

Let us set matters straight with regard to legal costs. These have been incurred from June 2009 to date.

1. Soon after the HELP led council took office we were astonished at the generosity of the newly (just before leaving office) awarded contracts given to staff and sought general advice with the aim of securing an outcome that would be fair to all parties (staff and tax payers).

Cost £4600

2. Our opponents then incorrectly asserted that our use of volunteer councillors for Clerk and Finance officer was unlawful, and we had to take legal advice to counter these assertions.

Cost £4280

3. Ex-councillors Ross and Smales were centrally involved in formed the "Letchworth Community Democracy Association" (LCDA), which challenged in the High Court our plan to wind-down the council.

The LCDA application was dismissed as an inappropriate attempt to use legal process to thwart the democratic will of Letchworth residents.

We were totally vindicated, but the costs were not recoverable.

Cost £9331

4. In early 2010 it became evident that the solicitor originally instructed to exercise the break clause in our office lease had not given the requisite notice and that as a result the Council could be liable to pay an additional two years rent. By terminating the lease we stood to save Letchworth tax payers £50000 rent plus rates, insurance and the many other overhead costs that are incurred in employing people.

We therefore instructed new solicitors to resolve the issue and seek damages for the council loss from the previous solicitors, which they did.

The settlement secured the refund of all of the council's losses and about 50% of the legal costs.

Cost £6500 (50% of £13000)

5. The greatest cost has been in defending the employment tribunal brought by the former staff in respect of the extraordinary contracts they were given by the former councillors in March 2009.

After a number of delays over nearly 18 months, the case was finally heard and the tribunal decided that those extraordinary contracts have to be honoured.

The changes made to the staff's employment terms in March 2009 committed approximately £300,000 of council funds to be given to the staff in redundancy pay and enhanced pensions. This is compared with £40,000 which would have been due under standard Local Government contracts.

Cost £40,000 (to be finalised)

Note that items 1, 2, 3 & 5 have been incurred as a direct result of actions taken by the former council and Town Council Supporters.

So, in total, we have incurred legal costs of nearly £65,000 over two years.

This needs to be balanced against what has been achieved for the tax payers of Letchworth. Since coming to office in June 2009 the HELP led council has achieved savings of more than £1million pounds by reducing the council tax precept from the £0.5million plus per annum it was under the former councillors to the zero per annum it is under the present HELP led council.

We hope Letchworth residents will help us to keep this permanently at zero by continuing to support us in getting Letchworth Town Council dissolved as soon as possible.