

LYDNEY TOWN COUNCIL

FULL COUNCIL MEETING – 2014/08/04 – 52

MINUTES OF THE EXTRA ORDINARY TOWN COUNCIL MEETING held in the Council Chamber, Claremont House, Lydney on Monday 4 August 2014 at 7.00 pm.

PRESENT: Cllrs B Berryman (Chairman), J Bevan, R Bonser, J Greenwood, C Harris, V Hobman, H Ives, B Pearman, A Preest, S Rudge, B Thomas and C Vaughan

Five members of the public
District Cllr T Glastonbury
Mrs J Smailes – Chief Executive Officer (CEO)
Miss C Wheeler – Executive Officer (EO)

One minutes silence was observed in memory of the District Cllr Norman Stephens who had sadly passed away the previous day. Cllrs Preest, Hobman, Bevan and District Cllr Glastonbury spoke warmly of their professional relationship with the late District Cllr Stephens and all agreed that he would be sadly missed.

Cllr Berryman informed all present that no practice fire evacuation had been scheduled for the duration of the meeting. All attendees were then informed of the locations of the nearest fire exits.

1. **APOLOGIES**

Apologies for absence were received and noted from Cllrs Biddle, Matthews and Osborne.

2. **DECLARATION OF INTEREST**

Cllr Preest – Agenda Item 3 – interest declared as UKIP County Cllr and as a member of the Town Council’s Finance Committee.

3. **FINANCIAL AND PROCEDURAL GOVERNANCE (Independent External Audit)**

Members were provided with a “pack” providing information as to concerns which had been raised by the Independent External Auditor (following an approach by a member of the public), together with a copy of the response which had been tendered by the CEO. Members were afforded the opportunity to read and digest the information which had been tabled. It was felt that the concerns could only have been submitted to the Independent External Auditor by a Member of the Council, as some of the issues raised had only ever been raised between direct correspondence with Councillors via e-mail, not at meetings. Attention was drawn to the fact that several of the concerns raised related to the current financial year, not the actual year being audited (Year End 31 March 2014). Members were informed that the Mayor, Deputy Mayor and the Chairman of the Finance Committee had been appraised of the CEO’s response prior to issue. It was noted that as part of her response the CEO had also highlighted a number of issues relating to the historical actions of the Council for which anomalies had been discovered in order to demonstrate the Council’s transparency in all such matters.

Cllr Berryman drew attention to the information which had been tabled before Members including an e-mail which had been forwarded to all Members outlining the importance of all Members undertaking “In House” audit checks; a further e-mail querying why, if Members’ continued to have difficulty understanding the Town Council’s accounting process, they did not avail themselves of the opportunity to familiarise themselves with the internal process; an e-mail reiterating the necessity for Members to attend the Extra Ordinary Full Council meeting which had been “called” by the Mayor for 4 August (and that those not able to attend would receive a similar pack to that provided to Members at

LYDNEY TOWN COUNCIL

FULL COUNCIL MEETING – 2014/08/04 – 53

the meeting); a copy of the costing sheet which detailed the time expended by Council Officers through responding to the queries raised by the Independent External Auditor which already amounted to in excess of £1,000.

Responding to a question which had been raised by Cllr Ives, Members were informed that the Council had not been advised of the name of the individual who had contacted the Independent External Auditor. Cllr Pearman then spoke on the procedures (both Financial and Governance) which had been undertaken by the CEO since her engagement which had been acknowledged in the Independent External Auditor's Public Interest Report on 27 February 2012. Cllr Pearman drew attention to the cost already borne by the Council as a result of its Officers responding to the queries raised; highlighted that should the Independent External Auditor elect for the Council's response to be considered at Director Level the Council would be charged £380 per hour; believed that the only way to demonstrate that the Council's procedures were being managed correctly would be for the Independent External Auditor to conduct a site audit, the cost of which would be charged to the Council. Furthermore, Cllr Pearman felt that the queries raised with the Independent External Auditor was a deliberate act to undermine the Council and stressed that no requests for clarification (either from members of the public or Councillors) had been made to the CEO prior to the approach by the Independent External Auditor.

Cllr Preest spoke in support of Cllr Pearman and he emphasised that when elected as a UKIP County Councillor he had given a commitment to his fellow Town Councillors that he would be open and transparent, yet he had been castigated by his fellow Members for providing them with details of a statement issued by UKIP County Councillors, and referenced an incident which had occurred in his past on which advice from the Council's insurers had been sought in order to address any potential risk to the Public Purse. Cllr Preest voiced his intention to personally submit a Freedom of Information request to the Council's Independent External Auditor to learn the name of the individual, should Council elect not to pursue this option. Furthermore, if it was discovered that if it were a Councillor who had raised concerns with the Independent External Auditor, Cllr Preest called that they be subject to a vote of no confidence, as he felt that Lydney was being pushed backwards by such individuals.

Attention was then turned to the letter which had been previously submitted by five Councillors in which they raised concerns over the Council's accounts. As one of the individuals who had signed the letter, Cllr Hobman believed that she had acted accordingly at the time; Cllr Ives stated that he had been led to believe, by experienced Members, that there was a reason to query the Council's accounts/accounting procedures and it had not occurred to him, as a new Councillor, to raise the issues with the CEO initially. Members were then reminded of the contents of the letter which had been submitted by five Councillors and the response (circulated to all Members) which had clearly answered their concerns and discounted their accusations.

During discussion Cllr Rudge spoke on his former employment and Members again noted the requirement to seek advice from the Council's insurer in order to address any potential risk to the Public Purse; Cllr Harris reminded all Members that Cllr Matthews had proposed that the Finance and Scrutiny Committee be expanded to include all Councillors and that it had been resolved accordingly. Cllrs Vaughan and Rudge spoke in support of the work of Council Officers. Cllr Pearman encouraged his fellow Councillors to raise concerns/questions initially with the CEO and emphasised that such information could be easily obtained. Cllr Berryman voiced concern that due to the concerns which had been raised it may result in an increase to the Council's precept for 2015-2016, in order to cover the Independent External Auditor's additional charges.

LYDNEY TOWN COUNCIL

FULL COUNCIL MEETING – 2014/08/04 – 54

Responding to a question which had been raised by Cllr Greenwood, the necessity for holding the Extra Ordinary meeting was stressed to Members. The CEO reminded Members that whilst she was more than happy to answer any questions they may have, she had been afforded responsibility for addressing certain issues through the Council's Governing documents (Standing Orders/Financial Regulations), which negated the need for her to seek additional authorisation before such issues could be addressed and therefore reiterated the necessity for Members to read their Governing documents.

4. **FREEDOM OF INFORMATION REQUEST (FOIR)**

Noting that three Members were absent from the meeting, Cllr Preest suggested that prior to submitting a FOIR they be asked if they had submitted such concerns to the Council's Independent External Auditor. Additionally, Cllr Preest called for the person to raise their hands if they were in attendance; no hands were raised. Cllr Harris spoke in support of resolving the direction to be taken by Council during the meeting and called for a FOIR to be submitted in order to learn the name of the individual; it was accepted that the concerns could have been raised by a member of the public on behalf of a Councillor, however, this again was considered unacceptable behaviour by a Member given that it had been e-mail correspondence to them directly.

Attention was drawn to the recommendation contained in the Council's previous Public Interest Report, namely "*that it would be reasonable for the Council to explore all avenues of recovery in respect of failures in Governance*". Cllr Pearman advocated that the Council heed the recommendation and seek the recovery of any expenditure incurred. Responding to a question raised by Cllr Greenwood, the CEO advised that the individual who had produced the Public Interest Report with Moore Stephens was now employed by Grant Thornton and as a result, was aware of the Financial/Governance procedures implemented by the CEO. Furthermore, it was felt that if the person who submitted the query was not a member of the electorate, then the Council may be able to recover any costs incurred.

During discussion it was felt that the concerns submitted were vexatious, as responses to several of the points raised had already been provided to all Members for clarity. Debate then focused on the advantages of the Council submitting a FOIR as opposed to taking no further action. Cllr Berryman stressed that the Council had already incurred expenditure through its Officer's time, photocopying, postage, etc which would be in addition to the charge levied by the Independent External Auditor.

It was **proposed by Cllr Ives, seconded by Cllr Preest** that the CEO would e-mail the three Councillors absent from the meeting to ascertain if they had submitted concerns to the Independent External Auditor seeking a firm assurance either way. Vote carried.

Action by – the CEO

It was then **proposed by Cllr Harris, seconded by Cllr Preest**, that following the outcome of the above action the CEO would then submit a Freedom of Information Request to the Independent External Auditor in an attempt to ascertain the name of the person who had submitted the concerns, this based on prior advice in which it had been suggested all avenues should be explored in order to cover costs incurred. Vote carried.

Action by – the CEO

Meeting closed at 7.52 pm

Chairman 

Date 10/9/2014