

## **MINUTES OF THE COUNCIL MEETING HELD ON 23RD JANUARY, 2018**

Present: The Mayor, Councillor  
Mrs S Forster (Presiding) and Councillors  
Mrs B E Allen, E Bell, Mrs J A Bell,  
Mrs G Bleasdale, Mrs K Brace,  
S P Colborn, S Cudlip, D Cummings,  
Mrs V Cummings, Ms R M Gratton,  
G N Hepworth, Mrs L Kennedy,  
D McKenna, Mrs S Pratt, T Shepherd,  
B Taylor, Miss L Willis

Apologies: Councillors R Arthur, K Shaw,  
R Whitehead

*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. OPEN SESSION**

In accordance with established policy the Council provided the opportunity at the beginning of the meeting for a 15 minute session.

Mr Geoff Garrett a member of the public stated that he had overheard comments that the Town Council had supported Oldfields with the sum of £90k. Mr Garrett stated that he had done some due diligence by looking at the Council's website and had looked at over £500 payments but this only goes back to July 2016. Mr Garrett wanted to know if there was any truth in the payment of £90k being made to Oldfields. Mr Garrett stated that going forward this is reflective on the Council and questioned whether Oldfields were going to be replaced and what due diligence will take place so that the Town Council do not find themselves in the same position.

The Deputy Town Clerk stated that the £90k was untrue. The Finance Officer stated that Oldfields were paid £48k which was towards advertising and marketing because this was a new business and the payment was part of the agreement. Mr Garrett stated that Oldfields were not a new company although they were new to Seaham Town Council but they did have other interests in the local vicinity. A Member stated that Oldfields were a separate business to the Town Council and the business was not run by the Town Council. Mr Garrett stated that he understood that but the perception is because they were trading in the Town Hall that the business was one and the same and moving forward if another company does come in then what due diligence is taking place to ensure that things are managed properly.

The Deputy Town Clerk stated that a lot of work is being undertaken in the background and the Town Council have been talking to the Council's Solicitors and experts about what the Town Council can do with regards to Oldfields with how they left the situation. The Town Council are also looking to the future to how they can have a reputable company that is sound and due diligence is currently being undertaken on a company at the moment but is yet to be finalised but the Council are hoping to inform the public in the next few days.

Mr Garrett questioned whether there would be an insurance to cover a company who are going to be based at the Town Hall. The Deputy Town Clerk stated that the Town Council are currently looking at their insurance cover.

A Member stated that one of the Council's concerns is about the people who have enquired and made bookings through Oldfields and paid deposits some of which were quite substantial amounts. This money appears to be lost and there isn't any responsibility on the Council. However, the Council are agreeing to be the number one creditor for the purposes of liquidation of the Oldfields company in the best interests of those who are creditors. The Town Council will be asking all of the creditors to join with the Town Council. Part of the enquiries will result in Oldfields being questioned by the Official Receiver to ensure that none of the money has been misappropriated and wrongfully used in being transferred amongst other businesses. The Town Council wants to ensure that if there is any way people can get money back then the Town Council have done their very best to try and achieve that. The Town Council are also owed money from Oldfields which they will pursue as a creditor.

The Town Council have also agreed that there will be no premium payment made to another contractor in way of marketing. A new company who come in will have to deal with the marketing and publicity themselves. In addition to this the Town Council will also be taking all future deposits and keeping them in a separate holding account to safeguard the payments made which is further due diligence which the Town Council will be undertaking.

Mr James Smith from Fishbone Allotments commented about the Special Parks and Events Minutes from the meeting held on the 28<sup>th</sup> November, 2017. The minutes state that there is a puppy farm running at Fishbone Allotments. Mr Smith requested that the Town Council provide the Allotment Association with any evidence that they have with regards to a puppy farm to prove this. The minutes also stated that the Deputy Town Clerk liaised with the Police, RSPCA and Environmental Agency. The Association want the Council to provide any evidence and to update the Association on what has gone on since then.

The Deputy Town Clerk stated that this is an ongoing situation on information that the Town Council received which had to be acted upon. Mr Smith stated that the Town Council should be liaising with the Allotment Association who have been given no evidence what so ever. Will the Association be given evidence to prove this was happening and whether it is still ongoing as the Allotment Association refute the claims entirely.

The Deputy Town Clerk stated that the Town Council have to act upon information given and the Council would be in the wrong if they didn't act upon it. Mr Smith stated that the Association cannot fix a problem if they don't know it's going on and they should have been informed.

A Member stated that any decisions the Allotment Sub-Committee made would have to go through Full Council. Mr Smith stated that he hasn't asked for decisions he was asking for evidence. The Member stated that they have been informed by quite a few members of the public that this practice was taking place.

A Member stated that all of the Allotment Associations that have been established have a responsibility to manage the allotments. If there is a serious allegation and if it has to be dealt with sensitively and confidentially I have to say that the Labour Councillors here in this particular room all support the fact that you are provided with that information so that in turn you can provide feedback to the Council to substantiate or quite clearly to white wash what's been suggested and we would be very, very happy that you are supplied with that information and I would move that Madam Mayor that it's in the best interest. Mr Smith agreed and stated that the Association cannot fix hearsay.

RESOLVED that Fishbone Allotment Association be provided with any evidence of a puppy farm being ran from the allotment site.

**3. TO CONSIDER THE MINUTES OF THE MEETING OF SEAHAM TOWN COUNCIL HELD ON 12<sup>th</sup> DECEMBER, 2017**

RESOLVED the Minutes of this meeting, a copy of which had been previously printed and circulated to each Member, be approved, and they be signed as a correct record by the Mayor subject to page 9445. A Member questioned whether Members of the Dawdon Park Working Party could have a site visit to look at the pavilions. The Deputy Town Clerk stated that a meeting was due to be held on 5<sup>th</sup> February, 2018 and a site visit would be arranged prior to this meeting.

RESOLVED that the Deputy Town Clerk will arrange a site visit to Dawdon Park prior to the next meeting of the Dawdon Working Party.

**4. REPORTS OF SERVICE COMMITTEES**

RESOLVED that the reports of the following Committees, copies of which had been previously printed and circulated to each Member, be approved:

- a) Report of the Arts and Information Committee held on 2<sup>nd</sup> January, 2018.
- b) Report of Finance and General Purposes Committee held on 9<sup>th</sup> January, 2018.
- c) Report of Planning and Environmental Committee held on 9<sup>th</sup> January, 2018.

- d) Report of the Clerk’s Advisory Sub-Committee held on 9<sup>th</sup> January, 2018.
- e) Report of Establishment Committee held on 9<sup>th</sup> January, 2018.
- f) Report of the Special Planning and Environmental Committee held on 10<sup>th</sup> January, 2018.
- g) Report of the Special Finance and General Purposes Committee held on 10<sup>th</sup> January, 2018.

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

RESOLVED that in view of the confidential nature of the report which relates to the proposed letting of contracts it was agreed that the formal resolution be approved to exclude the press and public pursuant to the Public Bodies (Admissions to Meetings Act, 1961).

**6. REPORT OF THE DEPUTY TOWN CLERK – OLDFIELDS**

- 6.1** A report had been prepared by the Deputy Town Clerk excluding the press and public in light of the recent situation with Oldfields notifying the Town Council that they were ceasing trading. The Town Hall Working Party met on the 15<sup>th</sup> and 22<sup>nd</sup> January, 2018 whereby they made recommendations to be ratified at Full Council.

The Working Party recommended that Ramside Catering be offered a short term contract up to the end of year ie 31<sup>st</sup> December, 2018 as they provided a satisfactory interview and put forward a comprehensive written proposal. Initially the Ramside should be offered events already booked for February and March 2018 and further months subject to the Council being assured that the company pay staff minimum wages and produce trading accounts for the last three years. A Member also requested that the Ramside be contacted to clarify their use of Zero Hour Contracts. Members also requested that national minimum wage be changed to living wage.

A Member stated that the Working Party were split down the middle with offering the Ramside the contract. Some Members felt that the Council had invited Haswell Catering but had not given them the opportunity to present their case. A Member stated that the Sub-Committee had unanimously agreed at the first meeting who was going to be the preferred contractor. There had been no disagreements at this meeting although there had been some initial concerns. A Member stated that four Members had stated that Haswell Catering should have been interviewed.

The Deputy Town Clerk stated that following the first meeting of the Town Hall Working Party various Members had contacted him stating that Haswell Catering should be interviewed so Officers had invited Haswell Catering to present their case. Officers thought they were acting in the best interests of the Council by inviting Haswell Catering as Officers needed a quick decision on a new contractor.

A Member stated that a decision had been made at the first meeting and the Chair of the Working Party had not been involved with any further discussions to agenda items to add another contractor to be interviewed at the second meeting. The Town Council does not want to set a precedence of Members changing their minds about decisions made the day after a meeting has been held and agreements made.

The Deputy Town Clerk stated that he had meant to meet with the Chair but due to tight deadlines the agenda had to be sent out. He requested in future if anyone is not happy with an agenda item then they should contact the office prior to the meeting so issues can be resolved prior to the meeting taking place.

A Member stated that the Council had made a unanimous decision that only the Ramside should be interviewed and Members had not agreed to interview another contractor. Financial comparisons had been made prior to this decision being made and one company was significantly better than the other. Members had looked at three companies and a balanced judgement was made.

It was agreed that Officers would carry out a tender process in the background for the long term which will commence on 1<sup>st</sup> January, 2019. Discussions need to take place about what terms the Council wishes to place in the contract which will all take time.

A vote took place on whether to go ahead with the Ramside contract.

For 9

Against 9

The Chair had the casting vote. It was agreed that Ramside Catering would be the short term contractor.

- 6.2** Mrs Alison Clark who had run the café last season on behalf of Oldfields was interviewed and gave a satisfactory interview. Members recommended that Mrs Clark should run the café for the next season on a short term contract until a tender process is carried out.

A contractor had stated that in his opinion the café and bar and catering contracts should be run separately.

- 6.3** A recommendation was made from the Town Hall Working Party that all future deposits should be put in a holding account and held by Seaham Town Council.
- 6.4** A recommendation was made that all options are explored with regards to a tendering process including looking at employing someone to run the bar and catering function.
- 6.5** That a press release is carried out with guidance from the Solicitor with regards to deposits taken by Oldfields.

- 6.6** A recommendation was made that the Town Council should appoint a liquidator to ensure that Oldfields finances are thoroughly looked into.

RESOLVED that:

- (i) the Ramside be contacted with regards to Zero Hour Contracts and also that the terminology for the national minimum wage be changed to living wage.
- (ii) subject to satisfactory operation by the company over the next two months then they be offered an extended period of operating the bar and catering contract up to the 31<sup>st</sup> December, 2018.
- (iii) Mrs Alison Clark to run the café on a short term contract for the forthcoming season until a tender contract is carried out.
- (iv) all future deposits should be put in a holding account and held by Seaham Town Council.
- (v) A full tendering process and discussions take place as soon as possible.
- (vi) that a press release is carried out with guidance from the Solicitor with regards to deposits taken by Oldfields.
- (vii) that the Town Council should appoint a liquidator to ensure that Oldfields finances are thoroughly looked into.