

HONITON TOWN COUNCIL

**Minutes of the Meeting of the Town Council held
via Zoom on Monday 14th September 2020 at 7.00 pm**

Present

St Michael's Ward

Cllr J Taylor
Cllr J Zarczynski (Chairman)
Cllr J McNally
Cllr L Dolby

St Paul's Ward

Cllr R Coombs
Cllr C Gilson
Cllr P Carrigan

In attendance

Heloise Marlow, Deputy Town Clerk
25 Members of the public
1 Member of the press

PART A

20/39 The Chairman welcomed Councillors and members of the public who were attending via ZOOM and confirmed that the meeting would be recorded.

20/40 To receive apologies for absence
Cllr P Twiss (DCC/EDDC)

20/41 To receive declarations of interest and receipt of requests for new DPI dispensations on items on the agenda
None received.

20/42 To note the grant of dispensations made by the Town Clerk in relation to the business of this meeting.
None were made.

20/43 Public question time on items on the agenda

Mrs Marjorie-Anne Howe asked the following question:

Agenda items 9 and 10 both contemplate the possibility that HCC might be forced to cease operating, in which case the Council will, according to the Mayor's promise last month, 'keep the doors' of the Beehive open. Users are planning their new seasons: in my capacity as Secretary of the Arts Society I have written a letter to councillors, outlining what we will need to know from the Council, in the event that HCC cannot continue. Please can I have an

assurance that the Council is actively considering what it may have to do to keep the doors open. We users have to have a Plan B.

Cllr Zarczynski responded by confirming that the Council had a number of options. However, as HCC are currently still operating the lease and have not surrendered the lease it would be inappropriate for HTC to discuss ways they would run the Beehive until such time as necessary.

Mrs Howe asked if HCC did surrender the lease, HTC would need to act very quickly and wanted an assurance that HTC were prepared for this.

Cllr Zarczynski confirmed that if HCC ceased trading HTC would waste no time to implement one or more of the options available.

Mrs Caroline Kolek referred to the Council meeting on the 27th July 2020 and the statement made by Cllr Zarczynski to Members that when he became Mayor in 2017 there was only £3000.00 left in HTC's bank account, which she had queried at public questions at the meeting on 10th August. The audited accounts show a balance of £119,000.00. Cllr Taylor responded to her question referring to the public works loan which was received in 2014. Standing Orders state that the Council cannot go below £65,000 in reserves and that did not happen in 2017 and asked Cllr Zarczynski to explain the statement that he made to Councillors.

Cllr Zarczynski advised that there had been a mix up, as the situation with the bank account was noted when he was Deputy Mayor in 2014 whilst the Clerk and Mayor were on holiday and not when he became Mayor in 2017. The issue arose due to the overspend on the Beehive in 2014. In 2017 the only issue brought to his attention when he became Mayor was the increase in the service charges and the lack of checking of those invoices in accordance with the lease for the 2 years, 2015 and 2016.

Mrs Kolek requested an apology from Cllr Zarczynski relating to the statement made that there was only £3000 left in the HTC bank account when he became Mayor in 2017.

Cllr Zarczynski refused to apologise stating that he had not made the statement claimed. Mrs Kolek referred to the recording of the meeting and accused Cllr Zarczynski of lying. Cllr Zarczynski advised that he would only apologise to Mrs Kolek once he had seen the recording as he had not referred to 2017 but to 2014.

Mr J Middleton asked the following question:

One of the items down for discussion during the HTC Zoom meeting on August 10th, was a request by HCC for annual funding of £45,000. Unfortunately, the councillors were unable to reach a decision on the night and it was decided HTC & HCC would hold urgent talks, to try and find a way forward. So, can you inform me, what progress has been made in these talks?

Cllr Zarczynski confirmed that the urgent talks referred to would have covered funding issues and possible handover of the Beehive to HTC if HCC ceased trading. HCC had requested that two other parties be present at the meeting and unfortunately those two parties were unable to attend and as a result no meetings took place nor are they in the process of being arranged.

Mrs Sexton was invited to speak by the Chairman. She confirmed that HCC has asked that Mr Neil Parish and EDDC attend any meeting with HTC. Mr Parish advised that it would not be appropriate for him to intervene in the funding discussions between HTC and HCC which Mrs Sexton advised HTC of. She did not hear from HTC in response.

Cllr Zarczynski confirmed that his personal response to this was that as both parties had declined to attend a meeting, it was inappropriate to try and force them to do so. However, HTC are still willing to attend a meeting with HCC.

Mrs Sexton's response was that had HTC contacted Mr Neil Parish and EDDC to say that they were happy for them to attend the meeting, then that would have assisted in getting their agreement, as their reluctance to attend a meeting was because they thought HTC would find this inappropriate.

Further discussions referred to the following:

- HTC had made the resolution to arrange an urgent meeting with HCC and so the onus was on HTC to arrange the meeting.
- HTC had not been able to arrange a meeting as HCC had insisted that this would only happen if Mr Neil Parish and EDDC also attended, both of whom declined to do so.
- The lease and service level agreement states that HTC and HCC should have regular meetings.
- Whilst meetings have taken place, subsequently there have been queries regarding either what was agreed at those meetings and/or the actions discussed have not be actioned.

20/44 To confirm the accuracy of the minutes of the Full Council Meeting held on the 10th August 2020 and the Extra-Ordinary Meetings held on the 27th July and 17th August 2020.

The Deputy Clerk confirmed that Cllr Coombs had emailed her regarding the minutes of the Full Council Meeting on the 10th August querying the resolution regarding the HR Committee. The Deputy Clerk clarified that the terms of reference for that committee stated that it was Chairs of Committees or Vice-Chairs of Committees who would sit on the HR Committee rather than both. The Deputy Clerk had amended the draft minutes accordingly.

Members **RESOLVED** to approve the minutes

Proposed by Cllr Gilson and seconded by Cllr McNally.

Signed Chair

12th October 2020

20/45 Reports from District and County Councillors

The Deputy Clerk confirmed that Cllr Twiss had submitted a report which has been forwarded to Members. That report will be provided with the minutes.

20/46 Council Vacancies

The Deputy Clerk presented her report and confirmed that EDDC had received the required number of signatures for the vacancy caused by the resignation of Cllr Kolek to be filled by an election in May 2021. In addition, earlier in the day the Deputy Clerk received the resignation of Cllr Michelle Pollington and the relevant notices have been sent out. Members of the public have until 2nd October to request an election in respect of that vacancy.

20/47 Meeting Dates

Cllr Zarczynski confirmed that with some members of staff off work, a revised schedule of meetings has been put forward by the Deputy Clerk. However, he had concerns that the meetings were too spaced out and meetings needed to be brought forward. To assist the Deputy Clerk, a locum could be brought in to clerk some of the meetings.

The Deputy Clerk confirmed that she had no objection to a locum clerk being brought in to assist but that the locum would need to be responsible for putting meeting agendas together, clerking the meetings and writing up the minutes and that any locum brought in would not have any background knowledge of the issues.

It was agreed that Cllrs would need to provide any locum with the information required.

Members **RESOLVED** unanimously that they would provide the Deputy Clerk with an alternative schedule of meetings to be agreed with the Deputy Clerk and that if the Deputy Clerk was unable to clerk all the meetings according to that schedule, a locum clerk would be brought in to assist.

Proposed by Cllr Taylor and seconded by Cllr Gilson

20/48 Honiton Community Complex

Cllr Zarczynski invited Mrs Sexton to make a presentation on behalf of HCC. He confirmed that after the presentation, Cllrs would be invited to ask questions if they had any but that Mrs Sexton would only be able to respond to any discussions by Cllrs of the presentation if asked to do so.

Mrs Sexton gave a presentation on behalf of HCC and advised:

- The HCC investment plan was circulated to all Cllrs with a request that any questions be raised prior to the meeting to ensure that those questions could be answered accurately.
- To date no questions have been received from any Cllr.
- The investment plan sets out the issues which have been troubling Cllrs.
- HCC tried to go to arbitration over the disputed invoices and this resulted in a loss of £40,000 to the charity made up of the bad debt and the legal fees incurred.
- The final settlement to the matter as agreed by both parties and signed on 12th November 2019 states “HTC and HCC will enter into discussions to replace the 10% service charge that is contained within the lease with a fixed amount per year that will allow HCC to apply for HTC grants in the same way that all organisations can apply”.
- Discussions did take place, but HTC have dragged their feet as the item has not been on any Council agendas. HTC and HCC met on the 9th March 2020 and the minutes of that meeting set out that HCC needed financial support in the sum of £35,000 per year from HTC.
- The HTC website still has details of the original guarantees given to the public which include applying for a public works loan for the building costs but also that one of the main problems with a community facility would be the ongoing running costs and to overcome the problem it was intended that the Town Council, the Registrar and the Robert Owens Charity relocate to the building providing an income of £60,000.00 per year which would allow the facilities to be offered to local people and organisations at a reduced cost and still ensure that running costs were covered.
- HCC have kept to their side of the agreement but Mrs Sexton could not find any evidence that HTC had made efforts to replace the income above so from the start HCC were going to lose income of £60,000 per annum.
- HCC’s request for £45,000 takes into account COVID 19 as set out in the letter sent to HCC prior to the meeting on the 10th August 2020.
- Currently there is an outstanding invoice from 2019/20 and so far HCC has not invoiced the SLA charge for the first two quarters of 2020/2021, as HCC had hoped to reach a financial settlement with HTC by now.
- With COVID 19, HCC are losing about £5,700 per month and details of how that has been calculated have been provided to HTC.
- HCC did receive a £25,000 grant from the Government, but this is now nearly all used up. HCC have maintenance and equipment costs and 20% of furloughed staff salaries.
- To reopen those staff will need to be taken out of furlough. Furlough payments from the Government went from 80% to 70% in August and this will soon go down to 60%.
- Licences, water rates and electricity bills still have to be paid. Even though HTC is not open to the public, HTC are still using their offices and therefore electricity etc.
- Mrs Sexton asked Cllrs to look at paragraphs 8 and 9 in particular of the investment plan as HCC cannot say when it will be possible to resume activities.

HCC would like to reopen for room hirers but this will not be enough to cover the costs and would mean operating at a loss but want to find a way which will allow the service users to return to the Beehive.

- The new rule of 6 introduced by the Government today would have an impact on some user groups.
- HCC had hoped to start up the cinema in October, but this is now in doubt.
- Re-opening will also require cleaning costs to be incurred.
- HCC's only source of income will be room hires and this will not be enough without support from HTC.
- HCC have explained how the £45,000 requested would be spent in paras 13-16 of the investment plan.
- This funding from HTC HCC sees as a replacement to the current, and much disputed funding arrangements in the lease and SLA, which all would agree was not well drafted. The only contract currently between HTC and HCC is the lease and the SLA but HCC want and have been asking since October 2019 for an alternative funding arrangement. HCC have put forward figures, but HTC has not met with HCC to try and find a solution.
- The funding requested would enable the charity to remain financially viable and remunerate the staff needed to provide the extensive program of activities and performances that were being provided.
- Without this support the Town would lose a resource with a good reputation as a venue.
- In January HCC confirmed that they were pursuing alternative fundraising from sponsorship and there were a number of local companies willing to provide this. HCC will go back to this but currently all these sponsorship deals are on hold due to COVID 19.
- In 2019 the Beehive had footfall of over 60,000. If HCC can go back to providing the service they were, they can make a success of the Beehive which is what the people of Honiton want. However, they need the time and support from HTC to get through the next 6,9 and 12 months.
- No one knows how long the COVID restrictions will be in place for.
- What does HTC want the Beehive to be? What does HTC want HCC to provide?
- The Mayor has previously undertaken to keep the doors open but if this is only for room hire this would not be financially viable if you charge community rates.
- The Beehive has been awarded several prestigious awards; the staff work incredibly hard, local businesses benefit from Beehive events – 78% of those visiting the Beehive were outside the EX14 postcode. The Beehive is the jewel in Honiton's crown.
- How will HTC run the Beehive at a lower cost than HCC? HCC have a band of volunteers, but many are in the older age group and so may not be able to continue. The Beehive needs staff.
- The query regarding under what powers HTC could provide this funding to HCC should have been asked by Cllrs in October last year when it was agreed that HTC and HCC would discuss such an alternative financial arrangement.

Cllr Zarczynski advised on a personal basis that he could not comment on the discussions HCC had with the Town Clerk and former Cllr Sheridan-Shaw during the meetings which took place as Cllrs relied on the reports, some of which were verbal which were received from the Town Clerk and Cllr Sheridan-Shaw. It had been agreed that certain Cllrs would stand back from the discussions due to historic issues and his understanding was that those discussions related to the disputed invoices and not future funding.

Mrs Sexton responded by referring Cllr Zarczynski to the minutes circulated by the Deputy Clerk following the meeting which took place in March 2020 with Council representatives.

Cllr Taylor spoke stating that the income referred to by Mrs Sexton by the three parties named was when HCC was a wholly owned Council company and HTC would then take the profits from that company to cover its £20,000 donation. HCC when council owned in its first year made a £26,000 profit, £5000 was paid to HMRC and £21,000 remained with the company. Six months later HCC became a charity and changed its entire business plan and agreed and signed the SLA and the lease. It changed status despite retaining the same name. The original business plan 6 became irrelevant and was replaced by the charity's business plan.

Also, this occurred under HTC's General Power of Competence which HTC no longer has and without this HTC cannot rewrite the lease.

Cllr Zarczynski advised that this needed to be confirmed and what consequences the loss of the General Power of Competence had for HTC and until this had been clarified HTC could not proceed further.

Further discussions followed between Cllr Zarczynski and Mrs Sexton regarding the length of time these issues were taking to resolve and what support HTC can give to HCC.

Cllr McNally spoke and made the following points:

- HCC has refused to accept HTC nominated Cllrs on its board, only accepting those it wanted.
- When HCC became a charity, it took control of the Beehive from HTC who built it under certain rules.
- The above causes division between HTC and HCC.
- If HCC ceases trading, any monies it has goes to other charities. When HCC was owned by the Council, if this had arisen the monies would revert to HTC for the benefit of the town.
- HCC is the tenant and HTC are the landlord. HTC cannot interfere in their tenant's business even it is a charity until such time as it surrenders the lease.
- HCC were struggling even before COVID 19 which has as with other businesses put the lid on HCC.
- HCC which has an entertainment function takes second place to people's livelihoods and welfare and financial difficulties.

- HTC needs to look at everything it is responsible for and not just its entertainment venue.

Cllr Zarczynski thanked Mrs Sexton for her presentation and confirmed that the Council took on board all her points. HTC would be happy to meet with HCC to discuss these further as he did not agree with all that she had said but was willing to try and resolve these differences.

Cllr McNally proposed that the item be discussed further at the Finance and Policy Committee meeting on the 28th September 2020. Prior to this meeting the Deputy Clerk would research under what powers the Council could provide the funding requested by HCC. The Committee would also discuss the outstanding SLA invoice sent to HTC by HCC and the insurance contributions due by HCC.

20/49 Correspondence from Honiton Community Theatre Company and Honiton Health Matters

Cllr Zarczynski apologised for not responding to an earlier letter received from Honiton Community Theatre Company. The earlier letter had been received at the same time as many emails sent on the eve and on the date of the previous meeting and he had not realised that he was expected to reply to the letter rather than just noting the concerns raised, which he shares.

As regards the contents of the letters, it would be inappropriate for HTC to answer those questions. HTC have a number of options but until such time as HTC know the position regarding HCC, HTC are unable to provide details of their plan regarding the future of the Beehive. As such Cllr Zarczynski advised that he was unable to respond in more detail to the letters.

No other Member raised any questions or comment regarding the correspondence received.

20/50 Honiton Town Council Allotments at Battishorne Way, Honiton

The Deputy Clerk presented her report and advised Members that she had also spoken with Sulina Tallack at EDDC regarding the S106 funding. Sulina Tallack had confirmed that she would be forwarding the documents provided to EDDC's legal team once she had received hard copies of the documents from HTC as these had to date only been emailed.

The Deputy Clerk also advised that former Cllr Terry Darrant had emailed offering to assist the allotments working group in accordance with the terms of reference of the working group.

Cllr Taylor proposed accepting the offer of assistance received from Mr Terry Darrant and that Cllr Coombs be the lead Councillor for the project who he would assist.

The Deputy Clerk confirmed that no contract had yet been signed with Banks Construction and this will need to be discussed by the Cllrs meeting with Banks Construction and then agreed by Full Council.

Cllr Coombs suggested that the project should be led by himself, Cllr Taylor, and Mr Darrant rather than by just one Councillor.

Members **RESOLVED** unanimously to appoint Cllr Coombs and Cllr Taylor as the lead Cllrs for the proposed allotments at Battishorne Way, and to co-opt Mr Terry Darrant to the Allotments Working Group.

Proposed by Cllr Zarczynski and seconded by Cllr P Carrigan.

20/51 Parishes Together Ditching and Drainage Grant.

The Deputy Clerk presented her report.

Cllr McNally suggested that HTC would need a further extension to the deadline of 15th December 2020. The Deputy Clerk advised that EDDC had already informed her that no further extension would be granted.

Cllr Coombs confirmed that Skanska and their sub-contractor had done some drainage work in January 2020 and there was a Devon County Council approved contractor who could do some ditching work in Wadmore Lane and Roundball Lane. His view was that the work that needed to be done could be done by 15th December 2020 and that the grant could also be spent on other work not previously listed such as Footpath 26, Magpies Lane/Gardner's Lane and Hutgate Lane. However, Cllr Coombs was of the view that there needed to be more that once Cllr leading on this item.

Cllr Taylor suggested that Cllr Coombs make a list of the works in order of priority and that this is sent to Skanska with details of the grant funding left and that Skanska is asked to do what work they can on that list up to the limit of the grant.

Cllr Coombs confirmed that he was happy to take on the further discussions with Skanska but that he wanted at least one other Cllr to assist him and suggested Cllr Taylor, who confirmed that he would do so.

Members **RESOLVED** unanimously to appoint Cllr Coombs and Cllr Taylor to liaise with Skanska in relation to the ditching and drainage works covered by the Parishes Together Funding grant provided by EDDC.

Proposed by Cllr Taylor and seconded by Cllr Zarczynski.

20/52 Wild Honiton Report

Cllr Coombs presented his report and stressed that members of the public could also provide their own answers to the EDDC questionnaire, and because of this he is proposing that HTC delays moving the Coronation Seat on the A375.

Members **RESOLVED** unanimously to nominate Cllr Zarczynski and Cllr Coombs to work with EDDC to achieve the most benefit for Honiton from the Wild Honiton project and share with EDDC information about relevant environment projects already being progressed by HTC in order to avoid unnecessary duplication.

Proposed by Cllr Zarczynski and seconded by Cllr Coombs

Members **RESOLVED** unanimously to delay moving the Coronation Seat situated by the A375 until proposals for the Gittisham Common area have been studied.

Proposed by Cllr Coombs and seconded by Cllr Zarczynski

Members **RESOLVED** unanimously to accept Cllr Coombs' proposed responses to the EDDC Wild Honiton questionnaire and for Cllr Coombs to return the questionnaire with those responses to EDDC on behalf of HTC.

Proposed by Cllr Coombs and seconded by Cllr Zarczynski.

20/53 Benches Report

Cllr Coombs presented his report and confirmed that if DCC advise that the proposed site is not part of the highway, then the proposal cannot proceed any further.

Members **RESOLVED** unanimously that an additional bench is to be provided where Northcote Road becomes Tunnel Lane, subject to DCC confirming that the proposed site is part of the highway.

Proposed by Cllr Coombs and seconded by Cllr Taylor.

20/54 Part B items

Members **RESOLVED** unanimously to take item 15 into Part B of the meeting that deals with exempt business

Proposed by Cllr Zarczynski and seconded by Cllr Carrigan.

20/55 Staff Report

The Deputy Clerk presented her report which Members discussed.

Members **RESOLVED** by 6 votes in favour with 1 abstention to appoint Cllr McNally to complete the employer referral for an occupational health assessment for the Town Clerk with Medigold.

Proposed by Cllr Dolby and seconded by Cllr Carrigan.

Members **RESOLVED** unanimously to extend the meeting by 10 minutes.

Proposed by Cllr Taylor and seconded by Cllr McNally.

Members **RESOLVED** unanimously to pay the Market Assistant for overtime carried out during the Town Development Manager's absence from work. Such overtime to be paid at the Market Assistant's hourly rate.

Proposed by Cllr McNally and seconded by Cllr Zarczynski.

Members **RESOLVED** unanimously that a £500 honorarium be paid to Mrs Carolyn Bowles.

Proposed by Cllr Carrigan and seconded by Cllr McNally.

29/56 To close the meeting

The meeting was closed at 21.05pm.