



# BRAMSHOTT & LIPHOOK PARISH COUNCIL

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**AN EXTRAORDINARY MEETING OF THE FINANCE & POLICY COMMITTEE TOOK PLACE AT 8.00PM IN THE MILLENNIUM HALL, LIPHOOK, ON MONDAY 11 JULY 2011.**

## MINUTES

**PRESENT:** Cllrs M Croucher (Chairman), R Evans, E Hope, D Hoskins, D Jerrard, J Poole.  
Also in attendance Cllr P Robinson

### **43/11 Chairman's Announcements**

- We are sorry, but there is no hearing loop in this room.
- Location of fire exits was described.
- Mobile phones – request to turn off please.
- Notice that the meeting is being recorded for the purpose of Minute taking only.

### **44/11 Appointing a Clerk to Minute the Meeting.**

Cllr Croucher proposed Cllr Hoskins to act as the "Clerk" to take the Minutes; this was seconded by Cllr Evans, and unanimously agreed.

### **45/11 Apologies**

All Councillors were present, so no apologies had been received.

### **46/11 Approvals of Minutes of 27<sup>th</sup> June 2011**

They were approved without modification, and will be signed by the Chairman as a true and accurate record once the PC Office has produced them for signature.

### **47/11 Matters Arising from the above Minutes.**

There were none.

## **48/11 Declarations of Interests**

There were none.

## **49/11 Public Participation Sessions**

**Public Questions.** See Appendix 1

**Members/Public Participation (Code of Conduct, paragraph 12(2)).** There were none

**Public Participation.** There were none

## **50/11 Reports from the Accounts and Annual Return Working Party.**

Cllr Jerrard addressed the Committee and the public, advising that with regard to what could/couldn't be said, advice was taken from the Monitoring Officer at EHDC. A prepared Statement was read out by Cllr Jerrard (copies were given to Councillors) and a copy is attached (Appendix 2) to these Minutes.

### **In summary:**

The Council formed The Accounts & Annual Return Working Party (WP), and this was appointed on the 16<sup>th</sup> May 2011 at the first Council meeting after the election in May. At this meeting there were a number of new council members who felt they could not approve the annual governance statements until they had made their own enquiries into certain matters. In particular, were payments made to the Clerk in 2011 and payments made to Solicitors with regard to various matters, which did not appear to be in the papers provided as part of the Agenda?

The WP held its 1<sup>st</sup> meeting on 26<sup>th</sup> May 2011. At that meeting it was agreed that the matters were within the remit of the Finance and Policy Committee rather than the full council. The terms of reference TOR were agreed on 27<sup>th</sup> June 2011. These were read out aloud to those attending the meeting. See Appendix 2 for details.

The WP met in accordance with the "Good Councillors Guide" to do an Internal investigation/audit, to provide a Report, and make recommendations to the F&P Committee as soon as possible.

However, there was an unexpected development. At an Extraordinary Meeting of the PC, called by the Parish Office on 13<sup>th</sup> June 2011, the Council became aware, for the first time, of a letter dated 13<sup>th</sup> May 2011 from Thompsons Solicitors. The letter states that the Council are in breach of an Agreement made between the Clerk and the PC and signed on behalf of the Council by ex-Councillor Nigel Newman. This letter was referred to the F&P Committee. No more will be said about the letter in open session other than all the matters raised in the letter, pre-date the election in May of the new council and relate to the 'previous council'.

The Working Party's immediate actions were to obtain access to all relevant documentation. The WP was already in the process of doing this prior to the receipt of this new letter of

"Claim". All files and all documentation relating to any payments made to any member of Staff, other than ordinary salaries and wages, and all files relating to any instruction of any Solicitor for any purpose. These documents were to be made available for inspection in the Parish Office on the 9<sup>th</sup> June 2011 following a written request some seven days before this date.

The Assistant Clerk, Mrs Haussauer, did not have immediate knowledge of whereabouts of these files. Therefore, the Solicitors of the Council, Hedleys, were informed that these files were to be assembled and collected by members of the Working Party. Hedleys have not been very cooperative and this has caused difficulties, problems and delays. Even at this stage, we still have not got all the papers that we need to deal with this matter, or to produce any Report into what may or may not have been wrong with the accounting records or the Annual Return, or even to respond to the legal letter of claim issued by Thompsons on behalf of the Clerk.

### **51/11 Human Resources Capabilities**

In accordance with the motion passed at the last F&P meeting. Cllr Croucher gave a report as to the Human Resource (HR) capabilities of the Council.

It was explained that the Council currently has nobody "immediately on tap" other than Hampshire Association of Local Councils (HALC) to provide us with quality HR advice. A company had been used sometime ago, but were not currently contracted to provide such services.

A three-hour meeting was held with HALC, but due to the serious nature of the situation, they advised that they could not deal with the matter as it was beyond their actual capabilities.

The EHDC Monitoring Officer Ms Barten-Hanadez told Cllrs that she had expressly advised the Council a year or more ago that they should employ an HR specialist. She reiterated that we must appoint someone as soon as possible.

Cllr Croucher explained that a Motion was passed eighteen months ago approx by the previous Council, but it was never acted upon. Cllr Hope explained, that the fact that if this had never happened was the cause of ongoing problems, and that the new council were determined to sort out the issues once and for all.

After two weeks of interviewing a number of HR Providers, Cllr Croucher proposed the Council appoint a Mrs Pauline Lucas as their HR advisor, she had proven to be the most experienced and cost effective person who had been interviewed.

Cllr Croucher then read out the Motion as set out in Item 9 of the Agenda. Cllr Hoskins seconded the Motion. There were no questions asked of the Proposer. A vote was taken with, unanimous support. Mrs Pauline Lucas was duly appointed.

### **52/11 Meetings with Parish Office Staff.**

**Cllr Hope:** Presented the meeting with correspondence from the Clerk dated 6<sup>th</sup> July 2011 asking for reasons and explanations as to why the Council had requested that he and Mrs

Haussauer did not Clerk the meeting tonight. It is for the reasons that a number of issues in both meetings concern the staff and it was felt there might be a conflict of interests in being at the meetings, and it would be best that they were not asked to Clerk these two meetings.

A Memoranda from the Parish Clerk, dated 29<sup>th</sup> June & 4<sup>th</sup> July 2011, was read out, and the following comments were made by some of the Councillors present.

**Cllr Croucher:** This was a shock for Councillors, most of who come into the Parish Office on a fairly regular basis, and not by appointment giving 24 hours notice. However, Cllr Croucher announced that he had been under a similar restriction, for nearly 3 years now.

**Cllr Hoskins:** Explained that she had sent emails to the Parish Office on receipt of the first Memo, asking for clarification as to why the Parish Office and Parish Staff were now not going to be available to Councillors during normal working hours, and under what authority the Clerk had taken this action. In the response, no authority was provided, merely that he was acting out of a "duty of care".

It was explained that on the previous Wednesday, herself and Cllr Jerrard went to read copies of the papers discussed in the previous item. It was also stated that Cllrs were not successful in gaining access to those papers. It was after this event that the first Memo arrived which was quickly followed by the second along the same lines.

**Cllr Jerrard:** It is completely impossible for a Councillor to do his or her duties if you do not have access whenever needed to the parish office, parish staff or parish papers, which you may need immediately. Cllr Jerrard is pleased that he has extremely good working relations with Gina Spencer and will often pop in at a moments notice e.g.: the Gypsy site. Mrs. Spencer could not provide a better service to the Council and the Electors of Bramshott and Liphook. However, the experience that myself, and that of Cllr Hoskins, have had, in obtaining the papers has been very poor indeed.

It was explained that there have also been a series of attempts made by Councillors to have meetings with the Clerk to discuss such matters with him. The Chairman Cllr Hope and Cllr Jerrard only a few days ago and the Chairman, Cllr Hope, and the Vice-Chairman Cllr Croucher on three previous occasions had been unsuccessful. Cllrs have not been able to have meetings, let alone a discussion with the two most important Officers of the PC. This simply cannot be allowed to continue and advice from HR must be sort immediately. The whole Council will not be able to operate in such circumstances.

**Cllr Jerrard:** proposed that the F&P resolve that the response to such memos should be that it is not considered appropriate that Councillors should be able to come into the office at any time and discuss anything with any member of the council or council staff as long as we don't disrupt the normal operation of the Council in its dealings with the public.

Seconded by Cllr Croucher. Voted upon with unanimous support from fellow Councillors.

This will be communicated to the Clerk via the HR professional who is now been appointed by the F&P Committee, subject to full Councils approval at its next meeting.

### **53/11 The Provision of Documents to the F&P Committee.**

This has been covered previously. We have not received all the papers from our Solicitor Hedleys. We have asked to visit their offices, to collect the papers, and to examine the original files. We have not been allowed to have access to any files yet. We do, now have a copy, of what is said by Hedleys to be the "complete file". However we know it is not complete. We know this, as documents sent to certain Electors, are not in the file, and certain documents sent to individual Councillors is also not there. Also "The instruction details and Client Care documents" are not in the file or any explanation as to costs etc. Until we are in receipt of the complete file we cannot deal with some of the aspects of the threatened "claim", we now need to deal urgently with this matter.

The list of Documents which we requested on the 8<sup>th</sup>, 9<sup>th</sup> and 10<sup>th</sup> June last, were given to Mrs Haussauer and as yet we have still to receive them. Our requests to have these documents from our own Parish Staff have not been forthcoming despite repeated requests.

Neither were requests for copies from our own Solicitor have been forthcoming. Our Solicitor, who is 'supposedly' acting on behalf of the Parish Council, is stymieing us, as our Staff in obtaining the necessary documents. We are in a very difficult position at the moment and the only avenue open to us would seem to be, to make an official complaint, against the Solicitor, to the Ombudsman, but this will take at least two months before they even acknowledge that they have received the complaint.

Following a fortunate occurrence, the documents that we do have from Hedleys, have enabled us to draw some inferences, however no conclusions can be made at this point.

### **54/11 Process of replying to letter from Thompsons Solicitors.**

**Cllr Croucher.** A holding letter has been sent to Thompsons, and we hope to give them a formal response towards the middle of July if possible.

A draft response is being looked at with professional help, but we wish to inform you that we are dealing with this in measured way and as quickly as possible

### **55/11 Exclusion of Public and Press.**

Cllr Croucher read out the Agenda Item 13 as set out with a minor amendment.

As the public left the room Ms G Pike (Reporter from the Liphook Herald newspaper) was given a copy of Cllr Jerrard's Statement, and Cllr Croucher asked for 'Measured Tones' in her reporting. Advance sight of the Herald copy, was also requested to aid the accuracy of the expected Report. This did not happen.

## APPENDIX 1

### Summary of Public Questions (Ref Minute 49/11)

There were number of questions from members of the public regarding the legal letters received from Thompsons. In each case, Cllr Croucher advised the people concerned to listen to the items on the Agenda and if not satisfied, to write to him with specific items to be addressed.

**Mr Trodden** asked the new council to look into the matter of the Clerk, who allegedly broke Council's Standing Orders regarding the use of "the recording of meetings" tape. Mr Trodden wished it to be put on record, that when he asked for a copy of what he had said at a Council Meeting he was ordered out of the Parish Office. Cllr Croucher asked Mr Trodden to write to him with the details, so he could address the issues raised in it, with the Clerk.

**Mr Jackson** wished it to be put on record that he had written in to the Chairperson of the Council and not had a reply. Cllr Hoskins asked Mr Jackson to re-send the letter, so we can see it. Cllr Hope sought clarification as to how it was addressed, and confirmed that she had not received the letter.

## APPENDIX 2

### REPORT OF THE ACCOUNTS & ANNUAL RETURN WORKING PARTY (WP) FOR THE MEETING OF THE FINANCE & POLICY ON 11 JULY 2011 AT 8PM.

This Working Party (WP) started life as a WP of the Parish Council appointed at the PC Annual Meeting on 16 May 2011. It arose, because following the Election; some members of the new Council felt they could not approve the Accounting Statements and Annual Governance Statement in the Annual Return, until they had made their own enquiries about certain financial matters.

In particular some Councillors were concerned about the payment to the Clerk made towards the end of 2010, and payments to Solicitors instructed by the Council on various matters.

The WP agreed at the 16 May meeting consisting of Cllr Mrs E Hope, Cllr Mrs D Hoskins, Cllr Mr M Croucher and Cllr Mr D Jerrard. It held its first meeting on Thursday 26 May 2011. At that meeting the WP recognised that the matters were within the remit of the F&P Committee rather than full council, as F&P had delegated powers from Council to deal with financial and staffing matters. After a period of consideration the Terms of Reference for the WP were agreed at the Extraordinary Meeting of the F&P Committee on Monday 27 June 2011.

### THE ACCOUNTS AND ANNUAL RETURN WORKING PARTY – TERMS OF REFERENCE

1. **Objective.** To make such enquiries and investigations as are required to enable the Council to approve the Annual Governance Statement in the Council's Annual Return for 2010/2011.

## 2. Terms of Reference.

- a. To identify which documents and accounting records should be examined so that the Council can approve the accounting statements prepared in accordance with the Accounts and Audit Regulations and proper practices.
- b. To identify which documents and accounting records should be examined so that the Council can confirm whether or not it has maintained an adequate and effective system of internal control and internal audit, and otherwise to ensure that the Annual Governance Statement can be completed.
- c. To make such enquiries of the Council's staff and internal and external auditors as are required to enable the WP to achieve its Objective

3. **Membership.** Four Parish Councillors as decided by the Finance & Policy Committee with one of its members to be appointed as Chairman. The WP may invite suitably qualified residents of the Parish to assist the WP at the discretion of the WP.

4. **Meetings.** To be held as, when and where the Working Party decides, and in accordance with the usual principles for carrying out an internal investigation or audit.

5. **Reports.** To present reports with recommendations as agreed by the Working Party to the Finance & Policy Committee as soon as reasonably possible following completion of its enquiries and recommendations.

In the meantime, there had been an unexpected development. At an Extraordinary Meeting of the PC on Monday 13 June 2011, the Council became aware of a letter dated 13<sup>th</sup> May 2011 from Thompsons Solicitors, in which it was claimed that the Council was in breach of the Agreement with the Clerk, which had been signed on behalf of the Council by Cllr Nigel Newman.

To deal with the points raised in this letter, it was necessary to refer it to the F&P Committee who deals with matters such as this. I can say no more about this letter in open session of this Committee because of the need to maintain confidentiality at this stage. However I can say that all the matters raised in the letter predate the date of the Election, indeed go back to matters which occurred several months ago.

The WP's immediate actions have been to obtain access to all relevant documentation. After it's meeting on 26 May 2011 the WP asked to be provided with details of:

- (a) All files and all documentation relating to any payments made to any member of staff [other than ordinary salaries/wages].
- (b) All files relating to any instruction of any solicitor for any purpose.

The WP asked for these documents to be available for inspection at the Council's offices on 9 June 2011. Unfortunately, the Acting Deputy Clerk, who had only been re-employed by the PC since April 2011, said she did not have immediate access to the relevant files (Solicitors) requested, as the PC filing system was not based around this method of filing i.e. Solicitors name, but based on "by topic". The WP therefore sought to obtain the most

relevant files from Hedleys, the Solicitor, who have dealt with the matter most recently.

Unfortunately Hedleys have not been very cooperative in providing all the papers as quickly as we would have liked, which has caused some difficulties and delays. However we will keep trying and do our best to deal with this situation as quickly as we can.

I am afraid I can say no more at this stage in open session because of the sensitivity of the present situation. I hope you will understand that I would like to do so, but have to obey the usual rules, which apply to matters like this.

- **Working Parties** are occasionally set up for a short-term purpose. They are not subject to the strict rules that apply to formal council meetings and do not need to be held in public. A working party cannot make a decision on behalf of the council. ***Extract from 'The Good Councillor's Guide' page 31.***