

MAESTEG TOWN COUNCIL

Minutes of an **EXTRAORDINARY HYBRID PUBLIC MEETING** of the Council held remotely via Microsoft Teams and in the upstairs meeting room at the Council Offices, Talbot Street, Maesteg, on **Thursday, 29th September 2022.**

PRESENT:

COUNCILLORS:

A James (Mayor)

F Abedalkarim, R Collins, AR Davies, P Davies, K Edwards, P Jenkins, C Knight, R Lewis, R Martin, R Penhale-Thomas, M Rowlands, G Thomas, L Thomas, G Williams and I Williams

APOLOGIES were received from Cllr C Davies

DECLARATION OF INTEREST: None received

231. TO CONSIDER THE AUDITOR GENERAL FOR WALES' REPORT IN THE PUBLIC INTEREST AND THE RECOMMENDATIONS INCLUDED THEREIN

The Mayor introduced himself and welcomed members of the public both in attendance in the meeting room and online.

The Mayor advised that the report was a legal document and the Chair of Personnel read the following from the report:

Acting under delegated arrangements and on behalf of the Auditor General for Wales, I have issued this report under section 22 of the Public Audit (Wales) Act 2004, to draw the public's attention to significant deficiencies in financial management and governance at Maesteg Town Council which contributed towards a major fraud being committed against the Council by its former Clerk.

Detailed report

- *Between March 2016 and December 2019, the former Clerk defrauded the Council of £238,000*
- *Council members acted improperly when confidential information regarding the then alleged fraud was posted to social media*
- *The members of the Council serving during the former Clerk's tenure failed to ensure that the Council's proper financial procedures were followed*
- *The Council has not complied with the statutory timescale for submitting its accounts for audit*
- *There are significant inconsistencies and omissions in the Council's accounting systems and records*
- *The Council's governance arrangements are inconsistent with the positive disclosures it has made in its annual returns*

At the meeting, the Council will need to decide:

- a) whether the report requires it to take any action;*
- b) whether the recommendations in the report are to be accepted; and*
- c) what action (if any) to take in response to the report and recommendations*

The current Chair of Finance then read out the introduction, key findings and recommendations from the report:

Introduction

This report sets out failures in financial management and governance at Maesteg Town Council (the Council) during the financial years 2015-16 to 2019-20 that contributed to the Council being defrauded of £238,000.

Acting for and on behalf of the Auditor General for Wales, under section 22 of the Public Audit (Wales) Act 2004 (the 2004) Act, I must consider whether in the public interest I should make a report on any matter which comes to my notice in the course of my audit, in order for it to be considered by the Council or brought to the attention of the public.

My audit identified that serious failures in governance and financial management by the Council itself contributed to the ability of the former Clerk to defraud the Council of £238,000. I believe it is important that the public has a full and proper awareness of the events concerning the Council and, therefore, I have decided to issue this report in the public interest to explain these failures.

Furthermore, while my audit findings are specific to this Council, there are important lessons to be learnt not just by the Council, but by all community councils in Wales.

Key findings

Understandably, given the prominence of the Council within the town, there has been significant interest among members of the public in, and speculation about, the events at the Council. However, it seems to me that some members have not helped the situation by putting information into the public domain at a time that could have adversely affected the criminal investigation. I consider that, in this respect, the actions of these members fell far short of the standard that should be expected of elected representatives.

Notwithstanding that the primary responsibility for the fraud lies with Mrs Buckley, I consider that Council members serving during Mrs Buckley's tenure as Clerk bear a degree of responsibility for allowing an environment that Mrs Buckley was able to exploit. My provisional findings and views are that, throughout Mrs Buckley's tenure as Clerk, the Council failed to exercise the minimum standards of financial management and governance that I would expect to see in place, in a Council such as Maesteg Town Council.

It is as a direct result of these failures by Council members, that Mrs Buckley was able to defraud the Council of at least £238,000.

In addition to clarifying how Mrs Buckley was able to exploit the Council's failure, I set out below weaknesses in the Council's governance and financial management identified during my audit. These include:

- the Council not complying with the statutory timescale for submitting its accounts for audit for 2016-17 and 2017-18;*
- significant inconsistencies and omissions in the Council's accounting systems and records – many of the figures included in the annual returns approved by the Council and submitted for audit do not agree with the Council's underlying records despite members having apparently verified the information;*
- the Council's governance arrangements being inconsistent with the positive disclosures it has made in its annual returns; and*
- the Council failed to ensure that it properly appointed an internal auditor and, consequently, did not identify that the purported internal audit reports it received were fabricated by the former Clerk.*

Recommendations

My audit identified significant failings by the Council over a prolonged period of time. I am therefore making a series of recommendations that will assist the Council to improve its financial management arrangements and reduce the risk that a similar fraud will occur in the future.

I am making eight recommendations to address the issues I have highlighted in this report.

R1 – 'The Council must put its governance and financial stewardship responsibilities high on its agenda and ensure it has proper scrutiny in place for the work of the Clerk and Deputy Clerk.'

There is now a formally structured Finance Committee and meeting quarterly and meeting dates are published on the Council website.

R2 – 'The Council must ensure that its proper internal controls, including authorisation of payments, are followed by all members.'

A complete overhaul of how payments are made, previously at least 90% of the payments were made by cheque. Currently have online payments with very few cheques being issued this provides full traceability of every single person who authorises payments. Additionally, there is further separation of duty whereby one person raises an order and others authorise the payment.

R3 – ‘The Council must identify the training needs of its Clerk and Deputy Clerk (Particularly in relation to accounting and finance) and take steps to ensure these needs are fulfilled.’

Training already undertaken by Clerk and Deputy Clerk includes: ILCA and ILCA to CiLCA, and are working towards the CiLCA qualification which is the industry recognised standard for a town council clerk.

R4 – ‘The Council must ensure that it fully complies with the external audit arrangements each financial year. This includes carefully reviewing the contents of the annual return in a full meeting of the Council before approving the return for external audit submission.’

Annual return is reviewed in a full Council meeting and is audited by the internal auditor.

R5 – ‘The Council must implement the recommendations made by its internal auditor in 2020 and ensure that the processes put in place are operating effectively.’

Council has one item from the report still outstanding and Council is working towards implementing this. .

R6 – ‘The Council must prepare and approve a business continuity plan that includes arrangements to be put in place to mitigate the adverse impacts of an IT failure.’

The business continuity plan is currently not in place and Council is working towards implementing this. Accepted this is still outstanding.

R7 – ‘The Council must ensure it keeps accurate and up to date records of its recoverable VAT and submit claims for reimbursement on an annual basis.’

VAT is presented at every Full Council meeting and is claimed quarterly.

R8 – ‘The Council must ensure that it takes responsibility for the appointment of its internal auditor and that it has in place arrangements for the Council to have direct contact with the internal auditor as appropriate.’

Council have a new internal auditor and it has been agreed that a twice-yearly audit will be completed with the internal auditor attending a full council meeting with a report.

232. TO CONSIDER QUESTIONS FROM THE PUBLIC.

The Mayor advised that a number of questions had been sent in via email and that he would read out those questions first before taking questions from the floor:

- 1. Are any of the councillors accepting responsibility for what has happened or are councillors choosing to hide behind GDPR?*

The Mayor responded: as a corporate body we accept full responsibility. However, we are not hiding behind GDPR it's legally binding that we abide by the legislation.

- 2. Is the councillor who, according to the report, could have caused the police investigation to have been prejudiced or possibly caused the collapse of the criminal investigation in to the fraud by posting online (or through someone else online) still in position? If so why?*

The Chair of Finance responded: we do not know who the individual was. The Facebook post was not made by an individual but by the Llynfi Valley Labour Party. This was reported to the Monitoring Officer and SW Police.

- 3. Are the local Labour Party group willing to acknowledge that this fraud was committed over a sustained period of time, and not just the short time that the Independent members were in control? The local Labour Party group had used the fraud investigation during campaigning to 'dirty' opposition independent candidates and I feel that it is about time that they came clean as this mainly happened on their watch!*

The Mayor responded: due to this question being political, no response will be made.

- 4. (To each individual councillor) Have you signed a blank cheque whilst in office as a councillor and, if yes, what is your justification for doing so and remaining as a sitting councillor?*

Cllr R Penhale-Thomas advised those in attendance that the council had sought and received legal advice from the Information Commissioner's Office on its ability to name authorised cheque signatories. That advice was clear and robust in informing the council it wasn't permitted to name anybody or it faces potential legal action.

Further, he advised that he was waiving his right to anonymity and confirmed that for a short period of time in 2015/16 he was one of the cheque signatories. For clarity, both Audit Wales and South Wales Police are certain that he was not aware, complicit in or a beneficiary of the fraudulent activity committed by the previous clerk. He told the meeting that his signature was on 6 of the 120+ fraudulent cheques, that gives an indication that he was not a regular cheque signatory; this amounted to around 5% of the fraudulent cheques and less than 2% of the total

fraud. On signing the cheques, the payee was identified verbally by the former clerk and the entries on the cashbook states 5 of the 6 cheques were listed as payments to the rights of way contractor, which were later proven to be fraudulent. Cllr Penhale-Thomas also advised that his personal relationship with the former clerk long precedes the time before he was an elected member and he trusted her implicitly. The former clerk was admired, respected, and revered by many for her community work. The trust of all councillors was abused and on a personal level, he was devastated that a someone he knew and respected committed the scale of the uncovered fraud. Also highlighted was that recently there has been an attempt by some to place the blame on the authorised cheque signatories in an effort, perhaps, to sway the Council responsibility as a whole. Not only did she deceive the authorised signatories but also the finance committee, full council, internal audit and audit Wales. This was an act of manipulation & calculation over a significant period of time which suggests that every member of the council trusted the former clerk. Cllr Penhale-Thomas then apologised. He further apologised that he trusted the former clerk and that this trust was abused.

A member of the public asked: regarding the number of years it went undetected, at what time were you made aware that there was something wrong and who brought it to the attention of the Council?

The Chair of finance replied that he joined the Council in 2019 and had financial experience but noticed some irregularities. Like Cllr Penhale-Thomas he had trust in the former clerk, but was noticing more failings in the accounts. During December 2019 the former clerk was suspended, at that point Council gained access to the documents and enlisted a new internal auditor to look at the accounts. The fraud was then being uncovered and reported to SW Police. As for how long the fraud was being committed is unclear as the bank only hold copies of cheques for a short amount of time. We were only able to go back to 2015.

Another member of the public tried to ask a question and Cllr P Davies stated that we hadn't replied to question 4. The Mayor stated we would go through the emailed questions first then open up to the public. A member of the public then shouted 'why have the emailed questions have priority of the floor as we are the public and we want answers!'.

The Mayor advised that he would allow one question from the floor before answering question 4 and that MTC would answer the emailed questions first. All questions should go through the Mayor.

The member of public stated was it not the case that you all gave one huge blank cheque as none of you checked what she was doing. So in other words no scapegoating as you are all responsible. Is it also time that the council came together and accepted the responsibility as a whole?

The Mayor responded that the Council, as a corporate body, do accept responsibility. From this evening on we hope to draw a line under this and work together for the benefit of the community.

Another member of the public thanked the Mayor and Cllr Penhale-Thomas and accepted that stricter procedures have been put in place. The information on social media also caused her person to have a lot of stress as she has the same name as the former clerk and has received a number of backlashes not only to her but towards her family and friends.

Going back to Q4:

- Cllr L Thomas advised that until recently he was an authorised signatory but no blank cheques were signed. However, he has never been in the same situation as previous signatories, but would have undoubtedly have signed them if asked.
- Cllr AR Davies advised he had not been asked to sign blank cheques and is not an authorised signatory.
- The Mayor advised that he had not been asked to sign blank cheques and is not an authorised signatory.
- Cllr G Thomas advised he has never signed a blank cheque.
- Cllr P Davies advised he has never signed a blank cheque. He hoped that if the names of authorised signatories had been given, they would have been forgiven. He also applauded Cllr Penhale-Thomas for admitting he signed blank cheques. Back in 2017 a former Cllr started asking questions in various ways. This former Councillor then became chair of finance and didn't sign any blank cheques.
- Cllr R Collins advised he hadn't signed any blank cheques
- Cllr R Lewis applauded Cllr Penhale-Thomas and sympathised with the member in the room as during recent Caerau by-elections he had also been accused of signing blank cheques. In addition, his wife's customers had accused him of signing blank cheques. He did not sign blank cheques.
- Cllr R Martin advised she hadn't signed blank cheques but has also been accused. She was not was not an authorised signatory at that time.
- Cllr C Knight advised she hasn't signed blank cheques and like all councillors support Cllr Penhale-Thomas 100%.
- Cllr M Rowlands advised he has never signed a blank cheque and has newly been elected onto the council.
- Cllr G Williams advised he has never signed a blank cheque and has only been on the council for 6 months.
- Cllr I Williams advised that like Cllr L Thomas he was an authorised signatory until recently. When all of this came out online he decided not to be an authorised signatory, if he had been in the of position Cllr Penhale-Thomas he would have trusted the former clerk.

- Cllr K Edwards advised he wasn't a cheque signatory at the time and hasn't signed any blank cheques. He stated following Cllr Penhale-Thomas' statement, most of us if put in that position would have signed those cheques in good faith.
- Cllr P Jenkins advised he has never been a cheque signatory. Given the respect and faith in the clerk he would have done the same thing. On an earlier question it was the former chair of finance that actually contacted Audit Wales as he had been hearing rumours. It was at that stage Council were fully made aware of significant failings that had been kept from the Council.
- Cllr F Abedalkarim advised he is a new councillor and promises that this will never happen again. He is a new signatory and again promised that what happened in the past will not happen again.
- Cllr Penhale-Thomas advised that he was a cheque signatory however, not the only cheque signatory.

A member of public in the room asked then who else signed them?

The Chair of Finance advised that the Council had taken legal advice with the information commissioner and BCBC head of Legal services. As a Town Council we are not allowed to name the cheque signatories. He commended Cllr Penhale-Thomas for his courageous speech in waiving his anonymity, but we as a Council we are not in a position to supply this information.

A member of the public asked that is it not the case that only some of the cheques were signed fraudulently?

Chair of Finance advised that it a matter for the police to see if the signatures were fraudulent. We have no evidence of the former clerk forging the signatures on the cheques. The current Clerk advised that there were several fraudulent invoices.

A member of the public asked if GDPR is repealed can the Council give a commitment to then disclose those authorised signatures?

Cllr AR Davies responded that currently GDPR is in force. If it is repealed, then it would be for the Council to decide whether to disclose those authorised signatories.

The same member of the public stated that if GDPR is repealed can the Council give a commitment to then disclose those authorised signatures. As until then all will be tarred with the same brush.

Cllr AR Davies responded that hypothetically "yes" individual councillors could disclose those authorised signatories. But until then we are unable to.

A member of the public asked did the council think that the statements issued by the Caerau Ward and Nantyllyllon Ward didn't help the situation running up to tonight?

As there has been lots of talk around that it must have been councillors in the Maesteg Wards. Additionally, would hope that there is some welfare put in place for Cllr Penhale-Thomas. It unfair that he was placed into the position he was in tonight.

Cllr R Lewis asked if there are any care packages given to Cllr Penhale-Thomas they should also be given to Cllr R Martin and myself as we both suffered from malicious accusations.

Cllr G Thomas advised that not all Nantyffyllon Cllrs made the statement.

Cllr AR Davies advised that it wasn't only Caerau and Nantyffyllon councillors that made statements. Other ward councillors also made statements via the Llynfi Labour Party. From his point of view he needed to make a statement as he is on a number of community groups who need to have faith in him. As an example he is the treasure of Caerau Growers and a governor of Ysgol Cynwyd Sant and Caerau Primary schools.

The Mayor also stated that he needed to make a statement, as he is on a number of community groups who need to have faith in him. He is chair of governors at Nantyffyllon Primary School.

Cllr R Lewis stated that he made a statement as he works for charities and that those charities need to know that he is trustworthy.

A member said that he had read the draft report and the draft report said explicitly that councillors at the time over that 3-year period acted improperly, they were conspicuous in their activity in supporting the former clerk at the time and hid behind the fact they trusted her. No it wasn't fair on that lady anyway as her work should have been monitored and scrutinised properly. How is it that councillors are so naive to allow this to occur without considering that these accounts can be verified and checked and that things were being done correctly. You have to be accountable. Where is the accountability of the councillors who were involved at the time and what are they going to do now? Should they still be on the council, don't look at one man who I respect for his honesty – he was prepared to say his involvement. There are others that are hiding behind the legal scenario. It is all about accountability when you join these organisations and if you're not prepared to accept that you should leave. Thank you.

The Member who queried the issuing of statements stated that it was not wrong in issuing a statement, however it should have been a Council statement.

Cllr K Edwards responded that the situation had developed in 2019 when the draft Audit Wales report 'Inadequacies in Governance and Financial Management at Maesteg Town Council' was given to Councillors before the current Audit Wales

report. This was given following the former Chair of Finance contacting Audit Wales where he was told “why are you not aware of what is going on in your council?” On 2 occasions the former clerk and Mayor at the time had been called into the audit office to explain the inadequacies. We were late with our returns for 2017-18 and 2018-19 and it was then that it all came to light and the report came to Council. We discussed it in Council and it was then that Cllr Edwards suggested asking another auditor to come in and do the returns. During his investigations it was noticed that some cheques didn't match the invoices. This started a major investigation and that was when the amount taken illegally by the clerk came to light. Over the years we were presented with internal auditor reports signed off by an accredited internal auditor. What we didn't know and is impossible to establish is were they his reports? Allegedly the former clerk was taking the various documentation to the internal auditor who audited the reports. She then was then bringing them back and presenting them to Council as a fully audited report.

A member stated so it was the clerk reporting back to council not the auditor

Cllr K Edwards advised exactly.

A member stated that in the club he is in it is the auditor who reports to the club not the secretary.

Cllr K Edwards advised the Council never saw an auditor. We were told that the accounts were sent to external audit but Audit Wales never told us they hadn't received the documents for over 2 years. Although we signed them off in 2017 and 2018 they, were not sent to audit until 2019. This is when the original report was sent and set the alarm bells ringing and the investigation started.

A member stated that this is unbelievable, and had known the former clerk for over 30 years. I don't think anyone would have imagined that somebody like her who was revered by the town, well known, suggestions of nominating her for an MBE. That the level of deceit she used and the manipulation she got away with because she trusted people, I would go as far to say she groomed people.

Another member said that actually none of you challenged that the auditor hadn't come in and find it totally unacceptable.

Cllr K Edwards replied that he is not hiding behind anyone and is equally to blame for not being robust enough in scrutinising what went on with the accounts. We took a lot in good faith. In saying that there was also falsified documents, that when shown to us, we had no reason to look at in depth. Hindsight is a wonderful thing.

A member said its not hindsight. That man by there who said for the last 6 months he's been a councillor yet all of you sitting there have been for the last 3-4 years and the rest...

Cllr R Lewis replied that it was picked up before Cllr G Thomas was elected. We asked the former clerk about getting the audit done. She replied she had phoned the company and had been told that the gentleman who was doing our audits had passed away. When Cllr G Thomas made enquiries, he found that the gentleman had just left the employment. Every month we would ask for the paperwork which wasn't forthcoming. Finance meetings were called. Councillors would turn up outside the building only to be told 5 minutes before the meeting was about to start that the former clerk was ill and wouldn't be coming. This went on from 2017.

Cllr R Lewis challenged free tickets being given out for events. As when he went to an event where his wife purchased tickets, one of her customers told her she was given them by the former clerk. When he asked her about this, she denied it. Every time something came up, we tried to chip away at it. However, she had the answers. When Cllr G Thomas came aboard and used his financial knowledge, he did better than the rest of us which we are very grateful. We were lied to. It was very calculated and every question answered. Yes it was obvious things weren't right but we couldn't put a finger on it because the paperwork we had been given was falsified. Even some of the invoices we were presented with were false. Yes we accept responsibility as a group of councillors but you have to understand the job is not just the clerk but clerk and RFO (responsible financial officer). Nobody looked at any previous history of working in finance to do that job. In 2017 we started realising things weren't right and you can't go making accusations on people saying "what are you doing". There are all kinds of laws preventing this and you could be suspended for starters. We were deceived and misled with false information.

A member said you were her employer, so it is on all of you as her employer.

Cllr R Lewis said we suspended her whilst the investigation was carried out.

The Mayor said that unfortunately it took that long to get from 2017, to get through deceit and lies. Like my fellow councillor has said things were falsified. Everyone was made to believe her.

A member stated and you allowed to be manipulated by her.

Hindsight is a wonderful thing.

A member stated you are just going round in circles now

The Mayor asked for a question from the floor.

A member asked how many of you councillors are sitting on the finance committee today and how many of you were on when Margaret was on?

Cllr L Thomas replied that some councillors are on and off as they are elected every year. Somebody could be on for one year and not the next.

So, the ones who were on it when Margaret was Clerk would have been presented with papers in front of you , how many of you said I am not happy with this there is something wrong?

The Mayor asked the Chair of Finance to reply

the member of public asked for someone else to reply.

Another member of public said the handling of this has been a shambles,

Cllr L Thomas elaborated as he had been off and on the finance committee since 2017. Finance committee meetings would be held only twice a year but excuses were made to cancel them. When questions were asked by a lot of councillors there was always a reasonable excuse given – the computer wasn't working, I couldn't print out the report, I couldn't get online. We accepted the excuses in good faith from the former clerk. The real issue was that we didn't follow it up. The next meeting wouldn't take place for another 6 months and what was said 6 months earlier would probably be left. We didn't follow it up. A lot of queries were raised and a lot of plausible answers were given.

Cllr Penhale-Thomas advised that he had never sat on the finance committee.

From the community point of view a lot of trust and confidence has been lost. Are there any representatives from the Catholic Church here?

What do you mean by Catholic Church representatives?

Anyone who was/is minister

That's a separate issue

What have their responses been knowing where the money has come from our public money?

I understand that all public records minutes of meetings were taken they cant be falsified – any clerk can sit down and omit things.

The Mayor stated that the minutes recorded by the former clerk may not have been exactly what was said.

These records should be kept in the basement and there's a copy every month kept in the basement.

The present Clerk advised that all historical records get sent to the Glamorgan Archives and we are only supposed to keep 6 years' worth of records onsite.

I want that to be put into the public as myself may have seen things on social media that people want to go back to 2008. The insurance has been paid out and the precept has been collected year on year, is Maesteg Town Council £238,000.00 up on their precept and what is the Town Council's reserves to date?

The Chair of finance responded we did have an insurance payout. In addition to that we had retrospective VAT claims so we managed to get more than the £238,000.00. The former clerk did not reclaim VAT for a number of years on the accounts. So we've had a large sum of money back. To add to this we've had the pandemic and haven't spent all the money that we would have usually spent. Currently Maesteg Town Council has a fairly large reserve of around £700,00.00 of public money. We have plans in place for a number of projects which we will be investing in Maesteg.

Can we expect no council tax one year?

Can we please spend some money in Maesteg on tidying up the place?

Cllr G Thomas advised tonight's meeting is to discuss the report, if anyone has any suggestions for projects please let the clerk know. She can then take it to full council.

Another member of public advised they were not at the meeting as a representative of the Catholic Church but is a member of the Catholic Church and have known Margaret Buckley since she was her youth leader. If the money has gone to the Catholic Church it is very well hidden as they can't find it. There's another ongoing investigation by the insurers and also a diocese investigation going on. Wherever the money is it is not in the Church as the Church is falling down.

My last point can I just say there are councillors past and present that are not involved with this and don't all want to be tarred with the same brush. When I was a councillor, the clerk was Mrs J Fielding and the deputy clerk was Mrs M Buckley. Now Mrs Fielding is named in the report and I find that wrong, as they will put Mrs Fielding on the report but not name the authorised signatories.

The Mayor stopped this question as this is one for Audit Wales and not Maesteg Town Council.

Cllr P Davies replied that we can't understand this as she was an employee and should have had more protection than the authorised signatories.

The Mayor advised that this is a matter for you to take up with Audit Wales.

5. *Does the council accept that there are tiers of responsibility for what has occurred at Maesteg Town Council, starting with the previous Clerk and the blank cheque signatories, down to the Audit Office and the Finance Committee at the time and finally, as a full council?*

The Mayor replied that he believed it is not purely the Full Council responsibility for what happened. However, we agreed that Full Council take responsibility. We need to move on from this evening as a progressive proactive Council and get on with the work Maesteg deserves.

6. *Is the council now in a position, and confident, with the procedures that are now in place and are they robust enough to ensure that this never occurs again?*

The Mayor replied that he believes the chair of finance has addressed this and has put everything in place for the future. The Mayor then asked for the question from a resident online:

7. *Can I just say the coverage online is not great. Microphone quite muffled etc. A lot of good points raised tonight, but this is the 3rd instance in the Valley, Llan Middle Community Council, the ARBED scheme and now this. Public confidence is at a very low level, I'm struggling with some of you as I don't think you are accepting that you are complicit in the failures of the accountability and management and governance. You didn't put in procedures in place and I think the in fighting and toxic nature of the Council hasn't helped. I worry that there are some decent explanations around trust and the criminal nature of the previous clerk but I think some of you are still struggling with accepting your role in the lack of accountability systems and governance that you failed to put in place. There is too much in fighting that has to stop for the sake of the Town.*

Cllr P Davies replied that he agrees 100% with the statement. There is a different Caerau councillor here tonight with differing political views. We've all put out statements on Facebook. When elected in May 2022 we put a statement out we will work for the benefit of Caerau, and I am hoping that all the other wards also work together for their communities.

A member of public stated that Facebook isn't the best place to be placing statements.

The Mayor agreed with Cllr P Davies that Caerau ward members have put all political allegiance aside and work for Caerau.

8. *Not confident that you can work together, maybe mediation with an ACAS type person. The body language tonight suggests otherwise.*

9. *What lessons have been learned and what safeguards are now in place to make sure it doesn't happen again?*

The Mayor asked the Chair of finance to respond: Moving to online banking has been a major step forward and does not rely on individual signatories. Every month the full council get to see the invoice / bank statement and a copy of the authorisation to see exactly who authorised each payment. We also have segregation of duties so that no individual councillor can raise a payment and authorise a payment. Myself as Chair of Finance also does a bank reconciliation that is then open for all councillors to see, I am confident that there is no chance for fraud happening again.

A member of the public raised a question not linked to the report regarding a payment where procedures were not followed.

The Mayor advised that this question was not related to the report and that the procedures had not been implemented at that time.

Cllr L Thomas replied in response to question 7 & 8 and advised that he was elected in 2017 and the Council at that time was toxic. Council had more concerns with political point scoring against each other and it was wrong. I have noticed over the last couple of years there is definitely an improvement of coming together. I don't think we are quite there but we can all work on that and we have to for the community of Maesteg.

The Mayor agreed with Cllr L Thomas and advised that this current council is a totally new Council than previously.

10. *There's a report on WalesOnline that a payment to the Catholic Church of £49,000.00 is that correct?*

The Chair of Finance said that this is in the Audit Report, but this was a cumulative payment. Cllr G Thomas then read the following from the report:

No accounting records were available from the Council for the period before April 2015. However, the £49,144 of payments to the Flower Group during 2015-16 include £13,212 of cheque payments that were issued before April 2015. It is therefore possible that more irregular payments were made before April 2015.

The Mayor advised that the former clerk only presented to council what she wanted to present. Cllr G Thomas advised the council operated a single bank account whereby all cheques were drawn down from that account and could have been made payable to the amount in the account.

11. *Now that everybody has aired and said all that can be said, can we have some reassurance from you all that you pledge this will never happen again and that you will work together and not just say it here and you will show.*

The Mayor stood up and pledged that this will not happen again. We will work together for the benefit of Maesteg. All members agreed to this.

12. *Am surprised that there are so many in attendance tonight as it wasn't advertised clearly?*

The Mayor advised it was in the Gazette and on our website and then read out from the report all of which was done:

In accordance with section 25 of the Public Audit (Wales) Act 2004, the Council must now consider this report at a full meeting of the Council within one month of the date of this report.

At least seven days before the meeting, the Council must publish a notice in a newspaper circulating in the community stating:

- *the time and place of the meeting;*
- *that the meeting is being held to consider a report in the public interest; and*
- *a description of the subject matter of the report.*

Cllr R Collins advised it was also on social media, however several people advised they have not seen this.

It was suggested that the Council have a nominated councillor to run social media.

The Mayor advised that this is currently under consideration.

Finally, an online resident raised that there are many rumours circulating on social media about the Catholic Church and the money and a statement is needed from them.

The Mayor advised that it is an issue for the Catholic Church.

A member within the room advised that there is an ongoing investigation into this.

The Mayor thanked everyone for attended.

Minutes emailed to all Councillors to Read on 30th September 2022
Minutes accepted at a remote meeting of the Council held on 1st November 2022

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Mayor