

University pay out £500k to silence staff

By Neil Johnston, News Editor (2012/13)

Tuesday 7 May 2013



Credit: Brandon Seager

The University has spent nearly half a million pounds on controversial gagging orders, known in legal terms as agreements containing confidentiality clauses.

Figures obtained under the Freedom of Information Act reveal that the University has issued 26 compromise agreements, all containing confidentiality clauses, since 2007.

The total cost of signing the orders was £479,464, and the highest amount paid out to any individual was £42,000.

Under the terms of compromise agreements, the employee waives their right to legal action. This could be for many reasons such as unfair dismissal, or breach of contract.

Employment lawyers state that most compromise agreements contain confidentiality clauses.

These clauses bar employees from speaking in public or to the media about their former employer under any circumstances relating to their departure, making the agreement a gagging order.

The extent can vary, and can even go as far as banning employees from speaking to their spouse over the issue or making freedom of information requests.

If an employee or ex-employee breaches the agreement they could be sued for damages or face the possibility of returning their severance agreement.

David Duncan, University Registrar has defended the University's decision to use the orders, saying the overall cost is a "tiny figure" of "around 80k" a year, and the agreements have been used "sparingly". They also argue that they can be used for a normal redundancy procedure.

Kallum Taylor, YUSU President, commented: "These numbers are obviously concerning. Obviously we don't know the ins and outs, but 80k a year could go a hell of a long way elsewhere for students here. Students are now paying a fortune, and their financial stake in the University has increased dramatically. Scrutiny on spending should be higher than ever, and this type of business shouldn't be carelessly accepted as a norm."

Taylor added: "I think it's worth wondering firstly why relations actually get to a certain crisis point over certain pieces of information, and what information actually needs to be kept quiet in the University's

eyes. I'm sure some of it is due to commercial sensitivity, but not all of it will be. It's worrying."

David Duncan, University Registrar, said: "Compromise agreements are entered into where the agreed terms of a case of voluntary severance deviate from statutory redundancy requirements. They do not necessarily imply that the employer and employee are in dispute - rather, they are a way of ensuring that both parties understand the mutually agreed terms and have taken appropriate legal advice."

He added that the cost was very little in terms of the overall staff budget: "It is right that those terms are kept confidential by both parties. The figure you quote - £479k over 6 years - works out at £80k per annum, which is a tiny figure when taken as a percentage of the total paybill of more than £100million per annum.

"Voluntary severance is occasionally agreed where the University wishes to reduce staffing levels in a particular area, usually in order to make financial savings which can then be reinvested in other areas. As a growing University with well-established and effective redeployment procedures, York uses voluntary severance sparingly.

"However, where staffing reductions are necessary, and where we cannot redeploy staff, both the University and the campus trade unions favour voluntary severance over compulsory redundancy."

Gagging orders have become the subject of much controversy in recent months after a scandal at Mid-Staffordshire NHS Trust revealed whistleblowers were silenced on the poor treatment of patients.

The orders have since been banned in the Department of Health, by Jeremy Hunt, the Cabinet secretary for the Department.

The orders can be used in most public bodies and are widely used in many organisations including government departments and councils.

It has been reported that around 200 civil servants in Whitehall and 4,562 council workers have signed compromise agreements, many of which contained confidentiality clauses.

Earlier this month Eric Pickles, Communities Secretary, warned councils against using "under-the-counter pay-offs to silence departing staff".

York City Council have issued 34 of the orders since 2007, but refused to provide *Nouse* with the cost, citing exemptions in the Data Protection Act.

There has so far been little focus on the use of such orders in higher education although the body responsible for the sector, the Department for Business, Innovation and Skills has signed 83 compromise agreements in the past two years, costing £2.6million.



9 comments

H.L

7 May '13 at 12:40 pm

A non-story, if I'm honest

[Report](#)

Eloise

7 May '13 at 12:42 pm

This happens in every industry - its not about keeping secrets so much as ensuring the Uni's good name isn't tarnished if a prior employee, for whatever reason, wants to continue the matter. It avoids any future

legal confrontation. And so, it's not really news Nouse, relying on the ignorance of people about these agreements to make it appear shocking.

 Report

Paul Cardin

9 May '13 at 12:27 am

Here's a link to the survey which uncovered 4,562 compromise agreements used by 345 English local authorities. Check it out and see how many your own council used:

https://www.whatdotheyknow.com/request/total_annual_figures_for_comprom_251#incoming-140179

 Report

Paul Cardin

9 May '13 at 12:34 am

Sorry, posted an incorrect link. Here's the correct one:

<http://wirralinittgether.wordpress.com/2013/02/19/2519/>

 Report

Unbelievable scenes

10 May '13 at 5:44 pm

I wish they'd spend £500k on shutting up the feminists #bellcheese

 Report

Leilani

12 May '13 at 1:34 am

Racism, discrimination, bullying, sexism. There is so much shit going on at the University. Oh, if students only knew :)

 Report

Brian Blessed

13 May '13 at 10:11 pm

'One Member of staff stated "unfortunately, I'm not allowed to comment."'

 Report

Mr Duck

14 May '13 at 11:19 am

Quack quack quack... Quack quack, quack quack quack? Quack. Quack quack quack quack quack quack, quack quack. Quack , quacky!!

 Report

Hosea Broch

30 Jun '15 at 8:08 am

Major thankies for the article. Really thank you! Keep writing.

 Report

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