

ADVICE FROM KALC REGARDING JOHN COLLINS RESIGNATION AND MALHERBE MONTHLY EDITORIAL

Hi Chris

Thanks. It may well be that you seek a view from your Independent Internal Auditor (“a view in principle” or if you wanted something more rigorous and a full report our Financial Consultant: davidjbuckett@gmail.com Power to pay S111 1972 LGA. This report would set out the SWOT and probably offer a view and would also meet the due diligence required if you are revisiting the process/decision. As you say this might well include an assessment of that risk possibly in conjunction with your existing insurers to ensure there is cover. The attached and your IIA will be helpful.

Clearly, although *Best Value* does not apply to LCs the concepts behind it are sound and again you may wish to seek professional technical input on the technical options and whether these are sound and equate to the fiduciary duty (again your IIA or David would have a view).

On the face of it: the resignation is matter of fact; but if there was an internal complaint (process/procedure) attached: then that would be dealt with as a separate issue usually by a committee or reciprocal arrangement and would only be processed in closed session by that body. Whilst this should be ringfenced the substantive issues around the resignation/complaint if material are key for the PC and here you could bring over the above at that point (i.e. the option to pause/or and take professional further input). However, my feeling is that if there has been mis-information then the PC should always correct that (letter out/statement/response etc) but not get into any tit for tat issues (or if there is a complaint: undermine that process)...in short the personalities/politics should be isolated and the material issues concentrated upon: i.e. the project itself and the issues you raise.

Usually, a fair amount of the issues you raise fall to the Proper Officer (automatic duty of care) in so much as you need to protect the PC and so setting the record straight should be clear enough as per any legal issues/policy etc;...but it seems to me the meeting could be used to “cool off”; and you could confirm what you intend to do to correct any material mistakes and then the PC could well discuss the issue of whether they continue as planned... or if there is enough of an issue to call in the professional input (probably worth doing if there are any doubts.... even if “belt and braces”). This would create a breathing period. Keep all parties and if necessary your insurers and at least your IIA in the loop and keep good records. However, again I would discourage the temptation to “dish over” the resignation (as I say if it is a complaint you cannot do that whatever); but focus on the material elements of the project and where you go next. This all calls for clear boundaries and professional discipline. The key as ever is making an informed decision and effecting the delivery.

Kindest

Clive