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APPENDIX 10

Interview of Councillor Charles Adje

Friday 12 March 2010

10am – 12.20pm

Room 11, Level 9, River Park House

Present:

Councillor Charles Adje

Martin Walklate – investigator

Terence Mitchison – representing the Monitoring Officer

Alexis Coleman – note taker

1. Martin Walklate began by explaining the form the interview would take, including the settling of the note of the interview after its completion. Councillor Adje will be given a chance to comment or note any extra points.
2. The final report will be provided to Councillor Adje and Mr Carter for comments on factual matters only. The report will then go to the Standards Committee. If the report concludes that there was a breach of the Code of Conduct, the Standards Committee is obliged to proceed to a hearing. If the report concludes that there was no breach of the code, the Standards Committee has discretion to disagree and proceed to a hearing.
3. A hearing would be a formal hearing before a panel of members (5), effectively like a hearing in court. Councillor Adje would have a right to be legally represented or, with the panel's permission, he could be represented by a friend. If it is decided there has been a breach the panel will decide upon the penalty if Councillor Adje is still a councillor at that time.
4. Councillor Adje would have a right of appeal from such a hearing. An appeal would be to the adjudication panel, which is independent of the Council.
5. Councillor Adje noted the complaint was made outside the 12 month period. Terence Mitchison noted that that is not a statutory requirement, but rather a guideline that complaints should be rejected if made too long after the relevant events but having regard to all the circumstances. The Standards Sub-Committee had decided in this case to accept the complaint.
6. Martin Walklate noted that the questions to be asked were not implying anything and were based on Mr Carter's documents/questions. Martin Walklate noted that Councillor Adje was at liberty not to reply. Councillor Adje was advised that he should mention any particular concerns throughout the interview and the note taker would ensure to note them.

7. Councillor Adje stated he was not privy to the questions put to the people whose documents appear in the bundle. He only has their responses and no information about where the documents/information has come from (i.e. how it was procured). Councillor Adje wants to see those documents. Martin Walklate confirmed he would email any relevant documents he has to Councillor Adje.
8. Councillor Adje asked why, given he has previously addressed Mr Carter's complaint in writing, the interview process was necessary. Martin Walklate explained that the interview was part of the process to be followed, and that the previous comments were seeking an initial view before proceeding to the interview stage.

Note: numbered questions below correspond to questions in document headed "Interview under the Local Authority Member's Code of Conduct, Councillor Charles Adje, London Borough of Haringey, February 2010", provided to all present by Martin Walklate.

9. **Q1 – Could you confirm your full name?**
10. Councillor Charles Ochuko Adje.
11. **Q2 – When did you become a Councillor for the London Borough of Haringey?**
12. Councillor Adje became a Councillor in 1998.
13. **Q3 – Has your term of office been uninterrupted since that time?**
14. There has been no interruption in Councillor Adje's term of office.
Councillor Adje has been a councillor continuously throughout that period.
15. **Q4 – What ward to you represent?**
16. Councillor Adje represents White Hart Lane ward.
17. **Q5 – Have you held office with any other Local Authority?**

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18. Councillor Adje has not held office with another Local Authority as a member but has been employed by the London Fire Brigade all along.

19. **Q6 – Are you aware of the Member’s Code of Conduct?**

20. Councillor Adje thinks so, but not chapter and verse.

21. **Q7 – Have you been provided with a copy of the code?**

22. Councillor Adje thinks members are all given a copy.

23. **Q8 – Have you attended any briefings or training on the code?**

24. Councillor Adje may have but can’t remember.

25. **Q9 – Have you been subject to investigation under the code before?**

26. Under the Standards Board – yes.

27. **Q10 – Have you been called as a witness or given statements to any previous inquiry under the code?**

28. No, Councillor Adje does not think so.

29. **Q11 – Can you advise me of any office or significant role held by you during your term of office as a Member of Haringey?**

30. Councillor Adje was the Leader for 2 years, in which time the Council went from “weak” to “3 stars” (good). Councillor Adje has held only cabinet positions apart from being Chair of the Alexandra Palace.

31. **Q12 – When were you first appointed to any role concerning the Alexandra Palace Park Trust?**

32. May 2006.

33. **Q13 – What subsequent roles have you held connected to that body?**

34. Councillor Adje was the Chair of Alexandra Palace Park Trust and Chair of the trading company. When someone becomes the Chair of Alexandra

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Palace Park Trust they automatically become the Chair of the trading company.

35. **Martin Walklate noted that Councillor Adje was the chair of just the trading company from May 2007.**

36. Councillor Adje confirmed this. He stated, as advised by Keith Holder that it was okay to be the Chair as it was being wound-up due to insolvency and the transfer.

37. **Q14 – Do you believe that it is an important element of local democracy that those involved in decision making are made aware of all salient facts before making those decisions?**

38. In an ideal situation, yes. Martin Walklate invited Councillor Adje to expand on this. Councillor Adje said if provided with written or verbal communication you can only go by what is provided.

39. **Q15 – What role did you hold on the 1st April 2007?**

40. Councillor Adje was Chair of the Board and Chair of the trading company. Councillor Adje continued to be the chair until the annual meeting in May. He continued with the role of Chair of the Trading Company as advised by Keith Holder.

41. **Q16 – Can you confirm that you knew this role to be subject to the Member's Code of Conduct?**

42. Councillor Adje could not confirm whether it was or not. Councillor Adje did not dispute this was so, but could not confirm that Alexandra Palace is subject to the member's code. No advice to this effect was given to members on the Palace's Board either by Council officer or Keith Holder and Trusts Solicitor.

43. Terence Mitchison advised that the Alexandra Palace board is a non-executive committee of the Council and also as a body of charity trustees subject to regulation by the charity commission. There is a degree of

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confusion for members as to which is their function however the references in the agenda for meetings make clear that members on the board are acting as both members and trustees. They have to act in the best interests of the charity.

44. Councillor Adje noted that this has always been a bone of contention with Keith Holder and the previous Chief Executive (prior to Ita O'Donovan).

45. **Q17 – Can you confirm that you knew this role to be chairing a committee which was subject to the Standing Orders and internal and external codes of conduct adopted by the London Borough of Haringey?**

46. In view of the discussion above with Terence Mitchison, Councillor Adje agreed.

47. **Q18 – To what degree did you consider yourself to be accountable to the Charity Commission as a Trustee?**

48. If you serve on the charity board trust there is a duty to ensure certain documents are produced on time to the Charity Commission. Councillor Adje did not know all the ins and outs for individuals.

49. **Was there training from Iain Harris, legal adviser to the trust?**

50. Councillor Adje did not recall that. Any training/advising was mainly done by Keith Holder. There was not much contact with Iain Harris.

51. **Q19 – Who were the principal members of staff that you worked with in connection to this role?**

52. Councillor Adje worked predominantly with Keith Holder. David Loudfoot was only involved in the final transition stage. Councillor Adje had no dealings with Ken Harrington.

53. **Q20 – Can you confirm that you knew these members of staff to be employees of the London Borough of Haringey?**

54. Councillor Adje could not confirm. Employment arrangements were not made clear to members of the Board either by Council officers or Keith Holder.

55. Q21a – In the early part of 2007 was it your custom to meet with Kassam of Firoka or his representations:

a. If so, with what frequency?

56. This has been covered previously. In relation to meeting with Firoka, Councillor Adje relied upon appendix 2 and the meeting with Andrew Travers. This triggered contact with Firoka but always through Keith Holder.– April 2007.

57. Councillor Adje could not recollect specific meetings, but recalled that there were many meetings, one with Lynn Featherstone, a former Cllr and Keith Holder was always present.

58. Q21b – Were you ever alone?

59. Councillor Adje was sometimes alone with Firoka, before Keith Holder would arrive, or Keith Holder and Firoka were on their own. This was always by mistake or delay. He was never intentionally alone with Firoka.

60. Was there ever an independent meeting at which Councillor Adje intended to meet alone?

61. Not particularly or intentionally.

62. Do you mean someone was early or late for the meeting so two people were alone only until the other people arrived?

63. Councillor Adje agreed with this.

64. Councillor Adje said it was unfortunate that the notes taken were not prepared and he had never seen them. Predominantly, for most issues Councillor Adje got phone calls from Keith Holder in relation to any problems with Firoka.

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65. **Q21f – What was the duration of these meetings?**

66. Around 30min – 1hour. Not days long. The only meeting attended by Councillor Adje which took days was with the Charity Commission to discuss the order at Iain Harris' chambers.

67. **Q21g – Where did the meetings take place?**

68. In different locations.

69. **Where was Firoka based?**

70. Councillor Adje attended the meeting at Kings Cross or Alexandra Palace.

71. **Q22 – On 11th April 2007 did such a meeting take place?**

72. Councillor Adje did not recall the meeting taking place. Councillor Adje could not confirm that the meeting took place.

73. *Terence Mitchison showed Councillor Adje page 41 of the bundle, Appendix 1, [approximately 2/3 of the way through the bundle], in relation to the meeting [this is the briefing note sent by Keith Holder to Cllr Adje on 17/04/07 which refers to a discussion between Cllr A/KH and Kassam on 11/04/07]*

74. Councillor Adje responded that if the note says the meeting took place, he accepted that.

75. **Q22c – What was the purpose of this meeting?**

76. Councillor Adje could not recall. Councillor Adje said it was difficult to remember without notes. Keith Holder has notes.

77. **Q23 – At this meeting, did Kassam make a specific request for a method of financial support to be provided if he was to retain interest in the contract?**

78. Councillor Adje could not recall Kassam asking for benefits.

79. **The idea had to come from somewhere?**

80. Councillor Adje responded that it was difficult. Councillor Adje was not privy to the procurement process. Councillor Adje came in at the end to finalise. Firoka had already been chosen as the successful bidder. Councillor Adje was following advice from Andrew Travers to meet with Kassam but Keith Holder dealt with everything.

81. Keith Holder has said Councillor Adje was driving the process. It was not Councillor Adje's place to drive the process. Keith Holder was the driving force up until Keith Holder became the consultant. David Loudfoot was none the wiser as to what was happening.

82. It was frustrating as Councillor Adje was not getting proper advice from Council officers.

83. **The process was going along and (at that stage) it was thought that within a few weeks the Charity Commission would be giving the order which would have allowed the lease to go ahead. Then the licence arises. Was Kassam saying he wanted something or more certainty, or was the licence initiated by Keith Holder?**

84. Councillor Adje does not recall having such a discussion with Kassam. Cllr Meehan will confirm that his understanding was that the request from Kassam was expected to include profits and loss.

85. Usually Councillor Adje would telephone Kassam if Keith Holder raised a problem with Kassam.

86. Councillor Adje would have done many things differently with hindsight.

87. Kassam didn't say to Councillor Adje that he wanted anything.

88. The trade unions did want certainty and Councillor Adje did approach them directly, and met with them.

89. Many discussions took place. Councillor Adje never discussed the licence with Kassam. Councillor Adje only discussed the licence briefly with Keith

Holder, in relation to the licence fee. Keith Holder dealt with the nitty gritty of the licence. Councillor Adje has no documentation.

90. Normally if Councillor Adje asked for something to happen he would get briefed by officers. Councillor Adje received nothing in this case – no documents.
91. Councillor Adje found the use of the words “inducement” and “deceit” in the questions very concerning indeed. Councillor Adje would like them struck out. Councillor Adje hasn’t induced and hasn’t deceived anyone. They are unacceptable.
92. **Martin Walklate explained that “inducement” is used, not in the fraudulent sense, but in light of the background, there was an inducement in the sense that there was something offered over and above the contract to retain interest.**
93. Councillor Adje’s understanding of what was to happen was not in relation to the licence, as if Councillor Adje had had concerns about the licence he would have dealt with that. Councillor Adje’s understanding/concern was in relation to the secondment of staff. At no stage was the sharing of profits under the licence discussed by Keith Holder with Councillor Adje or Councillor Meehan.
94. **Suddenly a new process was introduced with a financial benefit for Firoka. Who initiated it: Firoka? Keith Holder? Or Councillor Adje? All the documents have Keith Holder’s name on them but there is also Keith Holder’s briefing note.**
95. But Keith Holder didn’t say in his document or to the board that the company was operating at a loss. How could we keep operating as an insolvent company? This is what was put to members.
96. Keith Holder sent an email. The company was deemed to be insolvent and so can’t operate when insolvent. That’s what Keith Holder explained to the board.

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97. Councillor Adje was at a loss. Keith Holder would be able to say if he was being truthful that this [insolvency] is what led to where we are.

98. Where did the initiative come from for the licence?

99. Councillor Adje was surprised that Martin Walklate hadn't worked that out yet after having Walklate 1 and 2. It beggars belief that Keith Holder can't account for how we arrived at where we are, Keith Holder still has all the documents and no one else can account for how the position was arrived at. Keith Holder was in the driving seat long before Councillor Adje was involved.

100. The inducement was not your initiative then?

101. Correct. Councillor Adje confirmed that Kassam did not approach him in relation to an inducement. All concerns from Kassam came to Councillor Adje through Keith Holder.

102. Did the need for a licence come to you through Keith Holder?

103. Yes.

104. Q24 – How much was Kassam or any of his representatives seeking as a financial support inducement?

105. Councillor Adje did not know anything about this.

106. How was the amount of the inducement agreed? The incentive became the licence but then more things were thrown into the licence. There's no documentation.

107. Councillor Adje didn't deal with operational issues. Keith Holder did this.

108. Q27 – You subsequently speak to Firoka or one of his representatives on the telephone following the meeting about the need for an inducement?

a. Who called whom?

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b. What precipitated the call?

c. What was discussed?

d. Was any financial support package or inducement offered at this time?

109. Keith Holder alleges that discussions with Firoka and yourself took place over the weekend and that there was a meeting on the Monday. You've noted that you met with unions on the Monday.

110. Councillor Adje agreed. Councillor Adje had a Monday meeting with the trade unions. Councillor Adje didn't recall phone calls over the weekend. There were many phone calls all the time – Keith Holder may have called or Firoka may have called.

111. Councillor Adje would like the Alexandra Palace site to be maintained, didn't want it to crumble. Previously Councillor Adje had spoken with Nicky Gavron and Ken Livingstone about maintaining the site. Councillor Adje just wanted it somehow to be maintained.

112. So the phone calls were not to discuss inducements?

113. Correct. There may have been phone calls but not to discuss inducements. Councillor Adje was only involved as a result of Andrew Traver's advice. Keith Holder alone has always been in the driving seat.

114. Councillor Adje was not shocked by what happened but he was surprised. Most members had concerns about Keith Holder and his style. There were issues with governance which existed before Councillor Adje's arrival. Ideally Keith Holder would be out of the position and someone else in.

115. Q28 – When did you request Keith Holder to produce a briefing note on the legality or otherwise of such an inducement. Was it following that meeting or following the telephone call?

116. It was following the meeting.

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117. **Did Keith Holder produce the briefing note of his own volition?**
118. Councillor Adje asked for the briefing note.
119. **Q29 – Did you often request such notes from Keith Holder? Was it commonplace for him to produce such notes on his own initiative?**
120. Yes, often. Usually Keith Holder told Councillor Adje the information over the phone. Councillor Adje was surprised by the briefing note but didn't say anything. Councillor Adje didn't go back to him.
121. **Why not?**
122. Good question. When he changed his mind Councillor Adje didn't think anything of it. Councillor Adje should have questioned it. Why was there not a further briefing note from Keith Holder as a professional officer explaining his change of mind?
123. **In the circumstances it was a strange turn around. I accept you say that neither you nor Councillor Meehan had any knowledge of the financial effect of the licence and were not told of this. Keith Holder would have known there was significant financial benefit to Firoka and a cost to the Alexandra Palace Park Trust.**
124. Councillor Adje was not aware and his colleagues were not aware of the costs. Councillor Adje only knew advice received from Keith Holder, which was that it was illegal to keep trading when insolvent. On this basis the decision was made to proceed with the licence. There were still problems with the trade unions in relation to seconding staff to Firoka. We were not told an insolvent company would be making profits, as then not insolvent.

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- 125. **You had the contents of the briefing note and then the report, which was the complete opposite.**

- 126. With hindsight Keith Holder should have explained the change. Councillor Adje knows what is alleged – Councillor Adje has never put Keith Holder or other officers under pressure. Keith Holder is an astute man. If Councillor Adje had put pressure on him he would have called the Monitoring Officer or a similar person to say “I’m under pressure”.

- 127. Maybe Councillor Adje was off guard. Councillor Adje keeps thinking about how he let himself get into the situation where Keith did not provide reasons for his u-turn.

- 128. **So you were heading toward the lease/order, you had the briefing note against the licence, and then the report. But nobody questioned Keith Holder?**

- 129. That’s the benefit of hindsight. Keith Holder should have told Martin Walklate in the investigation. It should be put to him. Councillor Adje was the chair, but his powers were limited. Keith Holder was the General Manager and the adviser.

- 130. Councillor Adje had the advice from Andrew Travers. Councillor Adje was frustrated by the Council. The Chief Executive called Councillor Adje (which she denies), and she was going to make a call to Keith Holder, but never did.

- 131. **Q32 – Did you read the briefing note immediately?**

- 132. Councillor Adje not sure if he read it immediately.

- 133. **Q35 – At what stage did you discuss the situation with Councillor Meehan? Did the conversation with Councillor Meehan arise because of the briefing note or were you already due to discuss other matters with him?**

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134. Councillor Adje had to keep the Leader informed. Councillor Adje did not recall if the briefing note was discussed.

135. **So you recall the conversation but not whether the briefing note was mentioned?**

136. Yes. Councillor Adje did not recall whether the briefing note was mentioned. The Chief Executive was in the meeting. When Councillor Adje made complaints to Councillor Meehan he would usually listen then go and get the Chief Executive. Councillor Adje received a phone call from the Chief Executive. She was going to call Keith Holder. Councillor Adje gave her Keith Holder's mobile number. Councillor Adje telephoned Keith Holder to tell him the Chief Executive would be calling him. She never called.

137. **So there was the meeting with Councillor Meehan in which you updated him and there was the complaint with Keith Holder, and then it was decided to continue with the "incentive"?**

138. Councillor Adje preferred it to be called "the project", not "inducement" or "incentive". It implies an incentive/inducement was knowingly given. I don't see why, if you have a preferred bidder, you should be incentivising them. All that was discussed was the transfer/secondment of staff.

139. **You had a process in place, and then at a late stage a new process was introduced which brought about additional incentives for Firoka – the ice rink, for example, is particularly interesting. The discussions were only about the staff seconded? Firoka was in a better financial position with the licence.**

140. Councillor Adje confirmed he did not have that discussion with Councillor Meehan. If Councillor Adje had known about the ice rink and the profit he would have questioned it. Only staff issues in relation to payment of salaries was discussed. Councillor Adje never discussed transfer of the ice rink with Councillor Meehan.

141. Keith Holder should be true to himself. There was no briefing note in relation to the ice rink. All he said was there was no problem with the licence going through. It was about transferring the risk – that began many years before Councillor Adje was involved. Councillor Adje's main concern was to maintain the heritage of Alexandra Palace.
142. Councillor Adje had a job at the Fire Brigade at Lambeth. Councillor Adje had his own job so no time to be running Alexandra Palace and his boss of the Fire Brigade did not want him taking calls on the Palace. Keith Holder was the expert and that's what he was paid for. That was his job.
143. **Q39 – Did Keith Holder ever indicate to you formally, or informally, that he believed that his briefing note of the 14th April was no longer accurate or valid?**
144. **I think you've said the answer is no, but he carried on anyway.**
145. Councillor Adje would expect an officer who changes his mind to produce something. Councillor Adje should have questioned it. Where did Councillor Adje give him instructions to proceed? There were no written instructions or meeting notes.
146. **Q41 – On whose suggestion was the report to the Trustees on the 24th April 2007 that recommended the assignment of the licence produced?**
147. **Somehow Keith Holder was advised of the situation to proceed with the licence. Keith Holder says he was told to write the report.**
148. No, Councillor Adje didn't tell Keith Holder to write the report. Last minute reports sometimes have no legal or financial comments. Sometimes Councillor Adje calls and speaks to Gerald [Almeroth] just before the meeting in relation to financial comments.
149. Mr Carter cited Iain Harris' testimony. Iain Harris was present at all meetings. Why didn't he, as legal adviser, say something?

150. **In reports, it's usual to set out the pros and cons to enable members to make a decision. However, none of Keith Holder's negativity from the briefing note appears in the report. Why didn't you or Iain Harris question why it was not balanced?**
151. Councillor Adje was too trusting. Why didn't Iain Harris raise concerns or inform members in relation to profits and the ratio and explain how it would work? Councillor Adje followed the advice given. Keith Holder has alleged pressure was put on him – Councillor Adje is at a loss as to that.
152. **Terence Mitchison – did you seek advice from Iain Harris independently of Keith Holder?**
153. Cllr Adje had spoken to him once, but can't recall what about. Could have been about the [Charity Commission's] order, with Councillor Hare. Most of Councillor Adje's dealings with Iain Harris have been through Keith Holder.
154. **Terence Mitchison – At the meeting, did anyone ask Iain Harris directly for advice?**
155. Councillor Adje thought Iain Harris spoke at the meeting. Perhaps the minutes recorded that.
156. *Terence Mitchison produced the minutes – this was not recorded in relation to advice on the licence agreement with Firoka.*
157. **Martin Walklate – My recollection from interviewing Iain Harris was that he did not intervene. Plus the board had before them a report which would solve their problem – there was little challenge.**
158. Councillor Adje had a vague recollection that Councillor Hare said something, and Iain Harris said it was too late, it was too far along the process for change.

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159. *Terence Mitchison noted in the minutes some advice given from Iain Harris in relation to the sealing of the order and delay. Terence Mitchison to speak to Clifford Hart in relation to the notes of the meeting.*

160. **Q44 – Given the entirely contrary nature of the advice you received from Keith Holder, what steps did you take to ensure that your fellow trustees / members had all salient facts in front of them when taking this decision.**

a. **Did you make them aware of the contrary arguments raised by Keith Holder?**

b. **Did you make them aware of Keith Holder's change of position?**

161. Councillor Adje could not recollect.

162. [short break]

163. **Q45 – Did you instruct Keith Holder to write that report. A report which was contrary to his stated view in your briefing note and which, subsequently, Keith Holder intimates as arising from 'political will'?**

164. No, Councillor Adje did not instruct the report to be written.

165. **Q46 – What is your comment on Keith Holder's intimation that there was no point in resisting the political direction he was given unless he had been ready to resign?**

166. Total nonsense. Councillor Adje did not see how he could have said that as the board didn't want Keith Holder to go (Terence Mitchison can check this in the report) because of his experience acquired over years. Councillor Adje referred to Andrew Traver's email of 12 February re: keeping Keith Holder temporarily with the trust post transfer of the Palace lease to Firoka.

167. **You've said he could have turned to many people to whistle blow.**

168. Yes. Keith Holder was complaining to Councillor Adje that officers were not responding to him as a consultant. In relation to the indemnity i.e. the £10 million insurance cover required under his consultancy contract, Councillor Adje had looked for a way forward to accommodate him.
169. **Q47 – How do you react to Keith Holder’s view when questioned upon the importance of good governance he replied:**
- ‘As previously stated both in the preamble and in Keith Holder’s note, Keith Holder recognised that the governance issues were of secondary importance to the political imperative of ‘locking Kassam in’. This approach was further confirmed during the meeting referred to in answer to the previous question’.**
170. Nonsense. All decisions were made based on the information given. Independent directors on the trading company trust board were to relinquish their positions as the company was insolvent – on that basis they went through with the process. No one held a gun to Keith Holder’s head. Keith Holder advised the board what to do. He was driving the project.
171. Had former Councillor Viv Manheim kept her Councillor seat and subsequently the chair’s position – Councillor Adje would not have been the chair.
172. **Q49 – Finally, I would ask you once again to give your view on the complaint that Keith Holder, in preparing the report to the Board on 24th April, which differed so markedly from his briefing note to Councillor Adje produced a week or so earlier, had been pressurised by Councillor Adje into suppressing his initial view.**
173. Total nonsense.

174. **Q50 – Where you involved in the interview and appointment of David Loudfoot as the General Manager of the Trust from 1st May 2007?**
175. Yes, along with Stuart Young and other board members.
176. **There is an issue of whether David Loudfoot was forced into signing the licence. In my interviews with David Loudfoot, he has not said he was pressured into signing, but that he was told it was his responsibility to be a signatory.**
177. Councillor Adje did not recall meeting about signing the licence. Councillor Adje recalled Keith Holder saying he couldn't sign as he was a consultant.
178. People/staff told Councillor Adje that Keith Holder doesn't communicate with the staff. After Councillor Adje met with the trade unions, each member of staff was taken in and Keith Holder asked them what they had told Councillor Adje. That's the culture. Councillor Adje didn't know if that also happened between Keith Holder and David Loudfoot. Councillor Adje had some interaction with David Loudfoot but not specifically about signing the licence.
179. **Q54 – Why was Keith Holder's employment position changed between one of employee to one of consultant with effect from 1st May 2007?**
180. **You were expecting the master agreement to kick in soon [i.e. for the trust to grant the long lease of the Palace to Firoka], at which time the duties of the General Manager would have diminished – correct?**
181. Councillor Adje stated that the Board followed Keith's advice. The documents were there to provide some insight. It was entirely up to Keith Holder as to when he became a consultant. There was much discussion about whether to replace him. The trustee members were very new so they were relying on Keith Holder's expertise. We didn't want to lose his

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experience. Councillor Adje suggested speaking with Stuart Young about this. There was a specification for David Loudfoot's job as General Manager and he was to be groomed by Keith Holder. It's all nonsense that Keith was pressurised into doing whatever he did as all the arrangements were probably in place before the licence.

182. **Q56 – Did you have any involvement in determining the terms of his retirement/redundancy package?**

183. Much of the detail was delegated to the chair. Councillor Adje suggested checking the minutes. Councillor Adje could not recollect if there was an email from Keith Holder. Councillor Adje was approached by Keith Holder complaining that he was having difficulties with Council officers. Councillor Adje had spoken to Councillor Meehan. There were meetings with Stuart Young, Keith Holder and Councillor Adje.

184. Keith Holder's previous employment contract couldn't be found. We wanted to avoid the previous scenario where Keith Holder had retired and then came back from retirement and was on 2 contracts plus the benefits etc. We wanted to put an end to that so he was on a 2 year consultancy contract. It was all above board.

Note: Question 185 and answer 186 have been identified by Councillor Adje as being unclear and he has sought clarification. Reference has been made to the original hand written notes but this still does not explain this reference. As a result, questions 185 and 186 are to be taken as stricken from the record and will not be used in the report or be subject to the agreement given by Councillor Adje at the conclusion of this note. Martin Walklate

185. **It couldn't happen without your approval but was not instigated for 3 years? (?) Please amplify.**

186. **Correct. Councillor Adje would have had emails in his old email account. Keith Holder was concerned at the slow pace it was progressing. This is all minuted.**

187. **Q59 – Could you, mistakenly or otherwise, have ever given Keith Holder the impression that failure to follow your requirements on the licence may impact upon his remuneration or position as a consultant?**
188. Total nonsense.
189. **Q60 – Could you, mistakenly or otherwise, have ever given David Loudfoot the impression that failure to sign the licence as required may impact upon his appointment as General Manager or his future relationship with you as his Chair?**
190. Total nonsense. Let Clive Carter provide evidence of this. It was the Board's view that David Loudfoot should be the Manager albeit with limited responsibilities following the transfer and that Keith Holder was to groom him for this role. This can be verified by Stuart Yound as it formed part of Keith's consultancy contract. Keith Holder was to provide a lever arch folder for David Loudfoot and the Council based on his experience over the years a part of David's development.
191. I can say there's no evidence to support this.
192. **There's an issue under the Code of Conduct in relation to bringing the authority into disrepute because of a deceitful action, and if it existed, it would be that you knew about the licence but didn't bring it to the attention of members when considering it – that is the scenario. It's very questionable whether you had a responsibility to bring the briefing note to the attention of members.**
193. **Q61 – Would you accept that all trustees (not simply those of your own group) should be in possession of all relevant facts before they make a decision on behalf of the Trust?**
194. Councillor Adje could not recall, but Councillor Adje would expect that as a General Manager, Keith Holder should have brought the briefing note to the attention of all members, as should have the legal adviser. But Keith

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Holder advised that this was the right thing to do so the board followed that advice. The board was concerned that it couldn't run the company as an insolvent company.

195. If you'd have been aware that Keith Holder held the briefing note to be valid and that there were financial consequences of the licence, would you have made members aware of the briefing note? You were not properly informed to make a decision. Given hindsight, would there have been a different response from you?

196. Yes. Councillor Adje didn't think the briefing note was valid and he was not provided with any financial implications or consequences. When the issue went to the board, the licence was not discussed. There was no information in relation to the implications of assigning it. Only the £1 licence fee was mentioned. There was no mention of the ice rink etc. Councillor Adje thought this was the only route because of the insolvency.

197. Q63 – Did you bring the matter or content of the briefing note to all of your Trustees prior to the decision on 24th April 2007?

198. Councillor Adje could not recollect.

199. Q64 – Did you bring the matter or content of the briefing note to any of your Trustees prior to the decision on 24th April 2007?

200. Councillor Adje could not recall.

201. Q65 – Did you bring the matter or content of the briefing note to your Council leader prior to the decision on 24th April 2007?

202. You discussed the position with the leader but can't recall specifically mentioning the briefing note?

203. Councillor Adje agreed.

204. Q66 – Did you question Keith Holder as to why he had not raised the matters contained in his briefing note either in the report of 24th April 2007 or in his introduction to that report at the meeting?

205. Councillor Adje did not. Plus Keith Holder didn't volunteer the information. He's not the type of person you put pressure on.
206. **Q67 – What is your response to the assertion that:**
- You, in deliberately not informing his Trust colleagues of the briefing note submitted by Keith Holder failed to allow them to make a balanced decision and instead accepted a recommendation to pursue a licence which, had they be in possession of the full facts, they may not have.**
207. Nonsense.
208. **Q68 – Prior to 15th May 2007 you held positions on Council as Chair of the Trust and Chair of the Operating Company. Is this the case?**
209. **This is in issue because it's an allegation from Mr Carter that Councillor Adje stood to gain the cabinet member position because of the licence. The response from Councillor Meehan was that Councillor Adje was asked to provide a note in support of his election to the post and that note made no mention of this issue.**
210. It has no relevance. The licence was not included in the note. Councillor Meehan proposed Councillor Adje previously as a cabinet member but Councillor Adje went to Alexandra Palace instead. Later in May 2007 Councillor Adje got the cabinet member position. There was no incentive whatsoever.
211. **Q75 – Would you accept that the only reason that Firoka were prepared to enter into a licence was to achieve a financial benefit in the short or medium term?**
212. **The end result was that Firoka gained considerably from the licence. The Code of Conduct covers situations in which someone gets something to which they were not entitled, because of the actions of a member. Keith Holder says Councillor Adje was going**

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ahead against written advice and therefore Firoka gained. I'm assuming with Q75 that the licence was only entered into as Firoka was to gain.

213. Councillor Adje was not aware at the time of Firoka getting financial benefits in the short, medium or long term. Councillor Adje saw it as an opportunity for £60 million to be invested into the site. Had the board known and were prepared to take the risk, it could have been an "invest to save" strategy but the board didn't know this.

214. The difficulty is with Keith Holder reversing his briefing note, but putting nothing in writing, and then alleging political will. Why didn't he report it to the chief executive, monitoring officer or the charity commission if there had been political pressure?

215. **With the novation of contracts, transfer of staff, ice rink – Firoka couldn't fail to benefit.**

216. The board was not aware of this. If Councillor Adje had known about the incentives idea he would have arranged a meeting with the Leader, Chief Executive, monitoring officer, Iain Harris and others, to have an understanding of everything that was happening in detail.

217. **Q77 – Throughout the investigation process you maintained that your reason for wanting to pursue the licence was to prevent Firoka from withdrawing from the licence yet the briefing note to you clearly demonstrates that they could not legally do so? Do you accept this?**

218. At the time, Councillor Adje did not understand why Firoka would want an incentive if they were investing money. Firoka were to invest £60 million in Alexandra Palace. It seemed a win/win situation for the Palace's charitable position and the Council. There would still be the cost of salaries to continue to pay anyway.

219. **Keith Holder says, that from Firoka's position, the lease was taking a long time and it had become a different financial climate, and**

they had ploughed a lot of money into this, so they didn't want to miss any opportunities in the coming year. Keith Holder felt he had to make sure to keep Firoka.

220. Why didn't Keith Holder tell members that?

221. **Q79 – Although covered by questions previously raised in this interview, I wish to record your response to the allegation that:**

That the resource of Ken Harrington and David Loudfoot could be considered to have been improperly utilised in the commissioning of the licence leading to Councillor Adje's 'promotion' within the political hierarchy.

222. **This question relates to mis-use of resources i.e. Ken Harrington and David Loudfoot.**

223. Total nonsense. Councillor Adje did not meet with Ken Harrington and never instructed anyone to sign at any time.

224. **Q80 – When you had contact with Kassam over the weekend prior to the production of the briefing note who rang who?**

225. **This question was addressed earlier. I want to make clear that there is no evidence that Councillor Adje was "on the take".**

226. **Q81 – Do you hold Kassam's personal phone numbers or details?**

227. Not any more. Councillor Adje suggested referring to the email from Andrew Travers.

228. **So you held the number at the time but not any more?**

229. Yes

230. **Q82 – Have you ever met with, or had personal contact with, Kassam or any of his representatives in a personal or social context?**

231. No.

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- 232. **Q83 – When you met with Kassam in the meetings leading up to the licence where did these meetings take place?**
- 233. **As discussed already, this question refers to things such as elaborate meals etc.**
- 234. No, there were no elaborate meals etc. The only meetings with anyone were if Councillor Adje took the officers to lunch, to get to know them.
- 235. **The hospitality register is updated as far as it concerns you?**
- 236. Yes.
- 237. **Q86 – Have you ever received from Kassam, his representatives or any one associated in any way with Kassam or his companies any inducement or reward which is outside of the Council’s code of conduct for Members on hospitality?**
- 238. Not that I can recall.
- 239. **Martin Walklate noted that he was grateful for Councillor Adje’s cooperation throughout the investigation.**
- 240. **Q87 – Finally, in regard to this complaint, are there any views or any issues which you would like to have recorded and presented to the Standards’ Committee as part of my report?**
- 241. Given what Councillor Adje has done for the Council, and those people trying to undermine him – Councillor Adje sees it as a witch hunt, racially and politically motivated. Everything Councillor Adje has done has been aspiring to help people of the borough. It’s disheartening that Councillor Adje continues to be attacked. It saddens Councillor Adje that Keith Holder, who thanked him for letting him run the show, turned around and did this. If the board had followed Andrew’s advice, Keith Holder would have gone. The email from Andrew Travers stated that there was a conflict of interest in relation to Keith Holder wanting to work for both Firoka and

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Alexandra Palace trust. He always wanted to work for Firoka. It saddens Councillor Adje that Keith has chosen this line.

242. **Terence Mitchison – in relation to the master agreement signed in November 2006, and committing the Council and Firoka to the lease, were you aware that it had a backstop date of 1 August 2007, after which time the agreement was much less certain?**

243. No, Councillor Adje could not recall this backstop date nor whether it was discussed with Keith Holder.

244. **Terence Mitchison – The situation would have been less certain after 1 August 2007.**

245. Councillor Adje knew about the order and that there would be a cutoff, but didn't know when. At the meeting with Ita O'Donovan and Councillor Meehan, the only thing in the way was if there was a judicial review. The judicial review came about because of the way the Charity Commission had carried out consultation.

246. **Terence Mitchison – One argument that may be connected to the complaint is that there might have been a possible reason to enter into the licence because of the risks from the agreement and needing to complete matters by 1 August 2007.**

247. No, Councillor Adje was not aware of that. If anyone should be held responsible for this problem it should be Mr Carter and his cohorts as they instigated the judicial review at a very late stage. At no time did Mr Carter or his associates approach me directly with their own alternative rescue plans for the Palace, although I arrived there when Firoka had been approved as a preferred bidder by the previous Board.

248. Martin Walklate – Advised Councillor Adje to feel free to challenge the notes and Councillor Adje is also invited to add more by email etc.

249. *[Interview concluded at 12.20pm]*

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NOTE:

In my covering letter to Councillor Adje, I asked for clarification on a number of key issues. He responded by annotating his answers next to the questions on my letter. His responses are as follows:

- Who initiated the need for a licence or similar inducement? – I confirm that all matters were conveyed to me by Keith Holder
- Who did you hear this requirement from? – Keith Holder
- Did you discuss Mr. Holder’s briefing note with Cllr. Meehan or any other Council Member or Officer? – Can’t recall as previously stated
- Would you accept that Mr. Holder at no point retracted his briefing note? - No, he changed the advice but did not put it in writing. He advised (orally) that as the trading company was insolvent we could not continue to trade. He advised that the transfer to Firoka should proceed. You will be aware that the non-executive directors had also left at this time. It should also be noted that Mr Holder was the one seeking to work for both organizations but for Andrew Travers’ advice which was against this.
- Can you confirm that at no time did you place pressure on Mr. Holder to proceed with a course of action that was contrary to his advice to you? – I confirm that neither Cllr Meehan nor myself or any other member placed Mr Holder under any pressure whatsoever.

I agree that the above represents a full account of the issues put before me at the interview of the 12th March 2010 and that I have had the opportunity to correct, clarify or add to my answers in this written document.

Signed

Councillor Charles Adje

Dated