

MINUTES OF THE ARTS AND INFORMATION COMMITTEE HELD ON 2ND JANUARY, 2018

Present: Councillor Mrs J Bell (Chair) and
Councillors R Arthur, E Bell,
Mrs G Bleasdale, S P Colborn, S Cudlip
Mrs S Forster, Ms R M Gratton,
G N Hepworth, T Shepherd, B Taylor,
R Whitehead, Miss L Willis

Apologies: Councillors Mrs B Allen, K Brace,
D Cummings, Mrs V Cummings,
Mrs L Kennedy, D McKenna, Mrs S Pratt,

Prior to commencement of the meeting the Chair advised members of this Committee and members of the public that in line with the amendment to 'the public bodies (admission to meetings) act 1960', which came into force in August, 2014, parts of this meeting may be recorded by photographic, video and audio means.

1. DISCLOSURE OF INTERESTS

Members were reminded prior to the start of the meeting of the need to disclose any interests prejudicial or personal, in accordance with the Code of Conduct.

2. MINUTES OF THE LAST MEETING HELD ON 21ST NOVEMBER, 2017

RECOMMENDED the Minutes of this meeting, a copy of which had been previously printed and circulated to each Member, be approved and signed as a correct record by the Chairman.

3. CONFERENCES, COURSES AND SEMINARS

a) NAC – ENVIRONMENT CONFERENCE

The National Association of Councillors Environment Conference is due to take place on the 19th-21st January, 2018 at the Crowne Plaza Hotel in Leeds. Members agreed that the next two Members on the rota should be invited to attend.

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b) ATTENDANCE MANAGEMENT – MENTAL WELLBEING IN THE WORKPLACE TRAINING

RECOMMENDED that Members note the training is taking place on the afternoon of Friday 12th January, 2018.

c) **COUNCILLOR TRAINING – EMPLOYMENT TRAINING**

RECOMMENDED that Members note the information and diary the training date of Wednesday 17th January, 2018 6.00-8.30pm.

4. **DESTINATION SEAHAM**

A Member stated that Destination Seaham was set up years ago for people to come and discuss leisure facilities. It was noted that the group appear to becoming more of a decision making and investigating group. Those views have been voiced to the group over the years and it was agreed that the Deputy Town Clerk should attend the next meeting to reaffirm that they are not a decision making group and that Seaham Town Council's position is reaffirmed.

RECOMMENDED that the Deputy Town Clerk attends the next meeting to reaffirm the Town Council's position.

5. **PRESS OPPORTUNITIES**

RECOMMENDED the Council note that no press opportunities existed from this meeting.

6. **RESOLUTION TO EXCLUDE THE PRESS AND PUBLIC**

RECOMMENDED that in view of the confidential nature of the following items which relate to staffing issues, Members are asked to pass the formal resolution to exclude the press and public from the meeting pursuant to the Public Bodies (Admissions to Meetings) Act, 1961.

7. **OLDFIELDS**

All Members agreed in view of the liquidation of Oldfield's and their pulling out of the Town Hall catering contract it was essential to consider as an exceptional urgent item the report of the Deputy Town Clerk on this item.

With the agreement of Members the Chair Councillor Mrs J Bell agreed to vacate the chair and asked Councillor S Cudlip to Chair the following item.

(In the Chair Councillor S Cudlip)

Members then proceeded to discuss the report of the Deputy Town Clerk. The Deputy Town Clerk had sought advice from Morton's Solicitors on Seaham Town Council's current position. Morton's have been specific in protecting the Council with regards to money and property. A Member had telephoned Council Officers and requested that the door locks be changed to prevent Oldfield's from entering the building.

The Solicitor had given advice that in relation to deposits paid by members of the public for bookings this was a contract between Oldfields and the persons making the booking. Those people affected will need to try and obtain recompense through Oldfield's liquidators. If the Town Council had taken deposits for bookings then the

Town Council would be responsible for reimbursing those deposits. It was noted that the Town Council had not been involved in taking any deposits.

It was noted that Oldfield's have an outstanding debt of at least £4k due to the Town Council for room hire and 10% of bar and catering takings. It was noted that the Town Council are obliged as a creditor to put in a formal application to the liquidators.

Oldfield's Accountant had requested that the use of stock be prohibited as they are in the ownership of Oldfields and they must be paid for in full market value and the amount may not be set off against any debt owed to Seaham Town Council. The Town Council's Solicitor has responded to the Accountant to state that the Town Council have a lien at Common Law. This confers on the lienholder or creditor the right to retain tangible moveable property in their possession belonging to another person until their claims are satisfied.

A Member questioned that if the amount of stock is more than they owe the Town Council could the money be given back to the staff and customers who have lost money. It was stated that this would be the responsibility of the liquidator to distribute after they have assessed everyone's claims.

It was noted that Oldfield's have left a van in the Town Hall car park. A request has been made to Mr Colin Martin for the van to be removed. If the van has not been removed by next week then the Town Council will remove the van and store it at the cemetery.

Members then discussed options which are available to the Town Council for the future. Ramside Caterers were mentioned as an option as they have previously catered for the Civic Ball in past years and they performed well with a good standard.

A Member stated that for any future businesses interested in taking over the catering at the Town Hall they should be asked to cook a meal for Members so Members can decide if the catering meets the standard that Members require.

The cost of the kitchen re-fitment was discussed. It was noted that everything in the kitchen belongs to Seaham Town Council. The original kitchen was not big enough and some of the costs was to extend the original size of the kitchen as well as to fully equip the kitchen which had been an empty shell previously.

A Member raised the query of the payment made to Oldfield's of £48k. It was noted that the payment was made for advertising the events at the new Town Hall. The venue was a brand new venture to the market with no trading history and was starting from scratch. Oldfield's were to use the above sum for marketing in various places such as bridal magazines, catering magazines, wedding shows, newspapers and any other forms of promotion in the market place. Seaham Town Council thought that this would be a good investment and over time this money would be recuperated via the trade coming in.

A Member stated that Oldfield's were already running Shotton Hall and would have contacts and links so couldn't understand why Seaham Town Council would need to pay Oldfields for advertising the Town Hall. A Member stated that Oldfield's had

a good reputation at Shotton Hall which was already established but at Seaham Town Hall Oldfields had to build the business from scratch. The money paid to Oldfields was a premium payment to promote Seaham Town Hall. It was noted on the email from Mr Oldfield that it was the poor trading at Shotton Hall that had brought his company down not at Seaham Town Hall.

A Member questioned how much money Seaham Town Council had received back from the Oldfields contract. The Finance Officer agreed to bring these figures to the special meeting on the 10th January, 2018.

A Member questioned whether Seaham Town Council received proof from Oldfield's with regards to the advertising spending. A Member stated that to the best of the Council's knowledge Oldfield's did advertise the Town Hall but the Town Council did not receive receipts.

A Member stated that rigid background checks should have been carried out with regards to Mr Oldfield and his business. A Member stated that the Council have professional employees to carry out such work and it is not for Councillors to do this. Contact was made with Peterlee Town Council by Officers as Oldfields had traded with them successfully for years. Oldfield's tendered and were successful.

A Member stated that he had looked at the Council minutes from 2014 and there was hardly any text about the contract. The minutes do not explain what was discussed. A Member stated that when it comes to reporting on terms and conditions there will be minimal information for the public and press. Discussing terms and conditions with a private contractor can be commercially sensitive. It was noted that the Town Council employed Officers who would have carried out checks and this should be then given to Councillors. The Town Clerk and also the Council's Solicitor are professional people who understand contract law.

A Member stated that there should have been a minute about the £48k payment made to Oldfield's. It was stated that there should be a record kept of discussions and the Town Council need to learn from that. The Finance Officer was requested to look for this information and to also provide information on the background checks which were carried out.

Members were furnished with a list of bookings up until 31st March, 2018. Discussions took place around whether these bookings should be cancelled or whether the Council could honour these bookings by putting in place a temporary events company to oversee these bookings. It was agreed that the Council could not cover any costs as this is public money but if an events company could help out with bookings where only deposits had been paid then this should be looked into by Officers. It was noted that Mr Gary Hutchinson had tried to contact the Deputy Town Clerk before Christmas as he had taken over the bookings at Shotton Hall already and had shown an interest in doing the same at Seaham Town Hall. Members agreed that the Finance Officer should contact Mr Hutchinson as the earliest opportunity to hold discussions with him taking over the events on a temporary basis and then Councillors to be informed urgently to make a decision.

It was noted that the Town Council will not make any contact with Mr Oldfield this will all be done via the Town Council's Solicitor. It was stated that to date the Town Council are unaware of who the liquidator is.

It was also noted that a stock check of the bar needs to be carried out by the Internal Auditor.

RECOMMENDED:

- (i) A Special Finance and General Purposes Committee meeting be held on the 10th January, 2018 to discuss Oldfields further and to also start to make suggestions on a way forward for the future.
- (ii) The Finance Officer to provide figures on how much the Town Council have received from Oldfield's since they started trading at the Town Hall.
- (iii) The Finance Officer to provide minutes and any other documentation with regards to the background checks and tender process carried out.
- (iv) The Finance Officer to meet with Mr Gary Hutchinson to discuss a short term contract for forthcoming bookings and to relay these discussions to Councillors for approval.
- (v) The Internal Auditor is contacted to carry out a stock check of the bar.