

MINUTES OF MEETING OF POTTO PARISH COUNCIL
TO DISCUSS PUBLIC INTEREST REPORT, HELD ON
WEDNESDAY 7 SEPTEMBER 2022 AT 7.00 PM AT POTTO VILLAGE HALL

Apologies received from: County Councillor Bridget Fortune and Councillor Mrs E Griffin.

Present: Councillor Mr A Wilde (Chairman), Councillor Mr I Macpherson, Councillor Mr S Agar, Councillor S March and District Councillor David Hugill.

1. Introduction.

The Chairman welcomed 80+ residents who were present and noted the more than a dozen residents who were unable to attend but who had sent messages of support.

The Chairman then explained what a Public Interest Report (PIR) is and how the current situation had come about. It was noted that as required by the Accounts and Audit Regulations 2015, Potto Parish Council prepares an Annual Governance & Accountability Return (AGAR) each year, including a governance statement which is informed by the work of an internal auditor before submission to the external auditor.

It was noted that a single individual has objected to PPC's AGAR each year for the last eight year, these objections are typically lengthy objections and result in a great deal of work for the parish council and the auditors. PKF Littlejohn as appointed auditors for local councils, and when an objection is raised have a duty investigate the objection and to consider whether to issue a public interest report that the authority should consider or about which the public should be made aware. It was noted that due to the amount of documentation received by the auditor they have combined five years of objections in this investigation, which considered more than 360 separate objections.

2. Potto Parish Council PIR Report.

The chairman explained that Section 27 of the Local Audit and Accountability Act 2014 provides that local government electors for an area may object to the council's accounts concerning a matter which the auditor could make a Public Interest Report under paragraph 1 of schedule 7 of the 2014 act. It was noted that in the letter released by the auditor that it stated that the PIR for Potto Parish Council was requested by a single individual; "Having considered the objections and the information, we have decided to uphold your request that we issue a report in the public interest".

The auditors considered some 366 objections submitted from that single individual and made 17 recommendations within the report. The auditors' charges for the additional work surrounding the investigations were £37,102.37 including VAT. The rates are set by SAAA and this equated to fees for less than 3 weeks work to determine 366 objections.

3. To consider and decide upon an Action Plan.

The chairman explained that PPC as a fully transparent and responsible public body takes advice from its auditors extremely seriously and as such has prepared an action plan which addresses the findings detailed in the PIR.

In preparing this action plan we were cognizant of a number of issues which frame this report and the actions of the individual who continues to object to the AGAR.

- PPC initiated an independent audit of its activities in 2019 by the Yorkshire Local Councils Association and formulated an action plan to address the findings at that time.
- It was noted that the majority of the points raised by the PKF Littlejohn PIR report had already been noted, actioned and implemented following the YLCA audit some two years ago.

No	Recommendation	Action	Date
R1	We recommend that the Council: holds an annual meeting in accordance with legislation	PPC holds an Annual Meeting in May of each year and will ensure that it is fully documented.	Already adopted May 2022

R2	We recommend that the Council: at the annual meeting elects a Chair of the Council for the year.	PPC elect a Chair of the Council at the Annual meeting and will ensure that it is fully documented.	Already adopted May 2022
R3	We recommend that the Council ensures that: it clearly minutes all adoption of Standing Orders;	PPC review and adopt all of its policies and procedures annually. This is clearly minuted.	Already adopted May 2021
R4	We recommend that the Council ensures that: it clearly specifies on Standing Orders the date of their adoption.	PPC will ensure that standing orders include the date of their adoption.	Already adopted Feb 2020
R5	We recommend that the Council maintains and reviews a record of the date on which agendas are posted on the Council's website.	PPC will maintain a record of when agendas are posted on the website and review annually.	July 2022
R6	We recommend that the Council maintains and reviews a record of the date on which minutes are posted on the Council's website.	PPC will maintain a record of when minutes are posted on the website and review annually.	July 2022
R8	We recommend that the Council explicitly approves all payments made.	PPC approve all expenditure, and two signatories are required for each cheque, however 2 standing orders (CPRE £36 and Clerks Salary) are handled independently, CPRE under the Budget setting and Clerks Salary under annual pay review. PPC will ensure that these transactions are explicitly recorded.	July 2022
R9	We recommend that the Council should: undertake a review of its arrangements for handling Freedom of Information requests in light of the findings of the Information Commissioner;	PPC implemented a Freedom of Information policy in 2020. Reviewing the FOI requests from the objector, PPC received 261 FOI requests from the objector, each of which were responded to. Of these requests 55 requests were made for an internal review, which were undertaken, and none were upheld. Subsequently the objector made 23 complaints to the ICO of these PPC had to issue 5 fresh responses, the rest were either dismissed or PPC did not have to take any further steps. Based on the figures above and the FOI policy adopted by PPC in 2020 no further action is required.	April 2020
R10	We recommend that the Council should: agree steps to minimise the risk of non-compliance going forward.	PPC implemented a Freedom of Information policy which was adopted in 2020.	April 2020
R11	We recommend that the Council should: adopt formal policies and procedures for handling of correspondence;	PPC have formal policies and procedures in place for the handling of correspondences including. <ul style="list-style-type: none"> • Standing Orders • Freedom of Information • Data Protection • Management of unacceptable contact • Unreasonable complaint behaviour 	Adopted 2020

		<ul style="list-style-type: none"> Complaints procedure 	
R12	We recommend that the Council should: maintain a formal schedule for logging incoming correspondence and the handling of that correspondence.	<p>PPC maintain a formal system for logging incoming all electronic correspondences, whereby items are manually archived once they have been responded to and addressed. A separate spreadsheet-based system is in place to log;</p> <ul style="list-style-type: none"> Complaints FOI Requests FOI Complaints FOI Reviews AGAR Objections 	Already adopted
R13	We recommend that the Council prepares and places on its website a privacy notice.	PPC have adopted the pro forma YLCA privacy notice which can be reviewed on our website at Potto Parish Website - The website of Potto Parish, North Yorkshire .	Already adopted
R14	We recommend that the Council adopts a structured and documented approach to the completion of its Annual Governance Statement.	PPC follow the guidelines provided by the auditors and the YLCA when completing the Annual Governance Statement. The Annual Governance Statement is then discussed by the Parish Council being signed off during the council meeting.	Already adopted February 2020
R15	We recommend that the Council: prepares action plans in response to this report, including clear actions with dates for completion and responsibilities for implementation;	PPC has prepared this Action Plan in response to the recommendations provided in the PIR. It should be noted that many of the actions noted in the PIR had already been adopted by PPC, based on our work with the YLCA.	August 2022
R16	We recommend that the Council: receives reports on progress in implementation of recommendations at each Council meeting until all agreed recommendations have been implemented.	PPC will review progress on these action at subsequent parish council meetings until such time as these actions have been implemented.	August 2022
R17	We recommend that the Council seeks assistance, possibly from the Yorkshire Local Councils Associations, in implementing the recommendations contained in this Public Interest Report.”	PPC continue to engage with the YLCA and have undertaken a review of our activities together with an independent audit on our activities together with subsequent full council training sessions.	September 2019

4. Costs and Fee's.

The chairman explained that under Section 27 (7) of the Local Audit and Accountability Act 2014 the auditors' "reasonable" costs for considering the objections fall on the Council.

Grade	Hourly rate £	Hours to be billed	Total £
Engagement lead PSAA	195.00	31.03	6,050.85
Engagement lead SAAA	355.00	70.05	24,867.75
			30,918.60

VAT @ 20%			6,183.72
Total			37,102.32

The auditors' costs were shared with the meeting, and it was explained that PPC had over the years covered by the audit budgeted for a contingency of £10,000 to cover investigation costs. The chairman shared the precept budgets for the past five years illustrating where the parish council precept is spent. It was noted that the parish council's annual precept makes up around 2% of a home's annual council tax payment.

The chairman went on to explain how the precept is being spent in the parish and some of our projects over recent years including:

- Footbridge over Potto Slack.
 - Installation of flood barriers to protect the village.
 - Installation of access for all footbridge to Swainby.
 - Installation for access for all gates on footpaths around the village.
 - Grass cutting on roads and footpaths in the parish.
 - Footpath and bridleway resurfacing.
 - Speed reduction initiative.
 - Historic road sign renovation.
 - Millennium tree planting.
 - Jubilee bench project.
- Etc.

5. Public comments.

The chairman noted that the parish council have received many messages of support from the community, who have expressed their outrage at the costs associated with the Public Interest Report and the individual who has raised the objections. These comments have been received via letters, phone calls, emails, social media and face-to-face. Residents were invited to raise any questions or provide any comments:

- A resident was concerned that the £10,000 already accrued has already come out of parishioner's pockets. – Correct, this money would and should be used for projects within the Parish.
- A resident asked, how can one person complain so much, if it were several people complaining, but not logical for one person to cause all this *****
- A resident asked, what legal recourse do we have? Why were we spending money on an auditor every year – We pay YLCA an annual fee. They provide us with legal services and advice on what can be done with support of the national association NALC.
- A resident asked, who appointed PKF Littlejohn? – Appointed by national audit office. PPC legally bound by current legislation to pay for AGAR and additional investigations.
- A resident asked, why do council feel necessary to have an auditor as annual precept is under £25,000. It was explained that PPC as a transparent council undertakes the audit process to ensure that its business is performed to the best of its ability and that the auditors still have a duty to investigate any objections submitted.
- A resident asked, why has this been allowed to go on for so long? It was explained that the auditors had combined 5 years together due to volume of information submitted, covid and staff sickness, it was noted PPC have no control over the auditors' timescales.
- A resident stated, there is nothing new in vexatious complaints, it will happen. The auditors have a role to play in stopping this vexatious behaviour and our MP (rishi Sunak) must be brought into this to stop the behaviour of a single individual having such a detrimental effect totally against the wishes of the community.
- A resident stated, when a person complains to any professional body they want my personal information, can the parish council verify who a person is? They must have an address from within the parish, check council tax and electoral roles. – noting the variety of complaints from a person who may be using a pseudonym. – It was explained that the parish council is bound by legislation, GDPR, freedom of information etc.

- A resident asked, this person must have a motive, for his compulsive behaviour. – all of the residents present condemned the individual and his behaviour. It was noted that this individual did not limit his behaviour only towards PPC the same person is targeting other parish councils.
- A resident asked, is there any support from Hambleton or North Yorkshire councils? – it was explained that PPC is working with the YLCA and HDC, however the Finance Director at Hambleton District, has left and they are waiting for a new director to be appointed.
- A resident stated, the system is broken, how do we fix it? – the overwhelming feeling was that the way forward is to object to this audit and the costs associated with it as the audit is simply not value for money. Additionally, to write a letter to our local MP signed by the whole community.
- A resident stated that the objector should be made to pay the costs associated with the PIR, - *round of applause from the audience*.
- A resident asked, - can the PPC say we won't accept his complaint, as the auditor has rejected some of the complaints in 2021-2022 complaints have been rejected by the auditor, some are repeated complaints and others because they are not value for money, why did PKF Littlejohn not say this before?
- A resident stated, - these processes were set up for the right reasons but are being abused by an individual who is being allowed to make vexatious complaints and the auditors are self-benefiting from it.
- A resident asked, - can we take auditors to court? – it was explained that there will be an appeal process that can be followed and can be investigated.
- A resident stated, - the audit has only made recommendations on 14 minor issues and has not taken into account the nature of the vexatious nature of the individual concerned.
- A resident asked, do we have the funds to pay PKF Littlejohn? – The answer is No, it was noted that we have already told them we cannot afford and that as the auditor they are fully aware of our financial situation.
- A resident stated that, it is clear that the auditors are the only ones profiting from this situation.
- A resident stated that, we may be sat here again in 3 years' time, with no legal mechanism to stop the actions of this individual. He has a personal vendetta against PPC. However, this doesn't explain why he's attacking other parish councils– it was noted that if the auditors suspect that someone is having a personal vendetta then they shouldn't accept the complaint. It was noted that one councillor has been specifically mentioned over 1,800 times in the current objections.
- A resident asked, would the current council resigning help? Councillor MacPherson said Why should we resign? We came on the council to make a difference to improve the parish. *Round of applause from the audience*
- A resident stated that the problem was that PKF Littlejohn has stored up the complaints for five years, is this malpractice and should they be audited by the national audit office.
- A resident stated, this is clearly harassment, and we should go to the police. Can we prosecute and get an injunction against him? Should the parish council ignore all complaints *round of applause from the audience*.- It was explained that the parish council as a statutory body has to work within the legal and legislator frameworks of the UK. Discussed complaints procedure, it was noted that the auditor can disregard complaints, we can't.
- A resident stated, these are trivial complaints, and the recommendations are also trivial, there is no perceivable value for money in this report. – it was noted that the parish council has to follow the requirements of the legislation in this matter, and we are giving our best endeavours towards the Parish; the money would be better spent on the parish rather than on an audit investigation.
- A resident asked, how will the £150 per household be paid? In a chunk? We are hoping we don't have to pay at all, but if not over a number of years. • One parishioner present stated that they would refuse to pay the £150, What if all parishioners refuse to pay? - Discussed breakdown on a council tax bill.
- A vote of confidence in the parish council was proposed, this was unanimously (by show of hands) accepted by those present. • Parishioners would also unanimously (by show of hands) support a petition to go to MP Rishi Sunak in support of PPC.
- A resident stated his thanks for all the work of the parish council and all of the effort carried out by the chairman *round of applause from the audience*.

6. Next steps.

- The public unanimously voiced their support of the parish council in a vote of confidence, and it was agreed that we should appeal the PIR and its associated costs with the auditors.
- Additionally, it was agreed that the village would raise a letter signed by residents to send to our MP Rishi Sunak expressing our concerns.
- Many residents expressed a desire to pursue legal proceedings or involving the Police to stop the actions of the individual concerned.
- The parish council now have to provide a report to the auditors on the meeting for their approval and then publish the report.

7. Conclusion

Potto Parish Council is a small rural parish council, consisting of members of the community who give up their time voluntarily to improve their community, Councillors and council staff have the right to carry out their civic duties and work without fear of being harassed or abused. Any behaviour whether that be verbal, physical or in writing, which causes either councillors or council staff to feel uncomfortable, embarrassed, or threatened, is totally unacceptable.

The Chairman thanked all those who has attended the meeting and acknowledged the support from those who could not be present. It was a clear message from the community in expressing their outrage at the costs associated with the Public Interest Report and the individual who has raised the objections.

The meeting lasted almost two hours and the general consensus was that the views of the parish had been freely aired and that we had a strategy to take this matter forwards.