**PRESS RELEASE BY G.V.J WILLETTS A COUNCIL TAX PAYER, TOGETHER WITH THE AM FOR ABERCONWY JANET FINCH-SAUNDERS, ARISING FROM COASTAL PROTECTION WORKS TO THE NORTH SHORE LLANDUDNO, TOGETHER WITH REPAIRS TO OTHER SHORE LINES IN THE BOROUGH**

**Quote:**

Regarding the Wales Audit Office’s report on the works to Llandudno’s North Shore beach, Janet Finch-Saunders AM said:

“It is clear that Conwy County Borough Council have questions to answer over their handling of this contentious matter.

“Costs to the taxpayer, identified in this report, will be of concern to many who continue to struggle to balance the books in the face of year-on-year council tax hikes, alongside declining service provision.

“Numerous residents, and myself, raised serious concerns at the time of these works being undertaken, and I am confident that this report will make for interesting reading for many.

“The report outlines several recommendations, some which should have long been firmly ingrained in the council’s ways of working already, which I hope will be taken seriously by those responsible, and actioned immediately.

“Whilst not surprised, given my previous criticisms regarding the dumping of these rocks onto our beautiful beach, even I remain shocked that so many issues have been identified by the Auditor’s office in this report. This raises once again questions about the transparency and openness of the council, particularly with regard to the spending of £1.45m of taxpayers money. As a broader issue, improved financial probity in local government is something I have long campaigned for, and whilst it should not take a report such as this for councils to change, I sincerely hope that this will be a wake up call for those responsible, particularly ahead of next May’s local government elections.”

**Summary by G.V.J. Willetts:**

**1 Introduction**

On 5 December 2013 the coast line of Wales including that in Conwy CBC, suffered a large amount of damage that required remedial works.

The damage included the destruction of the promenade at Deganwy, damage to Conwy Morfa, the West Shore at Llandudno, together with the North Shore Llandudno and Kinmel Bay.

Other Authorities in Wales, after ascertaining the extent of the damage put in place very quickly any planning permissions, marine licenses or other permits required to carry out the works as soon as the grant was received from the Welsh Government.

Conwy CBC were very dilatory in so much that the required permissions , licenses and permits were not applied for so delaying the required commencement and completion of remedial works. In fact some applications were still been made in September and October 2014. This resulted in the completion of works taking an excessive amount of time, as many areas were not complete until March 2015, some fifteen months after the date of the storm damage.

**2 The Grant from the Welsh Government**

The Welsh Government made a grant of £3.809 million by a letter dated 5 March 2014, which in the main was conditional upon spending all of the grant by the 31 March 2015, and not 31 March 2014.

**3 Reponses from Conwy CBC**

On or around 11 March 2014, the Public Body sought offers from two Contractors to place imported rock or shingle on the North Shore at Llandudno, with also at Kinmel Bay. This amounted to circa 60,000 tonnes at the North Shore Llandudno, together with 50,000 tonnes at Kinmel Bay.

There was no consultation with the Residents in either location, to which the Public Body, entered in a contract with Jennings Brothers, to dump the quantity of 110,000 tonnes on the shore line at these two locations. It is still considered that planning permission was required for the works at the North Shore Llandudno at the profile which now exists differs from the approved plans approved in the late 1990’s.

There was of course no need to panic as the worst of the winter storsm had passed, with the monies to be expended by 31 March 2015, which would have allowed consultation with the Residents with the agreement of a scheme which was acceptable to both parties, with carrying out the required remedial works to the defences, together with retaining as much of the sand on the beach to allow the amenity in the summer by Visitors and Residents alike.

Alas this was to happen as the Lorries rolled on a daily basis dumping the rock with the result which we all are aware of.

The Public Body then wished for all the remaining works with the exception of those at Deganwy to be carried out by the extension of a contract, whose life had expired long ago

**4 The Public response**

There was outrage at the decision by the Public Body to dump in what appeared to be a haphazard manner circa 60,000 tonnes of imported rock fill on the North Shore beach. The Residents claimed that there was no need to carry out the works in such a panic, with in addition discussing and reaching an agreement with the Residents

At the instigation of a group formed to oppose the works carried out, together with full support from the AM for Aberconwy Janet Finch Saunders, a Public Meeting was held on 20 May 2014, attended by circa 800 Residents.

The meeting was conducted in a very tense and taught manner with the Cabinet Member responsible Cllr M Priestly coming under pressure for process to fill the beach at North Shore with rock fill without any consultation. In addition the Head of Service responsible found the questioning most distressing. The meeting was told by the Chief Executive of the Public Body that in a para phrase, that the material was now on the beach and there it would stay.

**5 The Formal Response from the Public Body**

There had been no reports submitted by Officers to a Committee or Cabinet, arising from the storm damage which occurred the 5 December 20143until a report was submitted to the Cabinet on 13 May 2014.

This report contained numerous statements which were not supported by background papers or evidential documentation.

As a result the Council Tax Payer in discussion with the AM for Aberconwy, used the Freedom of Information Act 2000, to gain access to all of the documents which were used to prepare the report to the Cabinet.

As with many issues appertaining to Conwy CBC one has to use the Freedom of Information Act 2000, to go below the veil of secrecy which is used on a constant basis.

This produced a number of issues with regard to value for money, probity, transparency, together with conduction matters in the best interest of the Council tax Payer and the General Tax Payer who funded, the bulk of the remedial and rectification works.

**6 Action Taken by the Council Tax Payer**

The Council Tax Payer after consultation with the AM for Aberconwy, decided to use the Public Audit (Wales) Act 2004, to obtain access to dockets, vouchers and receipts. It became readily apparent that there was a number of issues, which should be referred to the Appointed Auditor from the Wales Audit Office, who carries out the external audit of all Local Authorities in Wales.

The Head of Legal Service who refuses to meet with Council Tax Payers, was most difficult and obstructive, in dealing with this matter

The Council Tax Payer by letters from July 2014 to January 2015, referred the issue of the works at Llandudno North Shore, and Kinmel Bay to the External Appointed Auditor.

**7 Progress of the Remedial and Rectification Works.**

The Public Body having received the funding from the Welsh Government to carry of the remedial work required, was in a position that it had not obtained the required planning permissions, marine licenses and other permits, required. Some of these were obtained in the late autumn of 2014, with a result that the Public Body, was still struggling to complete the works at Deganwy, West Shore Llandudno and Conwy Morfa. These works were not complete until March 2015, some sixteen months after the initial damage. In other Authorities in Wales, the remedial works were in the main completed by the autumn of 2014, due their wise decisions to commence planning in an early stage with obtaining all of the licenses and consents required.

**8 The Internal Audit Report**

The Internal Audit Department produces a report in September 2014. This report was handed round at an Audit Committee, which was simply noted with the Chairman of the Audit Committee, not carrying out his duty not hold the executive to account. In addition he supported the report on social medial without question. This report was lorded around the Welsh Government by the Public Body, in an attempt possible to seek glory for the manner in which they had organised and executed the remedial works.

If fact it is considered that the report failed to carry out the required inquisitorial investigation required, with producing a report which rightly or wrongly was sloppy at the best or incompetent at worst

**9 Actions by the Appointed Auditor**

The Council tax Payer continued to have correspondence and meeting with the Appointed Auditor during 2015 and 2016, which culminated in a draft report from him in March 2016. The Council tax had a number of concerns arising from the content of the draft report, which were summarised in a letter to him of 7 March 2016.

The Appointed Auditor finally issued his final report to the Council Tax Payer and the Public Body on 7 July 2016, received on 11 July 2016. This report contained nine clear recommendations arising from failing in the procedure and process to procure and manage the execution of the remedial works.

This report will be presented to the Audit Committee, who failed to address with their duties to hold the Executive to account after the receipt of the internal audit Report in September 2014.

There is concern that the recommendations will be simply noted and filed away to gather dust, due to the attitude which emanates with the Public Body, which is possibly too parochial, with failing to accept that they make failing such as Maesdu Bridge and Colwyn Bay Pier.

**10 The Recommendations of the Appointed Auditor**

The Report sets out clearly that the additional cost to the General tax Payer in splitting the contracts between Llandudno West Shore and Kinmel Bay, rather than accept the cheapest basis on one overall contract amounted to £68,000.00 paragraph 1.15 of the report.

Recommendation R1

This recommends that the process of inviting tender should be approved by Senior Officers. In addition the invitation must make it clear that any contract will be awarded in sections or overall.

The contract awarded to Jones Brothers for Kinmel was terminated by the public Body, which if the matter had proceeded to Adjudication could possibly have cost the General Tax possibly an additional £45,000

Recommendation R2

The Public Body should consider the offers form Contractors, with considering if issues arise which have wider implications

Recommendation R3

The Public Body should ensure that where other parties are to meet there need to be a written paper trail of events

Recommendation R4

This calls for the amount properly due to be carried out by a qualified Quantity Surveyor. The Contract calls for certificates to be prepared as a basis for payment which were not carried out. This should ascertain the amount properly due under the contract. It arose from the evidence that invoices were simply rendered by the Contractor, which it appears were all paid as invoiced with no certificates issued.

Recommendation R5

This sets out that Council should ensure that formal contracts are prepared for the execution of works, which appended clearly to be lacking in this case.

Recommendation R6

The approval to extend a contract that had expired should have been approved by a Committee. The contract should not have proceeded until a formal conformation has been obtained that the due process is complete.

The contract for coastal maintenance expire in February 2012, with been extended until January 2013. The Public Body then breathed life into the expired contract with granting an extension until 6 September 2014. However works or work was ordered after that date, even though the contractual relationship had expired.

Recommendation R 7

The contract for the emergency works was extended twice, with requiring that a process be implemented that action can be planned rather than requiring emergency action

Recommendation R 8

That the Council should ensure that a full new contractual arrangements for coastal emergency works be in place. It is not known is this is in place.

Recommendation R 9

This concludes that the Internal Audit Report did not comment on the controls and process required paragraph 3.2. In addition that the Internal Audit Report failed to recognise the need for improvement in order that management responses can be tracked.

**11 Conclusions**

The AM for Aberconwy together with the Council tax Payer who raised the issue, of the possibility of breach of process, probity and transparency and panic, in drawing all of the threads together believes this raises concerns, which required to be addressed by the public Body.

1. There was no need to panic with depositing large volumes of rock on the beach at Kinmel Bay and Llandudno North Shore. This could have been planned in a far better way rather than driven by un-necessary panic.
2. That the Authority failed to put in place all of the licenses and permits to enable the coastal remedial works to proceed.
3. That the public Body expended a sum of £68,000.00 in in appropriate award of contacts
4. That there was not in place an appropriate system to ensure that the Contract for the remedial works was only paid the amount properly due under the contract.
5. That the extending twice of the term contract which expired in September 2014 was still allowed to operate after September 2014.
6. That the Audit Committee and its Chairman accepted without question and holding the Executive to account the Internal Audit Reports of September 2014.
7. That the Authority failed to report the action undertaken to a Committee until six months after the storm damage
8. That the Cabinet Member for Coastal defence works appeared to take little of no interest in the remedial works with letting events dictate policy
9. That the Audit Committee should consider the Appointed Auditors report, with taking on Board its nine recommendations, with seeking form the Chief Executive that the Public Body will comply with each and every recommendation, with not simply ignoring the recommendation and file them away to gather dust.
10. That the Chief Executive together with the Head of Legal Services should be prepared in future to meet with Council tax Payers to discuss and resolve such issues rather than adopt an aloof adversarial and confrontational approach to legitimate concerns raised by Council Tax Payer and AM for the Authority.
11. The Council Tax payers will no doubt wish to question if the Cabinet member responsible for coastal defences, has rightly earned his annual allowance at the time of circa £29000.00 per year which is even thousand pounds more than the average salary in Conwy CBC, with also questioning if the allowance of £22,000.00 paid to the Chairman of the Audit Committee is justified when failing to hold the Executive to account

This report from the Appointed Auditor does confirm again the unsatisfactory basis of the process and procedures in place at Conwy CBC in expending public money. One has only to consider Maesdu Bridge £1.5 million additional cost as a past example. This resulted in twenty two recommendations form the Appointed Auditor. Let us hope that the Authority will take on board and implement the recommendations, but that may be too hopeful.

Gary V.J Willetts a Council tax Payer and Elector