

Madam Chairman,

What happened to the £300k grant awarded to LH in 2011?

When John Miller has been asked this question he usually explains that running Lytham Hall has been expensive and has caused HTNW to incur huge losses and so it would appear that HTNW has claimed this money to recover some of those losses.

However, the donation was meant as a "capital grant" and was certainly not to pay John's salary. I say this, not to be facetious, but because John actually charged the Appeal Fund for the cost of his salary and travelling expenses amounting to £147,000 for the 5 year period despite the fact that during much of this time we had Simon Thorpe in charge whose salary was of course paid for by the lottery.

These are John's own figures and are shown in the Lytham Hall Grant Account.

However, after David Gill had examined HTNW's accounts and suggested to their auditor that the appeal money appeared to have been used to purchase investment property, he stated that it was for HTNW to decide where best to invest funds.

So we have John saying that he spent the appeal money on revenue expenditure (which isn't allowed) and his accountant who doesn't disagree that it might have been spent on investment property.

So how was the money spent? If it was used to purchase investment properties, were these properties later sold?

All these questions need to be answered and as my colleague has suggested, we need a thorough and independent enquiry.

My second point is regarding corporate governance at HTNW.

The main reason for my resignation from the HTNW board was the lack of effective governance whereby board meetings for the past three years had only taken place annually, which made it impossible to hold John to account.

This also meant that minutes would be issued one year late and were therefore difficult to challenge.

My biggest concern was that at 74 John appeared to have no intention ever to retire.

I say this because you will see from Appendix 4 that John states that "Succession planning is constantly being considered". Well, I can tell you that as a board member for 15 years the only time succession planning was discussed was when I mentioned it and it was quickly forgotten about and never minuted.

I did however insist that the matter of John's retirement be discussed at the last board meeting and John confirmed to me yesterday that it is now his intention to retire at the end of March 2017.

Chairman, it is not in Lytham Town Trusts interests for HTNW to fail and we would be pleased to continue our association with them under a new leader.

However, the HLF have now demanded "Fundamental Change" if they are to consider another LH bid.

John is well aware of this and handing over the reins to a successor will be a major step forward.

Provided it actually happens.

Stanley Kitt