

**REPORT ON EXPENDITURE
STRADBROKE HEALTH CENTRE
APRIL 2019**

Prepared by: Odile Wladon (Clerk/RFO)



A copy of this report is available online at: <https://www.stradbrokepc.org/documents>

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1. Summary

- 1.1. Following the Parish Council meeting held on 13th May 2019, the Chair of the Council, James Hargrave, received correspondence relating to the emergency payments which were noted by Councillors at the meeting. The correspondence raised concerns that these payments were either:
 - a) Unlawful;
 - b) Illegal;
 - c) Evidence of poor financial management by the Parish Council; or
 - d) Breached the Parish Council's Financial Regulations.
- 1.2. The Clerk undertook a review of the correspondence and the actions taken by the Council.
- 1.3. There was no evidence submitted with the correspondence to support the statements made that these payments were either illegal or unlawful.
- 1.4. Whilst reviewing all the correspondence it became evident that there has been confusion regarding the word "emergency". In this instance the payments were the emergency, as noted on the schedule presented to Councillors on 13th May 2019, not the previously approved work to which the payments relate.
- 1.5. The Parish Council ensures that its financial management is adequate and effective in accordance with Financial Regulation 1.2 through regular reviews of the Statement of Internal Controls and the Risk Assessment Policy. In addition, internal and external audits are carried out annually, alongside monthly reports, quarterly and year end accounts which are presented for scrutiny by Parish Councillors. The monthly report contains a bank reconciliation which is checked against bank statements which are then signed at each Parish Council meeting.
- 1.6. This report demonstrates how the decisions reached, and the emergency payments made, fully comply with the Council's Financial Regulations and are not evidence of any poor financial management by the Parish Council.
- 1.7. The Parish Council's Financial Regulations 2019 are taken from the model scheme prepared by the National Association of Local Councils, these are reviewed by the Parish Council on an annual basis and can be viewed at: <https://www.stradbrokepc.org/statutory-information>

2. Introduction

- 2.1. On 21st February 2019, the Stradbroke Trust wrote to the Parish Council formally requesting permission to surrender the Lease for the Health Centre at Wilby Road. The Parish Council reviewed this request at a Parish Council meeting held on 22nd February 2019 and a motion was carried that the Council would grant the request to enable the Trust to surrender the Lease.
- 2.2. The Lease was officially surrendered on 1st April 2019 and since this time the Parish Council has taken over the responsibilities for the building and all matters connected to it as Landlord to the Medical Practice who now rent the Health Centre directly from the Council.

- 2.3. The Parish Council took over the responsibility as Landlord to the Medical Practice under the terms of both the underlease dated 8th November 1996 and the supplemental lease dated 17th July 2007. Neither document contains a schedule showing a breakdown of responsibility for works on the building between the Landlord and Tenant. The current arrangements cannot be altered until the lease is renewed in November 2020.
- 2.4. As part of their Landlord's responsibilities the Council undertook a site visit on 8th April with the Practice Manager to evaluate any works that may be required.

3. Decisions reached by the Parish Council

- 3.1. Parish Councils have a range of duties which are legal obligations (ie actions that a council must take by law), as well as powers which are contained in legislation. These powers permit actions to be taken at the Council's discretion.
- 3.2. Section 8 of the Local Government Act 1894 grants the Parish Council the power "*to execute any works (including works of maintenance or improvement) incidental to or consequential on the exercise of any of the foregoing powers, or in relation to any parish property, not being property relating to affairs of the church or held for an ecclesiastical charity.*"
- 3.3. Under the terms of the Lease between the Parish Council and the Stradbroke Trust dated 8th November 1996, Clause 2. (2) stipulates that the Tenant (the Trust) covenants to **keep the Health Centre in good repair**. As the Lease has been surrendered to the Parish Council, this responsibility reverts to the Council.
- 3.4. At the Parish Council meeting held on 15th April 2019, in accordance with Financial Regulation 1.14, the Parish Council reviewed and approved a schedule of works to be undertaken on the Health Centre and authorised an amount of £10,394.40 from the Community Infrastructure Levy to be set aside to complete the upgrades and associated works listed (minute refs 19.4.27 & 28 refer). The revised budget approved on 8th April 2019 notes that other revenue costs will be taken from the rental income received (minute ref 19.4.10).
- 3.5. The approved schedule of works included a "facilities" upgrade. This upgrade was for the alarm system at the Health Centre and Councillors requested that this fact be kept confidential until the upgrade had been completed.
- 3.6. Financial Regulation 10.3 states: ... *An officer shall ensure as far as reasonable and practicable that the best available terms are obtained in respect of each transaction, usually by obtaining three or more quotations or estimates from appropriate suppliers, subject to any deminimis provisions in Regulation 11.1 below.* The word **usually** indicates that 3 quotes are not **always** required. With regards to the alarm upgrade it was not reasonable or practicable to obtain 3 quotes as the current supplier needed to upgrade their own system.
- 3.7. Financial Regulation 11.1 a iii states – *for work to be executed or goods or materials to be supplied which consist of repairs to or parts for existing machinery or equipment or plant.* This allows for the appointment of Waveney Security to undertake the upgrade to their system as the current provider. In accordance with Financial Regulation 10.5, the Clerk

verified that Waveney Security were able to upgrade their system and include the fire system on the centralised group.

- 3.8. Under the terms of the Lease between the Parish Council and the Stradbroke Trust dated 8th November 1996, Clause 2. (12) stipulates that the Tenant (the Trust) **must insure and keep the premises insured against loss or damage by fire and accidental or wilful damage.** With the surrender of the Lease these obligations revert to the Landlord (the Parish Council). As the Lease has been surrendered to the Parish Council this responsibility reverts to the Council.
- 3.9. On 25th February 2019, the Council contacted Zurich Insurance and requested a quote for insurance. To ensure that the building was adequately covered Zurich Insurance based their quote on the details they held on file as part of the Zurich insurance policy already in existence on the building.

A quote was received by the Parish Council on 29th February. The Parish Council approved acceptance of the quote at the meeting held on 11th March 2019 (minute ref 19.3.16 refers) and instructed Zurich Insurance to insure the building with effect from 1st April 2019.

The Policy document specifies that any works on the alarm system must be notified to the Insurer. The Council notified the insurer of the works to upgrade the system. Zurich Insurance informed the Council that the insurance cover quote produced in February 2019 was based on information on file that the building had a centralised alarm.

It is possible that, until the upgrade was completed, any insurance claim may have been rejected. An email from Zurich Insurance dated 13th June 2019 is attached as **Appendix 1**.

4. Exceptional or emergency payments

- 4.1. The Parish Council's Financial Regulation 5.3 states: *All invoices shall be examined, verified and certified by the RFO to confirm that the work, goods or services to which each invoice relates has been received, carried out, examined and represents expenditure previously approved by the council.*
- 4.2. The Parish Council's financial regulation 6.6 states: *Cheques or orders for payment shall not **normally** be presented for signature other than at a council or committee meeting (including immediately before or after such a meeting). **Any signatures obtained away from such meetings shall be reported to the council at the next convenient meeting.***
- 4.3. To enable the alarm upgrade to be completed Waveney Security requested an upfront deposit and a cheque made payable to Suffolk Constabulary; the latter would enable connection to the emergency services (see **Appendix 2**).
- 4.4. The schedule of works approved 15th April, refers to: Legionella Assessment – annual external check and monthly internal checks. The assessment undertaken by Managed Water Services was for the annual external check. As the Parish Council was a new customer, Managed Water Services requested payment upfront before they could undertake the assessment booked for the beginning of May (see **Appendix 2**).

- 4.5. In accordance with Financial Regulation 5.3 the invoices for the emergency payments in respect of Waveney Security, Suffolk Constabulary and Managed Water Services were examined and verified by the Clerk. In accordance with Financial Regulation 6.6, before payment was made the payment vouchers were authorised by 2 Councillors on 30th April 2019 (see **Appendix 3**). Online payments were made following authorisation. All payments were subsequently noted at the following meeting on 13th May 2019, and recorded in the minutes as item 19.5.15 (2).
- 4.6. This report refers below to other exceptional payments which have been made outside of a Parish Council meeting as follows:
- a) August 2018 – no PC meeting took place, payments were authorised by Councillors and noted at the meeting in September 2018 with the schedule appended to the minutes. All payments were for work previously authorised, direct debits or payments to staff.
 - b) July 2015 – 3 payments are logged in the accounts as being approved at the July 2015 meeting but do not appear on the schedule appended to the Minutes. There was no meeting in August and no schedule produced. The 3 payments made were for staff salary for August 2015, direct debit for PWLB and a payment to Stradbroke High School for £2,000.
- 4.6. As with the emergency payments authorised in April 2019, payment vouchers for the above were produced (see **Appendix 3**) and cheques signed outside of a Parish Council meeting both times. The payments for August 2018 were noted in a separate monthly report (see **Appendix 3**) at the next full council meeting, as recorded in minute ref 18.9.15. The accounts for both of the instances identified above have been audited as part of the Parish Council accounts and no audit points were raised.
- 4.7. Financial Regulation 4.5 states: *In cases of extreme risk to the delivery of council services, the clerk may authorise revenue expenditure on behalf of the council which in the clerk's judgement it is necessary to carry out. Such expenditure includes repair, replacement or other work, whether or not there is any budgetary provision for the expenditure, subject to a limit of £500. The Clerk shall report such action to the chairman as soon as possible and to the council as soon as practicable thereafter.* The works on the Health Centre were approved at a Parish Council meeting on 15th April 2019, therefore Financial Regulation 4.5 does not apply to the emergency payments authorised on 30th April 2019 and noted on 13th May 2019.
- 4.8. Financial Regulation 5.5 gives delegated authority to the Clerk/RFO to authorise payment of items in certain circumstances – this delegated authority was not required, or used, for the payments to Waveney, Suffolk Constabulary or Managed Water Services.

5. Other matters

- 5.1. As requested by Pam Cane and Roger Turkington all correspondence regarding this matter is included in this report (see **Appendix 4**).
- 5.2. The correspondence submitted raised additional queries not covered in the report above, these additional queries are answered below:
- a) *Was the current alarm system in the surgery working or faulty?* It was working.
 - b) *Was there a written communication from the doctors advising there was an emergency?* No, as there was no emergency.

- c) *What was the problem/emergency with regard to the water system?* It is not clear what this question relates to however; the Practice Manager was advised by Essex & Suffolk Water that they would be attending the Health Centre to carry out a water inspection on behalf of the Department of the Environment.
- d) The schedule of works was produced following a site visit on 8th April 2019; there are no minutes or others notes.
- e) The Clerk was aware that the internal legionella and asbestos surveys had been sent to the Practice Manager on 8th March 2019. Copies of the documents were requested from the Trust on the 10th and 18th April 2019. Copies were emailed to the Parish Council on 17th May 2019.
- f) The total cost of the alarm upgrade is £2,167 plus £43.48 to Suffolk Constabulary, not £1,600.
- g) The decision to upgrade the alarm was not reached using “emergency powers”, it was agreed as part of a review of the schedule of works identified during a site visit and payment was approved as part of a review of the receipt of the first instalment of Community Infrastructure Levy. Whether this is a “waste of public money” is a subjective question and cannot be answered in this report.

6. Conclusion

- 6.1. A review of the Statement of Internal Control and Risk Assessment Policy has highlighted that these need to be updated to properly reflect the Financial Regulations and usual practice of the Parish Council concerning exceptional/emergency payments.
- 6.2. The Parish Council cannot change the Lease arrangements with the Medical Practice until the renewal date in November 2020.
- 6.3. The approved schedule of works included a “facilities” upgrade. This upgrade was for the alarm system at the Health Centre and Councillors requested that this fact be kept confidential until the upgrade had been completed. At the meeting held 10th June 2019, the Parish Council delegated a review of the schedule of works to the Finance Committee who meet in July 2019. Along with any recommendations received from the external risk assessments recently undertaken, the wording of the schedule will be amended to reflect that an upgrade was made to the alarm system.
- 6.4. The decision reached by the Parish Council to upgrade the alarm system did not breach the Parish Council’s Financial Regulations. A Parish Council is able to maintain or improve parish property using powers granted in legislation and is obliged in law to fulfil any obligations due under a lease.
- 6.5. The actions taken to pay the deposit and the upfront payments required outside of a full meeting, and noted at the next available meeting, were fully compliant with the Parish Council’s Financial Regulations.
- 6.6. In the light of the email from Zurich Insurance indicating that the insurance policy was issued on the basis that there was a centralised alarm system at the Health Centre, the decision reached by the Council to upgrade the alarm to a centralised system was timely and now ensures that the building is fully and correctly insured.

Appendix 1 – Zurich Insurance

Thu 2019-06-13 10:12

Jaynie White

- stradbrokepc@outlook.com;
- Briony Worth

Dear Odile,

I can see on our system that we have quoted based on a centralised alarm system, while we cannot comment on the potential outcome of any claim, your premium and risk would have been assessed on that basis.

If the alarm was not functioning this could be taken into account when a claim was investigated and potentially the claim could be declined.

I have noted on your file that the work has been done to re-instate the alarm as per your earlier conversation with my colleague Derek.

Kindest regards
Jaynie

Jaynie White
Business Development Executive

Direct:
Email:



Appendix 2 – Deposit and upfront payments

Waveney Security Ltd
Thu 2019-04-18 13:48

stradbrokepc@outlook.com

Appendix-G-2018.docx 19 KB

This is the form that needs completion to allow police response to an alarm system. This needs returning to us ideally with a cheque for £52.18 payable to Suffolk Constabulary, however if a cheque causes problems at your end, we can do it on your behalf and include it in your final invoice.

Any queries get back to me

Kind Regards
Joy Thorpe

Fri 2019-04-26 10:37



[View invoice](#)

£336.00 due 26 Mar
11346

Good morning,

As a new customer, it is our policy to raise your first invoice as a proforma invoice and to request payment prior to the works taking place.

Therefore, I would be most grateful if you could please arrange to have the attached invoice processed to payment as soon as possible. Our bank details are on the invoice.

Going forward, if further works are scheduled to happen, our standard payment terms are 30 days from the date of invoice – invoices are dated as per the date we attend site and carry out works.

I hope the above is satisfactory for your purpose, but if you require anything further at all, please don't hesitate to let me know.

Otherwise, I look forward to receiving payment shortly.

QUOTATIONS FROM WAVENEY SECURITY

This quotation is for a Fire System

For the installation of a Fire System system to NSI Codes of Practice as specification. The specification has been determined following a Risk Assessment carried out at the time of survey. The Risk Assessment will be held in your file , copies are available to you or your agents on request

Designed, Installed and Commissioned price including NSI Certificate	£ 477.00
VAT @ 20%	£ 95.40
TOTAL PRICE OF ALARM SYSTEM	£ 572.40
Payment Terms:-	
Deposit payable on acceptance	£ 286.20
Balance (Payable on completion of installation)	£ 286.20

This quotation is for Additional Works

To EN 50131-1:2004 in conjunction with PD6662:2010 and NSI Codes of Practice as specification. The specification has been determined following a Risk Assessment carried out at the time of survey.

VAT @ 20%	£ 338.00
TOTAL PRICE OF ALARM SYSTEM	£ 2,028.00
Payment Terms:-	
Deposit payable on acceptance	£ 1,014.00
Balance (Payable on completion of installation)	£ 1,014.00

Appendix 3 - Payment Vouchers/Monthly Reports

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**STRADBROKE PARISH COUNCIL
PAYMENT VOUCHER: PV1910**

Date:
30th April 2019

For:
Legionella Assessment

Payable To:
Managed Water Services

Amount:
£336.00 ✓

(£280.00 plus £56.00 VAT)

Cheque Number: BACS

Payment agreed at meeting held on 15th April 2019
Payment noted at meeting held on 13th May 2019

awing
MEJ

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**STRADBROKE PARISH COUNCIL
PAYMENT VOUCHER: PV1911**

Date:
30th April 2019

For:
Alarm upgrade (deposit)

Payable To:
Waveney Security & Fire

Amount:
£1300.20 ✓

(£1300.20 plus £0 VAT)

Cheque Number: BACS

Payment agreed at meeting held on 15th April 2019
Payment noted at meeting held on 13th May 2019

awing
MEJ

Bank Reconciliation

Bank Accounts		30-Jun-15
Current Account		78,277.73
Unpresented Cheques	300037	150.00
	300051	238.00
	300055	489.87
	300056	18.70
	300057	897.41
		1,793.98
Total Funds		£ 76,483.75

Reserved Funds

Community Projects	£2,151
Discretionary Grant	£4,121
Loan Balance	£32,388
Maintenance	£2,018
Neighbourhood Plan	£5,488
Recreation	£4,269
Replacement Copier	£2,000
SpeedWatch Calibration	£193
Total Reserved Funds	£52,628

Media Account

current balance	£3,183
End of month surplus	£20,672.47

Cheques for payment 08 June 2015

chq no	item	payee	amount	net	VAT
500359	wages for street cleaning	TR Carrison	£238.00	£238.00	
500360	bags for mag. delivery	Striptees	£18.00	£15.00	£3.00
500361	refuse sacks	MSDC	£32.38	£26.98	£5.40
500362	creating gravel path	Alan Flatman	£2,760.00	£2,300.00	£460.00
500363	data protection fee	The Information Comr	£35.00	£35.00	
500364	tree work at car park	Waveney Tree Special	£600.00	£500.00	£100.00
500365	grass cutting	Matthew Hammond	£1,802.90	£1,802.90	
500366	magazine printing	Tuddenham Press Ltd	£290.00	£290.00	
500367	election costs	MSDC	£1,176.71	£1,176.71	
500368	annual subscription 2015/16	Community Action Su	£30.00	£25.00	£5.00
500369	flag raising requisites	George Chaplin	£476.61	£476.61	
500370	debris;Cgates; bank error	David Merritt	£107.50	£107.50	
500371	training	SALC	£30.00	£25.00	£5.00
500372	salary & expenses (Jul)	CA Smy	£1,100.67	£1,095.06	£5.61
Total cheques			£8,697.77	£8,113.76	£584.01

Notes on reserved funds:

**STRADBROKE PARISH COUNCIL
PAYMENT VOUCHER: PV1539**

Date:
July 2015

For:
Agreed donation

Payable To:
Stradbroke High School

Amount:
£2,000

(£2,000net; £0VAT)

Cheque Number:
300074

Payment agreed at PC meeting held on 13 July 2015

STRADBROKE PARISH COUNCIL

PAYMENT VOUCHER: PV1537

Date:
08 August 2015

For:
**Wages for 4 weeks to
08 August 2015
4 x 8.5hrs @ £7.20 per hour
(5 days holiday taken 06/10 Jul inc)

Payable To:
TR Carrison

Amount:
£244.80

Cheque Number:
300073

Parish Clerk.....
TR Carrison..... Received

Payment agreed at meeting held on 13 July 2015

Bank Reconciliations:		Represented by:	
Account Balances at 1st April 2018	£ 28,501.55	Unity Trust Current A/c	£ 7,953.16
add Receipts in the year	£ 20,429.45	Less Unpresented cheques	£ 465.00
deduct Payments in the year	£ 22,173.45	Current A/c available funds	£ 7,488.16
Account Balances at 31st July 2018	£ 26,757.55	Add Unity Trust Dep Acc	£ 19,269.39
			£ 26,757.55

300337/BACS

Cheques for approval:		15/08/2018		Cheque No		Gross		Net		VAT		Power	
Item	Payee	Voucher No	15/08/2018	15/08/2018	15/08/2018	15/08/2018	15/08/2018	15/08/2018	15/08/2018	15/08/2018	15/08/2018	15/08/2018	15/08/2018
data protection subscription	ICO	1835	£ 35.00	BACS	£ 35.00	£ 35.00	£ 35.00	£ 35.00	£ 35.00	£ -	£ -	Local Govt Act 1972 s. 111(i)	
annual external audit fee	PKF Littlejohn LLP	1836	£ 480.00	300349	£ 480.00	£ 400.00	£ 400.00	£ 400.00	£ 400.00	£ 80.00	£ 80.00	Local Govt Act 1972 s. 111(i)	
hedge cutting Wilby Road	Hammond Gdn Ser	1837	£ 290.00	300351	£ 290.00	£ 290.00	£ 290.00	£ 290.00	£ 290.00	£ -	£ -	Open Spaces Act 1906	
phone box repainting/notice													
board repair	Jon Wilson	1838	£ 655.00	300352	£ 655.00	£ 655.00	£ 655.00	£ 655.00	£ 655.00	£ -	£ -	LGA 1894	
5 wks wages	T Carrison	1839	£ 333.62	300353	£ 333.62	£ 333.62	£ 333.62	£ 333.62	£ 333.62	£ -	£ -	Highways Act 1980 s. 43 & 50	
Clerks salary & expenses	O Wladon	1840	£ 1,029.38	300354	£ 1,029.38	£ 1,027.83	£ 1,027.83	£ 1,027.83	£ 1,027.83	£ 1.55	£ 1.55	Local Govt Act 1972 s.112&111	
Total cheques			£ 2,823.00		£ 2,823.00	£ 2,741.45	£ 2,741.45	£ 2,741.45	£ 2,741.45	£ 81.55	£ 81.55		

Receipts in month		31/07/2018		Amount	
Item	From	Voucher No	Method	Amount	Amount
headstone - Smith	Perfitt	1809	Cheque	£ 40.00	£ 40.00
Total				£ 40.00	£ 40.00

Reserves (less committed funds)	
£1,420.00	Playpark Equipment
£3,139.00	Maintenance
£1,400.00	Neighbourhood Plan
£750.00	Election Costs
£1,300.00	Community Projects
£1,000.00	Churchyard & Cemetery
£3,000.00	Traffic Calming
£1,950.00	Playing Field Drainage

Appendix 4 – Full correspondence

Correspondence: Mrs Cane

From: [Michael & Pamela](#)
Sent: Monday, May 20, 2019 6:22 PM
To: [James Hargrave](#)
Subject: Emergency spending PC mtg 13.05.19

Good evening James

I am attaching a letter regarding the Emergency spending at the PC meeting 13.05.2019, which is self-explanatory. I would be grateful for your comments please.

Kind regards Pam Cane

**Pam Cane, Waterloo House, Church Street
Stradbroke, IP21 5HT
Tel: 01379 384312 - Email: [REDACTED]**

20th May 2019

James Hargrave, Chairman
Stradbroke Parish Council

Dear James

I am writing a formal letter as I have genuine concerns about the Emergency payments approved at the parish council meeting of 13th May 2019. The payments were in respect of the Stradbroke Surgery and were for Legionella assessment £280, Facilities upgrade (which I understand to be a replacement security system) £1,300.20 and Connection to emergency services £43.49 (net amounts), all of which were approved on the basis that there was an emergency situation. I am still not clear what that emergency situation was and outline below my understanding of the facts.

The parish council took over the Lease for the Stradbroke Surgery from the Stradbroke Trust on 1st April 2019. Although the Lease does not give clear guidance as to specific obligations with regard to Tenant and Landlord, the Supplemental Business Lease between the Stradbroke Surgery and Stradbroke Trust does give some indication as to the Landlord's responsibilities. However, it is my understanding from the Stradbroke Trust that the Stradbroke Surgery has traditionally been responsible for the following:

- The security alarm has always been the responsibility of the Doctors, they chose, installed and maintained the current system.
- The Doctors were also responsible for internal decorating, water, sewerage, electricity, telecommunications, fire risk assessment and maintenance of fire equipment. At the last

fire inspection some improvements were suggested (additional smoke detector and signs) which would probably have been implemented had the Trust retained the Lease.

- A full asbestos survey was carried out in 2010, which identified an area of “undercloaking” on the roof outside which contained asbestos. This was chrysotile which is considered low risk and was checked annually by the Trust to ensure no change had taken place.
- A legionella survey was not considered necessary because there is no cold water storage tank on the premises. Annual checks were undertaken on water temperatures to ensure compliance.
- An email dated 8th March 2019 was sent to the Clerk advising that Asbestos and Legionella checks had been undertaken and that Katie Civil, Practice Manager had been supplied with copies.

Following a site visit to the Surgery by the Clerk and Chris Edwards, on 8th April 2019, a List of works required at the Surgery was drawn up which included annual assessments for Fire + H&S, Security, Air conditioning, Asbestos and Legionella. There are also requirements listed which arguably appear to be the responsibility of the tenant.

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20th May 2019

James Hargrave, Chairman, Stradbroke Parish Council

So I would like to make the following observations, bearing in mind the items that are listed under the Emergency payment which are mentioned above:

- On the list of works required – I cannot see any mention of a Legionella survey (only an annual assessment)
- On the list of works required – I cannot see any mention of a replacement security alarm system – only an alarm in accessible toilet. I’m assuming the alarm system approved under Emergency procedures was not for the toilet.

During the parish council meeting of 13th May 2019 I asked the following questions:

- What was the emergency?
- Was the current alarm system in the Surgery working or faulty?
- Was there a communication from the doctors advising there was an emergency?
- What was the problem/emergency with regard to the water system?

The only explanation that seemed to be offered was that the alarm was not linked to the Police station. The clerk also stated that the items listed under Emergency payments were on the list of works needed at the Surgery and had in fact already been approved, when in fact they were not on the list.

There doesn’t appear to have been any effective liaison with the doctors on who is responsible for what maintenance at the Surgery and what items need to be considered for priority spending. The parish council has committed to spend £2,700 (I believe was the amount stated by the Clerk) for a security system which has traditionally been the responsibility of the Surgery. This appears to me to be a breach of Financial Regulations 10.3.

If there is no clear evidence that there was in fact an actual emergency situation at the Surgery, then the payments made under Emergency spending breach Financial Regulations 1.14 (the council must approve any grant or a single commitment in excess of £1,000).

I have real concerns that the parish council has acted illegally in this matter and would ask for clarification on the subject. I would also ask that any requests for guidance on this matter, made to professional bodies by the parish council, are made in writing and that any responses from those professional bodies are also in writing, so that there is total transparency for all to see.

I will be attaching this letter to an email and will not be including Odile as she will be preparing for her holiday, and I don't think it is fair to add extra work at this time.

With kind regards

Pam Cane

From: Michael & Pamela
Sent: Wednesday, May 22, 2019 5:29 pm
To: James Hargrave
Subject: Fw: Emergency spending PC mtg 13.05.19

Good evening James

I haven't received an acknowledgement of my email, so trust it has been received ok and I would be grateful if you could just confirm this please.

I would ask that the content of the attached letter should be included as an agenda item for the June meeting, in view of the fact that there has possibly been a breach of financial regulations.

I wait to hear from you. Kind regards Pam

From: James Hargrave
Sent: Wednesday, May 22, 2019 5:44 pm
To: Michael & Pamela
Subject: Re: Emergency spending PC mtg 13.05.19

Thanks Pam

I have received the email thank you and will reply in due course. I'm afraid I have been busy with work commitments this week.

As you yourself pointed out Odile is away and I am not disturbing her as a number of her holidays have been disrupted recently due to Council business and this must not keep happening.

It is impractical for this to go on the agenda for June as there won't be time for her to look into it to respond in time.

I need to talk to Jeremy but I am thinking it ought to go to Finance Committee and back to the July council. I'll let you know when I have spoken to him (to manage expeditions this won't be until after the weekend).

I do hope once this matter is dealt with that we will be able to focus on looking forward rather than dwelling on what has already happened which appears to be less than constructive.

Best wishes James

From: [James Hargrave](#)
Sent: Wednesday, May 22, 2019 9:43 PM
To: [Michael & Pamela](#)
Subject: Re: Emergency spending PC mtg 13.05.19

Dear Pam

I have now had the chance to review your letter in more detail ahead of the conversation I intend to have with Jeremy as Chair of the Finance Committee.

Before I pass this on I have a few questions to help me understand what you are suggesting.

You suggest a breach of 10.3 of the Financial Regulations by the purchase by the Council of a new security system for the surgery. Please could you explain exactly how you feel this spending breaches this regulation. The regulation states:

"All members and officers are responsible for obtaining value for money at all times. An officer issuing an official order shall ensure as far as reasonable and practicable that the best available terms are obtained in respect of each transaction, usually by obtaining three or more quotations or estimates from appropriate suppliers, subject to any de minimis provisions in Regulation 11.1 below."

You suggest a breach of financial regulation 1.14 (council to approve spending over £1,000). Please can you explain why you think Minute 19.4.28 (see below) was not the approval for this spending:

"(b) £10,394.40 – to carry out works to upgrade the facilities at Stradbroke health centre and any associated work as per the schedule prepared and attached to the minutes."

You suggest that the parish council has acted “illegally”. Please can you cite the law you are alleging has been broken and exactly how you allege it has been broken (it would be helpful to cite the statute and the reference within it please).

If you could provide these answers then this will enable me to progress this matter.

Best wishes

James

On Tue, 28 May 2019 at 10:52, Michael & Pamela wrote:

Good morning James

Thank you for your email and I am attaching a letter dated 27th May 2019 which I trust will clarify your queries below. I am also re-attaching my letter of 20th May 2019, as I have re-titled it to include the date, which will help to identify each letter - the content remains the same.

As stated in my letter, as it appears that this matter will not be included in the agenda for the June meeting, I would ask please that all correspondence between us, relating to the Emergency spending approved at the parish council meeting of 13th May 2019, should now be circulated to all councillors. I think it would be poor practice for this information not to be openly available and maybe some of the other councillors would like to add their comments.

With kind regards Pam Cane

**Pam Cane, Waterloo House, Church Street
Stradbroke, IP21 5HT
Tel: 01379 384312 - Email: [REDACTED]**

27th May 2019

James Hargrave, Chairman
Stradbroke Parish Council

Dear James

I am responding by letter again to your two emails dated 22nd May 2019 with regard to the Emergency payments approved at the parish council meeting of 13th May 2019. As requested, I will attempt to clarify the points I was trying to make.

Firstly, as a new councillor, I am not familiar with current laws/statutes that might apply to a possible breach of Financial Regulations, but assume that SALC would guide the council with regard to this. I accept that my use of the word “illegal” may have been incorrect and possibly the word “unlawful” might apply as per **Financial Regulation 1.2 which states “The council is responsible in law for ensuring that its financial management is adequate and effective...”**. If in fact there are no

actual laws governing Financial Regulations, I assume it would be considered extremely bad practice not to abide by those regulations.

It appears to me that there are two main issues of concern about the actions of Stradbroke Parish Council with regard to procedures and Financial Regulations:

Issue 1 - When the parish council took over the Lease for the Health Centre from the Stradbroke Trust, why was a list of works for the Surgery produced without first ensuring that a legal or binding document was in place with regard to specific obligations for both Tenant and Landlord? This does not demonstrate **“adequate and effective”** financial management.

Over the past year, the parish council has placed great emphasis on the necessity of having Leases and legal documents in place with regard to its assets. And yet, it appears that in this instance, the list of works to upgrade the facilities at the Surgery was drawn up without any attempt to agree obligations with the doctors and ensure that a legal document/Lease, clearly stating those obligations, was in place. Consequently, the parish council has committed to pay £2,700 for a security system that had traditionally been paid for by the Tenant, and £280 for a Legionella survey which was possibly not needed. I would suggest that this does not comply with **Financial Regulation 1.2 (“ensuring that its financial management is adequate and effective”) and 10.3 (“All members and officers are responsible for obtaining value for money at all times.....”)**. Also, we would need to establish whether other estimates were obtained for the work needed.

As stated in my previous letter, there were some items on the list of works drawn up by the Clerk and Chris Edwards which had been previously paid for by the Tenant. If the parish council now undertakes to pay for these items, it could hardly be considered as **“obtaining value for money”** or **“ensuring that its financial management is adequate and effective”**.

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27th May 2019

James Hargrave, Chairman, Stradbroke Parish Council

Issue 2 - The issue here is with regard to the Emergency payments made at the last parish council meeting and whether in fact there was actually an emergency. And this still hasn't been established – please refer to the list of questions below from my letter of the 20th May regarding this alleged emergency.

- What was the emergency?
- Was the current alarm system in the Surgery working or faulty?
- Was there a written communication from the doctors advising there was an emergency?
- What was the problem/emergency with regard to the water system?

To the best of my knowledge, the Surgery has never been broken into over the 20+ years it has been on that site. The assertion by some councillors that without a connection to Suffolk Police there would be an imminent danger of a break in and drugs would be distributed around the village is a nonsense. No criminal gang is going to hang around a village where it has just raided a surgery to distribute drugs to the residents.

You refer to the parish council minute 19.4.28

“(b) £10,394.40 - to carry out works to upgrade the facilities of Stradbroke Health Centre and any associated work **as per the schedule prepared and attached to the minutes**”. (Incidentally, the schedule is not attached to the minutes on the parish council website)

As I have already pointed out in my previous letter, on the list of works for the Surgery, under the heading of Requirement, **there is no mention of a replacement security alarm system**. The only mention of the security alarm system is under Annual assessments required. So, if there was no emergency, the authorisation for this alarm to be installed should have been brought to the full council as the cost was £2,700. **Financial Regulations 1.14 – the council must approve any grant or a single commitment in excess of £1,000**”. **Financial Regulation 10.5 – The RFO shall verify the lawful nature of any proposed purchase before the issue of an order....”**

I am sure that the parish council will not wish to appear to be avoiding an investigation into this matter and I would hope that any possible breach of its Financial Regulations would be treated seriously and in an honest, open and transparent manner. I feel that this should be discussed at a full council meeting, and not just by the Finance Committee, in order to demonstrate complete transparency. You have stated that there will not be enough time for this matter to be included in the June meeting, but that it will have to wait until the July meeting. In view of this, I would ask please that my letters and your email responses should be circulated around all councillors immediately so that they are aware of the situation. I would also remind you that any requests for guidance and responses regarding this matter should be in writing in the interests of openness and transparency.

I wait to hear further from you.

Kind regards

Pam Cane

On Tue, 28 May 2019 at 10:58, James Hargrave wrote:

Dear Pam

I will read through this later but it might now be possible to discuss this in June as I am proposing changing the meeting to 17 June which could give enough time (this is due to the cycle race evening events). Would this date work for you?

I certainly will not be circulating to other councillors for comment. The council needs to conduct its business in public rather than by private email discussions.

Best wishes

James

From: [James Hargrave](#)
Sent: Tuesday, May 28, 2019 11:20 AM
To: [Michael & Pamela](#)
Subject: Re: Emergency spending PC mtg 13.05.19

Dear Pam
Many thanks for your clarification letter which is helpful.

I am hoping that we can include this in the June agenda now if the meeting date change is made.

There is no intention not to "investigate" this however there is a clear intention to move forwards and not backwards and it is a matter of great regret to me that some people do not appear to want to do this.

I do not believe there has been any breach of financial regulations here and I would like to repeat my request that we move forwards to attempt to find some common ground on surgery, For example by sorting out the lease so we know who is responsible for what. This will be a helpful starting point although the Council is clearly not precluded (as you appear to be suggesting) from deciding to invest public money in its own asset even if it is not under an obligation to do so.

I am hoping that by considering your letter we can bring some more clarity to both what happened (as we did not discuss this as if you remember I closed the discussion down as it needs to be held in public) and the way forward. I also hope the proposed change of meeting date is helpful in this regard.

Best wishes

James

From: Michael & Pamela
Sent: Tuesday, May 28, 2019 1:44:51 PM
To: James Hargrave
Subject: Re: Emergency spending PC mtg 13.05.19

Dear James

I'm glad my letter may have helped. For the record, I wasn't actually suggesting that we started a discussion via email as a result of circulating my letters around councillors, but merely informing them, as I regard this as a serious matter. I am aware that it's common practice for the Clerk to email out information on items to be discussed, prior to a meeting, and I would expect my letters to be circulated in a similar fashion. Also, any information/guidance from SALC on the matter.

I note that you feel that financial regulations have not been breached, but I am concerned that they have, and full facts need to be presented to the council prior to the meeting so that councillors may make an informed decision on the subject. It would certainly be helpful for all concerned if it can be established what the emergency was with regard to the Surgery and for the information regarding that emergency to be circulated to councillors.

I can make 10th or 17th June, but other councillors may have commitments and it would be better for the Emergency spending to be discussed with a full council in attendance. I'm not sure what

involvement the PC has with the cycle event that would prevent the meeting on 10th. Maybe you can advise.

With kind regards Pam

From: Pam Cane
Sent: Wednesday, June 12, 2019 1:44 pm
To: James Hargrave
Cc: Stradbroke Parish Council
Subject: Agenda July 2019 PC meeting

Good afternoon James

I would like to add the following item to the agenda for the July 2019 parish council meeting please.

"To consider whether the parish council breached its Financial Regulations, or it was poor financial management, with regard to the Emergency payments made at the May 2019 parish council meeting in respect of the following:

- 1) By failing to put in place any formal written agreement with the Health Centre with regard to who was responsible for specific items of management and maintenance, before commencing work on a facilities upgrade.**
- 2) By approving payments under an Emergency situation, when it has not been clearly established what the emergency was"**

It would be very helpful please if you could provide me with any notes/minutes taken during the site visit on 8th April 2019, plus copy of any insurance documents giving specific terms and conditions regarding the security system at the Health Centre.

I realise Odile is busy, but as I have a few commitments before the July meeting I would like to get this organised in good time.

Many thanks - kind regards Pam

James Hargrave
Wed 2019-06-12 14:45

- Pam Cane;
- Stradbroke Parish Council

Thanks Pam

I'll discuss the wording of this motion with Odile and we will get back to you.

We did intend to supply a response to your written correspondence at the July meeting which I hoped would draw a line under this matter. I can't stop you submitting a motion of this nature although I do think it is a waste of the Council's resources and of time in the July meeting that could be used to discuss something positive.

Odile please can I ask for an estimate of the time and the cost to the Council of dealing with this matter to be produced please so we can let councillors and the public know at the July meeting.

Best wishes James

Pam Cane
Wed 2019-06-12 17:53

- James Hargrave;
- Stradbroke Parish Council

Good afternoon James

Thank you for your reply and please be assured that, like you, I am not happy to waste parish council resources. However, I feel there are issues here that need to be clarified and that's exactly what I am asking for - clarification. I was under the impression that Odile was salaried rather than hourly paid, so with that in mind, I have a suggestion. I assume that Odile referred to a councillor for authorisation reference the Emergency payments, so might I suggest that this councillor answers some of my queries to relieve Odile's workload. I don't think my queries require long explanations and in fact some only require a simple yes/no, so to help matters I re-iterate below:

- 1) Were there any notes/minutes from the site visit to the Health Centre on 8th April 2019?
- 2) Was there a formal agreement drawn up between the Health Centre and the Parish Council stating responsibilities of Landlord and Tenant?
- 3) Was the parish council aware that the Health Centre security system had always been the responsibility of the Tenant? If not, why was this not checked?
- 4) Was the previous security alarm system at the Health Centre working of faulty?
- 5) What are the insurance terms and conditions regarding the security alarm system at the Health Centre?
- 6) Was there a written communication from the doctors/practice manager stating there was an emergency?
- 7) What was the emergency?
- 8) What was the problem/emergency with regard to the water system?
- 9) Was Odile aware of an email from Jane Merritt, dated 8th March 2019 stating that Asbestos and Legionella surveys were completed and with Katie Civil?

I am quite happy to receive a response to my two letters as you suggest below, and depending upon that response, I can then assess whether to withdraw the motion already submitted. I don't think there is any shame in admitting that there have been possible errors, as long as we learn from our mistakes and take firm steps to avoid making similar mistakes in the future.

Kind regards Pam

Pam Cane
Mon 2019-06-17 08:59

Stradbroke Parish Council; James Hargrave

Good morning James

Further to my mail below, I would like to add some further observations please. I found the SALC training session on 13th July 2019 to be very informative, and Rosemary, our trainer, emphasised the following points:

- 1) Parish Councils are corporate bodies with a duty to act within the law.
- 2) Councillors are ultimately responsible for the finances of their council. They should scrutinise the monthly financial figures produced by their Clerk and query anything they feel is incorrect or unlawful.
- 3) Rosemary also gave examples of when an emergency payment might be necessary. She stated that emergency payments can be made when a situation occurs that might cause injury to a person, or worse. I'm assuming that Rosemary was referring to Financial Reg 4.5 - In cases of extreme risk to the delivery of council services the clerk may authorise revenue expenditure on behalf of the council which in the clerk's judgement it is necessary to carry out..... Rosemary also advised that there is usually a limit to this expenditure and in the case of Stradbroke, the limit is £500.

The examples of possible emergency situations where a clerk would need to take action were as follows -

- a) If play equipment was so faulty it might cause injury or worse.
- b) If a signpost was hit by a vehicle, was leaning dangerously and might cause injury or worse.

I found this session very helpful and it seemed to confirm my concern that Stradbroke PC has approved emergency payments that may have been unlawful. However, if I have misunderstood any of the information I have put forward to illustrate my concerns about the emergency payments, then I am very happy for you to correct me.

Kind regards

Pam

James Hargrave
Mon 2019-06-17 21:14
Pam Cane; Stradbroke Parish Council

Dear Pam

Odile is, as you are aware, working on a response to the numerous emails you have sent about this matter. She is addressing this latest email as part of this but please can I ask you not to send any further correspondence on this matter until after you have read the response.

I also attended this training session (as you are aware) and whilst I agree with your summary of what was said I do not think it applies to this case at all. In this case the Council had already approved the spending at an earlier meeting and it was the payment that was made outside of a meeting. I think the word "emergency" has become confused here but please can I ask you to wait for the explanation.

Best wishes James

Correspondence: Mr Turkington

On Tue, 28 May 2019 at 08:41, Roger Turkington wrote:

Dear James,

I understand the Parish Council has committed to spend approximately £1600 on a new alarm system for the doctors' surgery. I am surprised at this decision as the alarm system along with all telecommunications has always been the responsibility of the doctors.

I gather the justification/authority for this decision is "emergency powers". How can there be an emergency when there has not been a problem for 22 years and not once has the the Practice Manager asked the Trust to be involved in any decision or expense regarding the alarm system?

I can only assume this apparent waste of public money was for 'political' purposes.

At this stage I am unclear as to whether it is individual Councillors or the Clerk who is responsible for this decision. Can you please inform me of what actions you intend to take to correct matters.

Kind Regards

Roger Turkington

On 4 Jun 2019, at 09:57, James Hargrave wrote:

Dear Roger

Firstly my congratulations on your appointment as Chair of the Stradbroke Trust.

I wonder if you could let me know where you got this information from?

The Council will be discussing this matter at our July meeting following a request from a councillor. You are very welcome to attend the meeting and make these points to the Council (or I can read your email to councillors as part of the deliberations).

As the Council intends to discuss the matter in an open meeting it would clearly not be right for me to discuss the issues you have raised in a private email other than to point out that all decisions to spend money on the surgery have been made by the full Council.

The Clerk's job is to implement these decisions and this is what she has done here.

Best wishes James

From: **Roger Turkington**

Date: Tue, 4 Jun 2019 at 15:10

Subject: Re: PC expenditure on Surgery

To: James Hargrave

Dear James,

I found the information on the PC website a short while ago when there was a list of all works that were deemed necessary together with estimated costs. These documents no longer seem to be on the site however I now see that the finance report for May is there and the expenditure is a little less than budgeted. The urgent necessity for this work and the use of emergency powers came from Cllr Edwards in speaking with a friend at the Annual Parish Meeting.

I am surprised that you have chosen to delay investigation and discussion for over a month, surely this erroneous and wrongful spend should be dealt with as a matter of urgency.

I am unable to attend most PC meetings due to prior commitments but rather than read out my email in 6 or 7 weeks time would it not be best to forward it now to all councillors.

Regards

Roger Turkington

From: James Hargrave
Sent: Tuesday, June 4, 2019 3:33 pm
To: Roger & Gill Turkington
Subject: Fwd: PC expenditure on Surgery

Thank you for your message Roger

I have today reminded councillors about discussing matters that we have agreed to keep confidential in public.

We aren't conducting an "investigation" and I do not agree that any "wrongful" spending has taken place. There has been a complete mis-understanding about emergency powers here. All spending has been approved by the full Council.

Odile has been on leave and this is the why this matter is not going on the Agenda for Monday's meeting as there has been insufficient time to deal with it since she has got back. In fact I did suggest moving the June meeting a week to avoid the clash with the cycle race (which would have enabled this matter to be discussed in June) but unfortunately a number of other councillors did not agree to this.

Correspondence will be circulated to councillors about this matter in due course ahead of the meeting that it will be discussed at. I will ensure that your email is sent and that you are sent a copy of any written response we make.

I hope that we can develop a more constructive working relationship between the Council and the Trust going forward.

Best wishes

James