

At a Meeting of Pembroke Dock Town Council held at the Pater Hall, Pembroke Dock on Thursday 19th October 2017

PRESENT: Councillor J McNaughton, Councillor G Goff, Councillor J Beynon, Councillor D Burrell, Councillor M Colgan, Councillor J George, Councillor P George, Councillor P Gwyther, Councillor B Hall, Councillor P Kraus, Councillor G Manning, Councillor M Murton, Councillor S O'Connor, Councillor J Phillips, Councillor T Wilcox

IN ATTENDANCE:

Sarah Scourfield – Town Clerk
Amanda Dillaway – Deputy Town Clerk
Amanda Hart – Administrative Support Officer

Don Esmond – Chair of Pater Hall Trust
Antonia McBride – Trustee Volunteer

71 APOLOGIES FOR ABSENCE

None

72 DECLARATIONS OF INTEREST

Councillor D Burrell – Personal interest via relationship to Trustee of Pater Hall
Councillor P Gwyther – Pater Hall Trustee
Councillor P Kraus – Pater Hall Trustee
Councillor J George – Personal interest via relationship to Trustee of Pater Hall
Councillor J Phillips – Pater Hall Trustee
Councillor M Colgan – Pater Hall Trustee
Councillor P George – Pater Hall Trustee

73 TO CONSIDER THE FINANCIAL APPLICATION FOR THE PATER HALL COMMUNITY TRUST

The Mayor opened the meeting and asked Mr Don Esmond to give background information on the Trust.

Mr Esmond gave some history on how and why the Trust was set up. The Charities Commission stated that the Trust must be helped in part by additional funding from the Town Council during the time that the Trust was in existence. Mr Esmond further stated that when the Trust took over, the building was in quite a bad state of repair with the rear elevation being damp, no fire system, poor electrics, no disabled facilities and the heating system was not zoned correctly. The Trust agreed to take on the lease only because the Charities Commission stated that the Town Council must help with costs.

Mr Esmond continued that for the first three years, help was forthcoming from the Town Council with running costs with a decreased percentage being in place thereafter. It was understood that the rent would always be payable by the Town Council. Mr Esmond stated that the rent amount was not set by the Trust but set by an independent valuer and that the office space had recently been revalued at the same amount.

Mr Esmond stated that the facilities at the Pater Hall cannot be upgraded further without the continued help from the Town Council.
Referring to the misappropriated funds that had been taken fraudulently from the Pater Hall Trust, Mr Esmond advised that a professional fraud investigator assisted the trust and therefore

they were able to get back more of the monies than expected. Mr Esmond stated that the public questioning of the Trust as to why the same accountants are still in place is uncalled for. The Trust have no reason to change auditors as no problems were highlighted until the fraud was finally uncovered. Mr Esmond stated that the Trustees were put under enormous pressure by the Town Council to go to the Police before Christmas and this very nearly put the entire case into jeopardy. The Trustees eventually went to the Police on 14th January 2015 and this was the correct action to take.

Mr Esmond finished up by stating that the income for the hall has doubled in the last 10 years and running costs have been decreased all thanks to the continued work of the Trustees.

Councillor J McNaughton asked Mr Esmond why, in light of the fraud that had taken place, the Trustees do not have their accounts audited annually as the copies of the accounts that had been provided to members were noted as "unaudited". Mr Esmond stated that as a small charitable group and they were not obliged to have accounts annually audited. Mr Esmond stated that Mr Ian Jones, the Trust's Treasurer, is not the sole person who knows the accounts as Mr Esmond himself now signs any cheques and therefore is able to question all spend of the Trust.

Councillor G Manning asked Mr Esmond to clarify the amount that the Trust had received from their insurers as the figure of £29,600 was different to the figure of £26,000 noted in the accounts. Mr Esmond stated that an extra £3,000 was awarded from the insurers.

Councillor S O'Connor commented that the past cannot be undone, however the application that is currently under discussion states that the Trust want £14,000. Councillor O'Connor asked Mr Esmond what the Trust plan to use this grant for? Mr Esmond stated that if the Trust is to keep going then it will start to use its reserves, which is the insurance money that it has received. The Trust do have a program of works for the building and at the moment, there is continual juggling of bookings for use of disabled-friendly rooms.

Councillor J Beynon questioned Mr Esmond as to why there is no correspondence confirming the receipt of the insurance claim. Councillor Beynon also questioned the legality of the use of the same registered address for different officers of the Trust. Councillor Beynon questioned why there was such a vast difference in the cash in hand/bank as in 2016 the accounts showed £3877 but in the more recent set it shows £28,495 he commented that this was an incredible difference. Mr Don Esmond stated that this increase was due to the amount received from the Insurance claim, Councillor Beynon stated that earlier in the meeting it was stated the insurance claim was for £29,600 yet the accounts are only showing £28,495 so there is an approximate amount of £1,100 missing and this was one of the questions which required some further explanation.

Councillor B Hall commented that he recently attended the AGM of the Trust along with Councillor Manning. Councillor Hall stated that Mr Esmond gave the Treasurer and Secretary reports at that meeting as the Treasurer, Mr Ian Jones, was not present. Councillor Hall stated that in his opinion he would have expected Mr Jones to be at the AGM to answer any questions.

Councillor Hall further stated he could not support any grant application to the Pater Hall Trust at the moment as Ian Jones could not bother to attend.

Councillor T Wilcox questioned if the embezzled funds were taken within a 12 month period. Mr Esmond stated that it was 18 months, however, Councillor P Gwyther stated that it was over a longer period.

Councillor D Burrell commented that it is important that the Pater Hall is kept going and she had sent through some questions prior to the meeting that she wanted answers to. Mr Esmond stated that during the months of July and August bookings at the hall are quiet however the

Trust still have items that must be paid for including an application for Building Regulations, a full survey of the electrics at the hall plus other items totalling approximately £4,000.

It was questions what the “Restricted Funds” of £150,000 are that appear in the accounts. Mr Esmond stated that these funds have to be used specifically for charitable funds and projects and these are as described on page 1 of the Financial Statements document under the heading “Objectives and Activities”.

Councillor G Goff commented that the Trust were asked to pass on a copy of the quote to install a lift at the hall – this had not been received and furthermore the reason why the plans to relocate the office back to the hall was that the plans submitted by the Trust were not suitable. Mr Esmond stated that the reason that the space was not now suitable is the Town Council had bought new furniture that does not suit the planned office space. Councillor Goff further stated that Town Council offered to locate the offices in the Chamber but Mr Esmond stated that this was not possible.

Councillor J McNaughton stated the reason the offices had not been started were that the plans kept changing. The first plan was to make changes to the large windows in the Warrior Room, then the office was almost half the space of the Warrior Room and then finally a much smaller space was proposed – however this is not adequate. Councillor McNaughton further stated that what was now proposed is not wheelchair friendly. Councillor McNaughton stated that the Pater Hall Trust expected the Town Council to sign an agreement that had not been reviewed by the Town Council – an agreement which stated that rent increases would take place annually and that the Town Council could not erect any signage outside. Mr Esmond stated that the agreement stated a 5 year rent review and the clause about the signage was to stop “willy-nilly” signs being put up. Councillor T Wilcox stated that there was a stalemate with the lease/agreement and of course, the Town Council would not send to their solicitors when they were not happy with some items included in the draft agreement.

Councillor B Hall commented that it is usual for a 3 or 5 year lease and then a rent review would take place but not annually. Councillor Hall stated that projected plans and accounts are needed from the Pater Hall Trust. Councillor Hall further stated that he was still confused over the “Restricted Funds” within the Trust’s Financial Statements.

Councillor G Manning referred to a document that had been produced by Mr Esmond along with Councillor P Gwyther (a Trustee) in October 2010. This document gave a month by month review of the Trust’s accounts including a profit and loss account. Councillor Manning questioned that if this could be produced in 2010, why could the Trust not do so now? Councillor Manning stated that the current grant application stated it would be used for “day to day running costs and ongoing improvements to the hall” however in letters received from the Charities Commission it is not stated that the Town Council has to contribute to any running costs; it can however contribute to improvements. Councillor Manning stated that he supports Councillor Hall and that no support can be given to the Pater Hall Trust at this time.

Mr Esmond stated that it is well known that community resources are supported by their local council.

Councillor S O’Connor stated that the Trust’s accounts look healthy however he still does not know how the Trust plan to use the grant they have applied for. Councillor O’Connor stated that a full projection of what the Trust need to carry out on improvements is needed. The Town Council own the Pater Hall and the Town Council need to know that there is always a room available for meetings.

Mr Esmond stated that he had a document with these projections contained within it and could

circulate via the Town Clerk. Mr Esmond stated that he did not know about the meeting so had no time to send out beforehand.

Councillor J Beynon stated that the Trust were advised about the meeting as their Treasurer, Mr I Jones, had confirmed he would not attend. Councillor Beynon further stated that the Town Clerk was advised only the day prior to the meeting that the meeting room was not available and it speaks volumes that Mr Jones has not bothered to attend.

Councillor T Wilcox stated that the Trust had been supported to £400,000 by the Town Council and obviously every penny must be accounted for. Councillor Wilcox commented that the old offices of the Town Council should have been sorted a long time ago.

Mr Esmond stated that when the Trust was created the lease was not signed as it was agreed by the Town Council that the offices would move downstairs and this had never happened.

Councillor B Hall referred back to the £150,000 that was noted in the accounts as "Restricted Funds" and questioned Mr Esmond as why these funds cannot be used? Councillor P Gwyther commented that the £150,000 does not exist but needs to be stated within the accounts as Tangible Assets. It was commented that perhaps the term "Restricted Funds" should not be used.

Councillor Hall questioned when the budget has to be finalised. The Town Clerk confirmed that it must be done by December to enable the precept request to be submitted to Pembrokeshire County Council. Councillor Hall stated that Mr I Jones needs to answer the questions that the Town Council have for him on the finances and accounts of the Pater Hall.

Councillor G Goff stated that he could not support any grant application for the Pater Hall Trust without further information, however the Town Council cannot make a volunteer attend a meeting.

Councillor D Burrell proposed that the Pater Hall Trust is asked to produce a business plan.

Councillor P Gwyther suggested that questions for Mr I Jones are submitted beforehand.

Councillor S O'Connor proposed that the meeting was adjourned as there is no information available and further proposed another meeting in early November. The information that would be required from the Pater Hall Trust is a forward statement on what the grant money would be spent on along with a report of the receipts and payments of the Hall. However, the Trust's Treasurer, Mr I Jones, must attend. Councillor D Burrell seconded these proposals.

There followed a discussion on whether the next meeting should be held in private and confidential with pros and cons tabled by members. It was proposed to take a vote of members to whether the meeting was held in Public or in Private and Confidential:

The meeting in early November to discuss the Pater Hall Trust Grant to be held in Private:

FOR	5	AGAINST	10
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There being no further business the meeting closed.