

# Appendix

17

# Attendance Note

For Legal Services Manager

Matter reference: CC-011132-LB  
Matter name: Property Acquisition at Auction 19.7.2007 - Craigwen, Amlwch  
Attended by: Lynn Ball  
Attendance with: Derrick Jones (Managing Director)  
Gareth Jones and Ian Howse (PWC)  
Attendance on: Wednesday 17<sup>th</sup> September 2008 (1:30 pm)  
Recorded on: 17 September 2008  
Subject: PWC's investigation into the acquisition of Craigwen

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Following a very brief discussion about this afternoon's Audit Committee, Ian Howse confirmed that he and Gareth Jones had just come from a long meeting with the Cabinet, in the Leader's Office, concerning Craigwen.

Ian Howse said that the Cabinet was putting pressure on PWC in relation to their draft report and that they are being threatened with judicial review proceedings.

The Cabinet made it clear that they wished to use PWC's report to take disciplinary action against the MD and the MO.

The Cabinet asked for, and was given, advice by PWC about the legal protection afforded to the statutory officers. They also explained to us, in summary, the advice which they had given to the Cabinet on this point regarding the appointment of an independent investigator etc.

PWC said that they were having difficulties in getting the Cabinet (in particular Councillor Schofield) to understand the limits of PWC's duties and responsibilities under the code.

PWC was told that the relationship of trust had broken down between the Cabinet and the MD and the MO.

The Cabinet asked for guidance on their right to obtain legal advice independent of Council Officers.

I queried this and asked whether they meant in relation to Craigwen?

Ian Howse said that they were referring to all legal advice, on every issue, because of the breakdown in the Cabinet's relationship with the MO.

I advised them that I was not aware of any difficulty in relations with any Councillor other than, perhaps, Councillor Schofield.

Yesterday I, and others, had advised at a briefing meeting in advance of the full Council and on the previous day I met with the Leader to brief him about forthcoming Court proceedings which might result in his being approached by the Claimant and/or the media.

There was no indication of any problem.

I also advised them about four previous issues involving Councillor Schofield, namely: judicial review and costs against him following a challenge to the Standards Committee and the former Monitoring Officer; my appointment as Monitoring Officer and the Evershed's investigation as a result of a complaint from Councillor Schofield; Stanley Crescent, and complaints that were lodged with the Ombudsman against Councillor Schofield by me and the former MD.

Ian Howse said that all the Cabinet painted a very negative picture of relations between the Cabinet and the MD and the MO and he said that he did not know how we would be able to overcome this. He said that the "poison" was being spread by Councillor Schofield and that PWC had formed the view that this was personally motivated.

He said that he could appreciate that we were in great difficulties and that he would not have either of our jobs for "a million pounds".

PWC said that they did not want their findings to be liable to challenge by judicial review, although I suggested that, from our point of view, the best course of action would be to have a High Court Judge look at it. We would welcome that.

PWC confirmed their code responsibilities and said that they would now be seeking independent legal advice on the 3 issues, namely: the covenant, the Section 5, and whether or not Councillor Schofield is now breaching the Code of Conduct and, if so, what are PWC's responsibilities in relation to that.

The MD suggested that the Council bring in an independent investigator to look at it. I said that Councillor Schofield apparently "rubbished" the Eversheds investigation because I had worked for them as a trainee solicitor, even though I was not acquainted with the investigator. I was advised by the former MD that Councillor Schofield claimed that the investigation had no credibility because the instructions were given by the Managing Director. Whatever we do, unless PWC's findings serve Councillor Schofield's purpose, it will be rejected.

Ian Howse took with him a copy of my comments on the draft report. I confirmed that, whilst I still maintain the view that the "consultation" with the Acting Section 151 was sufficient, I told him that David Elis-Williams felt strongly that there should be a recommendation that, in any future circumstances like this, the Section 151 should be specifically included in any formal discussion/decision.

Ian Howse and Gareth Jones then left the meeting to attend the Audit Committee and said that they would be in touch as soon as possible.

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DAVID J BOWLES, C.P.F.A., B.Sc.  
Rheolwr Gyfarwyddwr Dros Dro  
Interim Managing Director

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19/02/2010

Dear Councillor

### Undermining the Monitoring Officer

When I took up my appointment as the Council's Interim Managing Director I received a number of 'complaints' against the Monitoring Officer.

All of the complaints were made by Members, though most were made by one particular Member. A number seemed to be hearsay and were potentially repeating the concerns expressed by that one Member. The main complainant went as far as describing Ms Ball as 'not fit for purpose'.

The allegations included claims of undue influence on the Council's external auditors; impropriety in correspondence/evidence provided to the Public Services Ombudsman in connection with his enquiries; collusion with a leading member of the Opposition; inconsistent use of discretion on the issue of section 5A/5 reports; unauthorised/inappropriate disclosure of information and the misuse of the Standards Committee to place information in the public domain.

Such allegations into the competency of such a key post cannot be left unresolved. In response, I instructed a suitably qualified independent person who has been both a Monitoring Officer and Chief Executive, and who has worked with the WAO, to carry out a peer review into the work of the Monitoring Officer covering issues such as those above.

That investigation is now completed and has shown that in all cases Ms Ball acted appropriately and professionally and with a high degree of competence and skill. This is consistent with Ms Ball's high standing outside of the Council and my own review of documents.

The role of Monitoring Officer is a difficult one which can be perceived as obstructive even though the purpose of the advice given is to keep members within the law and various Codes.

The Investigator has also drawn to my attention his concern that the pursuit of these allegations, against the Monitoring Officer, exposes the Council to a risk of employment related litigation.

I endorse that analysis but would go further. I believe that the Monitoring Officer has been the subject of a concerted campaign of bullying and harassment. I find this conduct abhorrent and totally at odds with the Council's legal obligations as employer. If Ms Ball were to seek claims against the Council for her treatment I have no doubt that there would be a genuine prospect of the Council losing such a claim. If such claims were brought under the appropriate legislation the claims would be uncapped and possibly run well into seven figures. We therefore have obligations not just to Ms Ball as an employee

While I have received no indication from the Monitoring Officer that she intends to take legal action, should she do so, recovering compensation against the Council, then the Council will be seeking financial indemnity from any members who have played a part in what has the appearance of a poisonous vendetta.

As far as the Council is concerned, the allegations discussed above are now a "dead letter". If any member raises these issues again I shall consider such action to be evidence of serious misconduct and I shall personally report that member to the Ombudsman, requesting that they be referred to the Adjudication Panel for Wales.

This continuing conduct, by a few members, and especially one member, strikes at the heart of issues highlighted in the Corporate Governance Inspection Report (eg paras. 4, 5, 8, 20, 21, 23, 31, 34). The fact that it persists many months after publication of the Auditor's Report will be a matter of grave concern to the Minister and the Recovery Board. If this Council is to stand any chance of moving forward it must also be a matter of equal concern to those members (undoubtedly the significant majority) who seek to act in good faith and in the best interests of the Council and the public it serves.

I have written separately to the main complainant rejecting the allegations and drawing attention to the highly corrosive effects that whispering campaigns can have, that I will not tolerate such campaigns and drawing their attention to the potential financial implications for them personally. Given the number of allegations made by that one member it seems highly unlikely that they were made in good faith.

It should be noted that, in addition to the legal risk that such conduct poses to the Council, together with the damage it causes to relationships between members and officers, this kind of behaviour is hugely wasteful of resources, both in terms of the direct cost of engaging external investigators but also in the officer time which is diverted from more productive purposes.

It is important that officers are held accountable for their performance and reports going to the next County Council meeting will put in place appropriate mechanisms to appraise officers. If any member wishes to make a complaint against any officer, now or in the future, any such complaint will be rejected unless it is put in writing, signed, and supported by evidence. Any member, who is also a member of a group, will also be expected to have such a complaint endorsed in writing by their Group Leader.

If any member is aware of continuing attempts to undermine any officer they should advise the member to use the proper processes; if the member fails to do so it will clearly point to improper motives. I hope you will not tolerate officers being undermined simply for doing their job properly and professionally.

Finally I regret again having to write in these terms and no doubt if my position starts to be undermined it will be evident why.

Yours sincerely



**DAVID J BOWLES**  
**INTERIM MANAGING DIRECTOR**