

ROTTEN BOROUGH

LIQUID ASSETS

EMBARRASSMENT for senior Great Yarmouth councillor Ronald Hanton, who has been suspended from his local Masonic lodge after a gaping hole was discovered in the accounts.

The branch's chair and treasurer were both permanently excluded in April, while vice-chair Cllr Hanton and the lodge's secretary were each given a six-month suspension by a vote of members, for "failing in the discharge of the duties of their respective offices".

Forensic accountants brought in to investigate allegations of irregularity in 2015 found more than £16,000 missing from the Great Yarmouth Masonic Lodge bar accounts, in missing stock and funds from the till. They concluded there had been a "misappropriation" of assets and recommended reporting it to the police, but warned that due to haphazard record-keeping and lack of proper systems for banking funds for quite some time, it might not be possible to identify who was responsible.

This proved correct. Norfolk Constabulary concluded this year that there wasn't enough evidence against any individual for a conviction.

Cllr Hanton complained to local media that his suspension was disproportionate and was "merely" because the money had vanished on his watch. A former leader of the Conservative group on Great Yarmouth council, who is also running in Norfolk's county elections this month, he currently serves on several high-budget committees as part of the ruling Conservative/Ukip coalition, including the economic development committee, where his role is to scrutinise economic strategy. Given his failure to spot the chaos in the lodge's accounts, council taxpayers may question his abilities.

● **FOUR** councillors in Northern Ireland have been revealed not to have paid their household rates bills on time, after the *Irish News* made freedom of information requests to the Land and Property Services (LPS) agency. Northern Ireland doesn't have council tax, and thus did not feature on the *Eye's* interactive map of councillors who didn't pay on time (www.private-eye.co.uk/councillors). LPS, which collects domestic rates, refused to identify the individual local politicians, other than to say that two of the late payers were on Belfast city council. Two were councillors elsewhere, one of whom had legal action taken against them for owing almost £2,000.

WASTE PAPERS

THE monitoring officer at Gloucestershire county council has been asked to investigate whether the leader and his deputy exaggerated the cost of backing out of a plan to commission a £500m waste incinerator, when persuading fellow councillors to go ahead with it in 2015.

Environmental law expert Raymond Purdy, a senior fellow at Oxford University, has complained about councillors Mark Hawthorne and Ray Theodoulou and the way they presented financial details to a crucial meeting. They claimed that to opt out of the contract already signed with Urbaser Balfour Beatty (UBB) would potentially cost £100m. Campaigners have discovered the true cost would be about £35m.

The information came to light after campaigners used freedom of information rules to force the council to reveal details of the contract with UBB. At first the authority heavily redacted the document, claiming commercial confidentiality (*Eye* 1427). An information appeal tribunal ruled the authority would have

to disclose key prices, strategy and information regarding termination of the 25-year contract. The tribunal upheld parts of the council's appeal, ruling that certain small amounts of information deemed commercially sensitive could remain redacted. The council claimed that as a victory, despite the £200k the whole exercise had cost it.

Protest group Community R4C has now gone to the council's external auditor, Grant Thornton, and, with the help of the Environmental Law Foundation, put together a case which, it believes, shows the UBB contract is not value-for-money. It has also approached the Competition and Markets Authority, claiming Gloucestershire's contract breaks competition law.

● **RESIDENTS** on London's freshly regenerated St John's Hill estate, near Clapham Junction, have received a bizarre plea from Wandsworth council's community safety team to call in the cops if they suspect their neighbours may be plotting "unauthorised street parties".

"If you see or hear anything suspicious regarding street parties in your road, please phone the police on 999," read the flyers, noting that bank holidays are a likely time for people having a good time without permission. An event turned rowdy might indeed merit police attention, but given efforts to discourage frivolous use of the emergency number, does someone hanging up bunting really merit a 999 call?

Wandsworth charges residents for a street party permit, asking £91 for the privilege – even for a cul-de-sac. Many other local authorities charge nothing for a community street event, unless food or alcohol is sold, and ask only to be notified of plans so they can close roads to traffic if appropriate.

POISON HARROW

SO MUCH for outsourcing services to local authority trading companies – businesses majority-owned by councils – as the initiatives fail to win work from their own owners.

In 2013 Buckinghamshire county council (BCC) and the local fire authority set up Bucks Law Plus Ltd (BLP), the first public sector enterprise in the UK to be granted a licence by the Law Society to operate as a commercial law firm. Clients included the council, academy schools, housing associations and local voluntary groups. BLP made a small loss in its first year but by September 2015, according to its managing director, "initial signs of this venture becoming a long-term success were very positive". By January 2016, it appeared to be doing well, with its 50 lawyers winning Team of the Year at the local government legal awards.

In April 2016, Buckinghamshire outsourced its legal work to the London borough of Harrow,

buying most of its legal services from a company Harrow had set up called HB Public Law (HBPL) rather than its own BPL. Many BPL lawyers were transferred to HBPL.

In 2014, HBPL customer Barnet council blundered on for 18 months with no properly qualified lawyer, leaving it open to legal challenge. An investigation found that: "No one in Barnet understands local government law. Senior governance staff lacked experience; reports were approved without the appropriate legal advice, despite an outsourced joint agreement with Harrow's HB Public Law" (*Eye* 1378).

BCC has now terminated its contract with another company it owns, Buckinghamshire Care Ltd, set up in 2013. The move follows a damning Care Quality Commission report into the Seeley House residential respite centre. Bringing it back in-house will cost £2.4m and will cause disruption to staff and service users.

HAMMERED HOME

DESPITE its housing budget being £700,000 short, Enfield seems determined to lose money on the London property market.

In February, Enfield's Tory opposition discovered that Housing Gateway, the private company part-owned by the council that buys and manages council housing, paid undisclosed sums to 18 estate agents for "finder's fees" on family homes bought on the market. Housing Gateway has purchased 87 homes this way since November 2015, which Tory councillors claim excluded first-time buyers from the property ladder. The council says the company buying homes saves it £1.5m a year on renting temporary accommodation for families.

Meanwhile, houses the council already owns are being renovated and flogged cheaply at auction. Enfield council put six properties under the hammer in December (combined price: £3.3m) at the five-star Montcalm Hotel in Marble Arch; three had been refurbished using almost £220,000 from the public purse.

One of those properties, a three-bedroom semi, sold for £450,000. It reappeared through an estate agent just three weeks later priced at £500,000. Another, a two-bedroom end-of-terrace, was given a guide price of £400,000, later raised to £430,000 after the residents' association pointed out that this was £75,000 below an independent surveyor's estimate. After it failed to sell at auction, an estate agent sold the house in less than two weeks (asking price: £475,000).

Why is the council so happy to play *Flog It!*, when estate agents would bring a higher price? A spokesperson said auctions have "the advantage of certainty and delivery of a capital receipt within the timescales required", reducing fees and avoiding chains. Surely buying via estate agents and selling at auction goes against all property wisdom and offers the worst bargain possible?

IT'S GRIM UP NORTH LONDON

KNIFE & PACKER

