

Question asked by John Zarczynski – 9th May 2022

As a member of the public and taxpayer of Honiton, I wish to question why agenda items 35/36 are to be debated/resolved by the full Council in Part B? I do not consider agenda items 35/36 to be contractual matters, from my understanding HCC has a 10 year lease on the Beehive, also a service charge agreement HTC pays HCC for the 3 offices occupied by HTC at the Beehive.

The Lease and service charge agreement was agreed upon by both parties namely HTC the Landlord and HCC a private limited company with charitable status that leases and manages the Beehive.

The agenda items 35/36 offer no public information regarding support and additional Taxpayers funding HCC is seeking to secure from HTC, something I consider is not HTC acting in the best interests of transparency.

I can only assume HCC are still the Leaseholder of the Beehive? If this is still the case? HTC would be acting unlawfully if the council resolved to vary the terms of the current agreed Lease before HCC surrendered the Lease pending HCC entering into negotiations with HTC to secure a new lease.

In the event, HCC surrenders the Lease to HTC the Landlord is duty-bound to put the Lease/management of the Beehive out to the public tender to secure the best value for taxpayers' money on a public asset.

I request full Council acts in the best interest of Transparency and resolves to move agenda items 35/36 to be debated/resolved in Part A of the meeting. The public is entitled and has the right to know how taxpayers' money is being spent especially when it appears taxpayers money is being used to subsidise a private company/business something I believe is unlawful use of public money especially when households are struggling to pay bills and put food on the table and faced with a 47% increase in the precept resolved by this newly elected Council who promised more openness and Transparency when campaigning and elected.

Question asked by Jill McNally 9th May 2022

'Why have items 35 and 36 of the Agenda for the HTC meeting of 9 May 2022 being addressed under Exempt Business (part b)? Having tried to understand and failing to grasp the reasons why, how can these agenda items relate to the "financial or business affairs of any particular person". Please can I have a reply that I can comprehend.

Item 35 states to be about the Council managing the Beehive arrangements, which should be in the public domain as there is a public lease to the company.

Item 36 seeks approval for a financial contribution on specific dates in March. Why is that so, when after all there is a lease, so far as I know. Has that lease been surrendered? If it has not, then it is not HTC's responsibility surely to use public money which is allocated for other reasons to financially support a tenant. I have no recollection of HCC requesting a grant allocation for this purpose.'

Response to both Questions from the Town Clerk – 18th May 2022

The Council uses the Exemption in the Freedom of Information Act section 43 which includes commercial interests of a company, in this case HCC. Agenda items 35/36 do include HCC's commercial information and is therefore Exempt. The LGA Sch 12A is relevant. In addition to NALC Legal Topic Note 37 (Freedom of Information) provides helpful opinion.

HTC does not pay a service charge for its 3 Offices at the Beehive. HCC is the leaseholder of the Beehive and the Lease and Variation remain. The Council decided 28.2.22 to underwrite HCC net operating costs, as is evidenced by the public Agenda for Full Council 9.5.22 as permitted by S19 (3) of the Local Government (Miscellaneous Provisions) Act 1976. The amount of underwriting cost is also included on the public Accounts: Schedule of Payments at £3,869.97 for March 2022.

I expect that any Council debate, that does not include commercially confidential business information relating to HCC, to be in public.

Question from John Zarczynski – 18th May 2022

I am concerned as it appears the Council has replaced the agreed service charge it pays HCC for the use of the 3 offices in the Beehive as per terms in HCC Lease with this new council resolving to underwrite HCC running costs, this in my opinion council resolving to hand HCC an open cheque book etc

I am therefore of the opinion HCC has not acted in Honiton taxpayers best interests/ transparency and delivering best value for public asset , in my view the terms of the Lease between HTC & HCC have been changed prior to HCC surrendering the Lease pending entering into negotiations with HTC for a new lease

I am also of the opinion the change in terms of the Lease (behind closed doors) was deliberate to avoid HTC being duty bound putting the Lease on the Beehive out to public tender .

Whist replying i also wish to take this opportunity in expressing my concerns as it appears having read the good councillors guide issued by NALC 2017 . Please refer to substantial increase in Precept

HTC recently resolved to increase the Precept by 47% without any consultation with the taxpayers of Honiton, without informing the public as to why the increase was necessary or providing the public with breakdown costs of projects of benefit to the ratepayers etc

Response from the Town Clerk – 23rd May 2022

The Lease and Variation remain intact, unchanged.

The Council has separately agreed to underwrite HCC's costs.

I note your concerns (re tendering, vfm and consultation), which the Council plans to address via its Strategy Committee.