and re-employment of chief fire officer Brian Sweeney on a fixed term contract. Later that year pension arrangements were clarified which could see the Her Majesty's Revenue and Customs (HMRC) seek an "unauthorised payment charge" of £29,000 on the board.

In April 2011 the board also agreed to set aside a further maximum of £206,000 to pay Mr Sweeney's potential personal liability for that charge. It remains a provision – no money has been paid to date.

The Commission's findings, published today in response to a report from the Controller of Audit, said the processes followed by the board fell short of acceptable standards and governance. There was no business case fully setting out alternative options for the choices made in 2009 or 2011. Board members were not kept informed of the advice received about pension arrangements and the tax implications. The performance of the clerk and treasurer in providing information to board members fell well short of expected standards.

The Commission said processes in place to support the board in such an important decision in April 2011 to meet the personal tax liabilities of the chief fire officer – and the decision preceding it in 2009 - were inadequate to allow the public to have confidence in these decisions. In order to allay understandable concerns of the public, if such exceptional action were to be considered, the board should have compelling reasons to spend public money in this way and to have considered fully all of the alternatives and implications. In the Commission's view there was no such proper consideration.

It was inappropriate that Mr Sweeney was a co-author of the June 2009 report which proposed his retirement and re-engagement. It was also inappropriate that he was present during discussion at the board meeting, given that he had a direct interest, and the clerk should have advised the board of this.

There may have been a genuine desire by members of the board to retain Mr Sweeney but, if so, this desire may have led to less than full consideration of the other choices open to them.

It was inappropriate that it was the fire service, rather than the clerk, that sought legal advice for the 2011 meeting and that no legal advisor was present to offer further legal advice. The treasurer also failed to fulfil his role about the potential financial implications of the decision.

Chair of the Accounts Commission, John Baillie, said: "The problem was that the board made decisions without considering other options, with incomplete information and a lack of transparency.

"There are reminders here for local authorities and perhaps all public bodies in Scotland on governance and transparency and on how they conduct their business."

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Notes to editors

1. The Commission's findings and the report by the Controller of Audit can be accessed on the embargoed section of the Audit Scotland website: www.audit-scotland.gov.uk/embargo Please use the user name "journalist" and password "new report"
2. The Accounts Commission for Scotland checks how well Scotland's councils, fire and police boards perform. It operates independently of local and central government.
3. Audit Scotland provides services to the Accounts Commission for Scotland and carries out work as directed by the Accounts Commission.