



**Haringey** Council

**COMPLAINT BY CLIVE CARTER AGAINST COUNCILLOR CHARLES ADJE – LOCAL REFERENCE SC2/0910**

LONDON BOROUGH OF HARINGEY – STANDARDS COMMITTEE – DETERMINATION HEARING PANEL – WEDNESDAY 30 MARCH AND THURSDAY 31 MARCH 2011

PANEL CHAIR – MS A LOYD – INDEPENDENT MEMBER

MEMBERS OF HEARING PANEL – CLLRS DEMIRCI AND REECE, AND MS R.HATCH, INDEPENDENT MEMBER AND MR P. SKINNER, INDEPENDENT MEMBER

JOHN SUDDABY - MONITORING OFFICER AND HEAD OF LEGAL SERVICES - LEGAL ADVISER TO THE PANEL

TERENCE MITCHISON - INVESTIGATING OFFICER ' REPRESENTATIVE

CLERK TO STANDARDS COMMITTEE – CLIFFORD HART

DATE OF HEARING – WEDNESDAY 30 MARCH AND THURSDAY 31 MARCH 2011

TIME OF HEARING – COMMENCING AT 10.00AM

LOCATION OF HEARING – HARINGEY CIVIC CENTRE, HIGH ROAD, WOOD GREEN, N22

**Notice of Finding of Standards Determination Hearing relating to Councillor Charles Adje.**

On Wednesday 30 March and Thursday 31 March 2011, the Standards Committee – Determination Hearing Panel found that Councillor Charles Adje had failed to comply with Paragraph 5 of the Council's Code of Conduct for Members by conducting himself in a manner which could reasonably be regarded as bringing his office or authority into disrepute.

The Panel heard that the key facts in this matter were not in dispute, these being as follows:

1. Cllr Adje was the Chair of the Alexandra Palace and Park Board between 22/05/06 and 21/05/07. In 2005 and 2006 a process of competitive bidding established Firoka as the preferred redeveloper of Alexandra Palace. After the recommendations of its professional advisers, and authorisation by the APPB on 14/11/06, Haringey Council as trustee of the charity entered into a binding Master Agreement with Firoka. This was a complex document but it provided for the Council to grant a 125 year lease of the Palace to Firoka once the formal consent of the Charity Commission had been granted by Order.
2. The Charity Commission consulted publicly on the terms of its draft Order in late 2006 and January 2007. A large number of representations were received from the public mostly unhappy with the proposed redevelopment by Firoka. Consideration of these delayed the decision by the Charity Commission which did not make its Order permitting the lease until 04/05/07.
3. Meanwhile, in early April 2007 Firoka was becoming very concerned at the delay and made suggestions that it might withdraw from the redevelopment project entirely. Cllr Adje and Keith Holder, the then General Manager of the Palace, met Firoz Kassam, the principal of Firoka, on 11/04/07 to discuss these concerns.
4. Telephone conversations took place between Councillor Adje and Firoz Kassam during the weekend of 14 and 15 April 2007. Following the 11 April meeting Cllr Adje asked Keith Holder to prepare a briefing note and Keith Holder did so on 16/04/07. This was emailed by Keith Holder to Cllr Adje who read the contents. The briefing note advised that (i) Firoka had no legal grounds for "walking away" from the redevelopment project, (ii) there was no case for the Council giving financial assistance/support to Firoka/Kassam and (iii) there was no need for any action at this point and (iv) there were risks associated with giving financial assistance/support to Firoka/Kassam
5. Shortly afterwards Cllr Adje had a meeting with the then Leader of the Council when some of the issues involving Firoka and Alexandra Palace were discussed.
6. On 24/04/07 Keith Holder tabled a short written report at the meeting of the APPB. This report recommended a phased transfer of the charity's business, staff and contracts to Firoka following the making of the Charity Commission's Order. This was to involve the termination of the licence to occupy the Palace currently granted to APTL, the charity's wholly owned trading subsidiary company, and the secondment of staff to Firoka.
7. Neither the briefing note dated 16/04/07 nor the advice contained within it was disclosed to other Councillors serving on the APPB or to other officers or advisers present at the meeting. Cllr Adje was present

as Chair of the APPB at the meeting on 24/04/07 and accepted the tabled report which Keith Holder then presented. Councillor Adje, the Chair said nothing himself about Keith Holder's previous advice or queried the apparent change of mind indicated by the tabled report.

8. The APPB agreed the recommendation to transfer the charity's business to Firoka. The licence agreement was granted to Firoka on 04/05/07 and it permitted Firoka to occupy Alexandra Palace and to use it for income generating purposes consistent with the charity's objectives.

### **Facts in dispute**

There were a number of facts in dispute summarised as follows:

1. The allegation under paragraph 5 of the Code was that Cllr Adje failed to disclose Keith Holder's briefing note to his fellow Board trustees before their decision on the licence to Firoka and this brought into disrepute both Haringey Council and Cllr Adje's office as Chair of the Alexandra Palace and Park Board.
2. In a pre-hearing written response Cllr Adje stated "It is customary that confidential briefings are deemed to be such and especially where there is no need to discuss such." Cllr Adje also referred to a previous statement that he had made which states as follows: "I do not accept that I deliberately withheld information from my colleagues which would have affected the outcome of their decision.....I had asked for the briefing and, as a former local authority officer, you (referring to the investigator) know that not all briefings are made available to other Members or made public, especially where there is no requirement for this. I do not believe that the briefing would have had any effect on the decision of the Members, as the organisation [Alexandra Palace Trading Limited or APTL] was trading at a loss and was therefore insolvent and being liquidated.
3. The response of the investigator's representative was that the briefing note from Keith Holder should have been disclosed to the other trustees at the Alexandra Palace and Park Board (APPB) at their 24 April 2007 meeting and it should not have been deemed confidential. This was because:
  - (i) Councillors, generally, and charity trustees in particular, were under a duty to reach their decisions collectively and on the basis of their own individual knowledge;
  - (ii) this was a decision to transfer the whole business of the charity which was of the greatest importance and should have been informed by the fullest advice from officers, including Keith Holder as the Chief Officer/General Manager, on the legal and financial issues; and

(iii) Cllr Adje, as Chair, was well aware that quite different and contradictory advice (i.e. Keith Holder's briefing note as compared to his tabled report) had been provided by the Chief Officer a few days before and, in all the circumstances, this should have been available to the other trustees.

4. As to the point about the effect of the briefing on the other trustees, Cllr Adje cannot have been certain that Keith Holder's briefing would not have influenced the decision of the other trustees on 24 April.
5. The allegation under paragraph 3 (2) (d) of the Code was that Cllr Adje improperly put pressure on Keith Holder, as General Manager, to conceal the contents of his briefing note dated 16/04/07 and to submit a report recommending wholly contrary action to a meeting of the APPB on 24/04/07. This it was alleged amounted to action which compromised, or was likely to compromise, the impartiality of those who worked for the authority. In this context "impartiality" does not only mean not being subject to party political pressure, it also means maintaining an officer's professional integrity and right to advise as he/she considers proper.
6. In his evidence, Keith Holder alleged that Councillor Adje had asked him not to distribute his briefing note of 16 April which he, Councillor Adje, said was considered not helpful and instructed him to prepare a report for the next Board meeting which would provide authority for placing Firoka in the same position as they would be under the lease.
7. Councillor Adje disputed this saying that following the briefing note of 16 April, Keith Holder independently made a different suggestion about the possibility of a transfer to Firoka as a way of getting round the impending insolvency of APTL). Councillor Adje stated that Keith Holder was the mover behind the report tabled at the Board meeting of 24/04/07, which he accepted without properly probing the reason for Mr Holder's change of mind or getting Keith Holder to document this reason.
8. The Panel found as a fact that Keith Holder had not volunteered an alternative solution to that proposed in the briefing. It found that Councillor Adje had indicated that the briefing was not supported at the level of the Council leadership and that an alternative way forward should be found to prevent Firoka from withdrawing from the process. The Panel accepted Keith Holder's evidence that he was asked to present a further report encompassing this way forward.

## **The Panel's findings**

Having reached conclusions on the relevant facts of the case, the Panel made the following findings as to whether on the basis of these facts Councillor Adje had breached the code of conduct as alleged.

1. That Cllr Adje breached Paragraph (5) of Haringey Council's Code of Conduct for Members when he failed to disclose the key information and advice contained in the briefing note of 16 April to the Alexandra Palace and Park Board meeting on 24 April. The Panel made this finding in the context of the importance of the decision that the Alexandra Palace and Park Board was to take, the importance of the advice contained in the briefing for that decision and the duties that Councillor Adje had as Chair of the Board, a committee of the Council and a board of trustees. The Panel concluded that by this failure Councillor Adje brought his office and the Council into disrepute.
2. The Panel found that Cllr Adje had not breached Paragraph 3(2)(d) of Haringey Council's Code of Conduct for Members. The panel accepted that in the course of the telephone conversation held between Councillor Adje and Keith Holder which discussed the briefing note of 16 April, that Keith Holder was asked not to distribute the briefing note and instead produce a new report. However, the Panel did not consider on the basis of the evidence it heard that Councillor Adje's request compromised or was likely to compromise Keith Holder's professional impartiality, there being insufficient evidence that undue pressure was applied to Keith Holder.

## **SANCTION**

Having considered the representations made by Councillor Adje and by the Investigating Officer's representative and taken note of the relevant guidance provided by Standards for England, the Panel decided that Councillor Charles Adje should be suspended from his office as Councillor for four months from Thursday 7 April 2011 to 7 August and that within 6 months of returning to office he should undertake training under the supervision of the Council's Monitoring Officer or his representative in respect of the Member code of conduct, and the role of Chairs and Vice-Chairs in relation to the decision making process of the Council.

The Panel clarified that full suspension meant that during this period Councillor Adje would not receive a Council allowance, would not be able to take part in any formal business of the authority or have access to Council facilities, which will mean that he would have to hand in any pass-card, mobile and laptop and which is why the sanction would not commence until 7 April 2011 in order to permit the necessary arrangements to be made.

Councillor Adje may apply for permission to appeal against the findings.

**DATE: 1 APRIL 2011**

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