

From: SBA <SBA@pkf-l.com>
Sent: 04 February 2025 13:20
To: clerk@ashwell.gov.uk; SBA <SBA@pkf-l.com>
Cc: xxxxxxxxxxxxxxxxxxxxx

Subject: RE: HT0007 2023/24 AGAR Section 3 External Auditor Report

Dear Sally

Thank you for your email. As you are aware, we are currently in the middle of the objection process in relation to the objections received to the 2023/24 AGAR. Until that process has been completed, we are unable to complete our limited assurance review of the 2023/24 AGAR.

The objector has written to us querying the eligibility decisions and we are currently in correspondence with him regarding our decisions. The Council will be informed if any decisions are amended.

The file is sitting 38th in line for the acceptance decisions to be made, so these decisions should be copied to the Council in the next few weeks. At that point we will then submit an information request to the Council regarding any accepted objections.

Thank you for your patience with the objection process.

Kind regards

Head of Challenge | Engagement Lead

PKF

For and on behalf of PKF Littlejohn LLP

From: clerk@ashwell.gov.uk
Sent: 04 February 2025 12:50
To: SBA <SBA@pkf-l.com>
Cc: xxxxxxxxxxxxxxxxxxxxx
Subject: HT0007 2023/24 AGAR Section 3 External Auditor Report

Dear Sirs

Please can you advise when we might hope to receive our completion statement along with your invoice for the 2023/24 year. We would be grateful to receive this ideally by 21st March 2025 in order that we can ensure it is processed and payment made to you within our financial year.

Thank you

Kind regards

Sally Roberts
Clerk

Dear All

I have had the opportunity to look at the Parish Council agenda for this evening.

I note item 10.3 **Annual Audit**

You do not have a copy of the auditors 12th December response to my email of the same date.

As a courtesy to you, I have also enclosed my reply.

I thought it was important that councillors had all the information, and it seemed that the auditor's email of 12th December, which as not copied to you, might help inform your debate, as indeed might my reply.

Best regards

Xxxxx xxxx

----- Forwarded message -----

From: xxxxxxxxxxxxxxxxxxxxxxxx

To: SBA <sba@pkf-l.com>

Cc: SBA <sba@pkf-l.com>

Sent: Wednesday 8 January 2025 at 12:50:20 GMT

Subject: Re: ASHWELL PARISH COUNCIL - OBJECTIONS TO 2023/24 AGAR - ELIGIBILITY DECISIONS

Dear xxxxxxxx

Thank you for your email below. Apologies for my delay in responding.

I fear there may be a little misunderstanding. Please allow me to explain.

The Parish Council is subject to Fol. It has legal obligations under that act. (Similarly it has obligations under the '72 act and other local government legislation).

I did not, and do not ask you to enforce any rights conveyed by Fol. (Or other transparency legislation). That is not your role. That is the role of the Information Commissioner's Office.

The point is that a formal decision notice issued by the Information Commissioner's Office, confirming failure to comply with the act is independent confirmation that the Parish Council failed to comply with its legal obligations. That is properly a matter for auditors to consider.

The Parish Council is required in its annual governance statement, to be submitted with its audit, to confirm it complied with legal requirements (question 3). Thus, it must be a matter for auditors if a parish council has not complied with its legal requirements.

I apologise if my letter was unclear, and implied I was asking you to enforce information rights. That is not the case. Rather I was pointing out that information was withheld in the 2023/24 year (see decision letters from NHDC), and a similar mischief occurred in the 2024/2025 financial year (see decision letter from Information Commissioner's Office).

In my experience, as a director of finance in local government, a persistent pattern of misdeeds would be considered more risky than a one off isolated incident.

I am sorry if it wasn't clear that I was pointing out to you that there is an uncomfortable repetition on this particular issue. You may conclude that does not change the risk profile, but I did want you to be aware of it and to clarify why I think it matters, and why I had thought, as auditors, it would be a matter of interest, if not concern.

Best regards

Xxxxx xxxx

On Thursday 12 December 2024 at 16:55:53 GMT, SBA <sba@pkf-l.com> wrote:

Dear xxxxxx

Thank you for your email. I would like to reassure you that matters in relation to the code of conduct complaint will be considered in full under objective 3 of our eligibility email. As you are aware we can only consider matters within our remit. Issues encountered in relation to the receipt of and access to requested information from the council is unfortunately outside of our remit. The right to request such information is the right of an individual and we have no power to enforce it. We have linked the matters surrounding the code of conduct complaint as an Assertion 3 issue as this then falls within our remit for eligibility for further consideration. I hope this clarifies the position.

We will be in contact in due course.

Kind regards

xxxxxxxxxx

Director | Engagement Lead

PKF

sba@pkf-l.com

From: xxxxxxxxxxxxxxxxxxxxxx

Sent: 12 December 2024 14:36

To: SBA <SBA@pkf-l.com>

Cc: clerk@ashwell.gov.uk

Subject: Re: ASHWELL PARISH COUNCIL - OBJECTIONS TO 2023/24 AGAR - ELIGIBILITY DECISIONS

Dear xxxxxxxx

Thank you for your note. I am overseas at the moment with limited technological capacity, and no access to my files.

I would want to check, once I return home next week, but I would respectfully say, I think there may be an error in respect of no. 8 in your letter, (failure to supply information) where you say *the facts and ground on which it relies on have not been specified*.

I do appreciate there is a volume of papers, so it might have been missed, but I am reasonably confident that I supplied you with a copy of the complaint I submitted about the Parish Council's actions, which included the failure to supply information. I am also pretty sure you have a copy of the four Decision Letters issued by NHDC, which upheld the complaint and confirmed amongst other things that there was a breach in the requirements to provide information. I am less confident, but also thought I included a copy of NHDC's Standard Committee minutes, which confirmed the public record. I seem to recall sending those through to Rebecca and there being a glitch and me having to send it again. I will check my files when I get home next week.

Perhaps you would be so kind as to check the information I have sent because I do think you have the specifics, consequently the failure to supply information needs to be considered.

May I respectfully say, that if someone does submit a complaint about a serious matter, and it lacks some specifics, then it would be most appropriate for you as auditors to write and ask for those specifics, warning that if they are not forthcoming, the matter can not be considered. I do not think that is relevant in this case, but it might be a general point worth considering.

Whilst writing, I would say that I think the overriding substantive issue here is not any specific bullet point or question, rather it is this

Is the Parish Council taking the proper approach to breaches of governance, including legal requirements (e.g. supplying information?)

There have been four Decision Notices which covered the failure to supply information point. They also covered (unfavourably) the actions of the Chair and Vice-Chair in respect of how they handled a village wide planning matter. There is another Decision Letter about declarations of interest.

The only report back has been by the Chair, who declined to say if he had an interest in reporting back on a complaint which included himself. It is my view that his report back did not give a full and fair view of the outcome.

Subsequently, (Rebecca has details) the Information Commissioner's Office has issued a Decision Notice advising of another breach in respect of withholding information.

My substantive point is, and remains, if the Parish Council is not honest with itself and transparent about its errors and omissions, it cannot possibly learn the lessons and improve.

Additionally, I believe there is an obligation under the Localism Act for a Parish Council to consider any breaches of law which it is aware of/notified of. Those requirements do not require a particular source or process to be the prompt for consideration. I invited you to take a view about that because I still await (after many months) a reply from the Parish Council about that matter. It should not really matter what the specifics of that are. The body should want to understand its error, learn from its mistakes and improve in the future, and as a matter of courtesy, want to apologise.

Another key issue seems to me to be, *are any errors and omissions accidental or not?*

I surmise that the governance risks associated with wilful, rather than accidental behaviour, are greater.

xxxxxxx, I think I am seeing here something I saw previously in a local government career which spanned four decades. The institution has become overly defensive about its own behaviour and practises, and thus has a tendency to demonise those who highlight problems. Furthermore, there is a tendency to become even more secretive and controlling.

The most important thing you can do, in my opinion, is ensure the Parish Council understands that it is a publicly accountable, tax funded body, which carries with it transparency and governance obligations. It is my view nothing short of a public interest report will get the Parish Council's attention.

You will note, the Parish Council declared itself in its 2023/24 AGAR question 3, to have complied with all laws, good standard etc, whilst it had on its file five Decision Letters, including issues of law.

Perhaps it is human nature to dig in and become defensive, and at times even hostile towards those who are pointing out errors. However, tax payer funded public bodies need to have the right checks and balances internally to guard against this.

Best regards

xxxxxxxxxxxxxx

Dear xxxxxxxxxxxxxxxxx

Thank you for your email of objection dated 5 August which was received by us as appointed auditors to the Council on 6 August 2024. Apologies for the delay in carrying out the eligibility decisions.

Requirements for an eligible objection

Section 27 of the Local Audit and Accountability Act 2014 (the 2014 Act) provides that local government electors for an area may object to the Council's accounts concerning a matter in respect of which the auditor could:

- make a public interest report under paragraph 1 of Schedule 7 of the 2014 Act. Paragraph 1 of Schedule 7 of the 2014 Act provides that auditor must consider whether, in the public interest, they should make a report on any matter coming to their notice during the audit and relating to the Council or an entity connected with the Council, so it can be considered in accordance with Schedule 7 of the 2014 Act or brought to the public's attention; and/or
- make an application to the court for a declaration that an item of account is contrary to law under section 28 of the 2014 Act.

Section 27 requires that objections must be made in writing and copied to the Council.

Regulation 14 of the Accounts and Audit Regulations 2015 (the 2015 Regulations) provides that objections may only be made in a single 30-day period of which notice has been given under Regulation 15 of the 2015 Regulations.

Regulation 17 of the 2015 Regulations provides that a notice of objection under Section 27 of the 2014 Act must specify:

- the facts on which the local government elector relies;
- the grounds on which the objection is being made; and
- so far as is possible, particulars of any item of account which is alleged to be contrary to law; and any matter in respect of which it is proposed that the auditor could make a public interest report under section 24 of and paragraph 1 of Schedule 7 to the 2014 Act.

Furthermore in March 2023, in exercise of the power in paragraph 9 of Schedule 6 of the 2014 Act, the National Audit Office, on behalf of the Comptroller and Auditor General, issued Auditor Guidance Note 4: [Auditors' Additional Powers and Duties](#) (AGN 04). Paragraphs 19 to 28 of AGN 04 provide guidance on determining whether an objection is eligible. We must have regard to that guidance.

Thus in order for your objections to be categorised as 'eligible' under Step 1 of the guidance issued by the National Audit Office, we must:

- Confirm that the objections were received by us during the Council's public rights period;
- Confirm that you have sent a copy of your objections and any attachments to the Council;
- Confirm that each objection contains the facts relating it to an item of account and/or a governance assertion on the 2023/24 AGAR;
- Confirm that each objection contains the grounds explaining why an item of account on the 2023/24 AGAR is alleged to be unlawful and/or why a governance assertion on the 2023/24 AGAR is alleged not to have been complied with by the Council; and
- Receive confirmation from the Council that you were a registered elector of the parish on the date that we received your objections.

Your objections

You have objected to:

1. the failure of members to declare an interest in financial matters and other agenda items during the December 2022 meeting;
2. the failure of a member to leave the room during a conflicted agenda item about which they had already attempted to make a personal statement at the start of the meeting during the July 2023 meeting (Assertions 2 and 3);
3. the Council's failure to consider the outcome of an upheld code of conduct complaint against the Chair of the Council during the year, you assert that Section 28(11) of the Localism Act 2011 has been breached by the Council (Assertion 3);
4. the failure of members to declare interests during the year in relation to payments made to the Community Land Trust Network (Assertions 2 and 3, Box 6);
5. expenditure during the year on matters in relation to the 'guerilla planting' of plum trees (Boxes 4 and 6);
6. the alleged manipulation of the planning system by members of the Council;
7. the use by the Council of a Planning working group that does not hold public meetings or publish minutes of its meetings and cannot make decisions that bind a council, rather than a properly constituted Planning Committee; and
8. failure to provide access to information requested by a parishioner.

Our eligibility decisions

Your objections were received by us during the Council's public rights period and have been copied to the Council. The items in Objections 2, 3, and 5 are all linked to governance assertions or items of account in the 2023/24 AGAR and the grounds for the objections have been explained; they would therefore be considered to be eligible in those respects. We will be in touch in due course with our decision regarding the acceptance of any eligible objections for further consideration.

We have assessed Objections 1, 6, and 7 as ineligible since they do not relate to a governance assertion or item of account on the 2023/24 AGAR. We have assessed Objection 8 as ineligible since the facts and grounds on which the objection relies have not been specified. We will consider whether in our view the ineligible objections have an impact on the 2023/24 AGAR or on our report on the AGAR before completing our limited assurance review of the AGAR.

Overview of the objection process, timescales and costs

Please see below a brief explanation of the objection process for your information:

- Step 1 – eligibility:
 - Receipt of objections;

- Assessment of objections against eligibility criteria;
- Notification of eligibility decisions (copied to Council – i.e. this email); and
- Confirmation of objector's electoral status.
- Step 2 – acceptance:
 - Assessment of eligible objections against acceptance criteria; and
 - Notification of acceptance decisions (copied to Council).
- Step 3 – consideration & decision:
 - Request for information including formal response from Council in respect of accepted objections (copied to objector);
 - Analysis of accepted objections and information received from Council;
 - Request for further clarification/information from objector and/or Council if required (copied to objector/Council);
 - Collation and redaction of material documents as appropriate;
 - Sharing of material documents if not previously shared with objector;
 - Analysis of comments received on material documents;
 - Determination of accepted objections;
 - Decision letter including statement of reasons issued to objector (copied to Council);
 - Statutory reporting issued to Council if appropriate (copied to objector); and
 - Appeal period if our decision is not to apply to the Courts regarding an alleged unlawful item of account (21 days).
- Following completion of the challenge work:
 - Completion of our limited assurance review of the AGAR
 - External auditor report, including any challenge related reporting matters, and certificate on 2023/24 AGAR issued to Council along with invoice for the limited assurance review and the additional work as a result of challenge correspondence received

We are required to make our best endeavours to complete Step 1 within a week of receipt, then Step 2 within a further month, then Step 3 within a further six months. Steps 1 and 2 have been severely delayed this year due to the unprecedented volume of objections and other challenge correspondence received during 2024, we apologise for the delays as a result of this. Where we are not able to complete Step 3 and decide the objection within six months, we will inform the objector and the authority. If we have not been able to conclude in the meantime, we will provide further updates on progress every three months until the objection is decided.

At this stage, we would like to remind both you and the Council of the need to ensure compliance with relevant data protection legislation (including the General Data Protection Regulations (GDPR)). This could include, for example, redacting personal information (such as the objector's name, address or other identifying information) from any subsequent publication or sharing of the objections and related correspondence.

Please note that all the costs of any additional work that we carry out as a result of challenge correspondence received are met by the Council (and therefore the local taxpayers through increased council tax). The costs are set by Smaller Authorities Audit Appointments Ltd (SAAA) and such work is carried out by an engagement lead at a cost to the authority of £355 per hour plus VAT, i.e. £2,485 per day plus VAT. If you wish to withdraw any or all of your objections to the AGAR, this can be done at any point in the process. We will still consider whether in our view the withdrawn objections have an impact on the 2023/24 AGAR or on our report on the AGAR before completing our limited assurance review of the AGAR; however, the additional reporting stages of the process will be avoided and so the costs to the Council will be lower.

Kind regards

Director | Engagement Lead

PKF

sba@pkf-l.com