

# Public Document Pack

7 July 2017

Our Ref Overview and Scrutiny 07.17  
Your Ref.  
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To: Members of the Committee: Councillor Cathryn Henry (Chairman), Councillor Steve Hemingway (Vice-Chairman), Councillor Ian Albert, Councillor Clare Billing, Councillor John Booth, Councillor Bill Davidson, Councillor Steve Deakin-Davies, Councillor Elizabeth Dennis, Councillor Jean Green, Councillor Steve Jarvis, Councillor Ben Lewis, Councillor Gerald Morris, Councillor Michael Muir, Councillor Janine Paterson, Councillor Frank Radcliffe and Councillor Valentine Shanley.

Substitutes: Councillor John Bishop, Councillor Paul Clark, Councillor Simon Harwood, Councillor Terry Hone, Councillor Paul Marment, Councillor Mike Rice, Councillor Adrian Smith and Councillor Martin Stears-Handscorn

You are invited to attend a

## **MEETING OF THE OVERVIEW AND SCRUTINY COMMITTEE**

to be held in the

**FOUNDATION HOUSE, ICKNIELD WAY, LETCHWORTH  
GARDEN CITY**

On

**TUESDAY, 18 JULY, 2017 AT 7.30 PM**

Yours sincerely,



David Miley  
Democratic Services Manager

## **Agenda** **Part I**

<b>Item</b>	<b>Page</b>
<b>1. APOLOGIES FOR ABSENCE</b>	
<b>2. MINUTES - 6 JUNE 2017</b> To take as read and approve as a true record the minutes of the meeting of this Committee held on the 6 June 2017.	(Pages 1 - 22)
<b>3. NOTIFICATION OF OTHER BUSINESS</b> Members should notify the Chairman of other business which they wish to be discussed by the Committee at the end of the business set out in the agenda. They must state the circumstances which they consider justify the business being considered as a matter of urgency.  The Chairman will decide whether any item(s) raised will be considered.	
<b>4. CHAIRMAN'S ANNOUNCEMENTS</b> Members are reminded that any declarations of interest in respect of any business set out in the agenda, should be declared as either a Disclosable Pecuniary Interest or Declarable Interest and are required to notify the Chairman of the nature of any interest declared at the commencement of the relevant item on the agenda. Members declaring a Disclosable Pecuniary Interest must withdraw from the meeting for the duration of the item. Members declaring a Declarable Interest which requires they leave the room under Paragraph 7.4 of the Code of Conduct, can speak on the item, but must leave the room before the debate and vote.	
<b>5. PUBLIC PARTICIPATION</b> To receive petitions and presentations from members of the public.	
<b>6. URGENT AND GENERAL EXCEPTION ITEMS</b> The Chairman to report on any urgent or general exception items which required his agreement. At the time of printing the agenda, the Chairman had not agreed any urgent or general exception items.	
<b>7. CALLED-IN ITEMS</b> To consider any matters referred to the Committee for a decision in relation to a call-in of decision. At the time of printing the agenda, no items of business had been called-in.	
<b>8. TASK AND FINISH GROUP ON THE COUNCIL'S MANAGEMENT OF LARGER PROJECTS</b> REPORT OF THE SCRUTINY OFFICER  To consider the revised report of the Task and Finish Group on the Council's Management of Larger Projects.	(Pages 23 - 78)

- 9. INFORMATION NOTE - CHANNEL SHIFTING** (Pages 79 - 82)

INFORMATION NOTE OF THE CUSTOMER SERVICE MANAGER AND COMMUNICATIONS MANAGER

To receive an information note on Channel Shifting.
- 10. INFORMATION NOTE- FULL YEAR REPORT ON COMMENTS, COMPLIMENTS AND COMPLAINTS (3CS)** (Pages 83 - 90)

INFORMATION NOTE OF THE CUSTOMER SERVICE MANAGER

To update Members on the end of year position in regards to the Comments, Compliments and Complaints (3Cs).
- 11. CORPORATE PLAN 2018 TO 2023** (Pages 91 - 108)

REPORT OF THE STRATEGIC DIRECTOR OF FINANCE, PERFORMANCE AND GOVERNANCE

To consider the Corporate Plan 2018 to 2023 prior to consideration by Cabinet.
- 12. INFORMATION NOTE - GREEN SPACE STRATEGY** (Pages 109 - 124)

INFORMATION NOTE OF THE HEAD OF LEISURE AND ENVIRONMENTAL SERVICES

To receive an information note on the Green Space Strategy.
- 13. INFORMATION NOTE - CITIZENS ADVICE NORTH HERTFORDSHIRE - MAJOR FUNDERS** (Pages 125 - 128)

INFORMATION NOTE OF THE STRATEGIC DIRECTOR OF FINANCE, POLICY AND GOVERNANCE

To receive an information note on Citizens Advice North Hertfordshire – Major Funders.
- 14. MEMBERS' QUESTIONS**

To receive and respond to any questions from Members either set out in the agenda or tabled at the meeting.
- 15. RESOLUTIONS OF THE OVERVIEW AND SCRUTINY COMMITTEE** (Pages 129 - 140)

REPORT OF THE SCRUTINY OFFICER

To consider the outcome of Overview and Scrutiny Committee resolutions.
- 16. OVERVIEW AND SCRUTINY COMMITTEE WORK PROGRAMME** (Pages 141 - 154)

REPORT OF THE SCRUTINY OFFICER

To consider the issues that the Overview and Scrutiny Committee plans to review at future meetings and the activities of its sub-groups.

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## NORTH HERTFORDSHIRE DISTRICT COUNCIL

### OVERVIEW AND SCRUTINY COMMITTEE

MEETING HELD IN THE FOUNDATION HOUSE, ICKNIELD WAY, LETCHWORTH  
GARDEN CITY SG6 1GD ON TUESDAY, 6TH JUNE, 2017 AT 7.30 PM

#### MINUTES

**Present:** *Councillors Councillor Cathryn Henry (Chairman), Councillor Steve Hemingway (Vice-Chairman), Clare Billing, John Booth, Bill Davidson, Elizabeth Dennis, Jean Green, Steve Jarvis, Gerald Morris, Janine Paterson and Frank Radcliffe and Val Shanley (Substitute).*

**In Attendance:**

*Councillor Michael Weeks (Task and Finish Group Chairman), Councillor Judi Billing (Task and Finish Group Member), David Scholes (Chief Executive), Norma Atlay (Strategic Director of Finance, Policy and Governance), Rachel Cooper (Controls, Risk and performance Manager), Brendan Sullivan (Scrutiny Officer) and Hilary Dineen (Committee and Member Services Officer)*

**Also Present:**

*At the commencement of the meeting Councillor Lynda Needham and 15 members of the public.*

#### 1 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Ian Albert, Steve Deakin-Davies, Ben Lewis, Michael Muir and Val Shanley.

Having given due notice Councillor Stears-Handscomb advised that he would be substituting for Councillor Ian Albert.

#### 2 MINUTES - 21 MARCH

**RESOLVED:** That the Minutes of the Meeting of the Committee held on 21 March be approved as a true record of the proceedings and be signed by the Chairman.

#### 3 NOTIFICATION OF OTHER BUSINESS

No other business was submitted for consideration by the Committee.

#### 4 CHAIRMAN'S ANNOUNCEMENTS

- (1) The Chairman reminded those present that, in line with Council policy, the meeting would be audio recorded;
- (2) The Chairman informed Members that there was no sound amplification and asked Members to speak loudly and clearly;
- (3) The Chairman drew attention to the item on the agenda front pages regarding Declarations of Interest and reminded Members that, in line with the Code of Conduct, any Declarations of Interest needed to be declared immediately prior to the item in question;

- (4) The Chairman advised that the order of business would be varied as follows:
- (i) Item 14 – Task and Finish Group on the Council's Management of larger Projects would take place immediately after Item 5 – Public Participation;
  - (ii) Item 16 – Overview and Scrutiny Work Programme would take place immediately prior to Item 8 – Presentation by the Chief Executive;
  - (iii) Item 10 – Corporate Objectives 2018/23 would take place immediately prior to Item 9 – Information Note: Regulation of Investigatory Powers Act.

## 5 PUBLIC PARTICIPATION

### Task and Finish Group on the Council's Management of Larger Projects

Mr Robin Dartington thanked the Chairman for the opportunity to address the Committee and advised that he was speaking on behalf of Keep Hitchin Special.

Mr Dartington stated that the redevelopment of the Churchgate Area was the largest, longest, most complex, most expensive and least successful development that the Council had ever attempted.

Perceptive Scrutiny by this Committee would be a testing task, which Keep Hitchin Special wished to help with for both the Council's and the community's interests.

When making criticisms, Keep Hitchin Special appreciated that the officer team worked very hard even when they were over-worked.

The community was deeply involved in the initial Planning Brief but was then deliberately excluded by the Council and sat resentfully on the edge waiting for the inevitable collapse of all the Council's hopes.

It was the Overview and Scrutiny Committee's job to investigate what went wrong by delving into history in order to uncover the crucial decisions that dictated the course of events that led to failure to lay a single brick after ten years of planning and spending £1 million, mostly on abortive fees and this would not be an easy task.

Although this was now history it still mattered, as clearly the council still hankered after redeveloping this historic area that was so important to the enduring character of Hitchin as an attractive market town.

A market town meant a place for the community, in the town and in the outlying villages, to come together for all social needs including shopping, the market and socialising.

Community meant people united by a common interest, in this case, the town that was home and people we socialise and talk with. It was questionable whether the Council understood this either in the past or present.

Keep Hitchin Special was one group within the community whose interest was to protect the special qualities of Hitchin as a place in which to live, work and enjoy company in the town centre and regretfully concluded that the Council understood nothing of such community needs and was just not interested. The council kept to itself and was certainly not a part of the local community, viewing us as just customers.

Keep Hitchin Special saw little difference between the failed Simons scheme and the re-vamped policy in the Local Plan which presented developers with the opportunity to add 4,000 square metres of town centre space, which were Council-speak for more shops.

Developers, like Simons, were motivated solely by profit; they come, build, sell, and go without a care, leaving a chunk of Hitchin under the control of some foreign sovereign fund for the next 125 to 250 years.

The policy did include some enhancements to and protection for historic buildings but non-commercial elements were liable to be suppressed if the council again handed over the lead to a commercial developer.

Keep Hitchin Special believed that the failures ultimately stemmed from the inappropriate management culture within the Council and feared that the past would be repeated, unless the Council came to understand its own shortcomings, that made it inevitable that their sponsored Simons' scheme would fail.

Scrutiny should identify that, in respect of Churchgate, the Council had been:

- Arrogant  
Never admitting it could possibly be wrong;
- Isolationist  
Bunkering down in a side street in Letchworth;  
Never being seen in Hitchin;  
Hitchin Committee being side-lined;  
No contact with the community;
- Dominating  
No interest in ideas except its own#
- Negligent  
Making decisions without sufficient investigation;
- Unprofessional  
Not respecting the need for professional training;
- Incompetent  
Losing control of its objectives;  
Failing to deliver.

The Overview and Scrutiny Committee could recommend to Cabinet that such mistakes were avoided in future.

Mr Dartington advised that Keep Hitchin Special had analysed the Council's mismanagement and made suggestions on how to strengthen the recommendations in their written submissions that had been circulated to Members and been made available at this meeting and requested that these submissions be included in the record of the meeting

He concluded by stating that there was no gentle way to describe the problems with the Council's conduct over the Churchgate project and that sometimes it was necessary to be severe in order to be kind.

The Chairman thanked Mr Dartington for his presentation.

Mr Bernard Eddleston thanked the Chairman for the opportunity to address the Committee.

He acknowledged that the report was detailed and sound in many aspects, however some of the recommendations were rather weak in areas and proper public scrutiny of these projects would have yielded a stronger report.

#### Overall Expenditure on Capital projects

This Council had, throughout the past 10 years, overspent by several million pounds on major projects and there have been significant delays. Some projects weren't even delivered. This was a waste of taxpayer's money, which could have been used for other things.

This Council had failed the public and changes were essential not just in procedures but in the overall culture, management and personnel and if this was not done the same mistakes would happen again.

#### Initial Budgeting.

This was touched on in recommendation 3 but did not go far enough.

A proper business case needed to be made with clear timescales and with a well thought through budget at the outset.

Currently the initial budget was lost in the subsequent paperwork and when an increase was required because of delays or omissions, this became the new budget. As a result projects could always be declared to have been completed within budget since the increased expenditure figure had become the new budget and the old one was largely forgotten. The original budget should be maintained as a reference point, which would help to concentrate minds

#### Public Participation/Consultation

Very few members of the public knew that Task and Finish Groups existed or that they could attend. This was buried on the Overview and Scrutiny page of the website.

If public participation was wanted, why not publicise on the Council's news and twitter feeds.

The protocol adopted last year for Task and Finish Groups stated that there should be public participation in the workings of the Group. In this review it was only given lip service.

Initially presentations by the public were to be allowed but they were cancelled just before the first meeting. 24 hours before a later meeting a notice was sent out to a few individuals to say that a 3 minute presentation would be allowed but only to comment on recommendations for the future, not the projects being reviewed. This really was an insult.

One recommendation was that public consultation must be improved and Mr Eddleston noted that there was to be a Task and Finish Group regarding this later in the year. This Task and Finish Group should cover not only public consultation, but also public participation.

He queried why the Council and its Officers seemed frightened to involve the public in any meaningful way, as there is a wealth of talent which remained untapped.

In respect of the recommendations contained in the report he made the following comments:

#### Recommendation 1

The Council needed to be more decisive, but only provided a proper business case was presented with a realistic budget and timescale and after proper and meaningful consultation with the public.

#### Recommendation 3

Financial information should be presented in a more business-like manner which was comprehensive and not selective. Officer time and costs required to manage and organise the project must be included in the business case.

#### Recommendation 5

Projects should be properly resourced and for large projects consider bringing in someone from outside. This Council did not have the in-house experience to run complex projects.



Recommendation 8

Project Boards needed substantial modification. Just being flexible was too weak. They should not be dominated by Cabinet Members and Officers, but should also have one or two external representatives with experience in the project being undertaken. There were many members of the public who would give their services. There was no need for a project executive and a project manager. The above changes would make the work of the project board more objective.

Recommendation 9

Consultation with the public had been criticised many times. However it was not just consultation but also participation which must be addressed. It was essential this was tackled in order to regain the trust of the public.

Mr Eddleston suggested an additional recommendation:

“That senior management be more business-like in their approach to proposed projects and be prepared to reject them.”

Projects seemed to be put before Cabinet and Council which were not well thought through, however the reports were sufficiently economical with the full facts so as to present an overly optimistic picture.

Unless Executive Members and Councillors had the time, energy and specific expertise to review the proposals in detail they tended to get approved and Councillors subsequently found it more difficult to halt or change the projects when things started to go wrong.

He stated that the Council should use the expertise that was in the Community and asked that this be embraced rather than feared.

The Chairman thanked Mr Eddleston for his presentation.

Mr Mike Clarke thanked the Chairman for the opportunity to address the Committee and advised that he would restrict his comments to the processes he had observed over the past 8 months, having attended two Task & Finish Group meetings as a representative from Hitchin Forum.

He attended the Task and Finish Group meeting in January regarding the Hitchin Swim Centre as he wanted to observe the process of scrutinising and understand how these critical processes were being conducted.

At the meeting the Chairman kindly invited the four of us who did attend to make up to 3 minutes of comments and used the opportunity to question the processes of the Task and Finish Group, and make a brief comment about the Churchgate affair.

Mr Clarke advised that he had previously attended the Task and Finish Group meeting regarding Churchgate in order to participate in the discussions that he believed would be held about that project.

It seemed good that the Council would review its larger projects, and he had hoped to contribute to the debate, having been very involved in the events of 4 years ago.

However the public were prohibited from contributing in that meeting, despite the guidelines stating that external input would be included. The Chairman advised that he had not allowed public input in case too many people wanted to speak despite there being just two or three members of the public at the meeting.

It would have been useful to have seen officers' reports before that meeting, in order to consider and respond to their accounts but this was not to be and we were not invited to comment after the event.

At that Task and Finish Group meeting it was suggested that Members would correspond by email and the report would thus be finalised. This report was only made available to members of the public in the past week, leaving no time to properly consider and respond to it and it was timed for half term week when some of us were away and had other priorities.

Mr Clarke stated that he remained fascinated about a brief negative comment by one of the officers regarding the Churchgate Liaison Forum and was interested to know what different strategy might have been employed to engage the public and the Task and Finish Group did not receive any enlightenment on this and it seemed that no effort had been made to discover what drove 3,000 people to challenge the Council's actions and sign a petition after 8 years of sustained opposition to some of the proposals. It seems that yet another opportunity was lost to bridge the gap and find out how collaboration with the community could best be achieved.

The members of the Task and Finish Group made critical comments in September and these had been included in the final report, but time and opportunity had not been provided to include the wider public in a true debate.

There were other details from the reports about Churchgate which bore further scrutiny such as the decision to expand the development site from 3 to 5 areas and the apparent failure to heed the changing retail climate, which seemed to have persisted in the Local Plan expectation that now even more shops were needed. It seemed that the Council paid more heed to the propaganda from Simons and retail consultants than the well informed community, including its elected Councillors.

Mr Clarke concluded by stating that he was pleased to see that the Task and Finish Group took a constructively critical approach to the reports, but the Council needed to do much better in engaging the community, particularly with a complex project which affected so much of the town and so many people and doing this might even help in the Council's efforts to run successful projects therefore recommendation 9 was fully supported.

The Chairman thanked Mr Clarke for his presentation.

Mr David Leal-Bennett thanked the Chairman for the opportunity to address the Committee and advised that he had read the 40 page Task and Finish Group report that was highly critical of NHDC and its leadership and thanked all those involved.

Mr Leal-Bennett informed Members that he wished to add his fullest support to the recommendations within the report and would explain some of his reasons and suggest an additional recommendation relating to the usage, monitoring and approach of using the Prince II process and strongly encouraged Members to support the recommendations in the Task and Finish Group report.

The report covered many projects, some major, one minor and some historic, but throughout it was clear that lessons had not been learnt. It was refreshing to see such openness and honesty with the information presented. Hopefully the recommendations, when adopted, would assist in improving matters.

In spite of the criticism, some officers still maintained that there were staff with sufficient expertise to run major projects, which he could not agree with and the evidence was before the Committee and reflected in Recommendation 5.

It was sad that, when officers want to do things their way, they could present a very compelling story, often without financial detail.

The Leader of the Council had stated that officers run the council, perhaps this was why we were in this situation with failed projects.

Officers should carry out the wishes of the elected members and if they didn't then they must be taken to task.

It was the responsibility of councillors, and more importantly the Leader and Cabinet to robustly question and analyse reports, which were often biased towards officers' views.

It was essential that financial information was set out clearly, so that it was understood however this was not done for many of the projects in this report as reflected in Recommendation 3.

The appointment of Members to Project Boards by a Leader, who had no commercial experience, had, to date, proven to be disastrous. They require a balanced composition and currently did not have the breadth of experience required.

For the benefit of future projects, it was important that NHDC involved professionals, and from outside, paying them if necessary. This was reflected in Recommendation 8.

Mr Leal-Bennett drew attention to three projects as follows:

#### District Council Offices (DCO)

The report did not mention the purchase process costing £3.6 million, which, when added to the refurbishment work, took the project cost to over £9.2 million.

Officers did not look in detail at alternatives such as lease extension, new build, or moving to another building.

At the time he had a debate about this with the then Head of Finance, Performance and Asset Management, who refused to undertake a detailed analysis of the options and did not know what a Discounted Cash Flow was, an essential tool for comparing options, neither was the Leader interested.

In the event the price paid was substantially greater by almost £2 million than the internal valuation.

Recommendations 6 and 7 addressed these issues.

#### Swim & Leisure Complexes

Both of these had been pioneered as Invest to Save projects, which they were not; this seemed to be a phrase used to justify capital spend no matter what. There was never any detailed financial analysis or objectives regarding these projects.

The relationship with Stevenage Leisure Limited was far too close and the financials on leisure had never been scrutinised in any detail.

In a profit sharing arrangement costs could easily be hidden, a turnover base for a return was much more meaningful.

Councillor Morris was absolutely correct with the points he raised in paragraph 6.17 of the report.

These issues were addressed by Recommendation 6.

#### Churchgate

This project had been a disaster, and it was clear that the Project Leader was out of their depth and did not know when to say enough was enough.

Under a Full Council resolution the Chairman of Hitchin Committee was nominated as a member of this Project Board, not a named individual, yet he, as the person holding that post, was refused permission to sit on the board. This rejection was bizarre, especially in view of his background in Project Finance. He stated that he just might have been able to add some value. As it was, officers were either directed not to continue or did not wish to.

This Project required real leadership and knowledge, but at every stage reasons had been found not to proceed or delay. The current leaseholders had a plan but were now totally frustrated. There was still time to salvage a deal if there was a will, but it would need new leadership and vigour.

Recommendations 7 and 10 addressed these issues.

#### Prince II

Conclusions concerning this aspect seemed to be missing from the report, there was no documentary evidence that a Prince II process had been undertaken with projects and neither was there any evidence that, under Prince II, an intelligent approach had been adopted.

Mr Leal-Bennett advised that he had personal experience with Prince II with NHDC, and had gone to great lengths to understand how it was being implemented and concluded that, in short, it was not. This was made very clear at a meeting where the Leader was present, and an experienced Fellow of the Royal Society of Surveyors, FRICS gave examples of its misuse by your senior officer Mr Robinson.

When pressed on the detail of Prince II usage, Mr Robinson stated that it was Prince II, as amended by NHDC. This meant that there was not a collaborative approach, since he made all the decisions and refused to correct minutes where issues had been raised.

Mr Leal-Bennett requested that an additional recommendation be made regarding Prince II which dealt with its usage, monitoring and an intelligent approach, rather than just a process driven by officers.

He concluded by stating that it was most important that any recommendations were taken on board by Cabinet and the Leadership. Paying lip service was not an option, which was all too often the case. There needed to be some real leadership on Churchgate to drive through a sensible deal for Hitchin and North Herts.

The Chairman thanked Mr Leal-Bennett for his presentation.

The Chairman referred to submissions made to Members of the Committee by Keep Hitchin Special and advised that the Chief Executive wished to address some factual inaccuracies contained in them.

The Chief Executive explained that he wished to clarify some factual inaccuracies contained in the submissions from Keep Hitchin Special in order to prevent misunderstandings now or in the future.

In respect of the Churchgate project, Eversheds provided advice regarding the competitive dialogue process and that it should be followed by the Council in light of the Roanne case, which effectively set a new context in European law regarding how local authority procured projects.

Reference had been made to the Dorset scheme, which was also undertaken by Simons. It was important to note that this scheme was procured in the pre-Roanne period and therefore was under very different circumstances in terms of procurement. This project was also prior to the economic recession.

The Dorset scheme suffered very greatly in its first phase and the second phase was not taken forward for the reasons already mentioned.

In respect of process followed for the Churchgate project, when the contract was awarded in 2010, it was full Council that amended the recommendations of officers, by a proposal from the then Chair of the Overview and Scrutiny Committee, that the Leader of the Council be the Chair of the Project Board. This was quite exceptional, but was suggested due to the high profile of the project.

In terms of the progression of this project, the full Council meeting mentioned above set out the approach, framework and project initiation documents and it was these documents that officers and the Project Board worked to throughout the progression of the project.

It was the developer's responsibility to drive the project forward and bring their expertise to bear.

In the early days of the project Keep Hitchin Special raised a number of questions regarding project governance and specialisms and those were dealt with at that time and the Council satisfied itself that it had appropriate skills, both internal and external, to deal with the project as determined.

Reference was made in the submissions to RIBA, this was the industry standard scheme.

He reminded Members that at the point that the developers were appointed, there was no settled scheme, it was for the developer to work up a scheme, in consultation with local traders and the market whilst bearing in mind the financial viability of the scheme in the financial market of that time.

In respect of skills and experience, the Council examined what it considered was necessary and put in place those skills. Where there were gaps in officers' skills and expertise it brought in external consultants both legal and procurement professionals.

In respect of the amount spent on the Churchgate project, the Strategic Director of Finance, Police and Governance reiterated that at least half of the £1 million expenditure would have been spent anyway as it was funding for the Town Centre Strategy and the planning brief work, that the Council had committed to undertake.

The Council brought in experts, which cost £500,000, and it was from that that the next stage of the project was developed and therefore it was wrong to state that the spend was £1 million was spent on Churchgate as over half of that was spent getting to the point of deciding what to do with the town centre.

The budgets were changed as projects progressed, however the budgets were scrutinised carefully when they were first brought forward. Some other councils and private companies set a budget and then add ten percent and add a further ten percent for contingencies. However this Council had taken the view that they would set a base budget and, if this needed to be increased that figure would be taken as the budget.

## **6 URGENT/GENERAL EXCEPTION ITEMS**

No urgent or general exception items were received.

**7 CALLED-IN ITEMS**

Since the last meeting, no decisions had been called-in by the Overview and Scrutiny Committee.

**8 PRESENTATION BY THE CHIEF EXECUTIVE**

This presentation was given during the debate on the Overview and Scrutiny Work Programme (Minute 16 refers).

The Chief Executive advised that the starting place for any Overview and Scrutiny and the cascade of documents was the Corporate Vision to make North Hertfordshire a vibrant place for people to live, work and prosper, which was created by the Council and its partners and had been a long held corner stone for the way that the Corporate Plan and objectives were dealt with.

The Corporate Plan normally lasted for five years, this document started to focus in on what the objectives would be for that period. The objectives were reviewed annually and had been amended during the period of the Plan, although not in any major way.

In the past the Corporate Plan had tended to focus on large projects and key long term deliverables, rather than the business as usual activities that the Council undertook. The projects mentioned in the Plan tended to be the things that people could see happening and those for which the Council had key performance indicators.

It may be that future Corporate Plans included more business as usual work undertaken by the Council, whilst considering the capacity and funding of the organisation.

Service Plans linked in with the Corporate Plan, by identifying which Corporate Objective was being addressed for each action in the Action Plan. If actions were not one of the Corporate Objectives, then it should not be undertaken.

A Member asked whether this happened in Service Plans.

The Chief Executive confirmed that it did. It could be argued that, if objectives were broad enough then anything could be made to fit in with it, however when setting objectives it was a balance between setting snappy objectives that people could identify with and looking at what local authorities do and carrying that forward.

The Action Plans included in the Service Plans generally identified things that were up coming regarding projects or service areas, ongoing work being undertaken in order to deliver something within a particular year or the point that had been reached for something to be delivered in future years. Additionally the Action Plans captured all the business as usual items and identified what the Council would be doing, the quantum associated with that task and any performance targets.

Actions with associated performance targets and progress against key projects were then reported to this and other Committees on a quarterly basis and these reports showed any areas of concern, which meant that there were checks and balances in the monitoring systems.

Service Plans gave some measures regarding the scope of the service, resourcing, service activities and priorities. In some service areas there was a balance between statutory service delivery and discretionary elements, it should be noted that it tended to be the discretionary elements that people liked to see.

The Service Plans also gave a performance profile by looking at the previous year's performance, how would things be done for the forthcoming year and looked at public perception of the service to see if there were any issues that needed to be addressed.

This was also linked in with any external reviews, audits, public consultations, reviews of decisions.

Also included was a more detailed analysis such as a SWOT analysis, detailed Action Plans, capture of all risks which linked back to Covalent and an Assurance Statement for each service area.

## **9 INFORMATION NOTE - REGULATION OF INVESTIGATORY POWERS ACT**

The Committee received an information note entitled Regulation of Investigatory Powers Act.

## **10 CORPORATE OBJECTIVES 2018/23**

Members noted that the objectives in the Corporate Plan remained the same as the previous year.

**RESOLVED:** That the recommendations contained in the report entitled Corporate Objectives for 2018/23 be supported.

**REASON FOR DECISION:** To enable the Overview and Scrutiny Committee to comment on the report entitled Corporate Objectives for 2018/23 prior to consideration by Cabinet.

## **11 YEAR END PERFORMANCE INDICATORS MONITORING REPORT 2016/17**

The Controls, Risk and Performance Manager presented the report entitled Year End Performance Indicators Monitoring Report 2016/17 and drew attention to the three amber indicators as follows:

### BV8 – Percentage of Invoices Paid on Time

This had been reported as amber for some time and was due to 36 invoices out of 5,370 not being paid within time.

### BV12a – Working Days Lost due to Short Term Sickness Absence per FTE Employee

This had been reported as amber for some time. The sickness levels remained above what was expected, but had reduced significantly since the levels seen some years ago.

The Chief Executive advised Members that, whilst the target had not been achieved, on terms of performance, the Council remained in the top quartile and had very low levels of sickness.

Members asked that benchmarking data regarding this indicator be included in the report in future.

### NI192 – Percentage of Household Waste sent for Reuse, Recycling and Composting

This remained slightly under target, although the LG Inform Benchmarking Data showed that the Council was 6th out of 51 nationally.

### **RESOLVED:**

- (1) That the report entitled Year End Performance Indicators Monitoring Report 2016/17 be noted;
- (2) That the Controls, Risk and Performance Manager be requested to include benchmarking data in respect of sickness absence in all future reports.

**REASON FOR DECISION:** To enable the Overview and Scrutiny Committee to monitor performance against targets.

## 12 4TH QUARTER MONITORING REPORT ON KEY PROJECTS FOR 2016/17

The Controls, Risk and Performance Manager presented the report of the Head of Finance, Performance and Asset Management entitled 4th Quarter Monitoring Report on Key Projects for 2016/17 and drew attention to the following:

### Relevant Considerations

The requests made by the Overview and Scrutiny Committee had all been incorporated into this report.

### Delivering Identified Projects from the Adopted Green Space Strategy

There were three milestones marked as red and they were all due to lack of funding.

The Council was either seeking Section 106 funding or looking for other sources of funding to complete these projects.

### Redeveloping and Improving the North Herts Leisure Centre

There had been a delay in this project although a large amount of work had been completed including the changing rooms and sports hall and other work were progressing well.

### Complete the Fit Out and Open the North Hertfordshire Museum and Community Facility

The fit out of the museum was nearing completion on the land owned by the Council and the project team were working with the contractors to finalise a programme to complete the work on 14/15 Brand Street once this had been purchased by the Council.

Members queried whether this should be marked as amber as this is so far behind schedule, with little information forthcoming about what is happening.

The Chief Executive advised that Cabinet had received a report in March which set out the context of the current situation and assured Members that Officers were expending every effort but there was nothing that the Council could do to move this forward more quickly.

The contract for the museum was awarded on a partial basis and the fit out was in the final stages of everything that could be done on Council owned land.

Discussions were taking place regarding the opening of the museum at the earliest opportunity, whether or not the issues with 14/15 Brand Street had been resolved.

Members were concerned that there was insufficient detail in the paperwork, they understood that some areas were covered by commercial sensitivities, but felt that Members should be made aware that the reasons for a particular lack of information was for this reason.

### Renewing our Waste and Street Cleansing Contract

The current project plan showed slippage to the original milestones. This would not affect the contract commencement date which remained as May 2018; however, the amendments may have implications for the contract award date and encroach into the contract mobilisation period post tender award.

### Exploring Further the Potential for Development of a Crematorium in North Hertfordshire

A Member commented that outline planning permission should be sought as soon as possible as it was likely that housing developments would be built near the proposed site.

### Other Issues

Members asked whether, on larger projects, details such as whether Prince II had been utilised could be recorded on this report.



The Controls, Risk and Performance Manager advised that, if Prince II documentation was produced, it could be recorded in future reports.

Members queried whether staffing levels were having an impact on ongoing and future projects.

The Chief Executive advised that by and large staffing levels did not have an impact on projects that were ongoing, although he was very mindful of this and balancing the aspirations of the Council with the resources available. The amount of staff time required for a project could be estimated however, based on experience with Churchgate and Hitchin Town Hall, these estimates could easily be increased two or three fold.

**RESOLVED:**

- (1) That the report entitled 4th Quarter Monitoring Report on Key Projects for 2016/17 be noted:
- (2) That the Controls, Risk and Performance Manager be requested to include a record of any Prince II documentation produced for projects in all future reports.

**REASON FOR DECISION:** To enable the Overview and Scrutiny Committee to monitor delivery of key projects against targets.

**13 MEMBERS' QUESTIONS**

No questions had been submitted.

**14 TASK AND FINISH GROUP ON THE COUNCIL'S MANAGEMENT OF LARGER PROJECTS**

Prior to consideration of this item, the Chairman drew attention to the second submission from Keep Hitchin Special that had been made available to Members at this meeting. She noted that it contained some additional suggestions regarding recommendations and gave Members time to read this document.

Councillor Michael Weeks, Chairman of the Task and Finish Group on the Council's Management of Larger Projects, presented the report of that Group.

Councillor Weeks thanked those who had assisted and taken part in the Task and Finish Group.

Seven reviews were carried out over a four month period being one major regeneration project, one initiative to collaborate with other district councils in Hertfordshire, one internal reconstruction scheme, two public facility enhancements and two town centre enhancements.

The content of the report was supported unanimously by all members of the group.

The Task and Finish Group was not intended to be an enquiry body looking to criticise past projects, nor was it intended to be a scrutiny exercise. Instead it was an exercise to see what the Council could learn from its past projects.

It would appear that the four public speakers aimed to criticise the Churchgate project, using the Task and Finish Group as a vehicle to do so. This sort of criticism was not part of the Task and Finish Group brief and it was primarily for this reason that public participation was refused during the early stages of the review, when considering Churchgate.

Councillor Weeks explained that in reviewing these projects the Task and Finish Groups aim was to identify aspects that should be avoided in future projects.

He then summarised the reviews undertaken for each project and explained the evidence and reasoning behind each recommendation, as detailed in the report.

#### Points of Clarification

Prior to Councillor Weeks guiding the Members through the recommendations of the Task and Finish Group several points of clarification were raised.

A Member queried whether that Task and Finish Group had asked for any evidence that the Prince II process had been followed, when used on projects.

The Scrutiny Officer advised that there were very detailed documents regarding the Churchgate project, but for most of the projects there was little evidence produced regarding the use of Prince II. An officer had commented that they had used Prince II appropriately, but there was no need to use all aspects and therefore used what was useful and did not use aspects that were bureaucratic or deemed as unnecessary.

A Member asked for clarification regarding whether the Overview and Scrutiny Committee could amend the recommendations of the Task and Finish Group if it so wished.

The Chairman confirmed that the Overview and Scrutiny Committee could amend recommendations of Task and Finish Groups.

The Chief Executive advised that one option was for the Overview and Scrutiny Committee to ask the Task and Finish Group to reconvene in order to consider any comments and reformulate its recommendations.

Councillor Weeks informed Members that the recommendations made by the Task and Finish Group were as follows:

#### Recommendation 1

The Council needs to be more decisive about what it wants from larger projects and once it decides, it needs to get on with them.

The Task and Finish Group considered the effect of the economic downturn during the course of the Churchgate project and the delays in making a decision regarding the outcomes for the Council Office refurbishment, both of which had resulted in increased costs. They concluded that, once a decision had been taken, projects should be progressed as soon as possible as delays only served to increase costs. The Council should also be aware of the wider picture and act accordingly including ceasing a project if necessary.

Members acknowledged that that there could be a perceived conflict between the need to progress projects and the need for consultation, however these were and should be different stages. The Council should consult and then make a decision based on the consultation.

Just because the Council consulted on something, did not mean that everyone would get what they wanted, particularly in areas where different sections of the community want different things.

It was for the Council to make a decision about how to deal with outcomes of consultation, but having made a decision, they must be clear and realistic about its objectives and not delay.

A Member commented that it was important to get on with a project, but the Council must be aware of any potential issues such as Judicial Reviews and not just plough on regardless. It was equally important not to be over cautious and stop work on a project because of the slightest threat to it.

It was important for the Council to know when to stop a project.

Members suggested that the recommendation be amended to reflect the need to move forward with a project, following meaningful consultation, and the need to assess risks and recognise when a project should be stopped.

#### Recommendation 2

The Council should not introduce unnecessary complexity into its tenders because it is unclear about its preferred outcome. It should decide what it wants and then tender for it.

The Task and Finish Group noted that, in respect of the District Council Office Refurbishment, the uncertainty regarding the finished outcome resulted in a complex tender, which received no bidders. They concluded that outcomes should be clear about what it wanted, which could then be reflected in the tender documents.

Members queried whether this was a systematic issue or reflected the experience with one project.

Councillor Weeks advised that this recommendation resulted mainly from the evidence regarding Churchgate.

The Strategic Director of Finance, Policy and Governance advised that, in respect of the Office Accommodation project the Council had identified a base scheme and then there were a number of options that were around affordability.

In respect of Churchgate the Council provided a planning brief that formed that basis of the Competitive Dialogue Tender. This was sent out to the bidders asking them to come forward with their schemes.

The Council made clear that there was not the expertise in-house and called on the expertise of the development industry.

It was a requirement of the Competitive Dialogue process that details were kept confidential as the process progressed which meant that the Council was not in a position to explain to the public what was happening until the end of the process.

The winning bid was about demonstrating that the bidder had the capacity and capability to develop the project, the idea submitted was not the actual scheme.

It was then moved on to consultation with the public to develop a planning application.

There was some confusion regarding the fact that the initial scheme was purely about what Simons was capable of.

Members commented that giving too many options for projects increased the costs for those tendering and possibly increased the quotations for each aspect as different choices from a pick and mix scheme could result in greater costs for the contractor. The Council needed to be clear about what it wanted.

Members queried whether this recommendation applied to only one project and therefore should be clarified as such, or whether this was something that should be applied generally and maybe be re-worded.

As a point of clarification the recommendation should be to be clearer about its tender invitations and then put it out to tender.

#### Recommendation 3

The Council's financial information should be comprehensive and presented in the form of accounts so the extent of profits and losses can be easily understood.

The Task and Finish Group considered that it was important that financial information be more comprehensive and that, if presented in the form of accounts, supported by graphs, the extent of profit and loss for each project would be easily understood.

Members agreed with this recommendation.

#### Recommendation 4

When exception reports are produced by project boards, they should be circulated to all members of Council through the Members' Information Service or by e mail.

The Task and Finish Group considered that all Members should have been kept apprised of the progress of and financial issues with projects on a regular basis, which could be achieved by circulating the exception reports that were produced for the project board, to all Members.

Members agreed with this recommendation.

#### Recommendation 5

Projects are constrained by the resources that the Council has available. Planning a substantial project on the basis that part of it will be done in a member of staff's spare time allows no contingency. The Council should ensure that large projects are properly resourced.

Members acknowledged that officer's often took on these projects in addition to their normal work load and commented that it was unsurprising that absence targets were missed and that stress levels for officers were increased.

It was clear that the Council did not always have the resources available for projects and it was important that when this occurred it was recognised and decisions regarding how to deal with the lack of resources were taken rather than muddling through.

#### Recommendation 6

The Council needs to have clear, documented objectives before it embarks on projects.

The Task and Finish Group considered that the method used in the Churchgate project of initially setting out very broad objectives, which would be honed by a developer into a specific project and the variety of options given for the refurbishment of the District Council Offices were unsuccessful. They agreed that the Council needed to have clear and documented objectives at an early stage, certainly before embarking on the project.

A Member commented that, in respect of Churchgate, the groups in Hitchin engaged with the Churchgate Liaison Forum and that the consultations that took place were not a sham exercise, as had been claimed. He praised the contributions made by Simons and officers. However, as the project progressed the public of Hitchin had lost total confidence in the Council to be able to produce an acceptable project. The public had lost all trust for the Council and this was not only as a result of the Competitive Dialogue Process, but also due to an earlier draft proposal, which lead to demonstrations. This history meant that recommendations 6, 7 and 9 were so important.

The Strategic Director of Finance Policy and Governance confirmed that the role of the liaison forum was to consult with the public. The Competitive Dialogue Process had been used to identify a developer, and with hindsight the scheme that Simons had presented to demonstrate their capabilities should not have been put into the public arena as this was misinterpreted as the actual scheme that would be developed. The Liaison Forum's role was to meet the developer, speak to the public, challenge and come forward with a planning submission, but this role got lost and the project never got to the stage of a planning application.

Members agreed with this recommendation.

Recommendation 7

Large scale projects should have a champion to drive them forwards.

The Task and Finish Group agreed that better leadership may have helped many of the projects and that this could be addressed by having a champion to oversee all aspects of a project and drive it forward.

A Member queried whether a Champion was needed and/or beneficial for every project.

The Chief Executive advised that this recommendation could work for all projects, as long as it was interpreted in the right way. It would be necessary to identify what the sensitive issues were in order to address them and user membership on project boards was an attempt to address this issue.

Members commented that a champion could take different forms, it could be a team or an individual and therefore the recommendation did not need amending.

They felt that the appointment of a champion to a project would ensure that the other recommendations were carried through as this would be part of their remit. The champion on large projects should not be an additional duty for an officer, it should be a dedicated person.

Recommendation 8

The Council should be more flexible about membership of project boards

The Task and Finish Group concluded that Project Boards should not predominantly be made up of local Members, but should instead have a membership that was spread across the spectrum of all Councillors.

Members agreed with this recommendation.

Recommendation 9

The Council should improve its consultation and engagement with the public.

The Task and Finish Group concluded that the Council was not the best at communicating. It was acknowledged that communication had been difficult with Churchgate, given the nature and the number of factions involved and that consultation and engagement regarding the Royston Town Centre enhancement was more successful. However the Council needed to improve in this area and the Group noted that the engagement of a consultant designer with extensive public engagement experience had paid dividends during the Baldock Town Centre enhancement and that this had probably been the best investment of the project.

Following some debate it was suggested that the recommendation be amended to reflect that the Council should not embark on a project unless they were confident that proper and meaningful consultation had been undertaken, but it was important to continue to engage with the public at stages throughout project.

Recommendation 10

The Council should not use the Competitive Dialogue process in future projects.

The Task and Finish Group concluded that this process, with its secrecy aspects, was not suitable for use in the Churchgate project. It was not the best method for use by the Council for any project and was said to be unpopular for developers.

A Member asked whether there were any circumstances in which the Competitive Dialogue Process may be the best method to use and, if this was not to be used, what would take its place.

**Tuesday, 6th June, 2017**

The Strategic Director of Finance, Performance and Governance advised that the Competitive Dialogue Process could work for specific projects and that Members should be clear that that they were not stopping something that may work in another circumstance or setting.

The Competitive Dialogue Process was unpopular because of the required confidentiality, however Hertfordshire County Council used the process when appointing Joint Venture Partners and it was deemed as the most appropriate process to use in that circumstance.

Members were concerned that this recommendation would prevent use of the Competitive Dialogue Process completely when there may well be circumstances when this process was the most appropriate to use. However this process should be used with caution and not used on highly sensitive and visible projects.

It was suggested that the recommendation be amended to ensure that its use was not excluded, but that it was used appropriately and not on highly sensitive and visible projects.

Councillor Weeks expressed concern that the recommendations of the well considered Task and Finish Group may be amended. He felt that the Group had received the evidence and that the recommendations were sound and should not be amended too much.

The Chairman requested that the Task and Finish Group consider whether the documents from the public participation would add value to their discussions.

The Scrutiny Officer advised that he would gather together the comments made at this meeting and circulate them to the Members of the Task and Finish Group for their comments. The report would then be brought back to this Committee in July for consideration before being presented to Cabinet.

The Chairman invited the speakers to make final comments.

Mr Dartington stated that the reason that the public lost faith with the Churchgate Liaison Forum was that they had been presented with a planning brief that identified the areas to be developed and which had been consulted on, but following a period of silence those areas were expanded into areas that the public had specifically stated it did not want. It was therefore not the scheme that caused issues, but the approach.

The Strategic Director clarified that the Council did go to the market to seek a developer and the initial scheme from that developer showed development on the expanded sites. They then had to go through a process to get to a planning application however this never happened because when an explanation was presented as to why the smaller scheme was no longer a feasible option, they were shouted down. It may well have been that, if everyone had engaged with them, they may have reduced the scale of the proposal and when Simons made a presentation to Council they stated that they would reduce the scale.

The lesson to learn from this experience was that the consultation and engagement with the public regarding Churchgate did not work and in future need to be clear about the decisions made and then move on to the next stage. If this approach had been taken it was possible that the project would have come to fruition.

Councillor Billing commented that, even when the Town Centre Strategy was being developed the Chairman of Hitchin Committee was being bellowed at by large numbers of people, so it wasn't just at the time that the initial scheme was presented that things went wrong.

The Chairman thanked everyone for a full debate and confirmed that the comments of SMT regarding the Task and Finish Group's report would be available at the next meeting.

**RESOLVED:**

- (1) That the Task and Finish Group on the Council's Management of Larger Projects be requested to consider the comments made by this Committee regarding the recommendation contained in the report paying particular attention to the following:

Recommendation 1

Members suggested that the recommendation be amended to reflect the need to move forward and the need to assess risks and recognise when a project should be stopped.

Recommendation 2

Members queried whether this recommendation applied to only one project and therefore should be clarified as such, or whether this was something that should be applied generally and maybe be re-worded.

As a point of clarification the recommendation should be to be clearer about its tender invitations and then put it out to tender.

Recommendation 9

It was suggested that the recommendation be amended to reflect that the Council should not embark on a project unless they were confident that proper and meaningful consultation had been undertaken, but it was important to continue to engage with the public at stages throughout project.

Recommendation 10

It was suggested that the recommendation be amended to ensure that use of the Competitive Dialogue Process was not excluded, but that it was used appropriately and not used on highly sensitive and visible projects.

- (2) That the Task and Finish Group on the Council's Management of Larger projects be requested to consider whether the comments made and documents presented in public participation would add any value to their discussions.

**REASON FOR DECISION:** To enable the Overview and Scrutiny Committee to consider the Task and Finish Group on the Council's Management of Larger Projects report prior to consideration by Cabinet.

## 15 RESOLUTIONS OF THE OVERVIEW AND SCRUTINY COMMITTEE

Members agreed that the detail included in this item should be considered at the next meeting.

In respect of future workings of the Committee, discussions were needed regarding how the Committee could more effectively track the resolutions and find out the reasons given for any that were not accepted. This could be by way of letter to the Executive Member or by questioning Heads of Service or Executive Members at a meeting.

There was a need for a process to close off the resolutions of Task and Finish Groups by asking what had been achieved and what lessons had been learnt for future Task and Finish Groups. Suggestions for achieving this were either by removing it from the list as no action would likely be taken or by questioning the Executive Members.

**RESOLVED:** That the actions resulting from the resolutions of the Overview and Scrutiny Committee be noted.

**REASON FOR DECISION:** To enable the Overview and Scrutiny Committee to review and monitor the progress of resolutions made.

## 16 OVERVIEW & SCRUTINY COMMITTEE WORK PROGRAMME

The Chairman advised Members that the main consideration in this report was the findings of the workshop, attended by Members that considered how this Committee could scrutinise issues more effectively in the future.

The Scrutiny Officer presented the report entitled Overview and Scrutiny Work Programme and drew attention to the following:

### Future methods of Scrutiny

The Committee had expressed a wish to have an earlier and more effective input into policy and an earlier awareness of potential problems and consideration had been given, over a period of time, as to how this could be achieved.

A workshop for Members of the Committee was held in April 2017 from which a number of options were identified and these were set out on Pages 91 and 92 of the report.

Any changes adopted by the Committee were not intended to be particularly onerous for officers, but aimed to get the Committee to understand more and enter the process earlier and this could be achieved in a number of ways as follows:

### The Corporate Plan

There was a feeling that the current Corporate Plan did not reflect the activities of the Council in an effective way and needed to be re-drafted.

### Service Plans

Some Service Plans had already been published, although some had yet to be so.

Each Service Plan had an action plan attached, which gave an outline of the things that the Council would be undertaking during the next Civic Year and this gave an opportunity for the Committee to identify projects, reviews and issues that were coming up and have an input at an early stage.

The Development and Building Control Plan identified an action to Develop a Strategic Approach to the Local Plan 2031 New Settlement and that this could be an opportunity to invite the Head of Development and Building Control to come to the Committee to share his thoughts and for the Committee to provide feedback and ideas.

The same document identified that the Council was considering the introduction of a Community Infrastructure Levy in December 2017 and this could be considered at later date.

The Communications Service Plan contained a project regarding Channel Shifting, which was about encouraging use of on-line methods of communications in order to reduce the amount of direct customer contact with the Customer Service Centre. This project was due to report in March 2017, but had been deferred to report in March 2018 and this may be a subject that the Committee would be interested in.

The Chairman stated that considering items identified in action plans could be less burdensome for Officers and would enable the Committee to have an input into the thought processes before the project was developed.

If the Committee chose a new method of choosing issues to consider, tools such as the Forward Plan should continue to be used and not forgotten,

A Member commented that one of the challenges was to make sure that officers put their projects on the Forward Plan in good time.

### Top Risks



The Scrutiny Officer advised that the Council's top risks and risk register were listed on Covalent, which was available to Members and it was notable how many projects were at Alert status.

#### Members Information Service

Information on projects was provided in MIS and this could be cross reference with other sources of information.

By reading this document, the Scrutiny Officer noted the inclusion of a timetable relating to the Waste Contract and upon investigation through other source he discovered that this project had been delayed, although there had been no mention of the delay in MIS. This project was also mentioned in the risk register, which identified that the late awarding of contracts could have consequences.

The Chairman advised that at this point they would hear the presentation by the Chief Executive, after which discussion regarding this agenda item would be continued.

Following the presentation by the Chief Executive, the Chairman gave the example of the Green Space Strategy, that had been included in the Service Plan for some time, yet the Committee had not identified it as an item to consider, which resulted in a Call-In with the consequent burden that this placed on the organisation, had this been identified at an earlier stage, the Committee could have added value by discussing consultation before any decisions was taken.

She queried how this may have been avoided by interrogating Service Plans.

The Chief Executive advised that the Chairman could have a briefing meeting with Heads of Service to ask them what was coming up and to discuss what issues the Committee were concerned about. This could identify issues not only for the current year, but over a longer period.

Approximately four years ago Overview and Scrutiny had a discussion item on their agenda regarding the Local Plan that had included what the scope of the Local Plan might look like, the sorts of issues that would have to be considered, what the implications might be and what was outside of the Council's control. This had been a successful discussion based item supported by a two page discussion paper, rather than the usual long and technical report.

The Chairman commented that being able to spend time considering one issue, as they had this evening with the Task and Finish Group report, had the potential to add more value and suggested that it would be valuable to hold an annual workshop to discuss with Heads of Service and Executive Members what actions the Committee could consider.

Members commented that it was important to engage with the wider public and not just the small numbers of the same people who commented on everything and it was important to find a way to achieve wider public engagement. It was also important to find ways that the wider public can voice their opinion and how this could be facilitated.

They considered that advertising the issues that were due to be discussed via social media may increase public participation and awareness of what the Council was doing and that other Member colleagues could be invited to take part in those discussions.

The Chief Executive suggested that the Committee may wish to consider how the Council communicates and engages with the public in the round and that this could be a piece of work undertaken over a period of time.

Members commented that more engagement did not necessarily increase confidence or happiness and that the Council had to be careful of raising expectations that because someone had engaged their opinion would be acted upon.

Members agreed that the proposed Task and Finish Group on Communication and Engagement should be brought forward.

In respect of possible discussion items Members considered that there was a danger, when considering items such as the Strategy for a New Settlement, that people think this would be happening in the near future.

Channel Shifting was extremely important as it proposed reducing face to face contact with the Council and increasing on-line contact, which could cause concern for residents.

In respect of the suggested delay with the Waste Contract members were advised that this was moving forward satisfactorily and that it was currently in the tendering stage. They felt that it would be difficult to add value to this subject and it may be that the process was hindered if the Committee were involved.

They agreed that the Strategy for a new settlement should be brought to the next meeting and Channel Shifting to a future meeting.

The Scrutiny Officer informed Members that the Corporate Plan, an update on Play Areas and the Task and Finish Group on Larger Projects would be considered at the next meeting.

**RESOLVED:**

- (1) That the Overview and Scrutiny Committee Work Programme be noted;
- (2) That the Chairman, Chief Executive and Scrutiny Officer be requested to develop the outline for a workshop that would enable Members to identify issues and topics for discussion at future meetings of this Committee;
- (3) That the Scrutiny Officer be requested to produce a scope for a Task and Finish Group on Communication and Engagement and present this to the next meeting of this Committee;
- (4) That Head of Development and Building Control be requested to formulate a discussion paper regarding the Strategy for a New Settlement to be presented at the next meeting of this Committee;
- (5) That the Communications Manager and Customer Services Manager be requested to formulate a discussion paper regarding Channel Shifting and present it to this Committee on 19 September 2017.

**REASON FOR DECISION:** To enable the Overview and Scrutiny Committee to plan and carry out its workload efficiently and effectively.

The meeting closed at 10.37 pm

Chairman

<b>OVERVIEW AND SCRUTINY COMMITTEE</b> <b>18 JULY 2017</b>
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<b>PART 1 – PUBLIC DOCUMENT</b>	<b>AGENDA ITEM No.</b>  <b>8</b>
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**TITLE OF REPORT: TASK AND FINISH GROUP REPORT ON THE COUNCIL'S  
MANAGEMENT OF LARGER PROJECTS**

REPORT OF THE SCRUTINY OFFICER

EXECUTIVE MEMBER: NOT APPLICABLE

COUNCIL PRIORITY: RESPONSIVE AND EFFICIENT

**1. EXECUTIVE SUMMARY**

The report of the Task and Finish Group on the Council's Management of Larger Projects is attached for the Committee's consideration.

**2. RECOMMENDATIONS**

**2.1** The Committee is asked to:

- Consider the revised report of the Task and Finish Group and its recommendations at Appendix A;
- Consider the comments of the Senior Management Team at Appendix B;
- Agree the final wording of the recommendations; and
- refer the report to Cabinet for consideration at its meeting on 25 July 2017.

**3. REASONS FOR RECOMMENDATIONS**

- 3.1** To enable the Committee and Cabinet to consider the report of the Task and Finish Group.

**4. ALTERNATIVE OPTIONS CONSIDERED**

- 4.1** The Task and Finish Group discussed the evidence it heard and reached the conclusions set out in the report.

## 5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

- 5.1 There was no formal consultation about the report. Five members of the public took part in the Task and Finish Group and their contributions have been included as part of the evidence.
- 5.2 Four members of the public made presentations on the report to the Committee's meeting on 6 June 2017.

## 6. FORWARD PLAN

- 6.1 This report does not contain a recommendation on a key decision and has not been referred to in the Forward Plan.

## 7. BACKGROUND

- 7.1 The Committee established this Task and Finish Group to consider how the Council manages its larger projects. The Task and Finish Group is obliged to report back to the Committee before the report can be sent to Cabinet.
- 7.2 The Committee considered a previous version of this report at its meeting on 6 June. Four members of the public made presentations to the Committee and the Committee had a number of comments of its own on the recommendations. These can be found in the minutes of the Committee's meeting for 6 June which can be found in your bundle of papers for this meeting.
- 7.3 The Committee asked the Task and Finish Group to review its recommendations and report back to the Committee in July. The Task and Finish Group re-considered its report in the light of the comments made at the Committee and as a result changed some of its recommendations. The revised report of the Task and Finish Group is attached at **Appendix A**.
- 7.4 The Committee also agreed to consider the comments of the Senior Management Team (SMT) alongside the report.

## 8. RELEVANT CONSIDERATIONS

- 8.1 The conclusions and recommendations are in section 1 of the Task and Finish group Report. The Committee is asked to consider and comment on:
  - the revised report of the Task and Finish Group which is attached at **Appendix A**;
  - the comments of the Senior Management Team at **Appendix B (NB – to follow)**.
- 8.2 The Scrutiny Officer circulated some suggested changes to the recommendations based on the discussions at the Committee on 6 June 2017. Revisions to three recommendations - recommendations 2, 5 and 10 - were agreed by all of the members of the Task and Finish Group. The Chairman Cllr Weeks did not agree with his colleagues that two other recommendations – recommendations 4 and 9 - should be changed.

#### Changes to Recommendations Agreed by the Task and Finish Group

- 8.3 Recommendations 2, 5 and 10 have been changed to reflect the Committee's discussion. The changes have been made to the report and are shown in bold underlined italics below for clarity and are:
- Minor drafting change (recommendation 2);
  - The need for proper resourcing of projects has been beefed up (recommendation 5);
  - Leaving open the possibility of using the competitive dialogue process in some circumstances (recommendation 10).
- 8.4 **Revised Recommendation 2:** The Council should not introduce unnecessary complexity into its *invitations to* tender because it is unclear about its preferred outcome. It should decide what it wants and then *invite bidders* to tender for it.
- 8.5 **Revised Recommendation 5:** Projects are constrained by the resources that the Council has available. Planning a substantial project on the basis that part of it will be done in a member of staff's spare time allows no contingency. The Council should ensure that large projects are properly resourced. *If adequate resources are not available, the project should not begin until they are.*
- 8.6 **Revised Recommendation 10:** The Council should .....["not use" is deleted].....*be mindful of the disadvantages of* the Competitive Dialogue process *and think very carefully before using it again* in future projects.

#### Changes to Recommendations not Unanimously Agreed by Task and Finish Group

- 8.7 The Chairman Cllr Weeks did not agree with his colleagues that recommendations 4 and 9 should be changed and the Task and Finish Group report is unchanged in these respects. The proposed changes are outlined below:
- Exception reports to be available to the public (proposed recommendation 4);
  - More emphasis on public consultation and the need to keep engaged with the public throughout the project (proposed recommendation 9);
- 8.8 The Committee will need to decide on the final wording of these recommendations. The Protocol for Task and Finish Groups says:
- Para 3.1. The scrutiny officer will draft the report on behalf of the members of the task and finish group so they are satisfied the report reflects their views and the evidence given.
  - 3.4. ....The Committee will consider the report ***and make any changes that it considers appropriate*** (emphasis added).

#### Recommendation 4

- 8.9 There is disagreement about the proposed change to Recommendation 4 that exception reports should be made available to the public unless they are confidential. The Chairman of the Task and Finish Group believes most reports are likely to be confidential and even if they are not then publishing them would attract criticism of the Council and cause delays. The Committee will need to determine the final wording. The existing and proposed versions are below.
- **Existing Recommendation 4:** When exception reports are produced by project boards, they should be circulated to all members of Council through the Members' Information Service or by e mail.

- **Proposed recommendation 4 (not agreed):**\_\_When exception reports are produced by project boards, they should be circulated to all members of Council through the Members' Information Service or by e mail; **and, unless they are confidential, made available to the public via the Council's website.**

#### Recommendation 9

8.10 There is disagreement about the proposed change to Recommendation 9 that engagement should continue throughout the life of the project. The Chairman of the Task and Finish Group believes consultation should not, as a matter of course, continue throughout a project as it can only lead to delays. The Committee will need to determine the final wording. The existing and proposed versions are below.

- **Existing Recommendation 9:** The Council should improve its consultation and engagement with the public.
- **Proposed Recommendation 9 (not agreed):** The Council should ensure there is meaningful consultation with the public prior to it finalising its plans; and make sure it continues to engage with the public throughout the life of the project.

8.11 The Committee is asked to finalise the recommendations.

8.12 The report will be considered by Cabinet on 25 July 2017.

### **9. LEGAL IMPLICATIONS**

9.1 Section 6.2.7 (u) of the Constitution allows the Committee “to appoint time limited task and finish Topic Groups to undertake detailed scrutiny work report back to the Overview and Scrutiny Committee to make recommendations to the Cabinet.”

### **10. FINANCIAL IMPLICATIONS**

10.1 There are no capital, revenue or other financial implications arising directly from this report. Proper resourcing of projects (Recommendation 5) could lead to some extra up front costs but these would likely be offset by avoiding the costs associated with overrunning projects.

### **11. RISK IMPLICATIONS**

11.1 There are no risk implications arising from the report.

### **12. EQUALITIES IMPLICATIONS**

12.1 There are no equalities implications arising from this report.

### **13. SOCIAL VALUE IMPLICATIONS**

13.1 The Social Value Act and “go local” policy do not apply to this report.

**14. HUMAN RESOURCE IMPLICATIONS**

- 14.1 There will be no impact on staff time as a result of this report.

**15. APPENDICES**

- 15.1 Appendix A – Task and Finish Group Report on the Council's Management of Larger Projects
- 15.2 Appendix B - Comments of the Senior Management Team - **to follow**.

**16. CONTACT OFFICERS**

- 16.1 Brendan Sullivan, Scrutiny Officer, 01462 474612;  
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**17. BACKGROUND PAPERS**

- 17.1 None

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**NORTH HERTFORDSHIRE DISTRICT COUNCIL**

**Overview and Scrutiny Committee  
Task and Finish Group Report**

**THE COUNCIL'S MANAGEMENT OF LARGER PROJECTS**

**May 2017**

Cllr Michael Weeks (Chair)  
Cllr Judi Billing  
Cllr Steve Jarvis  
Cllr Paul Marment  
Cllr Gerald Morris

**O&S (18.07.17)**

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## 1. CONCLUSIONS AND RECOMMENDATIONS

1.1 The Task and Finish Group's terms of reference were to review the effectiveness of the Council's management of its larger projects; and to suggest improvements for ongoing and future projects. The Group looked at seven projects of different types in a variety of locations. It was also briefed on the Council's project management arrangements.

1.2 This review did not consider the Hitchin Town Hall and Museum Project. This will be the subject of a separate task and finish group once the project is complete.

1.3 Some projects were clearly well managed and successful, namely the Baldock and Royston Town Centre Enhancement Projects and the Herts 7 Building Control Project. Others were successful in some ways but less so in others for the reasons discussed below.

1.4 Despite the Council's best efforts, not every venture may succeed and even those that do may have to travel a bumpy road to do so. There is no doubt that these projects were well intentioned and everyone concerned worked hard to make them a success. Many of the Council's senior officers worked evenings and weekends to make this happen. The suggested improvements below are not a criticism of their efforts, only some constructive pointers for the future.

### **Baldock Town Centre Enhancement**

1.5 This was a very successful project which originated from a time when town centres were a priority for the Council and it had funds available to improve them. The project was managed by Louise Symes and finished on time and within its £3.2 million budget. The scheme was successful in winning the Horticultural Landscape and Amenity Award 2009 under the Category Best Commercial Project.

1.6 There was much to admire about the project. It was very well planned, and the community engagement carried out by the designers BDP was excellent. An unattractive public space was transformed with commercial and community benefits. The materials used were of high quality obviating the need for lots of ongoing maintenance.

1.7 The project met all of its objectives except its desire to enhance the link between Tesco through the Memorial Gardens to the town. The Council had included this as a condition of Tesco's planning application for expanding the store but the scheme was subsequently dropped by Tesco. Although a relatively minor point in this project, the Group considered it was important the Council set objectives that were achievable and avoided those which we're not. This will be referred to again below.

### **Enhancement of Fish Hill Square in Royston**

1.8 This was a similar project in many ways to the Baldock Town Centre Enhancement, albeit on a smaller scale. Once again it was successfully managed by Louise Symes in conjunction with BDP and was completed on time and on budget. It did not cost the Council anything (except officer time) as its initial budget of £450,000 was funded entirely from the Government's Growth Area Fund. Hertfordshire County Council contributed a further £45,000 for additional drainage works to ameliorate the flooding problem in Church Lane.

1.9 Once again the Council and the designers BDP did an excellent job in planning the project and in consulting and engaging with the community. They were creative in getting local school students involved in the design of the sculpture; and engaging with local residents and businesses in the naming the square.

### **District Council Offices (DCO) Refurbishment**

1.10 This project is the latest part of a wider project to rationalise the Council's accommodation. The first phase was vacating Town Lodge in February 2011 with attendant revenue savings of £70,000. The next phase was the Council's purchase of the building itself for £3.6 million in December 2013 which generated a net revenue saving of £128,000 which is a return on investment of 3.5%.

1.11 With the purchase of the DCO complete, the Council needed to progress the next stage of the project. However, there followed a pause between the end of December 2013 through to the summer of 2015 when the Council seemed to be undecided about what to do next and the project lacked leadership. It clearly needed to do some essential maintenance which was outstanding from its time as a lessee but was uncertain whether to do just the bare minimum, or, if more than that, how much more. The project was drifting. The Council had not learnt its lesson from Churchgate and other projects. The longer a project is in the incubation stage and the more it overruns, the more likely it is to suffer from increased costs and other unforeseen problems.

1.12 The Council appointed Howard Crompton, Head of Revenues, Benefits and IT to get the project back on track. Howard has rescued and revitalised the project by first establishing and then clearly setting out the Council's options along with the costs and benefits of each. The Council made its choice but the delays and extra project specifications have added an extra £2.4 million to the budget which now stand at £5.9 million, including contingencies. It is less clear whether the return on investment (around 1.6%) for this phase of the project is adequate, although this has to be considered alongside the other, non financial benefits to the Council.

1.13 There are two lessons here. First, large projects need leaders throughout the entire term of the project to drive them forward, which will be discussed further below. Second, it is important that the Council makes decisions and gets on with implementing them. Construction industry inflation and mission creep can add significantly to allocated budgets. Long delays can result in the Council needing to find significantly more capital than it has planned for.

**Recommendation 1: The Council needs to be more decisive about what it wants from larger projects and once it decides, it needs to get on with them.**

1.14 The tender exercise gave construction companies the opportunity to bid for the work but ultimately the complexity of the tender package and specialist nature of parts of the renovation meant there were no bidders. This caused a short delay to the work but did allow the Council to employ a local firm which will have many benefits to the local area. While it is inevitable some tenders will be complex, the Council should not include more options in its tenders than are necessary simply because it is unclear about its preferred outcome. Doing so increases the tenderers' costs (which will be reflected in the price) and can dissuade companies from submitting a bid. The group made a similar observation on the Churchgate project.

**Recommendation 2: The Council should not introduce unnecessary complexity into its invitations to tender because it is unclear about its preferred outcome. It should decide what it wants and then invite bidders to tender for it.**

### Hitchin Swimming Centre

1.15 Leisure facilities are one of the Council's successes. This project involved providing multi functional rooms required for classes to meet rising demand and replacing the aging indoor pool changing rooms with a changing village. The Council succeeded in its objective of updating and expanding an existing facility to meet local demand. The final spend was £1.859 million coming in under the final agreed budget of £1.91 million.

1.16 The project's financial and membership benefits were less clear cut, and the Group considered that these may have been overstated. The Group did not believe the increase in membership claimed by the Council could be attributed solely to the project as membership had risen to 2755 even before work began. Membership has continued to rise since the project's completion but it is not clear how much of this is due to the extra capacity and improved facilities as opposed to the growing fitness and gym market.

1.17 The same is true for the financial benefits. The project and the related contract extensions improved the Council's annual payment position with the operator Stevenage Leisure Ltd (SLL) by £163,000 annually. However the Council does not explain that it had a significantly adverse effect on the Council's income from its profit sharing scheme with SLL which was £110,000 in 2013/4, making the overall return on investment much smaller than stated.

1.18 The Council has a tendency to be selective about the financial information it presents and tends to present it as a narrative, with or without supporting tables. It would be better if complex financial information was presented in the form of accounts so that readers can see all of the relevant spending and income associated with projects.

**Recommendation 3: The Council's financial information should be comprehensive and presented in the form of accounts so the extent of profits and losses can be easily understood.**

### North Herts Leisure Centre

1.19 The Council agreed a capital budget of £3.136 million to improve the aging leisure centre in a number of ways including a new teaching pool, a new cafeteria, refurbishment of the sports hall and leisure pool changing rooms and more. There was a good financial case for doing so. Once the facility had been completed the Council would receive an extra £18,398 a month (£220,776 a year) from Stevenage Leisure Ltd which runs the facility on behalf of the Council.

1.20 The project was originally scheduled to finish in April 2016 but is now scheduled to finish in June 2017 due to delays in starting work and unexpected problems during the construction. The delay in opening of 15.5 months has cost the Council £285,000 in lost revenue. Capital costs have overrun by £445,000 to date consisting of £317,300 pre-commencement costs and £128,000 after work started due to unidentified drainage and cabling work.

1.21 The Group heard that projects such as these have milestones and tolerances which are closely monitored by the project manager and the project board, with Cabinet receiving exception reports. It is important that all members of the Council are aware at an early stage if there are problems with projects and it would be useful if exception reports had a wider distribution.

**Recommendation 4: When exception reports are produced by project boards, they should be circulated to all members of Council through the Members' Information Service or by e mail.**

1.22 There was also an underlying sense that officers' time was stretched between this and other areas of work and that this may have contributed to the delays. Evening and weekend working was a feature of many of the projects seen by the Group. It is not satisfactory for the officer leading a major project in an area outside their main job responsibilities to be required to do in the evenings and at weekends.

**Recommendation 5: Projects are constrained by the resources that the Council has available. Planning a substantial project on the basis that part of it will be done in a member of staff's spare time allows no contingency. The Council should ensure that large projects are properly resourced. If adequate resources are not available, the project should not begin until they are.**

### **Herts 7 Building Control Project**

1.23 This project was a collaborative arrangement combining the building control departments of NHDC and six other Hertfordshire Councils into a new company. The new arrangement is intended to bring improved services and commercial benefits to the authorities. The review only examined the first phase of the project which was the establishment of the new company.

1.24 This was a successful project managed by Ian Fullstone, Head of Development and Building Control. This project demonstrates that projects can be managed and led in house where the project manager has the knowledge, skills and time to do so. The Group was impressed by the quality of the business case which enabled the Council to take a decision to proceed with a high degree of confidence. The project's management has been particularly impressive given the need to coordinate seven different local authorities and get the agreement of their political leaders.

### **Churchgate**

1.25 The Churchgate project developed from the Council's Hitchin Town Centre Strategy. Like the Baldock and Royston projects, it was conceived in an era when town centres were a priority for the Council. Unlike these projects, it was conceived on a much larger scale with the aim of redeveloping an area of the town centre and bringing significant investment into Hitchin.

1.26 Despite preliminary expenditure of more than £1 million and the best efforts of officers and members alike over many years, it was never realised due to a combination of factors which include bad timing, lack of commercial viability, local opposition and more. While acknowledging that external factors played a central role in the project's demise, there are some areas where the Group considered the Council could have handled the project better.

1.27 First, the Group considered that the Council was never clear about its objectives for Churchgate. The Council produced a planning brief which set out some broad outcomes without giving specifics. It hoped to attract developers who would use their expertise to produce a scheme for them. This was also a feature of the DCO refurbishment project where the Council produced a complex invitation to tender that attracted no bidders.

**Recommendation 6: The Council needs to have clear, documented objectives before it embarks on projects.**

1.28 Churchgate was a large, complex project which affected many conservation, community and business groups as well as the current lease holder. Such projects need strong leadership in order to drive them forward in the face of the inevitable obstacles which accompany any large scale redevelopment. There was a sense that the Churchgate project lacked both vision and leadership at times, and progressed as a series of bureaucratic exercises conducted by a Council more focused on processes rather than outcomes.

1.29 The Council has limited funds so employing outsiders is not always feasible, nor is it necessary if the right person is available in house. But for projects on this scale a champion, either internal or external, is needed.

**Recommendation 7: Large scale projects should have a champion to drive them forwards.**

1.30 Project Boards need to have the right mix of skills with an appropriate number of members. The Churchgate Project Board's membership was rather top heavy with senior Cabinet members and it could have benefited from wider, backbench experience.

**Recommendation 8: The Council should be more flexible about membership of project boards**

1.31 The Churchgate project's progress was slow. It is hard to pinpoint when the preliminary work on the project actually began. Timing and momentum can be important factors in projects. The project's slow progress meant that it missed its best window of opportunity and got caught up in the fallout from the Roanne legal case in 2007 and the economic downturn in 2008. The latter, in particular, reduced its chances of success. As has been pointed out earlier, it is important for the Council to be decisive about what it wants and then get on with it.

1.32 The project was criticised at every stage of the process by the public, conservation groups and other stakeholders. The Council did make genuine efforts at consultation, but officers themselves acknowledged that their efforts had not been successful. Those members of the public who spoke about Churchgate were clear that this was a shortcoming. However, this does not always have to be the case. The Baldock and Royston town centre enhancement projects were both excellent and creative examples of public engagement and consultation by the Council and its designers BDP, and the Council would do well to examine the features of these projects and learn from them.

**Recommendation 9: The Council should improve its consultation and engagement with the public.**

1.33 The Council's decision to use a confidential competitive dialogue tender process was costly to the Council and developers alike, and fuelled suspicion about the Council's motives. The process' lack of transparency made it unsuitable for a sensitive development like Churchgate. There may be circumstances where the Council might wish to use the process again but before it does so it should ensure the benefits outweigh the disadvantages.

**Recommendation 10: The Council should be mindful of the disadvantages of the Competitive Dialogue process and think very carefully before using it again in future projects.**

## 2. PROJECT MANAGEMENT IN NHDC

2.1 Ian Couper, Head of Finance, Performance and Asset Management, explained the basis of the Council's approach to project management.

2.2 The Council used a framework called PRINCE2 (Projects in a Controlled Environment version 2) which was the industry standard. The Council had a number of PRINCE2 qualified officers listed on the intranet to manage projects and were available for advice for those project managers who were not PRINCE2 qualified.

2.3 PRINCE2 was used flexibly depending on the size of the project, with the Council using a simpler version for smaller projects. The aim of the framework was to try and ensure that NHDC makes best use of available project management resources and also is aware of its capacity to deliver projects. Learning from experience is a key component at both the start and end of each project. The framework takes account of the additional complexity that partnership working adds to project management. The six stages of the project management process are set out below.

### Stage1: Trigger

2.4 The Project Mandate is a request to provide a solution to a business need. A weighted scoring grid is used to determine categorisation and Includes factors such as the projects' expected costs, timescales, risks, interested parties, proposed project team and contribution to corporate priorities. Projects are categorised as Major, Medium or Small; and this categorisation determines how the project will be managed.

### Stage 2: Start up

2.5 The project's personnel are fully determined at this stage. The project roles are:

- **Project Manager** - Responsible for day-to-day delivery and reporting (as appropriate) to Project Board. The allocation of this role will need to reflect experience and capacity.
- **Project Executive** - The Project Executive is ultimately responsible for the project and every project must have one. They 'own' the business case. This person must have appropriate responsibility and ability to make decisions and commit funding. Therefore they will generally be a Head of Service or above. They are appointed by Corporate Board, and could involve a recommendation to Cabinet.
- **The Project Board** provides overall management and direction, as well as making decisions. The Project Executive is involved in determining membership of the Project Board which should contain the skills required for the project and reflect any cross-service involvement. This should include Senior Users and Senior Suppliers.
  - Senior Users - represent the final users of the project. They ensure that the project is planned and delivered so that it delivers quality, functionality and ease of use.
  - Senior Suppliers – are responsible for the quality of the products delivered and represent the interests of those designing, developing, procuring, implementing and operating/maintaining the project products.



2.6 The Project Board is responsible for delivering the Project Mandate. It does this by approving the completion of key project stages, authorising the start of subsequent stages, authorises any major deviations from agreed plans, is responsible for disseminating information about the project and is ultimately responsible for Project Assurance. Councillors may be appointed to a Project Board, subject to agreement by the Leader of the Council, for projects that are high risk or have a high profile, usually in the role of Senior Users.

2.7 Project Assurance is about making sure the project sticks to the Business Case; remains viable and stays within scope; remains focused on the business need; and that the project and its anticipated benefits remain in line with the Council's priorities. It makes sure the right people are involved throughout the life of the project and provides independent assurance to the Project Board on the integrity of the project.

2.8 The Project Board is accountable for it. It can be delegated, but not to the Project Manager. Existing corporate groups can carry out Project Assurance roles, such as the Asset Management Group and Risk Management Group as well as committees and individual officers with PRINCE2 training.

2.9 The Project Manager should review the lessons learned generally and from similar projects. These should then be built in to subsequent documents e.g. the Draft Business Case.

2.10 The Project Brief is made up of the Product Description and Draft Business Case. It draws out the importance of knowing what you want to achieve, considering the balance between benefits and cost/ effort/ risk. It needs to try and be realistic, but this can be very difficult at such an early stage. This is why the ongoing role of the Project Board is important. The Project Board approves the Brief to move it on to the next stage.

### Stage 3: Initiation

2.11 The Project Initiation Document is produced at this stage, which seeks approval from the Project Board to commence delivery. The Project Initiation Document is made up of a number of elements set out below.

2.12 The first of these is **understanding the project's communication requirements**. The Project Manager should discuss with the Project Board what information they require, and when; and what information other stakeholders need, and agree content, frequency and method. The aim is to avoid misunderstandings at a later stage. The project categorisation needs to be reflected, especially for small projects where the level of communication should remain proportionate.

2.13 There should be a **Benefits Review Plan**. This is about planning how you will know if the project has been a success. The plan should consider

- Identifying the benefits and relevant objective measures of achievement
- Establishing baseline data, against which it will compare improvements
- Deciding how and when it will measure benefits, including who will be responsible for doing this (usually the customer/user for post-project reviews). It is likely that reviews will fall after the project is complete. It should therefore be separate from the Business Case so that it remains live after completion.

2.14 **Project Tolerances** are necessary in order for the Project Board to manage by exception effectively, it does not want the Project Manager reporting every minor deviation from the Project Plan. Equally, the Project Board does not want the project to overspend or overrun significantly without warning. The margins relating to the size of deviation from the Project Plan that are acceptable without the need for a Project Board decision are known as project tolerances. The two main elements of project tolerance are **cost and time**. In addition, there are a further four elements that may apply to any specific project: benefits, quality, risk and scope. The Project Board should agree relevant tolerance levels at this stage, and may wish to revisit them later on depending on the balance of information they are getting.

2.15 **Change control** covers proposed modifications to a project product's baseline specification. Changes are inevitable during the life of the project. If there is no control over these changes, it greatly reduces the chances of completing the project on schedule and within budget and to the customer's expectations. The Project Board should establish who is responsible for approving or rejecting requests for change during Project Initiation. The level of authority required may vary depending on the nature and scale of the change, as it is important to protect the Project Board from having to make decisions on minor matters and to reduce the need for formal documentation as much as possible. The Project Team should not implement any changes outside of the agreed authorisation regime.

2.16 **Risk** is assessed using the Council's standard risk assessment which is:

- Identification. Thinking through what the risks could be.
- Assessment- the impact that they will have if they were to happen. This can reflect levels of personal injury, reputation, financial loss, service delivery, delays to projects. Categorised as Low, Medium or High.
- Probability- what are the chances that it will happen. From unlikely to happen even once to could happen a number of times. Categorised as Low, Medium or High.

These are combined to map the risk on a risk matrix. If the impact or probability is high, risk mitigation needs to be considered.

#### Stage 4: Delivery

2.17 There are a number of tools to help ensure the project is on track.

- **Highlight reports**, which will include issues and risk log updates.
- **Exception Report**. If the Project Manager forecasts that any part of the Project Plan will end outside of the agreed tolerance margins, they must produce an Exception Report and present it to the Project Board immediately. The Project Manager should not wait for the project to exceed these tolerances before taking action, but should forecast whether this is going to be the case. This allows the Project Board time to react and potentially prevent or reduce the exception. The Exception Report should detail the problem and its cause, the consequences of the deviation, the options available and provide a recommendation on how to proceed.
- **Project Tolerances** Throughout the life of the project, the Project Board should confirm tolerance levels for individual stages, based on the content of Highlight Reports and as part of its authority to proceed. For larger projects, the Project Manager may wish to negotiate appropriate tolerances for detailed activities with members of the Project Team, based on the margins agreed for the overall project.

2.18 Requests for change are likely to come from entries on the Issues Log. If after conducting an impact analysis, the change needs to be authorised by the Project Board, the Project Manager should complete a Change Control Report. If the Project Manager or a Project Team member is able to authorise the change, the Project Manager should record the decision on the Issues Log and report it to the Project Board as part of the next Highlight Report. The Change Control Report should set out details of the change and request a decision from the Project Board on how to proceed. The Project Manager should subsequently record details of the Project Board decision at the end of the report and summarise these details on the Issues Log, prior to implementation. A good audit trail of decision-making and accountability is vital to successful project management and the Project Manager should ensure that they maintain evidence of the Change Control process.

#### Stage 5: Closure

2.19 When the project is completed, the Project Executive needs to sign it off the **End Project Report** on behalf of the Project Board and release the Project Team from their responsibilities. This requires the Project Manager to produce an End Project Report, as part of Project Closure, which they present to the Project Board. The End Project Report sets out how the project performed against the original Project Initiation Documentation. It should answer the following questions:

- How effectively were the needs that led to the project understood?
- How effective was the project scope?
- Has the project delivered all required products?
- What benefits have been achieved already?
- What benefits are due to be achieved post implementation?
- How effective was the Project Team's performance?
- How realistic was the original Project Plan, in terms of budget, resources and timescales?
- Did any unexpected risks or opportunities become known during the project?
- What key lessons were learned that might benefit other projects?
- The Project Manager should derive the content of the End Project Report from the various documents that were completed at each stage.

2.20 The Project Manager should retain the completed and signed off End Project Report in the project file. They should also forward a copy to the Performance and Risk Management Team, who will collate this in to a log of unexpected risks and Lessons Learned across all NHDC projects. This is published on the Intranet.

#### Stage 6: Evaluation

2.21 This happens after the project as may take time to fully see the impact. The Project Manager schedules a Post Implementation Review. The review should use the Benefits Review Plan, which was created for this purpose. The Project Manager should choose a timescale relevant to the project's products and at this time, arrange to meet again with the Project Team, the Project Board and the appropriate end users to review the project. The main purpose is to review the project's products in operational use and identify further Lessons Learned, both of which may be useful for future projects.

### 3. CHURCHGATE

3.1 Norma Atlay, Strategic Director of Finance, Policy and Governance made a presentation to the Group on the project.

#### Project Background

3.2 Norma said the Churchgate was a series of related sub-projects consisting of NHDC's Town Centre Strategy for Hitchin; the Council's Planning Brief which was developed as a consequence of that; a procurement exercise; a Development Agreement with Simons; and associated work with Hammersmatch who were the owners of Churchgate.

3.3 Anthony Roche, now the Council's Corporate Legal Manager and Monitoring Officer but then a solicitor, was the Project Manager for the procurement stages. Louise Symes, Strategic Planning and Projects Manager became the project manager once Simons were appointed.

3.4 The history of the Churchgate project was reported in detail to Council in January 2013. The main stages are set out below.

June 79	Council opted not to acquire the head lease of the Churchgate Centre
Nov 86	The Council instigated a review of town centre policies in its Local Plan
July 1993	Local Plan No.2 was adopted identifying that for Biggin Lane, Churchgate, Market, St Mary's and Portmill Lane East car park "an opportunity exists for the development of the whole area ...to provide for mixed retail, commercial and other town centre uses..."
April 2000	Churchgate Area Working Party (CAWP) established
June 2000	"It was agreed that although there was an emphasis on moving quickly they did not want to rush into any agreement too quickly if it proved not to be in the best interests of the townspeople of Hitchin." CAWP
2001	Hammersmatch became the owner of Churchgate

3.5 Norma said it took four years to agree the Hitchin Town Centre Strategy. The draft planning brief included all 5 areas for possible development. Following pressure from local Hitchin Groups, the brief was changed to immediate development of sites A1 to A3 with recognition that sites A4 and A5 would be developed "within the next 15 years"

November 2004	The Hitchin Town Centre Strategy was adopted and this led to a project to develop the planning brief for the area
November 2005	The planning brief for Churchgate development area was adopted. £400k of costs had been incurred by NHDC in its capacity as landlord/owner and planning authority.
December 2006	Hammersmatch queries the viability of only developing sites A1 to A3
2007	Council sought expert external commercial advice from DTZ on Hammersmatch's view
Spring/Summer 2007	Threat from a local developer of judicial review of any Council decision to enter into a transaction with Hammersmatch without an open competition
Sept 2007	Decision to invite prospective developers to submit proposals for the redevelopment of the Churchgate shopping centre and surrounding area

3.6 The Roanne case led to a ruling by the European Court of Justice in 2007 that a deal signed between the municipal council of Roanne and a developer for urban development, as far as the authority's requirements went, was a public works contract and should have followed European public procurement rules.

3.7 The ruling meant the Council's marketing exercise had to be halted and other Councils were similarly affected. The Council sought external legal advice from Eversheds on its procurement options resulting in the Council adopting a competitive dialogue process for Churchgate. This was thought, by the external professional advisers, to be the best method to progress such a complex development as it allowed developers who were the experts in the field to suggest a solution.

3.8 In seeking a developer, the Council set out its key objectives for the project under five headings: quality and design; viability; financial return; commerciality and delivery programme. The Council set high level objectives to allow developers to use their expertise to produce best design for the area.

May 2008	The competitive dialogue process commenced with the publication of the OJEU notice
Feb 2010	The contract awarded to Simons Developments (Recorded vote 31 for, 2 Against, 1 Abstention)
	Costs incurred during the procurement process £588K with the largest elements being Legal property & Procurement advice - £289k Specialist property development advice -£292k
Feb 2010	Future governance arrangements for the project agreed by Council and the Churchgate Project Board; and the Churchgate Liaison Forum established
March 2010	Development Agreement with Simons signed. It required regular updates on financial viability. The first cut off date was 19 <sup>th</sup> March 2013
June 2010	DTZ produced Post implementation review of procurement process

3.9 In January 2013, Simons requested additional time to produce a proposal. They said the economic climate following the economic downturn between 2008 and 2013 had affected the project's viability and there was a funding gap in the project. Council considered Simons' request and passed a resolution to reject it. In March 2013, the Council sent Simons a letter formally terminating the Development Agreement.

3.10 In July 2013, Hammersmatch made a presentation to Council suggesting that they could deliver a scheme in the short term which could be completed and open for business around Christmas 2015. Council decided to continue its dialogue with Hammersmatch and other interested developers; and await the outcome of the Local Plan before re-considering its approach.

July 2014	Council received a report on discussions with interested parties
July 2015	Hammersmatch granted exclusivity in order to give them confidence to invest resources to progress their ideas for a scheme. Ultimately Hammersmatch concluded their scheme was not viable.
January 2016	Council decides that: <ul style="list-style-type: none"> <li>• work on the Churchgate Project should cease; and</li> <li>• the possibility of acquiring the Churchgate Centre be explored, subject to further consideration of the commercial case for so doing at a future meeting of the Council.</li> </ul>

3.11 The TFG had raised a number of issues in advance of the meeting and Norma Atlay addressed these in turn.

### **Was this project a wise choice?**

3.12 Norma questioned whether Churchgate really was a single project. In her view there were a number of different strands combined under the heading of "the Churchgate project":

- Regeneration - the project was more akin to a regeneration scheme in which the Council had a role in what would ultimately become a partner's project.
- Asset Management – this was a development opportunity for which a high level outcome was being sought rather than a project fully specified by the Council.
- Planning brief – the original flexibility in the draft planning brief to cover all areas A1-A5 was curtailed.
- Procurement – Members recognised the need to build flexibility in to the development opportunity following advice from DTZ

### **Were reports to Members objective?**

3.13 Norma said they were. Officers sought to provide the pros and cons of options in an objective manner. They sought independent professional advice as appropriate, bearing in mind the cost of doing so. They endured public criticism for being negative when they sought to provide a context for their comments and advice.

### **Spending Priorities**

3.14 Norma said the key point was that the project was a regeneration opportunity born from the Town Centre Strategy and the then Council priority of Town Centres. It was almost incidental that the Council was the land-owner. It was not designed as a project to generate income for the Council although it did seek to protect the Council's current income, and incidental benefits would have arisen from car parking income, business rates income and new homes bonus.

**Staff Time**

3.15 Norma said Council projects are factored into officer workloads as part of the service planning process. Officers have to balance the many conflicting demands on their time. The time required may, however, increase where there is significant public and Member interest. The timescale for this project coincided with publicity around Localism Act which meant that a vocal public minority was seeking to change a Council decision.

**Interactions with other projects**

3.16 Norma said the Council had an ambitious programme which was prioritised against a backdrop of reducing staff resources. Buying in external expertise can help although experts would require management and support from the Council. Officers continually manage time across a range of projects so there was no direct impact on either the Local Plan or the shared services project.

**Value for Money**

3.17 Norma said the use of experts was subject to a tender exercise. The deal with Simons was based on an external expert's view of what the market required at that stage. The terms offered were consistent with other schemes at that time. The timing of the scheme, which coincided with the banking and funding crisis, was a key consideration.

**Accountability**

3.18 Norma said clear reporting lines were established at the outset. Delivery against decisions was reported back to Council. Project documentation was available on website with as few redactions as possible. The Churchgate Liaison Forum was established to provide public input into the development of Simons' proposal.

**Information and Visibility**

3.19 Norma said a flaw of the Competitive Dialogue Procurement process was that it required all discussion leading to the award of contract to be totally confidential. Once those discussions were complete, everything was put in the public domain. The Council needed to have the time and space to discuss things confidentially and then to make decisions. The public sought a level of transparency that would mean that the Council was trying to negotiate with all its cards on the table. There was something of a culture clash between the commercial approach and the usual Council service approach.

**Lessons Learned: DTZ Review**

3.20 In June 2010, Cabinet received a report from DTZ which had conducted a post implementation review of the procurement process. It concluded:

*"The prime objective of the procurement process was to appoint a development partner. Clearly this objective has been met"*

*"The process was undertaken during unprecedented times in the development market and followed a previous process for the town centre that had to be cancelled due to the infamous "Roanne" ruling. A large number of other projects have either stalled or effectively been "shelved" due to these issues and in that context the award of the contract should be seen in a very positive light as one of very few schemes to reach this point in the current cycle"*

### **Lessons Learned by the Council**

3.21 Norma said that the Council had a post-project protocol to review and record the lessons learnt under a number of headings. This had been circulated to the TFG and included:

- Project team continuity and increased knowledge of participants
- Procurement lessons
- Need for policy flexibility to cope with changing external/internal influences
- Reports identifying the options and outcomes
- Taking tough decisions
- Clarity on what the Council defines as a “Council Project”
- Development of a policy to manage internal conflicts of interest

### **Discussion**

3.22 Members said that secrecy was one of the main criticisms directed at the Council. Cllr Steve Jarvis said the competitive dialogue process with its confidentiality requirements was not an appropriate one for a local authority and officers acknowledged this disadvantage. Anthony Roche said the Council took external expert legal and development advice in 2008 and that the competitive dialogue process was recommended as the most suitable one for the circumstances. In practice it was costly, time-consuming, proved unpopular with developers and its confidentiality was unpopular with the public. With hindsight, the Council probably wouldn't use it again. By 2011 the same external experts were giving different advice as to the process to use for such opportunities and the Council hasn't used the competitive dialogue process since.

3.23 Cllr Jarvis said it was not clear what the Council was ever trying to achieve with the Churchgate project. There was not a clear enough set of objectives. The brief set out the broad outcomes without giving specifics, which would be expensive for bidders. The Council could have decided what it wanted and then tendered for it.

3.24 Anthony Roche said the Council could have been either more or less prescriptive about its requirements. He said the planning brief was so tightly drawn it provided little flexibility. Other options had been explored such as a joint venture and the Council reaching its own view of what was needed. This could have included selling the land. Anthony said there were many points when different decisions could have been made which might have led to different outcomes. This is of course viewed with the benefit of hindsight, as the decisions were taken by Members with the best of intentions at the time.

3.25 The planning brief was in some ways too specific and sought too many things such as a walkway by the River Hiz, car parking and other things which would be costly to implement without necessarily generating much income.

3.26 In terms of the cost of the process the Council checked that Simons was still giving value for money throughout the process. There was also another bidder deep in the process. Cllr Jarvis said this second bidder must have doubted whether the project was viable. He said the Council could have put the project on hold for a year or so to decrease costs.



3.27 Anthony Roche said that the downturn was very severe after the banking crisis hit. The Council had already spent £588,000 on external advice and other necessary preliminary work. These costs were inflated by a longer than expected competitive dialogue process which lasted 20 months instead of 12 months. This increased the costs of external advisors. The bidders sought to minimise their costs which meant that Eversheds ended up doing most of the drafting of agreements which the Council ultimately paid for. The second bidder did not leave the process over viability concerns. The bidders, and the Council's professional advisers, viewed positives in planning developments during a downturn which could then be delivered as the economy improved. The issue was the downturn was more severe and lasted longer than anyone predicted.

3.28 Cllr Judi Billing asked whether the decision to keep going was affected by involvement of Councillors at the project board or working party level. The working party was, in effect, the whole of Hitchin Committee. There was a danger that Members represented the views of their area not necessarily that of the Council as a whole. Anthony said the decision to award a contract was a political one (meaning one made by Councillors) and was made nearly unanimously by full Council.

3.29 Asked about his prior experience of project management, Anthony said this had been his first project and he had learnt a great deal from it. Louise Symes said she had been involved in the project since 2000 in the development of the planning briefs. She had also been involved in delivering the Baldock and Royston town centre enhancement projects. She was PRINCE2 trained and had experience in a different range of projects. Norma said she was involved in the town centre strategy work from the finance and asset management perspectives.

3.30 Anthony said he worked alongside DTZ who also had a Project Management function. The DTZ role was liaising with the developers and running the competitive dialogue. His role was coordinating activities and making sure that things happened. He monitored things on a daily basis to ensure compliance with the procurement requirements and to keep the project moving forward. This was possible because he didn't have an active caseload as a lawyer, having only just joined the Council at the time. Norma Atlay said she made a deliberate decision to use Anthony on the project because there was an opportunity to develop expertise in this area in the legal team and she was conscious of the Council shortage of expertise in this area. Anthony said he had spent more than 1,000 hours on the competitive dialogue process saving a considerable amount in external fees and other expenses.

3.31 Cllr Jarvis asked who decided if changes to the project plan were outside the project board's remit and asked about the process for deciding who should go back to Council if things went wrong. Norma said the Development Agreement set out the Council's requirements and it had milestones which the Council and its partner were managing against.

3.32 Cllr Jarvis said members didn't find out about the problems with Churchgate until late in the day. He asked when the Council needed to report exceptions. Anthony Roche said in future this might be an area the Council need to define better at the outset. Louise Symes said the risk log identified the risks.

3.33 The Scrutiny Officer Brendan Sullivan said there had been a task and finish group on project boards a few years previously which recommended that the Overview and Scrutiny Committee receive exception reports. Cabinet had rejected the recommendation. Norma said that was because Cabinet and Council already received exception reports and there was no need to change this arrangement and add in an extra layer of reporting.

3.34 Anthony Roche said there had been a DTZ review of the procurement process. Members said it would have had more value if it had been conducted later on. Anthony said the Council had been criticised weekly for its handling of Churchgate and this had generated a lot of work for officers. In 2013 there were lots of press comments and criticism of the Council. Norma Atlay was mentioned in Private Eye and Anthony had been threatened with being reported to the Law Society. Simons held an exhibition as a means of engagement with the local community. Anthony said that of those who attended, there were more people against the project than in favour of it. The Council was conscious of community feeling.

3.35 Anthony said the Council had decided to deliver its town centre strategy. If Churchgate was being developed by private developer, they would still have to contend with this sort of environment. Cllr Gerald Morris said a private developer would make sure one person would be entrusted with the responsibility of the project, the budget, selling the project to the community and sticking to the timetable. The Council's over-reliance on systems seemed to deliver results by accident.

3.36 Officers noted that the approach the Council decided to take, in appointing a development partner, was that the developer had this lead role to deliver a development

3.37 Cllr Judi Billing said the Council should have been responsible for driving every aspect of the project instead of leaving it to external consultants to come up with a detailed proposal. The Council set up control points but still didn't have full control of the project or personnel. The planning briefs restricted creativity and prevented people from putting forward imaginative solutions, making it more difficult to find the best way forward. The Council didn't have the expertise for this type of project on this scale. There was friction with the local community.

3.38 Cllr Billing said the Council needed to show better leadership. She said the Council was a political organisation and the political leadership determines its success or failure. 20 years ago people were wary about changes to car parking in Hitchin Market Place but the governing Conservative group implemented those changes under the leadership of Geoff Woods and made it a success.

3.39 Norma said that members gave the policy direction at a time when town centres were a Council priority. It was not clear at the time which type of scheme had the greatest chance of success. Cllr Jarvis said the Council need to be clearer when things weren't going to work and call a halt to them much faster. Cllr Morris said if the project was not completed by 2008 before the crash, the Council should have halted the scheme. Anthony said a small scheme might have succeeded, but the adopted planning process was not flexible enough.

3.40 Norma said the scheme was not designed to generate income for the Council. It was meant to regenerate Hitchin town centre and bring in more than £50 million of investment to Hitchin. The Council also wanted to protect its existing income streams. In terms of staff time Norma said lots of staff time have been spent on the project but staff were accustomed to juggling their work priorities. Cllr Morris said a scheme of this size needed a proper project manager. Every large development has difficulties, but the difference is that successful ones have a champion driving them. Norma said employing an outside project manager was a luxury and the Council instead chose to identify a dedicated team of staff.

3.41 Members said there had been a lot of publicity about localism. When negotiations are confidential, how does the council report on them; and balance the need for confidentiality with the need for transparency and accountability? Anthony said the Churchgate Liaison Forum didn't work as intended. Simons met with local representatives and it turned into a public meeting with lots of heckling. It was set up with the best of intentions although it didn't work well for the Churchgate Project.

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3.42 Members said the Council needed a way to explain the process to the community. Some people don't trust the council. Cllr Billing asked why there was so little trust between the Council and some people in Hitchin. Cllr Morris said this was a general problem with local government. As for the lessons learnt, Norma said the Council had gained a lot of knowledge, particularly the small group of officers who were involved in the project.

3.43 In terms of project management capacity, Norma said the Council conducted a maximum of four major projects at any one time, along with a number of smaller ones. Members questioned whether this was still viable for an organisation of this size with its current level of resources.

3.44 As for lessons learnt, the Council now had an internal Conflict of Interest Policy. This would cover situations like, for example, when the Council needed planning advice from its planning department but a project might also need a planning decision from the same department.

#### **4. HERTS 7 BUILDING CONTROL PROJECT**

4.1 Ian Fullstone, Head of Development and Building Control spoke to the briefing which had been circulated only to members of the Task and Finish Group as it contained confidential material of a commercially sensitive nature.

4.2 Ian said that building control was a statutory function for local authorities which had been opened up to private sector competition since the mid 1990s. Local authority building control departments could only operate fully within their administrative boundaries. Competition from the private sector on service delivery was around their ability to work Countrywide with no administrative boundaries, the private sector was also able to offer better pay and reward packages making recruitment and retention of local authority staff very difficult. Neither was competition on a level playing field as private operators were not required to publish their fee structure and could therefore offer their service by undercutting a council's published fees, anecdotal evidence suggested this would be by about 10%.

4.3 The key points of building control services in Hertfordshire were:

- The majority of Hertfordshire's Building Control Services were are run at a cost to their General Funds;
- As a result of recruitment and retention problems Councils find it difficult to market their services and attract commercial clients and are struggling to maintain their client base in competition with private operators;
- It was becoming increasingly difficult to recruit and maintain qualified and experienced staff. Most Hertfordshire authorities had small, ageing building control teams which lacked resilience;
- It was increasingly difficult to run services effectively with current resources and overheads;
- Despite their difficulties, Hertfordshire's local authority building control was still attracting a healthy fee income and were trusted by their local population.

4.4 Ian said he was the Project Manager for the Herts 7 Building Control Project. This was a collaborative arrangement involving seven councils: NHDC, Stevenage, Welwyn Hatfield, Broxbourne, Three Rivers, East Hertfordshire and Hertsmere.

4.5 The project was first considered by the Chief Executives Group in 2013, progressed with East of England Local Government Association support in 2014, to a point where in August 2016, NHDC's staff were transferred to the new company.

4.6 The new arrangement for delivering building control services was made up of three wholly owned local authority companies limited by shares. Each authority has an equal share and equal voting rights through shareholder representatives, directors and contract managers. The companies are:

- Broste Rivers Ltd which is the parent holding company;
- Broste Rivers LA7 Ltd, now trading as Hertfordshire Building Control, which will undertake the not for profit statutory building control work on behalf of the 7 LAs. This includes fee earning (application based) and non-fee earning (dangerous structures, demolitions etc.) work;
- Broste Rivers H7 Ltd, to be known as Rapport will undertake commercial (for profit) building control related functions within and outside of the administrative boundary of the 7 LAs.

4.7 The potential service benefits from the collaborative arrangement were identified as:

- Improved service resilience;
- Improved economy, efficiency and effectiveness;
- Improved customer service;
- Increased ability to retain, develop and recruit staff and thus improve service quality;
- Provision of a broader service offer to customers.

4.8 The potential commercial benefits of collaboration were:

- Councils using existing skills and expertise to access new fee earning work in both new and existing areas to increase financial benefits;
- Collective investment in enabling technologies and business development capacity which would not be possible on an individual basis;
- The opportunity to stem the long term decline of building control services and share the resulting efficiency gains; and for H7 to trade commercially and return profits to local authorities who were the share holders.

4.9 The Company's staff will initially be based in two hubs: one in Hertsmere, the other in Welwyn Garden City. Two hubs were chosen as a result of staff feedback. Most support staff were local, tended to be lower paid and travelling long distances to work would not have been easy for them. The specialist support services e.g. payroll, legal, IT etc. for the company would initially be provided by individual local authorities. After two years of operation, the company can review the position and choose different providers if it wishes to.

4.10 Hertfordshire Building Control would employ around 37 staff, and Ian was one of the company directors. A managing director would be appointed who will be recruited through an outside recruitment agency. Since the T&F Group the MD has been appointed and the new company is migrating the seven building control databases onto its new single IT system, this is expected to be completed by May 2017.

4.11 Councillor Morris asked whether the company could go bust and Ian said theoretically it could if there was insufficient funds in its accounts. However, the business model identified significant growth opportunities and the seven local authorities had undertaken too provide a loan to enable the company to start up.. If the company was wound up, given the statutory duty the staff would return to their parent local authorities.

4.12 As for the other options, the council could have shared its building control service with another authority or tried to carry on alone, but these would not have overcome the over-arching resilience issues. The collaboration had been a very challenging process. Ian had written the business plan which was accepted by all seven councils with only a few questions on the financial model from the group accountants. All seven councils adopted the business plan, and the Project Board was supported by an external consultant. The project board was made up of the seven chief executives or their deputies along with a representative from the East of England LGA.

4.13 The project had led to Ian working evenings and weekends. At the same time the day job needed to continue. While officers were best placed to start the process, they needed the time and capacity to do so. Ian said that the project could have gone ahead with only 4 or 5 local authorities and been completed faster but it was decided by the Project Board to spend longer to ensure all 7 went forward. There had been some interruption to the continuity of the project for example when there were Executive Member changes at Welwyn Hatfield District Council which meant that parts of the process had to be revisited.

4.14 As for his experience running projects, Ian said NHDC's Building Control Service was already commercially orientated due to the private sector competition and Local Authority building control work having to secure sufficient work to break even at the end of the year. Asked about problems, Ian said that there were seven local authorities with their own staff, each had their own personal and professional concerns that needed to be considered as part of the TUPE process. For some staff if they were local to the existing offices the challenges were practical concerns like picking up children. For other staff it was concerns around a new way of working, some staff though saw this as an opportunity to access new areas of work and develop themselves.

4.15 The seven Hertfordshire authorities were the first to form a company limited by shares to undertake the building control function. Whilst expert legal advice was engaged, it was appropriate for officers with experience of building control to get the project off the ground.

4.16 Asked about whether Council should employ professional project managers, Ian said that in his opinion NHDC officers had the necessary expertise to begin projects such as this with the necessary expert advice sought as required. Steve Jarvis asked whether the seven were clear about the objectives, as each authority had its own priority which might be more resilience, more income or something else. Ian said that each authority had entered into the partnership for its own reasons but they would work to common objectives, this was all identified within the business plan.

4.17 As for doing anything differently, Ian said he wouldn't work weekends and evenings. He would find a way of doing the project while delegating more of the day job. He also said staff engagement could have been handled better. The council should have been more proactive with staff by giving them key messages much earlier.

4.18 Members said the project had been completed comparatively quickly, especially given the involvement of so many councils. There had been consultation with the public, but perhaps more would have been desirable in an ideal world. The quality of business case meant the Council could take a decision and stick to it, rather than the project proceeding through a series of small decisions and increments.

## 5. DISTRICT COUNCIL OFFICES (DCO) REFURBISHMENT PROJECT

5.1 Howard Crompton, the Head of Revenues, Benefits and IT said he had been in local government for more than 40 years. In 1988 he managed a major housing benefit change when all claims had to be recalculated using completely new rules. In 1989 there was more change with the implementation of the Community Charge and three years later, the Council Tax. Then there were all the welfare benefit changes that have taken place over the intervening years. In those days there was no such thing as PRINCE2, although projects were managed in a similar way with good will and good planning.

5.2 Howard said he was registered as a PRINCE2 practitioner in 2005. He first used it in an IT infrastructure change, working in a collaborative partnership with the supplier to change the way customers accessed services. In 2010 he became the project manager for the rationalisation of Council accommodation which required promoting home working to allow the Council to vacate Town Lodge. This brought the beginnings of a change in culture and working practices at the Council with more home working and hot desking. This part of the project was delivered on time and on budget although it had all been done on a shoestring and relied on great cooperation from all staff. The Council saved £70,000 moving from Town Lodge. When the lease on Town Lodge expires there will be more savings because NHDC will no longer have to make the building weather tight, pay insurance and other fixed costs. As for the DCO, the Council had a full repairing lease on it so it would have had to spend a significant amount bringing it up to standard even if it hadn't purchased it.

5.3 The main features and milestones were:

- 15/12/2009 Cabinet sets up a Project Board to firstly move all staff to the DCO from Town Lodge and then develop and implement a longer term plan for Office Accommodation
- Project Team began work in February 2010
- Required culture change to implement more home working
- Virtually no budget – had to be funded from existing budgets
- Lease extended from December 2011 to December 2016
- Town Lodge vacated February 2011 – Revenue saving £70K
- Andy Cavanagh took over as Project Manager for phase 2
- December 2013 Council agrees to purchase DCO

5.4 There have been changes to the designs leading up to an open tender process in the summer of 2016. However no bids had been submitted probably due to the complexity of the tender, which contained a number of options. The council then decided use a Scape framework agreement. Howard became involved again in March 2016 after Andy Cavanagh, the previous project manager had left. The Scape framework agreement promotes the use of local contractors as much as possible which has many benefits for the local economy. Willmott Dixon is the principal contractor.

5.5 The key milestones for the next phase were:

- December 2013 DCO purchased
- 2014 – Design phase Stevenage Borough Council (SBC) appointed as architects
- Planning Permission granted August 2015
- Planning and other enhancements included in the spec
- Summer 2016 - Open tender
- July 2016 Council agrees scope and budget
- July 2016 Decision taken to go with SCAPE Framework Agreement

5.6 The DCO was classified as a major project because it scored maximum points on the scoring matrix. Howard summarised the main features of the scheme and this can be found in the background papers. The project was being managed using Prince 2 methodology, but applied sensibly and proportionately. Howard said it was more cost effective for officers to manage the project rather than hire outsiders. They understood the organisation, and knew how to unlock problems.

5.7 The Project Executive is the Strategic Director Norma Atlay. The Senior User is the Executive Member for Finance and IT, Cllr Terry Hone. The Project Manager had been the Head of Finance, Performance & Asset Management, Andy Cavanagh until his departure, but was now Howard Crompton. The Project Board and Project Team were in place. The trigger, start up and initiation stages had been completed, and the project was now in the delivery stage.

### **State of Play in October 2016**

5.8 The project was now at the delivery stage. Following the Council meeting on 14 July 2016, there was now clarity about the scheme to be implemented and the budget the Council needed to deliver it. On 20 July 2016, the Project Board decided to enter into a SCAPE Framework Agreement.

5.9 Local contractors were being used, so money would filter back into the local economy. There was an open book process to ensure value for money. The decant of staff to Town Lodge would take place over five weekends beginning on 5/6 November. The contractors Willmott Dixon had completed the Feasibility Study. Willmott Dixon and NHDC had held a workshop to determine the exact requirements of the project. Willmott Dixon were tendering work packages at the moment (as at October 2016).

### **Future Work and timescales**

5.10 Howard said NHDC, Willmott Dixon and the suppliers would meet from November to January to agree prices within the allocated budget. Willmott Dixon would begin surveys and other preparatory work in early December. Strip out contractors would remove asbestos starting in January. The final price for the project would be agreed by end of January, and construction work would begin by March, and last for 35 weeks construction. The estimated return date to the DCO was November 2017.

### **Culture change**

5.11 Howard said the construction work was only one challenge. The refurbishment would require a significant culture change to enable a successful move to Town Lodge, with more home working and hot desking. It would take a good deal of co-operation from staff to make it happen. Further cultural changes would be needed when staff returned to the DCO, with fewer offices available and a more open plan work space, with informal break out areas. Staff would need to have more discipline around room bookings, clear desks and more; and there was an expectation of sharing the DCO with other organisations.

5.12 Once complete, the project would provide a modern, multi-functional building which would provide a wider range of services to the public, secure the value of the building as an asset, provide an income stream for the Council, secure Letchworth as a civic centre for the future and be a comfortable place to work in and visit, in a building providing some civic pride.

## Discussion

5.13 Howard said that Stevenage Borough Council were the Architects who had done the original design which went for planning permission. NHDC's planners wanted things added so the building had a more civic feel, and there had been a number of staff suggestions which were good and reasonable and so were included. When the Council went out to open tender it didn't have the authority to spend all the money required, and the tenders were very complex. There was a possible base scheme: and there were other options which might or might not be included. The package was unacceptable to contractors due to its complexity. It would have been a messy contract, with most contractors preferring to build a new building. Howard said replacing the curtain walling was difficult and there were now very few suppliers. Willmott Dixon will sub-contract the work and will remain in overall charge of the project. Howard said the budget was fixed, and the project had a 35 week timescale.

5.14 Cllr Jarvis said the Council had taken a long time to decide on the final project and there seemed to have been considerable mission creep. He asked about the difficulty in progressing it after the purchase of the DCO had been completed. Howard said it was difficult to comment as he hadn't been involved at the time. He wasn't sure how much pressure there was at the time but with hindsight it would have been better for the Council to have had a projected end date in mind. There was a pause in progress between the end of December 2013 through to the summer of 2015. When asked about whether the business case was up to date Howard said when he needed to update it he submitted a revised business case to the project board for approval. Asked about the visibility of project boards and transparency, Howard said there had been a number of reports to Cabinet and Council.

5.15 Cllr Ian Albert, substituting for Cllr Judi Billing, said that Willmott Dixon had worked on a school in Hitchin and had done a good job. Howard said the Council's own building surveyors were heavily involved. The Council also had other expertise like planning and building control involved. There was a Gantt chart produced by the surveyors and Willmott Dixon had done the same thing for the construction phase. Howard said the reality of being a senior officer in a small District Council was that you didn't work a 37 hour week. If the council employed a project manager at the cost £100,000 there would be £100,000 less to spend on construction. Furthermore the council already had the expertise to do the project in house.

5.16 The group asked whether the project would be successfully concluded on time. The Council was a small organisation with little backup and little resilience, and a lot depending on individuals. Outside help was very expensive. Howard said inside knowledge was sufficient. The Council's senior officers had the authority and knowledge to unblock problems with projects.

5.17 Cllr Jarvis asked how the projected benefits and culture change was planned. Howard said he would run a series of exercises to make people aware. Staff would also have a taste of the new arrangements when they moved to Town Lodge where there would be less space available and more hot desking. Asked how the council would manage people in Town Lodge and keep them motivated, Howard said conditions were less than perfect but he was pushing the advantages of flexible working. Furthermore many staff liked and valued it. Howard had some staff who lived miles away and home working suited them, and it also enabled them to work around their children's needs. The turnover of staff was not high in the Council.



5.18 Howard said the open tender stage was transparent and everyone had had the opportunity to bid for the contract, but it had ultimately resulted in a month's delay. He confirmed that the council have been indemnified by Willmott Dixon for errors and problems with the construction. This didn't guarantee that contractors won't go bust. As for lessons learnt or things done differently, Howard said he was very fortunate with the people we have here. We will move back into a nice a working environment, and staff had been very cooperative. A specific timetable would be helpful for the middle stage of the project.

#### **Update since the meeting:**

5.19 On 17 February, Howard reported that the final contract with Willmott Dixon Construction (WDC) was signed and so now WDC can proceed and place all the orders for the components and all the ancillary equipment required to start the construction phase of the project, which is due to begin on Monday 6 March 2017. Because the amount of asbestos in the building which had to be removed and was more than originally thought, a further month has been added to the duration of the contract and so the end date is now 30 January 2018 and this date is now firmly set in the contract.

5.20 The contract value was £5,386,777.33 plus an additional £246,605.77 for the removal of the asbestos, making a total of **£5,633,383**. There have been are some minor changes to the scheme but it will still deliver what the Council expected.

## **6. THE HITCHIN SWIMMING CENTRE PROJECT**

6.1 Vaughan Watson, Head of Leisure and Environmental Service said the council ran two outdoor pools, both at a financial loss. One of the Council's policies was to invest to save by spending to reduce operating costs. Investment in leisure facilities had proved effective in reducing running costs and /or boosting income for the Council. Since the development of Archers Gym in 2000, the demand for classes, in particular from women has increased substantially and outstripped the available supply. At the same time, although membership had achieved by 1,600 members, there was a risk term that competitors would enter the market and have a negative impact on Archers.

6.2 In February 2012, Council approved a feasibility study to expand and refurbish the centre. An architect and quantity surveyor were appointed to look at the design and costs of providing the multi functional rooms required for classes and the replacement of the aging indoor pool changing rooms with a changing village. The Swim Centre had traditional changing rooms, but the trend was towards a changing village which gave users more space and more flexible for families.

6.3 Stevenage Leisure Ltd (SLL), which operates the centre on behalf of NHDC, commissioned a study to determine latent demand of approximately 1,000 extra customers of this catchment area.

6.4 SLL put forward a proposal to NHDC that they would be willing to fund between £720,000 and £1.1 million of a project to develop multi functional room at Archers provided the contracts for Royston and Hitchin were extended to 2024. This was reported and agreed by Cabinet in March 2013.

6.5 As a result, SLL agreed to make an additional payment of £163,000 per annum starting from April 2014 for a period of ten years providing a total of over £1.63m pounds to the general fund. The reported final outturn for the development of the multi functional rooms was £1.035m, showing a financial surplus of about £600,000 over the ten years for the original capital cost.

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6.6 The Council also provided as part of the works a new indoor changing village and air conditioning that cost a further £810,000. The agreed Capital programme was £1.910m and the final spend came in under budget at £1.859m.

6.7 In 2016 memberships have risen to an all time high of 3,230 members, well exceeding the extra 1,000 member projected. This year there will be profit share that will assist in current and future projects.

6.8 The project had suffered a 10 week delay because of drainage issues, but this was not a major problem. The only part of the project which hasn't gone well was a collapsed drain. They had also been temporary changing facilities which was inconvenient for customers; and the air conditioning for Archers was old and needs replacing.

6.9 Cllr Steve Jarvis said the review was looking at the process of managing projects, including financial objectives and how well the process worked. He asked whether there was a formal review process for financial and other benefits. There seemed to be a lack of formality about this information. Vaughan said the Council had regular meetings with the contractor and received the profit and loss statement. The Council monitored the Centre's performance against the revised business case.

6.10 Cllr Jarvis asked which increases were a result of the project as opposed to the general growth in the leisure market. Vaughan said there were too many factors to untangle to answer that question.

6.11 Judi Billing asked about improvements to car parking at the Swim Centre. The current proposal to build at Butt's Close should have been part of the Swim Centre Project. She asked what the process was for making suggestions and giving feedback. Steve Crowley, the Council's Contracts & Projects Manager said there had been a consultation which would have explored car parking. The Council had introduced a £1 charge to stop commuters and other people parking at the Centre and then walking into town. The charges had now increased in the town centre causing a problem for the swim centre. Asked about SLL's management of the facility, Steve Crowley confirmed there was monitoring of electronic tills and audited accounts.

6.12 Vaughan said he wouldn't do anything different on the project. The Centre was very popular, but there was an issue with car parking. Judi Billing said the demographics in Hitchin were changing with more families and flats and more commuters, and she asked whether this was taken into account.

### **Follow Up**

6.13 After the meeting, there was correspondence from Mr Bernard Eddleston, a member of the public who attended the meeting, and the TFG. He asked that his points be taken into account. His correspondence with the Council is set out below.

Mr Eddleston's Initial e mail

6.14 Unfortunately I was not allowed to raise questions on the projects being reviewed last night. I am afraid some inaccurate figures were presented and the full picture was not presented on the Hitchin Archers fitness studios.

- i. Under a FOI request and published on the NHDC website the number of members of Archers at the end of 2012 is stated by NHDC as 2509. Thus the increase in members since then is only 700 (current figure quoted as 3230) and certainly hasn't doubled. The 1,000 increase expected has not occurred.
- ii. The presentation of the return on the investment takes no account of the effect of the agreement on SSL/NHDC of the profit sharing scheme. During 2012/3 the share of profits coming to NHDC was £142,000 and in 2013/4 it was £110,000 (again established by a FOI request on NHDC website) Because of the effect of the renegotiated arrangement with SSL after the studios were completed the profit share coming to NHDC dropped to zero in 2014/5 and 2015/6 although there may be a small element in 2016/17.
- iii. So the improvement in the finances is not the £163,000 presented but only about £53,000 per annum (since the profit share has gone from £110,000 to zero.) Thus over the 10 years NHDC will only recover about £530,000 not the £1.63 million stated, a shortfall of about £1.0M. Not quite the success claimed.
- iv. Although the initial capital cost was about £1.1M, there was to be return on capital of 6% so the amount to be recovered is £1.465M. This was omitted from the report. However since the public were not able to ask questions I'm afraid these facts did not emerge which might have changed the nature of the discussion. Please take the above into account, Regards, Bernard Eddleston

Response from Steve Crowley, NHDC

6.15 I would like to thank Mr Eddleston for his contribution at the meeting last night. With regards to the further questions that he has raised, I have provided a response to these:-

- i. Mr Eddleston is correct that as of December 2012 the membership for Archer was 2509 however, the latent demand estimated was completed in January 2012 which demonstrated a total demand for Hitchin Swimming Centre for fitness of 2,981. This was based on the membership that at the time of the report being written was 1,950, therefore leaving a latent demand of 1031. Prior to the work commencing on site the membership had grown to 2755, by February 2015 memberships had increased to 3005 and as of December 2016 the total membership was 3,230, therefore, significantly above the projected latent demand for this facility. The December membership is 8% above the business case projections.
- ii. Mr Eddleston is correct about the profit share figure, however, the return on investment is regarding the change in the leisure management fee and not the profit share. As of 2013/14 the Council paid SLL £110,877 for operating the Hitchin Contract, following the completion to the capital project SLL paid the Council £35,670 (2014/15) a variation in the contract of £146,547 per annum. At the same time the Council negotiated an increase payment for the Royston Contract, as of 2013/14 SLL paid the Council £28,26 for this contract, as of 2014/15 SLL increased their payment to the Council to £44,952, an increase of £16,687. Therefore, £146,547 + £16,687 = £163,234 increased annual payment by SLL to the Council for these contracts, this is

- iii. an income to the Council of £1,632,340 over the remaining ten years of the contract from 2014/15. The profit share is a totally different item and was not part of the business case.
- iv. I hope this provide a satisfactory response to the questions that Mr Eddleston has raised. Regards, Steve Crowley, Contracts & Projects Manager

Further email from Mr Eddleston

6.16 Thank you for the response to my comments from Steve Crowley which reinforces points made in my presentation quite clearly. I do not want to enter into an extended debate but I must respond to Steve's reply to demonstrate this.

- i. Membership of Archers. It is clear from the figures that the majority of the increase in membership was obtained before the extension to Archers was even begun and if one projected those increases going forward one would have reached the current figure of 3,230 in any case. Therefore one cannot in truth attribute any of the increase in membership to the extension but just a growing fitness and gym market. Just draw yourself a simple graph.
- ii. The response just confirms my view that projects are not looked at from a real business perspective or examined thoroughly before they are agreed. The effect on the profit share is integral to the business case and is not a totally different item. It is no good saying that SSL are going to improve the nett payment situation by £163,000 on the one hand without taking into account the fact that by doing so you are reducing the profit share to NHDC from £110,000 to zero on the other hand. It was evident that by decreasing SSL income (or increasing costs however one wants to present it) by £163,000 the profit would disappear. The effect on the Council is then not £163,000 improvement but only £53,000 and nett income to the Council over the 10 year period will be only £530,000 a shortfall of nearly £1M. This was evident at the time this scheme was being proposed and was pointed out to some Councillors who took no notice. Regards, Bernard Eddleston

- 6.17 Commenting on the exchange, Cllr Gerald Morris made the following observations:
- In reading the emails back and forth it seems to me that depending on who is looking at the financial information, one can come up with different answers.
  - NHDC's leisure facilities are a large part of the council's activities involving substantial sums of money. As such, I think they should be treated as if they were a subsidiary company which is part of a large organisation.
  - It would be clearer and less ambiguous if the figures were presented in an accounts form rather than as a narrative. Similarly because of the size of money involved they should also be independently audited.
  - These accounts could be accompanied by a narrative which may well expand upon particular aspects of the facilities performance, as is normal practice.
  - By presenting the performance of our leisure centres in an accounts form, there would be little room for misinterpretation or ambiguity.
  - I also understand that our leisure facilities are a public service and we can take a view as to whether they should make a financial contribution or not. By presenting figures in the way I have suggested we would at least know clearly the position we are in.

## 7. NORTH HERTS LEISURE CENTRE (NHLC) PROJECT

7.1 Vaughan Watson said the NHLC had been built in the mid 1980's and was now over 30 years old. It had been very popular and well supported since it was built. Given the success of Hitchin Swim Centre project, the Council had been looking for more invest to save opportunities. SLL had a waiting list of 700 people for swimming lessons which could not be met by NHLC's current facilities. As well as the financial benefits of the project there were also social benefits. Given the centre's age, the Council's options were:

- do nothing
- Demolish and replace the Leisure Centre
- invest in the existing facility and extend its current life

Of these the least risky and most sustainable option was to invest in the existing facility.

7.2 A capital budget was agreed to improve the Centre including:

- A new teaching pool;
- A new cafeteria;
- replacement offices;
- conversion of the old cafeteria to a multi functional room;
- refurbishment of the sports hall including flooring and lighting;
- refurbishment of the leisure pool changing rooms;
- Plant room improvements; and
- Improvements to car parking.

7.3 As well as a much improved facility for the public, the Council would receive an extra **£18,398** a month (**£220,776** a year) from SLL once the facility had been completed. This was originally scheduled to be April 2016 and was now scheduled to be June 2017.

7.4 Cllr Gerald Morris asked whether the Council took account of asset depreciation when calculating its profit and Vaughan said it did not.

7.5 There had been a number of delays to the project. The initial delay of 7.5 months before work began were due to having to secure further funding of £317,000 of capital from Council with £138,000 of income lost as a result. There were then further negotiations with the main contractor, resulting in further delays of 5.5 months and further costs funded from contingencies before work started on site, resulting in a loss of £101,000 of potential income. The initial tender was substantially over budget and the Council pursued a value engineering exercise in order to bring the costs down. This exercise was necessary but time consuming as it involves careful consideration of amendments to design and build in order to reduce cost without any material impact on the usability of the completed works.

7.6 Since work began on site further issues with cabling and drains were identified that resulted in a further 10 week delay on the overall programme costing an extra £127,000 in capital funding and resulting in the loss of £46,000 of expected income.

7.7 The total revenue implications associated with delays in opening the teaching pool is the loss of contractual savings on the Letchworth Leisure Contract, which equates to £18,398 per month. The delay in opening of 15.5 months has resulted in a loss of **£285,000** in expected income.

7.8 The increase in capital costs on the project are £317,300 of additional capital funds agreed by Council before work began and £128,000 after work started due to drains and cabling work not identified prior to commencement of contract, a total of **£445,000**. Cllr Gerald Morris said the normal contingency for such projects was 10%. An estimate is only an estimate, not a quotation.

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7.9 Cllr Judi Billing asked if the Council had any data on loss of clientele. Vaughan said there was a loyal customer base and most of them were tolerant of the works provided the Council kept them informed. Males were more disadvantaged than females by the works. Steve Crowley said the Council didn't have data but overall usage for all leisure facilities was up.. Judi Billing said she was not sure communication was great and as a user she wasn't always sure what was going on. A notice board in reception has been dedicated for the project providing updates on key items.

7.10 Cllr Steve Jarvis questioned the use of value engineering and asked whether it saved anything if the cost of it was more than the possible savings available. Steve Crowley said this went to Project Board and then to Cabinet. Steve Jarvis said it was possible to follow a process but not get the desired result. Steve Crowley said the Council invested in project management training and any changes were considered against the business case. Vaughan said the Council was saving a million pounds a year on leisure contracts compared to a few years ago. Steve Jarvis said the Council could have saved more if it had been built on time.

7.11 Cllr Michael Weeks said this was a good example of partnership working but there was not enough parking at the Leisure Centre. Vaughan Watson said the Letchworth Garden City Heritage Foundation lead on parking matters as they owned the land and the rugby club had done the work.

7.12 Steve Crowley said the Council had adopted a design and build model at Royston Leisure Centre; and undertaken a traditional build at the other leisure centres and decided that a design and build was more suitable for the NHLC project. They used a quantity surveyor to determine the budget. As for lessons learnt, Vaughan Watson said it was important that Council delivered projects without too much procrastination. It had more limited resources which meant it needed to manage the risk properly.

7.13 Cllr Steve Jarvis asked if the project included officer time in terms of cost and capacity. Vaughan said time allocations were done over a one year period. Working evenings and weekends was normal for senior officers. The project was still within the revised revenue budget and capital budget.

## **8. BALDOCK TOWN CENTRE ENHANCEMENT SCHEME**

8.1 Louise Symes, Strategic Planning and Projects Manager at NHDC, explained that the Project had been approved by the Cabinet and Full Council in January 2006 with the adoption of the Baldock Town Centre Strategy. Its primary objective was:  
*'To maintain, regenerate and develop an attractive, safe, accessible, vibrant and lively town centre, based on its historic context, for the local community and visitors to work, live and relax'.*

8.2 A budget was set aside to enhance Baldock town centre. Following completion of the Baldock bypass in March 2006 and the resulting reduction in through traffic, there was an opportunity to improve the physical environment of the town centre. The project ran for 2½ years. In February 2007 BDP were appointed to design the scheme and supervise it through to completion. In 2008 Skanska was appointed as the contractor to undertake the work which was completed in April 2009.

8.3 The objectives of the scheme were to provide:

- a high quality, attractive and robust scheme in terms of design and materials;
- a scheme that improved safety within the town;
- a scheme that benefited all users in terms of function and accessibility;
- a scheme that created a lively setting for the town centre.

## Issues

8.4 Louise said that addressing a number of issues was key to the success of the scheme:

- **Parking and traffic** – rationalisation of car parking in the town centre, reducing traffic speed and flows in the town. As a result Herts County Council (HCC) was an integral partner in the design of the scheme. A parking strategy was prepared for the town centre and surrounding residential streets.
- **The market** – creating a dual purpose space for the market to be used for other events and parking at other times.
- **Green and public space** - creating a pedestrian friendly area, suitable for events and activities, which Baldock town centre lacked. Engaging with Baldock's councillors, the Baldock Society, the Baldock Fair, market traders, local businesses and residents in the process was important for their views on how the space could be used.
- **Street furniture** – needed to be robust, sustainable and removable for the annual Fair along the High Street and Whitehorse Street.
- **Tesco** – linking the major supermarket into the town centre through the memorial gardens.

## Project Management

8.5 A partnership agreement was signed between NHDC and HCC which set out the financial terms and risks for the project, the duties and responsibilities of both partners, the project's principles and the decision making process.

8.6 A Project Board was set up which was responsible for driving forward the project and had powers to make all decisions relating to the project other than those in the remit of Cabinet or Council. The Project Board comprised:

- NHDC's Head of Planning and Building Control, David Scholes
- NHDC's Strategic Director of Financial & Regulatory Services, Norma Atlay
- A local Baldock District Councillor, Andrew Young
- HCC's Head of Transport, Programme & Standards, Mike Younghusband
- A core officer team with officers from NHDC and HCC and the design consultants as required.

8.7 The Core Officer Team reported regularly to the Project Board and had the responsibility to put into effect the decisions of the Project Board. The core team were responsible for day to day project management, preparing risk register and budget control.

8.8 Baldock and District Committee was consulted on all decisions about design and materials, including the extent of the scheme, choice of materials, consultation strategy, preliminary design for consultation and final design.

## Budget and Cost

8.9 The initial budget was £2.8 million made up of £2 million from NHDC and £800,000 from HCC. HCC subsequently increased its contribution by £400k to include modification of the Clothall Road and Whitehorse Street junction which also included a design and build of the western gateway with traffic signals at the Weston Way junction. This brought the total cost of the project to **£3.2 million**.

8.10 Of the £3.2million, £1million spent on preliminary investigation, design fees, project management, parking and traffic management and £2.2m on construction. The scheme was completed within budget and on-time.

## Before & After

8.11 The scheme was formally opened on 13 June 2009 with a special event in the town centre. The scheme won the Horticultural Landscape and Amenity Award 2009 for the Best Commercial Project.

8.12 Before the scheme, the town centre was dominated by parking, deliveries and through traffic. After, the space along High Street and Whitehorse Street was made more pedestrian friendly with the creation of a new public open space for the market and other events, areas of green space to enhance the environment, a more efficient parking layout and improved traffic flows. The town centre now enjoys a number of events, a café culture, fewer retail vacancies and an improved visitor experience.

## Lessons learned

- 8.13 The positive features of the project included:
- the importance of a design freeze in securing Project Board agreement and also agreement by the Baldock & District committee;
  - having member continuity on the Project Board;
  - working within an agreed budget at the outset;
  - having a dedicated team working on the project;
  - appointing designers who had extensive experience in public engagement; and
  - undertaking extensive pre-consultation to understand issues, consulting on scheme design, keeping the public informed regularly throughout the project, and requiring the contractor to appoint a public relations agent to work with businesses.

## Handover to HCC & On-going Maintenance

8.14 The scheme was handed over to HCC in January 2013 for future maintenance following completion of all outstanding snagging works. An agreed maintenance and management guide was prepared clearly setting out HCC's and NHDC's responsibilities.

## Discussion

8.15 Members said the scheme compared favourably to other town centre refurbishments in North Hertfordshire and most people seemed to like it. There seemed to have been a lot of public participation.

8.16 When asked about public dissatisfaction or opposition, Louise said some people didn't like change and were concerned about the length of the construction period, in particular business owners. The scheme had created a café culture in Baldock where none had previously existed.



8.17 Members doubted whether the re-modelling of the Whitehorse Street Junction had been completely effective. Despite the existence of the bypass, the Whitehorse Junction remains a shortcut road used by many motorists. Louise said traffic flow and congestion is a HCC issue, but NHDC has discussed a number of options with HCC including night limits, banning HGVs and better signage to divert traffic.

8.18 Mention was made about the quality of the materials used. Louise said one reason for using robust materials was to accommodate the Baldock Fair and the need for removable posts and materials that could withstand heavy loads, hence the choice of granite. York stone had been chosen as a design feature to delineate the footways in front of the buildings. The designers and contractors had emphasized that the sub-base on which the scheme was built needed proper attention to withstand heavy loads and traffic movements across forecourts. The street furniture was deliberately low maintenance.

8.19 Public consultation and time spent on this had been quite expensive and resource intensive but it had needed to be as there were so many different interests involved including visitors, businesses, residents and others. It had taken a good deal of consultation to understand the issues and really listen to local businesses and residents. BDP was a very good company who had good PR skills, design and construction management experience. Consultation about parking arrangements had been particularly important. Baldock was the only town centre in North Herts with residents' permits, although these were only issued to those with no access to on street parking.

8.20 When asked about writing a brief for the tender, Louise said there been an extensive brief drafted in conjunction with HCC. The scheme was in two parts. The first was a design scheme which involved extensive surveying and preparing the tender papers for the construction phase. BDP were not the cheapest company but their PR expertise was very important for consultation. The second phase was construction which involved another full tender process. The total budget was £3.2 million of which £1 million was on non construction related activities.

8.21 Louise said the scheme needed a lot of essential preliminary work before the construction drawings could be prepared such as the extensive surveys on Baldock's many cellars, parking arrangements and traffic flows. There was also a drainage survey and other preparatory work, along with the cost of a clerk of works on-site along with health and safety officers required to monitor the construction phase of the work.

8.22 Members queried the evidence for the cafe culture. Louise said there was now a wider trend of this taking place as Baldock previously had very narrow payments with cars parking right up the front of shops. The council created the right environment which has enabled the café culture to develop. Louise said more people in Baldock had started refurbishing their own buildings as a result of the improvements in the Baldock town centre.

8.23 Asked about transferable skills and lessons learnt, Louise said the Council was very clear about its aims and objectives for the enhancement of Baldock town centre. There was an advantage in taking a decision and sticking to it. This was particularly in relation to the design freeze on the scheme. It had also taken place in different economic circumstances when councils had the money to enhance their town centres.

8.24 Members said the scheme had been a success. There were some issues and some opposition, particularly about car parking. Louise said the proposal to enhance the link between Tesco and the Memorial Gardens had not worked. Tesco had submitted a planning application for expanding the store and one of the conditions was a better link from Tesco to the town centre but the application had been withdrawn so this element had not proceeded.

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8.25 Steve Jarvis asked how the Council could make sure it set objectives that were achievable and avoid those which were not. The appeal of Tesco to visitors was very different to that of Baldock town centre. Louise noted the point and agreed that although the intention had been to open up the street scene and create stronger links between the town centre and Tesco, this may not have worked as one cannot predict people's habits. The area of the High Street near the Memorial Gardens was still being used well during the year with a motorcycle festival, a music festival and more taking place.

8.26 Robin Dartington, a resident of Hitchin, considered that the scheme had been a success. It was an enhancement scheme which sought to improve things which were already there. It was different and less disruptive from the kind of redevelopment scheme proposed for Churchgate. Refurbishment involves removal of existing structures with nothing in between until the new development was built. He said BDP was an inspired choice. Indeed he had appointed BDP many years ago in one of his projects. It was a broad based company with many skills.

## 9. ENHANCEMENT OF FISH HILL SQUARE, ROYSTON

9.1 Louise Symes explained that the Project was approved by the Cabinet and Full Council in June 2008 with the adoption of the Royston Town Centre Strategy. The Strategy identified Fish Hill Square as a key opportunity site and recommended its enhancement.

9.2 The project ran for 18 months. BDP was commissioned in April 2010 following a full tender process to prepare a design for the enhancement of Fish Hill Square and supervise the works through to completion. Maylim Ltd was appointed in 2011 as the contractor to undertake the work which took 3 months to complete and was carried out from July to September 2011.

9.3 The objectives of the scheme were:

- to produce a well-designed, high quality enhancement scheme for Fish Hill Square that enhanced and promoted its historic character and best met the aspirations of the local community in design and implementation; and
- to provide a catalyst for future development within the town centre. An enhanced square should attract new uses and create a new public square to act as a focal point for the town centre.

### Issues

9.4 It was clear from the start that addressing a number of issues was key to the success of the scheme:

- **Flooding** - Addressing the drainage problem that resulted in periodic flooding of the lower section of Fish Hill and Market Hill during periods of very heavy rain. As a result HCC was an integral partner in the design of the scheme.
- **Parking** - Car parking in the square needed rationalising as part of the overall reorganisation of town centre parking.
- **Public Space** - Creating a pedestrian friendly area, suitable for events and activities, which Royston town centre lacked. This meant engaging with Royston Town Council, the town centre manager, local businesses and residents for their views on how the space could be used.

## Project Management

9.5 NHDC led on the project and worked in partnership with HCC as the highways authority. A Project Board was set up and was responsible for delivering the Project and it had the powers to make all the decisions relating to the Project. Its membership was:

- NHDC's Strategic Director of Planning, Housing and Enterprise, David Scholes;
- A local Royston District Councillor, Fiona Hill;
- NHDC's Regional and Strategic Developments Manager, John Ironside;
- NHDC's Group Accountant for Planning Services;
- A core officer team led by Louise Symes with officers from NHDC and HCC and the design consultants as required.

9.6 The core officer team reported regularly to the Project Board and had the responsibility to put into effect the decisions of the Project Board. The core team was responsible for day to day project management, preparing the risk register and budget control.

9.7 Royston and District Committee was consulted on all decisions including the extent of the scheme, the choice of materials, the consultation strategy, preliminary designs for consultation and the final design.

## Cost & Budget

9.8 This was a much smaller scheme than the Baldock one, with a total budget of £450,000 funded from Central Government's Growth Area Fund. HCC contributed a further £45,000 for the planned drainage works to ameliorate the flooding problem in Church Lane bringing the total budget to **£495,000**. The Scheme was completed on time and within budget.

9.9 The scheme was handed over to HCC in October 2013 for future maintenance following completion of all outstanding snagging works. An agreed maintenance and management guide was prepared clearly setting out HCC's and NHDC's responsibilities.

## Before & After

9.10 The scheme was formally opened on 19 November 2011 with a special event in the square.

9.11 The area at the northern end of Market Hill and Fish Hill was dominated by parking, deliveries and access for vehicles. Following completion of the works the space is predominately for pedestrians and for activities and events, with the parking and access controlled and resulting in a more efficient use of the space. The number of retail vacancies around the square has decreased and the square is used for small events.

9.12 The Council involved local school students in the design of the sculpture; and involved local residents and businesses in naming the square. Both were important for ownership of the square and its community use.

## Lessons learned

9.13 Positive aspects of the scheme were:

- the importance of a design freeze in securing Project Board agreement and also agreement by the Royston & District Area Committee;;
- member continuity on the Project Board;
- working with a limited budget and achieving value in terms of impact and design;
- Having a team dedicated to the project;
- Appointing designers who had extensive experience in public engagement;
- Undertaking extensive pre-consultation to understand issues, consulting on scheme design and keeping the public informed regularly throughout the project;
- gaining local ownership of scheme

## Discussion

9.14 Louise said the Royston project was similar to Baldock one but on a smaller scale. Royston town centre is rather disjointed and the project was about linking pieces of open space. Fish Hill Square was very quiet and the project aimed to stimulate business activity. The Council originally wanted to pedestrianise the whole area but the complete loss of car parking was unacceptable to the people who needed access to Church Lane and other residential areas. As a result, a small area was pedestrianised with the rest left open to parking. There were no vacant commercial units in this area since the scheme was completed.

9.15 The project was undertaken in two stages, design followed by construction work, and both went well. An extensive consultation exercise took place with businesses, the Town Council, town centre manager and local residents. The project management was led by NHDC.

9.16 The council and BDP involved the local Meridian School art class by asking them to take part in a competition to design a sculpture feature for the new square, with the prize winner spending a day at BDP. There was also a scheme regarding naming of the square. There was a lot of local ownership in the scheme which has meant the area has not suffered from graffiti and vandalism to date. With some further promotional work it might be possible to increase the use of the area. Once again the Council opted for the use of robust and durable materials. It also produced its own maintenance manual which sets out the responsibilities of NHDC and HCC. The Scheme was completed on time and on budget, even though it was a very restricted budget.

9.17 Cllr Morris said it was an unpretentious scheme which improved an awkward part of the town and he had not had any complaints about it. Louise confirmed that a third of the budget had been spent on design fees and preparation, as in Baldock. There were occasional events in the middle of town, but because the area not been fully pedestrianised it was not used as much as originally hoped.

9.18 Members asked why the Council did not use BDP as its designers on more schemes. Louise said they had been appointed to work on the Bancroft Gardens scheme in Hitchin. There was a suggestion they might be used to look at an enhancement (as opposed to a redevelopment) of Churchgate. Louise said they were good firm who had worked on many mixed use developments, and had won other contracts in Hertfordshire on the back of their successes in Baldock and Royston.

9.19 Cllr Jarvis said that even if the Council could not always afford to use BDP, it would be useful to understand how BDP went about things, particularly on public input. As for the lessons learned, the council had expertise but not necessarily the time to dedicate sufficient officer resource to a significant number of projects.

## **10. PUBLIC PARTICIPATION**

### **Colin Dunham**

10.1 Mr Dunham attended the Overview and Scrutiny Committee on 13 December 2016. The Committee referred his comments to the Task and Finish Group and these were considered at its meeting on 10 January 2017,

10.2 With the Council striving to become more business like, Government cuts etc, now is the time for large projects of the future to have safeguards.

10.3 Senior Officers should have time logged to oversee major projects, most firms have systems ie computer based.

10.4 Before the Council approves any large projects, except statutory ones, the Project Team Leader should inform the Portfolio Holder of estimated officer hours, time scales and ancillary costs such as outside advice so that the whole project could be properly costed. Cabinet would then make a decision whether it should go ahead or not.

10.5 The Risk Officer should produce reports for the Project Team Leader on a weekly basis so that the Project Leader and Portfolio Holder can make a decision to carry on, provide more staff or stop projects as needed.

10.6 At the end of the project, or when a project is stopped, final figures should be produced in order to keep Members informed and the true costs of projects should be subject to the scrutiny of the Overview and Scrutiny Committee and the public, with questions asked such as "was the project value for money, were the relevant skills available from the start of the project", with the aim of either praising the work done and/or learning lessons.

### **Bernard Eddleston**

10.7 I would like to put on record level public participation in the workings of this group has being effectively non-existent despite the Council's own protocol on task and finish groups. Task and finish group's can only be effective if they allow full public participation with the opportunity for the public to question officers. This current task and finish group is not scrutinise existing projects in depth. One can only learn lessons for the future by thoroughly examining past projects.

10.8 This is compounded by limiting this public participation to 3 minutes which is totally inadequate. Despite the above I will this down some areas that need attention and the limited information.

### Pre-contract

10.9 Budgets are nearly always too low since no account is made of when the work is to be carried out. I.e. no allowance is made for inflation. Budget process to be improved and account taken of likely inflation costs.

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10.10 But it should include the amount of time costs (including overheads) allocated to the project from pre-contract worked right through to contract completion. This would give the real cost of the project and also make it easier to prioritise which project should go ahead.

10.11 No proper public consultation before a scheme project is decided. Fast most of the public consider the consultation is a waste of time because the Council has already decided what it wants to do and consultation is limited and designed to confirm the predetermined outcome.

10.12 Business case is not robust enough and not enough scrutiny or questioning by councillors. Seems to more or less rubber stamped everything. Examples are so-called invest to save projects and Council office building project.

10.13 No overall strategy apparent for capital spending.

#### Contract award

10.14 Specifications of what is required and detailed surveys of work to be done is not thorough enough resulting in an unexpected costs and thus delays and increases in costs. Need to hold consultants, architects and surveyors to account. I.e. why wasn't the damp in the town Hall and other works sorted out beforehand, unexpected work on North Herts leisure centre and asbestos in the office refurbishment project not known about and not catered for in the contracts?

10.15 Timescales need to be adhered to with penalty clauses for late delivery. Avoid framework contracts which are a recipe for disaster.

10.16 Investigate potential contractors more thoroughly (two recent contractors have gone into liquidation during or immediately after the contract.

10.17 Rigourously ensure that officers are not too close to contractors.

#### Internal management

10.18 Senior management and project inadequate and project managers not held to account. The Council has overspent by several millions on recent projects. An extensive delays and yet no one is to blame!

10.19 Officer time does not appear to be charged to its projects. Nearly all businesses do it as a matter of course. This would identify to councillors how much project is really costing and help senior management in their management of critical resources.

10.20 The size of the Council is such that they are not the experience project managers in place. Need to consider hiring in a project manager on contract for some major projects.

10.21 Major project boards contain too many officers and councillors. Need at least two independent external members on the board so that objectivity is maintained and their experience could help deliver the project on time and budget.

10.22 The effects the current poor management is threefold. Firstly it allows contractors to claim additional costs and delays due to council failings. Second the Council offices are engaged on managing the project for a lot longer than was expected which gives rise to increased internal project costs. Third because officers are engaged longer they cannot work on other projects and activities which delays these activities and leads to yet further cost increases.

10.23 Senior management and Cabinet do not seem to manage resources at all well and are not looking at the big picture. Thus all the time and effort has been spent in recent weeks on play areas to try and save a few thousand pounds when the North Herts leisure centre project has slipped again with a total loss of revenue now at £285,000 and a further cost increase of £127,000.

**Mike Clarke**

10.24 Mr Clark, a resident of Hitchin said he had found the Churchgate briefing very frustrating. Particularly in regard to the information that the Churchgate liaison forum which would not meet again. In future the Council would meet in private. Lots of people had spent a lot of time on the forum. Why was this not a good idea? We should look at the past to think about the future. He would have liked the papers earlier so there was more time to consider them.

**Chris Parker**

10.25 Mr Parker a resident of Hitchin who represented Keep Hitchin Special, said there was a lot of ill-feeling about some projects which have been managed for example Hitchin Town Hall. Hitchin Town Hall was advertised as a fitness centre in competition with Archers.

**Robin Dartington**

10.26 Mr Dartington attended the TFG meeting on 20 February and his comments on the Baldock Town Centre Enhancement Project have been recorded with that item.

**Discussion**

10.27 Members agreed the council have been lacking in communication with the public. Cllr Judi Billing said the liaison forum had been problematic. There were different ways of doing public consultation. Cllr Steve Jarvis said the scrutiny committee should look at how the Council consults with the public and whether it meets the public's expectations. Members agreed the council have been lacking in communication with the public. There were different ways of doing public consultation. Judi Billing said scrutiny in the council need to be mainstreamed. Bernard Eddleston said some external input would have been helpful to the Council in managing projects.

## 11. ACKNOWLEDGEMENTS

11.1 The Task and Finish Group would like to thank all those who have taken part.

### NHDC Staff

Ian Couper	Head of Finance, Performance and Asset Management
Norma Atlay	Strategic Director of Finance, Policy and Governance
Anthony Roche	Corporate Legal Manager and Monitoring Officer
Louise Symes	Strategic Planning and Projects Manager
Ian Fullstone	Head of Development and Building Control
Howard Crompton	Head of Revenues, Benefits and IT
Vaughan Watson	Head of Leisure and Environmental Service
Steve Crowley	Contracts & Projects Manager

### Members of the Public

Colin Dunham  
Bernard Eddleston  
Mike Clarke  
Chris Parker  
Robin Dartington



**North Hertfordshire District Council  
Overview and Scrutiny Committee Task and Finish Group**

**The Council's Management of Larger Projects**

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**SCOPE**

**Terms of reference**

To review the effectiveness of the Council's management of its larger projects  
To suggest improvements for ongoing and future projects

**Timeframe**

3-4 months beginning July 2016  
Report to Overview and Scrutiny Committee Dec 2016

**Link with Council Objectives**

Attractive and Thriving  
Protect and Prosper  
Responsive and Efficient

**Key Questions**

What is a larger project?  
How are projects chosen?  
Are the Council's projects delivered on time, on budget and to the required standard?  
How well do the Council's project management arrangements work?  
How well has the Council's communication arrangements with members and the public worked?  
Is responsibility for projects clearly defined?

**Key Projects**

Churchgate	Baldock & Royston Town Centre
Hitchin Swim Centre	Enhancements
North Herts Leisure Centre Extension	Herts Building Control Consortium
Office Accommodation	

**Potential Witnesses and Community Engagement**

Lead Officers for each project  
Community groups - to be decided by project  
Others to be confirmed

**Green Issues**

Nothing obvious

**Briefing arrangements**

Briefings by Project Officers  
Remaining briefing arrangements to be decided

**Membership**

Cllr Michael Weeks (Chair)  
Cllr Judi Billing  
Cllr Steve Jarvis  
Cllr Paul Marment  
Cllr Gerald Morris

**Portfolio Holder** - To be confirmed

**Support Officer** - Brendan Sullivan, Scrutiny Officer  
**Lead Officer** – David Scholes, Chief Executive

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## **SMT COMMENTS ON RECOMMENDATIONS**

### **1. CONCLUSIONS AND RECOMMENDATIONS**

1.1 The Task and Finish Group's terms of reference were to review the effectiveness of the Council's management of its larger projects; and to suggest improvements for ongoing and future projects. The Group looked at seven projects of different types in a variety of locations. It was also briefed on the Council's project management arrangements.

1.2 This review did not consider the Hitchin Town Hall and Museum Project. This will be the subject of a separate task and finish group once the project is complete.

1.3 Some projects were clearly well managed and successful, namely the Baldock and Royston Town Centre Enhancement Projects and the Herts 7 Building Control Project. Others were successful in some ways but less so in others for the reasons discussed below.

1.4 Despite the Council's best efforts, not every venture may succeed and even those that do may have to travel a bumpy road to do so. There is no doubt that these projects were well intentioned and everyone concerned worked hard to make them a success. Many of the Council's senior officers worked evenings and weekends to make this happen. The suggested improvements below are not a criticism of their efforts, only some constructive pointers for the future.

#### **Baldock Town Centre Enhancement**

1.5 This was a very successful project which originated from a time when town centres were a priority for the Council and it had funds available to improve them. The project was managed by Louise Symes in conjunction with Herts County Council and BDP and finished on time and within its £3.2 million budget. The scheme was successful in winning the Horticultural Landscape and Amenity Award 2009 under the Category Best Commercial Project.

1.6 There was much to admire about the project. It was very well planned, and the community engagement carried out by the designers BDP was excellent. An unattractive public space was transformed with commercial and community benefits. The materials used were of high quality obviating the need for lots of ongoing maintenance.

1.7 The project met all of its objectives except its desire to enhance the link between Tesco through the Memorial Gardens to the town. The Council had included this as a condition of Tesco's planning application for expanding the store but the scheme was subsequently dropped by Tesco. Although a relatively minor point in this project, the Group considered it was important the Council set objectives that were achievable and avoided those which we're not. This will be referred to again below.

#### **Enhancement of Fish Hill Square in Royston**

1.8 This was a similar project in many ways to the Baldock Town Centre Enhancement, albeit on a smaller scale. Once again it was successfully managed by Louise Symes in conjunction with BDP and was completed on time and on budget. It did not cost the Council anything (except officer time) as its initial budget of £450,000 was funded entirely from the Government's Growth Area Fund. Hertfordshire County Council contributed a further £45,000 for additional drainage works to ameliorate the flooding problem in Church Lane.

1.9 Once again the Council and the designers BDP did an excellent job in planning the project and in consulting and engaging with the community. They were creative in getting local school students involved in the design of the sculpture; and engaging with local residents and businesses in the naming the square.

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## **SMT COMMENTS ON RECOMMENDATIONS**

### **District Council Offices (DCO) Refurbishment**

1.10 This project is the latest part of a wider project to rationalise the Council's accommodation. The first phase was vacating Town Lodge in February 2011 with attendant revenue savings of £70,000. The next phase was the Council's purchase of the building itself for £3.6 million in December 2013 which generated a net revenue saving of £128,000 which is a return on investment of 3.5%.

1.11 With the purchase of the DCO complete, the Council needed to progress the next stage of the project. However, there followed a pause between the end of December 2013 through to the summer of 2015 when the Council seemed to be undecided about what to do next and the project lacked leadership. It clearly needed to do some essential maintenance which was outstanding from its time as a lessee but was uncertain whether to do just the bare minimum, or, if more than that, how much more. The project was drifting. The Council had not learnt its lesson from Churchgate and other projects. The longer a project is in the incubation stage and the more it overruns, the more likely it is to suffer from increased costs and other unforeseen problems.

1.12 The Council appointed Howard Crompton, Head of Revenues, Benefits and IT to get the project back on track. Howard has rescued and revitalised the project by first establishing and then clearly setting out the Council's options along with the costs and benefits of each. The Council made its choice but the delays and extra project specifications have added an extra £2.4 million to the budget which now stand at £5.9 million, including contingencies. It is less clear whether the return on investment (around 1.6%) for this phase of the project is adequate, although this has to be considered alongside the other, non financial benefits to the Council.

1.13 There are two lessons here. First, large projects need leaders throughout the entire term of the project to drive them forward, which will be discussed further below. Second, it is important that the Council makes decisions and gets on with implementing them. Construction industry inflation and mission creep can add significantly to allocated budgets. Long delays can result in the Council needing to find significantly more capital than it has planned for.

**Recommendation 1: The Council needs to be more decisive about what it wants from larger projects and once it decides, it needs to get on with them.**

#### **SMT Comments on Recommendation 1**

**SMT supports the position that the Council needs clear and expedient decision making in deciding whether to progress with projects and the basis on which projects are progressed. Furthermore, SMT advocates the concept of a 'design freeze' which worked well with Member support in Baldock and Royston in relation to construction projects or a freeze on project scope in relation to other projects. Often the Council (or Project Executive) faces external pressures to vary the project once it has been decided upon.**

1.14 The tender exercise gave construction companies the opportunity to bid for the work but ultimately the complexity of the tender package and specialist nature of parts of the renovation meant there were no bidders. This caused a short delay to the work but did allow the Council to employ a local firm which will have many benefits to the local area. While it is inevitable some tenders will be complex, the Council should not include more options in its tenders than are necessary simply because it is unclear about its preferred outcome. Doing so increases the tenderers' costs (which will be reflected in the price) and can dissuade

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## SMT COMMENTS ON RECOMMENDATIONS

companies from submitting a bid. The group made a similar observation on the Churchgate project.

**Recommendation 2: The Council should not introduce unnecessary complexity into its invitations to tender because it is unclear about its preferred outcome. It should decide what it wants and then invite bidders to tender for it.**

### **SMT Comments on Recommendation 2**

**SMT supports the concept that the tender specifications should be made as clear as possible and not unduly complicated. The Council must however ensure that its contractual position is safeguarded and that the full requirements of the project are captured in the specification. There is no evidence that the position regarding a lack of bids was as a direct result of an over complex tender specification. The Scape contract has provided an effective vehicle to deliver the project.**

## **Hitchin Swimming Centre**

1.15 Leisure facilities are one of the Council's successes. This project involved providing multi functional rooms required for classes to meet rising demand and replacing the aging indoor pool changing rooms with a changing village. The Council succeeded in its objective of updating and expanding an existing facility to meet local demand. The final spend was £1.859 million coming in under the final agreed budget of £1.91 million.

1.16 The project's financial and membership benefits were less clear cut, and the Group considered that these may have been overstated. The Group did not believe the increase in membership claimed by the Council could be attributed solely to the project as membership had risen to 2755 even before work began. Membership has continued to rise since the project's completion but it is not clear how much of this is due to the extra capacity and improved facilities as opposed to the growing fitness and gym market.

1.17 The same is true for the financial benefits. The project and the related contract extensions improved the Council's annual payment position with the operator Stevenage Leisure Ltd (SLL) by £163,000 annually. However the Council does not explain that it had a significantly adverse effect on the Council's income from its profit sharing scheme with SLL which was £110,000 in 2013/4, making the overall return on investment much smaller than stated.

1.18 The Council has a tendency to be selective about the financial information it presents and tends to present it as a narrative, with or without supporting tables. It would be better if complex financial information was presented in the form of accounts so that readers can see all of the relevant spending and income associated with projects.

**Recommendation 3: The Council's financial information should be comprehensive and presented in the form of accounts so the extent of profits and losses can be easily understood.**

### **SMT Comments on Recommendation 3**

**The reports regarding project proposals provide appropriate information (in for example business cases) to enable decision makers to take a properly informed decision. When undertaking a project, the business case draws out the links to the Council's Corporate Objectives as well as considering the social benefit of the project alongside its monetary cost which requires both numerical and narrative explanation.**

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## **SMT COMMENTS ON RECOMMENDATIONS**

**Local authority accounts are required to separate Capital and Revenue expenditure and are prepared on an income and expenditure basis rather than profit and loss which is often inappropriate to the context in which the project is being considered. Where impacts are more difficult to assess these will be incorporated into the Risk Logs which are continually updated throughout the life of the project. The Risk Logs include financial risks and additionally these are often incorporated in the Corporate Business Planning process.**

**The profit share element of the Leisure Contracts contain restrictions so that it is used to reinvest in our managed leisure facilities.**

### **North Herts Leisure Centre**

1.19 The Council agreed a capital budget of £3.136 million to improve the aging leisure centre in a number of ways including a new teaching pool, a new cafeteria, refurbishment of the sports hall and leisure pool changing rooms and more. There was a good financial case for doing so. Once the facility had been completed the Council would receive an extra £18,398 a month (£220,776 a year) from Stevenage Leisure Ltd which runs the facility on behalf of the Council.

1.20 The project was originally scheduled to finish in April 2016 but is now scheduled to finish in June 2017 due to delays in starting work and unexpected problems during the construction. The delay in opening of 15.5 months has cost the Council £285,000 in lost revenue. Capital costs have overrun by £445,000 to date consisting of £317,300 pre-commencement costs and £128,000 after work started due to unidentified drainage and cabling work.

1.21 The Group heard that projects such as these have milestones and tolerances which are closely monitored by the project manager and the project board, with Cabinet receiving exception reports. It is important that all members of the Council are aware at an early stage if there are problems with projects and it would be useful if exception reports had a wider distribution.

**Recommendation 4: When exception reports are produced by project boards, they should be circulated to all members of Council through the Members' Information Service or by e mail.**

#### **SMT Comments on Recommendation 4**

**The Council operates an Executive model of governance and our accepted project management methodology sits within that. Where projects require any decision making that is outside the scope of the project as defined by Council or Cabinet then an exception report is provided to the appropriate committee seeking the necessary authorisation. Information on project delivery is provided to Members at key points in the progression of projects through MIS.**

1.22 There was also an underlying sense that officers' time was stretched between this and other areas of work and that this may have contributed to the delays. Evening and weekend working was a feature of many of the projects seen by the Group. It is not satisfactory for the officer leading a major project in an area outside their main job responsibilities to be required to do in the evenings and at weekends.

**Recommendation 5: Projects are constrained by the resources that the Council has available. Planning a substantial project on the basis that part of it will be done in a member of staff's spare time allows no contingency. The Council should ensure that**

## **SMT COMMENTS ON RECOMMENDATIONS**

**large projects are properly resourced. If adequate resources are not available, the project should not begin until they are.**

### **SMT Comments on Recommendation 5**

**Projects need to be adequately resourced and the Council does this through its project management arrangements and Corporate Business Planning Process. There are a limited number of projects that can be resourced at any one time and workplans are finely balanced so that additional ad-hoc internal requests for “small projects” or external requirements from Government departments can impact on delivery timescales. In some instances there can be ‘pinch points’ in terms of delivering a project or other work competing deadlines which mean that a member of staff may work additional hours. Where this occurs this is with the agreement of the member of staff and time off in lieu or overtime may be payable. Where additional/external resources are required these are sourced.**

### **Herts 7 Building Control Project**

1.23 This project was a collaborative arrangement combining the building control departments of NHDC and six other Hertfordshire Councils into a new company. The new arrangement is intended to bring improved services and commercial benefits to the authorities. The review only examined the first phase of the project which was the establishment of the new company.

1.24 This was a successful project managed by Ian Fullstone, Head of Development and Building Control. This project demonstrates that projects can be managed and led in house where the project manager has the knowledge, skills and time to do so. The Group was impressed by the quality of the business case which enabled the Council to take a decision to proceed with a high degree of confidence. The project's management has been particularly impressive given the need to coordinate seven different local authorities and get the agreement of their political leaders.

### **Churchgate**

1.25 The Churchgate project developed from the Council's Hitchin Town Centre Strategy. Like the Baldock and Royston projects, it was conceived in an era when town centres were a priority for the Council. Unlike these projects, it was conceived on a much larger scale with the aim of redeveloping an area of the town centre and bringing significant investment into Hitchin.

1.26 Despite preliminary expenditure of more than £1 million and the best efforts of officers and members alike over many years, it was never realised due to a combination of factors which include bad timing, lack of commercial viability, local opposition and more. While acknowledging that external factors played a central role in the project's demise, there are some areas where the Group considered the Council could have handled the project better.

1.27 First, the Group considered that the Council was never clear about its objectives for Churchgate. The Council produced a planning brief which set out some broad outcomes without giving specifics. It hoped to attract developers who would use their expertise to produce a scheme for them. This was also a feature of the DCO refurbishment project where the Council produced a complex invitation to tender that attracted no bidders.

**Recommendation 6: The Council needs to have clear, documented objectives before it embarks on projects.**

## **SMT COMMENTS ON RECOMMENDATIONS**

### **SMT Comments on Recommendation 6**

**The Council prepared a detailed planning brief with extensive public consultation. Project initiation documents capture the objectives of a project. In relation to the Churchgate Project it was agreed by Full Council in February 2010 to enter into a contract with Simons for them to bring forward proposals to regenerate the area. The scheme was complex and involved ownership outside the control of the Council (ie the long lease to Hammersmatch) and the relocation of the market. Despite extensive efforts Simons were unable to bring forward a viable scheme which met the objectives within the contract period and in January 2013 Full Council declined to extend their contract.**

1.28 Churchgate was a large, complex project which affected many conservation, community and business groups as well as the current lease holder. Such projects need strong leadership in order to drive them forward in the face of the inevitable obstacles which accompany any large scale redevelopment. There was a sense that the Churchgate project lacked both vision and leadership at times, and progressed as a series of bureaucratic exercises conducted by a Council more focused on processes rather than outcomes.

1.29 The Council has limited funds so employing outsiders is not always feasible, nor is it necessary if the right person is available in house. But for projects on this scale a champion, either internal or external, is needed.

**Recommendation 7: Large scale projects should have a champion to drive them forwards.**

### **SMT Comments on Recommendation 7**

**Agreed. There is already a 'champion' in the Lead Member and the Project Executive.**

1.30 Project Boards need to have the right mix of skills with an appropriate number of members. The Churchgate Project Board's membership was rather top heavy with senior Cabinet members and it could have benefited from wider, backbench experience.

**Recommendation 8: The Council should be more flexible about membership of project boards**

### **SMT Comments on Recommendation 8**

**The Council has operated Project Board membership in a flexible way to ensure that there is a balance on 'inputs' to the Board whilst keeping Boards to a manageable size. On the Churchgate Project Board there were four elected Members one of whom was not an Executive Member. The composition of Project Boards varies between projects and it should be recognised that in an Executive model Council there will be appropriate representation from the Executive on Project Boards.**

1.31 The Churchgate project's progress was slow. It is hard to pinpoint when the preliminary work on the project actually began. Timing and momentum can be important factors in projects. The project's slow progress meant that it missed its best window of opportunity and got caught up in the fallout from the Roanne legal case in 2007 and the economic downturn in 2008. The latter, in particular, reduced its chances of success. As has been pointed out earlier, it is important for the Council to be decisive about what it wants and then get on with it.

1.32 The project was criticised at every stage of the process by the public, conservation groups and other stakeholders. The Council did make genuine efforts at consultation, but officers themselves acknowledged that their efforts had not been successful. Those members of the public who spoke about Churchgate were clear that this was a shortcoming.  
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## **SMT COMMENTS ON RECOMMENDATIONS**

However, this does not always have to be the case. The Baldock and Royston town centre enhancement projects were both excellent and creative examples of public engagement and consultation by the Council and its designers BDP, and the Council would do well to examine the features of these projects and learn from them.

**Recommendation 9: The Council should improve its consultation and engagement with the public.**

### **SMT Comments on Recommendation 9**

**The Council always strives to undertake meaningful consultation and uses a variety of mechanisms to do so. It is true that not all consultation is equally successful however the public acceptance of the outcome should not, in itself, be used to measure the success of the consultation. The Council sought to use a tried and tested method of public engagement which Simons had used successfully in other town centre schemes to gather public opinion leading to development of a scheme for submission to the Local Planning Authority.**

1.33 The Council's decision to use a confidential competitive dialogue tender process was costly to the Council and developers alike, and fuelled suspicion about the Council's motives. The process' lack of transparency made it unsuitable for a sensitive development like Churchgate. There may be circumstances where the Council might wish to use the process again but before it does so it should ensure the benefits outweigh the disadvantages.

**Recommendation 10: The Council should be mindful of the disadvantages of the Competitive Dialogue process and think very carefully before using it again in future projects.**

### **SMT Comments on Recommendation 10**

**Whilst the Competitive Dialogue process can have its limitations, there are circumstances where it is the most appropriate method of procurement and the Council should keep all options open. At the time that this piece of work commenced Full Council considered it to be the most suitable procurement route given all of the circumstances. The end of project review reflects on all aspects of the project including the procurement process.**

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<b>OVERVIEW AND SCRUTINY COMMITTEE</b> <b>18 JULY 2017</b>
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<b>*PART 1 – PUBLIC DOCUMENT</b>	<b>AGENDA ITEM No.</b>  <b>9</b>
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**TITLE OF INFORMATION NOTE - CHANNEL SHIFTING**

INFORMATION NOTE OF THE CUSTOMER SERVICE MANAGER AND COMMUNICATIONS MANAGER

EXECUTIVE MEMBER - COUNCILLOR MRS LYNDA NEEDHAM

**1. SUMMARY**

As consumers increasingly move to carrying out their day to day transactions online and on the move with smart phone devices, the Council has recognised the opportunity to also move towards a model which allows customers to self-serve and potentially reduce the volume of more expensive telephone and face to face transactions. Not only would this help us to cope with the increased demand on services, but potentially release capacity and save the Council money. Many residents would also appreciate the ability to transact with the Council in a more convenient and accessible way, whilst still maintaining the more traditional methods of service for those that want or need it

**Our Corporate Plan 2017 -2021** identifies that with an increasing population in the District, services will see an increase in demand.

**One of our Corporate Objectives** is 'To ensure that the Council delivers cost effective and necessary services to our residents that are responsive to developing need and financial constraints.

These statements both fit with the channel shift agenda.

**2. STEPS TO DATE**

Progress on channel shift has already been made in some areas, for example implementing a new self-service portal and building a new website focused around the top tasks people visit the site for, which is also responsive to mobiles and tablets. These services are promoted online through social media and in printed publications such as Outlook magazine. However, encouraging customers to access cheaper channels when they need to contact us remains a challenge. Customers have to be convinced that the simplest and most convenient way to find the information they need is online and that once they have the information they need that they are able to 'self-serve' in a way that is convenient to them.

Earlier in the year, the progress on the Channel Shift project was reviewed and although some progress had been made, it was recognised that there was still much to do and some corporate priority needed to be given to the project. Two officers, one in the Communications team and one in the Customer Service Team now have channel shift specifically built into their job descriptions and this is a primary focus of their roles. In March 2017, a number of recommendations were produced and taken to SMT, detailing some short and longer term plans to progress channel shift corporately, (the paper is referenced as a background paper).

### **3. INFORMATION TO NOTE**

#### **3.1 Audiences**

Residents can not be seen as one homogeneous group when considering channel shift options. For example there are groups of residents who are confident internet users but need further encouragement to switch to digital channels, alongside another growing number of residents who use digital as their preferred channel. On the other hand, there are other harder to reach groups too - those who lack confidence or basic IT skills, or are unable to access the internet (for a variety of reasons), that need a different level of support and engagement.

#### **3.2 Ensuring a coordinated approach**

Channel shift is organisation wide and may involve moving transactions from back office services. There are good examples of where this is already happening such as in the Revenues Service. Some processes can now be completed online by the customer using intuitive forms that integrate directly into the back office system. This almost completely removes any human intervention, which has released significant amounts of officer time. This means that the service now processes these transactions (where all of the information is provided) overnight, providing a speedier more cost effective service. Prior to this the Revenues Service could have a backlog of up to four weeks.

Corporate channel shift should have a focus on bringing that work together in a coordinated way, making sure we are making best use of technology we already have and making enhancements where applicable. The aim is for back office systems dealing with customers to integrate with self-service and CRM systems, to ensure residents and staff enjoy benefits of joined up service delivery, eliminating duplication of work and time wasted working in different systems that don't connect. This offers the potential to make efficiencies in a number of customer transactional services.

#### **3.3 Potential options**

We recognise that there are many good examples where technology has been developed and is already available to support and enable channel shift and is being used by other Councils, particularly when we are looking for larger areas of change. Listed below are some examples of technology that we have started exploring in more detail:

### **3.3.1 Seamlessly moving from telephone to online**

We have been exploring a service which enables customers to move seamlessly from the traditional telephone channel to our website, by providing an optional text with an embedded link to a specific transactional e-form or to some specific information that will resolve the customer's enquiry. Currently we have recorded announcements that promote our web offering, but by default many customers continue to use the telephone as the main or only channel. By proactively moving customers from one channel to another, with no effort required by the customer, this will not only release capacity but will encourage the use of online services as a channel of choice for future transactions / interactions.

Using a third party supplier would probably be a temporary arrangement that will help us migrate to the use of our own phone system. This service is used by a number of other local authorities and can be accessed through a framework agreement. We are currently researching this with support from colleagues in IT to explore the capabilities of our own technology.

### **3.3.2 Scan station**

This system is in use in Kirklees Council and allows customers to visit the Council office and scan their documents (needed to support an application of some sort) using a mounted tablet that links directly to the back office system. Currently this service is provided by one full time member of staff manually scanning documents. Not only does this have the potential to release capacity and deal efficiently with seasonal peaks, but will also provide a stepped approach to supporting customers to be able to complete transactions of this kind online from the comfort of their own home.

### **3.3.3 Email Mailing List**

We are considering options to capture a digital mailing list combined with a regular e-newsletter to increase digital engagement with residents, enabling key information to be proactively sent out quickly and efficiently to a wide reaching audience.

## **4. NEXT STEPS**

Work is already underway to formulate a detailed project plan to track progress on the developments already identified and to make sure that we are involved in relevant system discussions with IT and Service Managers at the earliest opportunity, to ensure a joined up approach for corporate channel shift.

## **5. APPENDICES**

None

## **6. CONTACT OFFICERS**

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## **7. BACKGROUND PAPERS**

- 1) Channel Shift - Plan for Progress

**OVERVIEW AND SCRUTINY COMMITTEE**  
**18 JULY 2017**

**\*PART 1 – PUBLIC DOCUMENT**

**AGENDA ITEM No.**

**10**

**TITLE OF INFORMATION NOTE - FULL YEAR REPORT ON COMMENTS, COMPLIMENTS AND COMPLAINTS (3CS)**

INFORMATION NOTE OF THE CUSTOMER SERVICE MANAGER

EXECUTIVE MEMBER – COUNCILLOR MRS LYNDA NEEDHAM

**1. SUMMARY**

This information note is to update members of the Committee on the end of year position in regards to the Comments, Compliments and Complaints (3Cs) for the Council and the Contractors that provide services on our behalf. This briefing note accompanies the 3Cs dashboard at Appendix B.

**2. INFORMATION TO NOTE**

3Cs have reduced significantly over recent years with the numbers of complaints reducing by over 50%. In 2016/17 the number of 3Cs increased when compared to the previous year, across all elements of 3Cs, with the biggest increase for compliments. The table below provides a summary of the annual comparisons since 2013; this includes 3Cs received by NHDC and our contractors.

	<b>Comments</b>	<b>Compliments</b>	<b>Complaints</b>	<b>Total</b>
Apr 2016 - March 2017	319	610	702	1631
Apr 2015 - March 2016	246	470	644	1360
Apr 2014 - March 2015	251	495	949	1695
Apr 2013 - March 2014	472	741	1429	2642

At NHDC we strive to deliver high quality services to our customers, however, we recognise that sometimes things can go wrong and the 3Cs procedure enables us to learn from our customer feedback, both in terms of what is going well and where improvements or changes can be made. The continued reduction in complaints in recent years shows that we are listening to our customers feedback and where we can, we are putting things right as well as taking action to avoid repeat issues. It also demonstrates that changes to services or major projects may lead to a temporary increase in feedback, either negative or positive.

The contractors that provide key services on our behalf, including waste and recycling, grass cutting and leisure facilities have very high levels of customer interactions and deliver services that all North Hertfordshire residents will experience, therefore it is not surprising that these areas receive the highest levels of customer feedback. It is important that through contract management arrangements we are ensuring that these services meet the standards we expect for our residents, which is evident for example with Veolia who have seen a consistent reduction in the number of complaints.

The summary dashboard at appendix B shows the key 3Cs performance data for both NHDC and each of the contractors, additional information regarding the number of contacts, collections or visitors is included to provide some further context.

Although 3Cs have been decreasing in number each year, we had a slight increase in all areas of 3Cs in 16/17 when compared to the previous year, which is detailed further below:

- Planning received an increase in complaints, a number of which related to a planning consultation regarding South of Bendish Lane and a higher than usual number of Stage 2 complaints. 9% (3) of the planning complaints were justified.
- Whilst Veolia received fewer complaints and compliments, John O'Conner saw a slight increase in complaints and the Leisure Centres saw an increase generally in feedback at all three facilities, with a significant increase in compliments. During the year new customer feedback systems have been installed in each of the leisure centres to enable customers to quickly and easily record their feedback, therefore we can expect that the increase may continue. It is also worth noting that during this period North Herts Leisure Centre has been undergoing a significant refurbishment project.
- Careline continues to be an area that receives high numbers of compliments typically from users of the service who have had a need to activate their alarm for assistance, as well as the Active Communities team who receive high levels of compliments from parents of children who have used the holiday play schemes.

The LGO received eight complaints during this period, one complaint relating to the waste service had an outcome of maladministration and injustice, however the LGO noted a satisfactory remedy had already been provided. One is still being considered by the LGO whereas all others were either no fault found, out of jurisdiction or closed after initial enquiries.

### **3. NEXT STEPS**

3Cs performance will continue to be monitored and reported to SMT quarterly and Overview and Scrutiny six monthly.

### **4. APPENDICES**

Appendix A – Departmental breakdown of 3Cs

Appendix B - Dashboard



**5. CONTACT OFFICERS**

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**6. BACKGROUND PAPERS**

None

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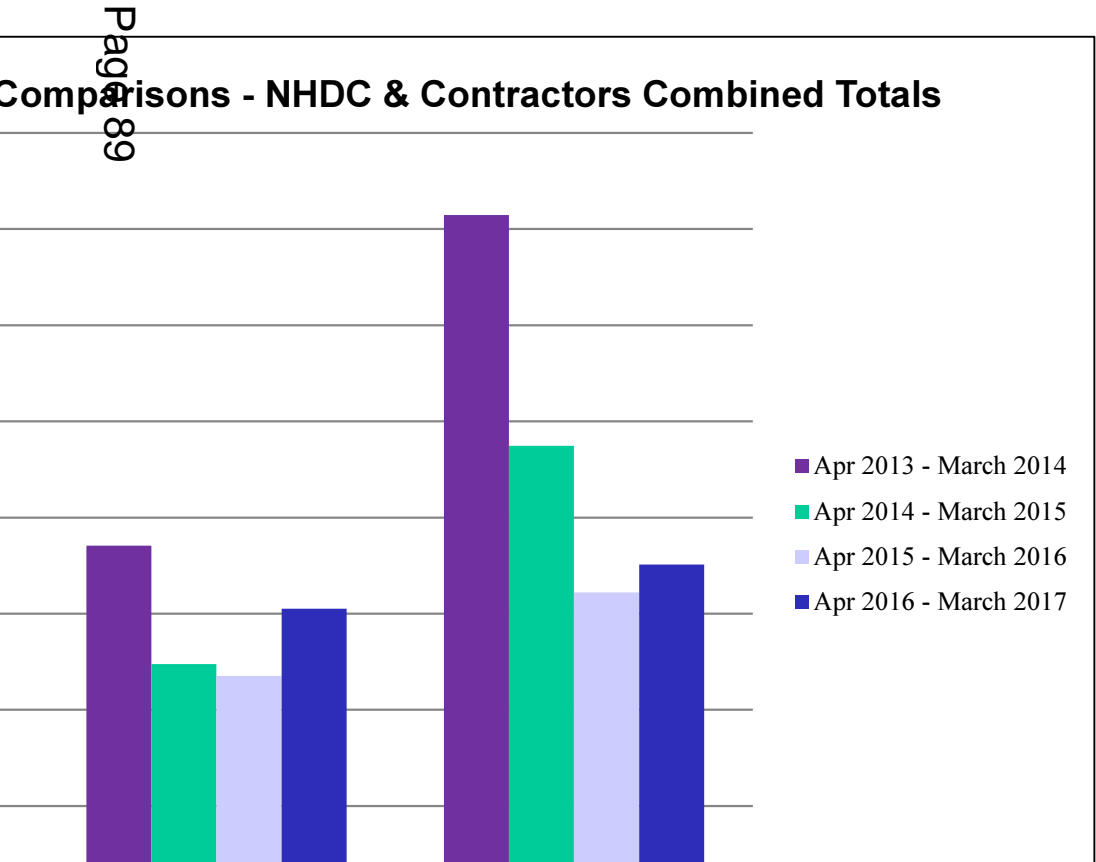
## BREAKDOWN OF 3CS

Chief Executive Directorate	Comments	Compliments	Complaints	Service Totals	Area
Chief Executive	0	0	1	1	
Democratic Services	2	0	0	2	
Electoral Services	0	0	3	3	
<b>Directorate Totals</b>	<b>2</b>	<b>0</b>	<b>4</b>	<b>6</b>	
<b>Customer Service Directorate</b>					
Communication	4	0	0	5	
Customer Service Centre	1	19	1	21	
Grounds Maintenance	3	21	12	36	
Leisure	3	3	5	11	
Parking Services	3	3	10	16	
Parks & Open Spaces	0	6	2	8	
Waste Management	39	22	64	125	
<b>Directorate Totals</b>	<b>53</b>	<b>74</b>	<b>94</b>	<b>222</b>	
<b>Finance Policy &amp; Governance</b>					
Benefits	0	6	11	17	
Active Communities	1	13	0	14	
Information Unit	0	2	1	3	
Legal	0	0	2	2	
Post & Administration	1	2	0	3	
Property Services	0	0	3	3	
Revenue Technical	2	1	0	3	
Revenues Billing & Recovery	2	8	16	26	
<b>Directorate Totals</b>	<b>6</b>	<b>32</b>	<b>33</b>	<b>71</b>	
<b>Planning Housing &amp; Enterprise</b>					
Building Control	0	2	1	3	
Careline	1	61	1	63	
Community Safety	0	1	0	1	
Enforcement	1	2	1	4	
Environmental Health - Commercial	0	0	5	5	
Environmental Health - Protection	0	2	4	6	
Housing Needs	1	11	3	15	
Licensing & Enviro Crime	0	0	1	1	
Planning Control & Conservation	3	4	34	41	
Planning Policy	3	1	8	12	
<b>Directorate Totals</b>	<b>9</b>	<b>84</b>	<b>58</b>	<b>151</b>	
<b>NHDC Totals</b>	<b>70</b>	<b>190</b>	<b>189</b>	<b>449</b>	

**APPENDIX A**

John O'Conner	0	0	52	<b>52</b>
Veolia	0	56	283	<b>339</b>
North Herts Leisure Centre	70	105	77	<b>252</b>
Hitchin Leisure and Swim Centre	89	118	46	<b>253</b>
Royston Leisure Centre	90	141	55	<b>286</b>
<b>Contractor Totals</b>	<b>249</b>	<b>420</b>	<b>513</b>	<b>1182</b>
<b>COMBINED TOTALS</b>	<b>319</b>	<b>610</b>	<b>702</b>	<b>1631</b>

	13/14	14/15	15/16	16/17
ived	315	116	79	70
eived	469	228	207	190
ved	629	333	154	189
g days	71%	73%	67%	61%
	30%	51%	42%	31%
LGO	11	9	12	8



	13/14	14/15	15/16	16/17	17/18
	Complaints				
John O’Conner	73	63	46	52	41
Veolia	567	407	332	283	241
North Herts Leisure Centre	81	75	60	77	64
Hitchin Swim Centre & Archers	51	27	18	46	39
Royston Leisure Centre	28	44	34	55	46

Percentage of interactions resulting in a formal complaint		
	Number of interactions / collections / visitors	%
NHDC	414,000	100%
Veolia	2,459,882	594%
North Herts Leisure Centre	378,928	91%
Hitchin Swim Centre & Archers	313,421	76%
Royston Leisure Centre	100,000	24%

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<b>OVERVIEW AND SCRUTINY COMMITTEE</b> <b>18 July 2017</b>
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<b>*PART 1 – PUBLIC DOCUMENT</b>	<b>AGENDA ITEM No.</b>  <b>11</b>
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**TITLE OF REPORT: CORPORATE PLAN 2018 TO 2023**

REPORT OF: STRATEGIC DIRECTOR OF FINANCE, POLICY & GOVERNANCE

EXECUTIVE MEMBER: COUNCILLOR RAY SHAKESPEARE-SMITH

COUNCIL PRIORITY: ATTRACTIVE AND THRIVING / PROSPER AND PROTECT / RESPONSIVE AND EFFICIENT

**1. EXECUTIVE SUMMARY**

This report recommends the Corporate Plan for 2018/23 to guide and inform the 2018/19 Corporate Business Planning Process. The updated version of the Plan acknowledges the continuing financial constraints faced by the Authority and the inherent need to review on-going provision of services at their current levels to ensure they remain relevant to the community. It also reflects the aspirations to find new ways of generating revenue income to support service delivery.

**2. RECOMMENDATIONS**

- 2.1 That Cabinet recommends to Full Council the adoption of the Corporate Plan 2018 to 2023 as attached at Appendix A.

**3. REASONS FOR RECOMMENDATIONS**

- 3.1 The Council is required to have a suitable, high level strategic policy document to inform its corporate business planning process, and Council is required to approve the final Corporate Plan document as the formal, overarching policy framework for the authority.

**4. ALTERNATIVE OPTIONS CONSIDERED**

- 4.1 None.

## **5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS**

- 5.1 No external consultation has been undertaken in the preparation of this report. The Overview and Scrutiny Committee will consider the draft Corporate Plan at the meeting on 18<sup>th</sup> July 2017. Members will be aware that consultation is an integral part of the Corporate Business Planning process, and consultation on the individual actions and projects planned to support the Objectives will be carried out in accordance with the Corporate Business Planning Timetable and the Council's Consultation Strategy. Wherever it is available, use will be made of valid opinion research data and, where applicable, outcomes of the Districtwide Survey.
- 5.2 As in previous years, Member workshops will be held in regard to corporate business planning proposals, in addition to seeking the views of the Finance Audit and Risk Committee, the North Hertfordshire Partnership (LSP), parish, town and community councils, panel of residents, statutory partners and business ratepayers views as appropriate

## **6. FORWARD PLAN**

- 6.1 This report contains a recommendation on a key decision that was first notified to the public in the Forward Plan on the 3rd March 2017.

## **7. BACKGROUND**

- 7.1 Before considering the detailed budget position for the authority, the Corporate Business Planning Process requires that the Council's high level objectives are determined. At its meeting on 13<sup>th</sup> June 2017, Cabinet agreed that there should be no change to the Corporate Objectives.
- 7.2 The Council's budget and its objectives are inextricably linked. There is no point in having a service or key project that cannot be funded and no point in spending limited resources (including staff resources) if they are not achieving the objectives that have been set. This aligns the agreed Policy of the Council with the finances which will deliver it.
- 7.3 The Medium Term Financial Strategy (MTFS), proposed for adoption in this same committee cycle, informs the Council's budgetary position and ensures that policy and budget, especially at times of increasing financial constraint, are aligned.

## **8. RELEVANT CONSIDERATIONS**

- 8.1 The Corporate Plan attached as Appendix A narrates the opportunities and risks facing the district, and also identifies the things the Council will do to ensure the Corporate Plan is being delivered. Budgets must then be allocated to ensure their achievement; this is known as 'policy led' budgeting and enables the authority to best reflect not only services it must deliver by statute, but those over which it has a degree of discretion.
- 8.2 The ongoing financial constraints make it increasingly likely that the emphasis for Council spend will be on the day to day service delivery, firstly of those services that the Council has a statutory duty to provide and secondly of those which the Council has determined are a priority to be funded.



- 8.3 The Corporate Plan therefore needs to reflect any recent changes in:
- Legislation, which may require changes to existing services, or delivery of new services
  - Capacity, since the authority has reduced headcount over recent years whilst statutory requirements placed on the authority have continued to rise
  - Financial constraints – work on future funding of local Authority Services through 100% retention of Business rates has been halted and it is unclear when and if it will restart. The anticipated Finance Bill was excluded from the Queen's speech and this has added greater uncertainty into financial forecasting.
  - Population – the need to plan for an ageing population which requires health, social care and Council service providers to consider how necessary support can be provided together.
  - Patterns and location of deprivation have changed in the past five years (evidenced by the Indices of Multiple Deprivation) so we should ensure that our services, and how they may be delivered, respond accordingly to these; in times of increased financial constraint it is all the more important that limited resources, both those of the Council and its partner agencies working in the local community, are directed to areas of greater need.
- 8.4 Having considered the relevant factors, the three objectives proposed to inform the Council's Corporate Budget Setting 2018/23 remain;
- 1. To work with our partners to provide an attractive and safe environment for our residents, where diversity is welcomed and the disadvantaged are supported**
  - 2. To promote sustainable growth within our district to ensure economic and social opportunities exist for our communities, whilst remaining mindful of our cultural and physical heritage**
  - 3. To ensure that the Council delivers cost effective and necessary services to our residents that are responsive to developing need and financial constraints.**
- 8.5 Subject to Cabinet's consideration, the Corporate Plan at appendix A will be referred to Council for adoption on 31<sup>st</sup> August 2017. All projects included in the Corporate Plan will be subject to sound business cases being provided, and specific targets established as they are introduced and the Council's performance against these will be monitored and reported.

## **9. LEGAL IMPLICATIONS**

- 9.1 Cabinet's terms of reference include at 5.6.35 the power, by recommendation "to advise the Council in the formulation of those policies within the Council's terms of reference".
- 9.2 Full Council's terms of reference provide "approving or adopting the policy framework which at 4.2.1 (f) include "Priorities/ Objectives for the District." The Corporate Plan 2018/23 at Appendix A represents the objectives and priority areas of work
- 9.3 The corporate objectives agreed for 2018/23 onward will provide high level reference points that will assist the Council making clear and effective decisions.

## **10. FINANCIAL IMPLICATIONS**

- 10.1 There are no specific revenue implications from adoption of the objectives and the Corporate Plan although there will be both revenue and capital implications from the provision of services to support the objectives and these will be agreed as part of the corporate business planning process which will culminate in February 2018 with the setting of the budget for 2018/19.
- 10.2 It is clear that the Council will continue to face difficult spending decisions in view of the current economic climate and the continuing reduction in government support in future years and that the availability of funding will impact on the services that can be delivered. Individual projects will be costed to ensure that the overall programme of activity across the Council can be achieved within the agreed budget assigned and that there is capacity to deliver within the proposed timeframe.
- 10.3 The Council received significant capital funding from the housing stock transfer to North Herts Homes (set-aside receipts). It has supplemented this with the receipts from the sale of surplus land and buildings (capital receipts). The strategy adopted by the Council has been to concentrate capital funding on those schemes that reduce revenue costs or generate income. Over the next five years it is forecast that the set-aside receipts will all be used, and therefore capital funding will have to come from capital receipts or borrowing. The availability of assets that can be sold to generate capital receipts is also reducing. It is therefore important that any agreed capital projects reflect corporate priorities, to ensure effective use of diminishing capital resources particularly in view of the fact that capital spend is also required to maintain existing service provision.

## **11. RISK IMPLICATIONS**

- 11.1 Adoption of the Corporate Plan and within it the Council's objectives for 2018/23 commences the Council's Business Planning processes for the next financial year. A robust Corporate Business Planning process is key to managing the Council's top risk of "Managing the Council's Finances".

## **12. EQUALITIES IMPLICATIONS**

- 12.1 In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.
- 12.2 In setting its Corporate Objectives, the council is seeking to address equality implications in the services it provides and through the remainder of the Corporate Business Planning Process will carry out Equalities Impact Assessments for those Efficiency or Investment options that are taken forward.

## **13. SOCIAL VALUE IMPLICATIONS**

- 13.1 The Social Value Act and "go local" policy do not apply to this report.

## **14. HUMAN RESOURCE IMPLICATIONS**

- 14.1 There are no additional human resource requirements arising from this report other than the matter of capacity raised at paragraph 8.3. The resources needed to deliver services are considered and addressed through the Corporate Business Planning process and staff are reminded of the objectives once agreed.

## **15. APPENDICES**

- 15.1 Appendix A – Corporate Plan 2018-2023

## **16. CONTACT OFFICERS**

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## **17. BACKGROUND PAPERS**

- 17.1 Corporate Objectives 2018-23 (Cabinet June 2017).

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## **Corporate Plan 2018/2023.**

## NORTH HERTFORDSHIRE – THE DISTRICT AND ITS OBJECTIVES

**OUR VISION: Making North Hertfordshire a vibrant place to live, work and prosper.**

The Council is committed to working with its local communities to continue delivering good quality services that reflect the local priorities and resources which we and our partners have available to us. We use a range of information to identify priorities and planning for the future such as consultation with our residents, local businesses, population and other data as shown in the Appendix “Our Community”.

This Corporate plan considers the nature of North Hertfordshire District, its residents, potential changes in the future, challenges and policies and principles designed to meet the needs of our community now and in the future.

There are three objectives for the Council for 2018/2023 which are:

- **To work with our partners to provide an attractive and safe environment for our residents, where diversity is welcomed and the disadvantaged are supported.**
- **To promote sustainable growth within our district to ensure economic and social opportunities exist for our communities, whilst remaining mindful of our cultural and physical heritage.**
- **To ensure that the Council delivers cost effective and necessary services to our residents that are responsive to developing need and financial constraints.**

We continue to deliver a wide range of services both ‘statutory’ and ‘non-statutory’ on a day to day basis.

Among the numerous ‘statutory’ duties, some of which are provided at levels beyond the statutory minimum are:

- Waste collection from over 50,000 households
- Recycling almost 60% of waste collected
- Street cleansing over 400<sup>1</sup> miles of roads
- Food inspection of around 1,000 premises<sup>2</sup>
- Collecting council tax and Business rates from almost 57,250 homes and 4,400 businesses
- Planning for the second largest district in Hertfordshire at 145 square miles.
- Issuing of approximately 2,150 licences to premises and licenced individuals, around 550 licences to taxi and private hire vehicles and drivers and in the region of 850 temporary licenses to premises/individuals
- Homelessness provision
- Housing Benefit to around 6,800 claimants
- Regulation e.g. Parking, Fly-tipping

Among the numerous ‘non statutory’ services we provide are:

- Leisure centres in Hitchin, Letchworth and Royston
- Five swimming pools including 2 outdoor pools
- Maintenance of 100 hectares of parks and gardens
- ‘Splash’ parks in the four towns.
- Museum provision in the new North Hertfordshire Museum in Hitchin
- Local information and signposting to other services and providers

<sup>1</sup> North Hertfordshire Infrastructure Delivery Plan to support the North Hertfordshire Local Plan 2011 - 2031

<sup>2</sup> <http://ratings.food.gov.uk/authority-search-landing/en-GB/159>

- Active Communities events
- Collection of garden waste

Underpinning the provision of these services are the following considerations:

- Providing value for money to residents.
- Actively engaging in partnerships, shared services or alternative delivery models.
- Seeking new service provision which can generate income for re-investment by the Council to protect long term delivery of non statutory and other Council services.
- Prioritising consideration of the impact of any service changes or introductions on service users.

**None of these objectives can be addressed in isolation as each impacts upon the other, as described below.**

### **OBJECTIVE 1. Attractive and Thriving**

**To work with our partners to provide an attractive and safe environment for our residents where diversity is welcomed and the disadvantaged are supported.**

#### **An Attractive Environment.**

The Council has a large public realm in both the rural and urban areas of the district. Considerable resources are used to maintain and improve these areas and we are committed to working with organisations such as Groundwork, the Countryside Management Service and community groups such as Friends of Walsworth Common to ensure that North Hertfordshire remains an attractive and thriving place to live.

Illustrative of this policy are:

- Ensuring that our renewed waste and street cleansing contracts continue to provide as efficient and effective a service as possible whilst continuing to maintain recycling rates
- Providing joint delivery of waste, street cleansing and recycling service including the most efficient means of transportation and disposal
- Delivering identified improvements to green spaces to include
  - Construction of pathway and roadway, Wilbury Hills Cemetery, Letchworth.
  - Renovation of play area, District Park, Great Ashby
  - Improvements to car parking and bridge access at Walsworth Common Hitchin
  - Wheeled sport provision at Newmarket Road, Royston
  - Replacement of items of play equipment at Chiltern Road Baldock
  - Review of investment in green space across the district to ensure it is properly aligned to usage
- Investigating a range of options to improve the use of Council assets
- Designating air quality management areas in Hitchin to address the improvement of the air quality of the area – Stevenage Road and Payne's Park.
- Grant funding organisations sharing in the delivery of our objectives

#### **A Safe Environment**

In the Council's most recent Citizens Panel survey [2014] respondents identified 'low levels of crime as the most important. The Council helps build a safe environment through our Community Safety Partnership. North Hertfordshire has the fourth lowest crime figures compared to the rest of the county with 41.9 crimes per 1,000 of the population compared to 47.3 per 1,000 of the population for Hertfordshire.

Whilst the general trend in North Herts is for crime to fall, the reporting of domestic abuse is on the rise. This may represent an increase in real terms or a reflection of a greater confidence to report incidents knowing their concerns will be taken seriously.

- We will continue to work closely with our Community Safety Partnership and support providers. Regular consultations with Hertfordshire Police via our Scrutiny Committee aid in this process.
- Support for community groups such as 'Street Angels, Hitchin' (who patrol Hitchin Town Centre at weekends assisting late-night revellers) and others concerned with community safety also assists in creating and maintaining a safe environment.

### **Welcoming Diversity**

North Hertfordshire has good community relations and works closely with and provides financial support to the North Herts Minority Ethnic Forum to ensure that our various ethnic groups integrate into the area.

As part of the Council's zero-tolerance approach to hate crime, North Hertfordshire District Council has recently become a third party reporting centre by

- Designating Hate Crime Champions who are on hand to assist any member of the public wishing to make a report of hate crime through the Council.
- Maintaining the framework instituted for dealing with issues relating to vulnerability, radicalisation and exposure to extreme views. The Tackling Extremism and Radicalisation guidance acknowledges that we are well placed to be able to identify safeguarding issues and this guidance clearly sets out how the council will deal with such incidents and identifies how our vision underpins our actions.
- Conducting an annual review of all relevant council decisions which have equality implications and ensure the annual cumulative equality assessment is publicly available.

The substantial increase in the number of residents over the age of 70 requires consideration of future services supporting older people to live independently. The Council developed 'Careline' which provides assistive technology for North Hertfordshire residents and works in partnership with a number of other organisations in the region to support independent living services. We are working with our partners to consider how best to support carers and those living with dementia. The new multi-agency Dementia Alliance and Hertswise collaboration with Age UK [Herts] is in the early stages of development and aims to maintain and develop support for those affected by dementia over the medium and longer term. We are active members of this development and will -

- Continue the expansion of independent living services
- Continue the work with Dementia Alliance and Hertswise

The combination of the Better Care Fund and the Disabled Facilities Grant by central government is intended to provide better conditions and services for the elderly and disabled. We support

- Our Careline scheme which has continued to expand across and outside Hertfordshire and enables older residents to live at home longer independently. Satisfaction with this service at over 99% is exceptionally high.

### **Supporting the disadvantaged.**

North Hertfordshire is a prosperous area, however, it does contain five areas classified as 'most deprived'. North Hertfordshire is also an expensive place to live. The Council is committed to tackling housing need through the provision of affordable housing through the planning process. We are also committed to working with our health and other partners to identify and address homelessness, recognising the link between poor



living conditions, rough sleeping and mental and physical health conditions. Partners in this include North Hertfordshire Homes and the Sanctuary, a homeless hostel in Hitchin. The Council seeks to minimise the use of bed and breakfast and works with its housing partners, such as North Herts Homes, to secure high quality temporary accommodation.

We will

- Provide access to debt and budget management advice including through the Citizens Advice service which we continue to fund and through support to the Black Squirrel Credit Union, a local volunteer credit union who provide low cost loans.
- Continue to offer apprenticeship and work experience in a range of services to provide a step on the career ladder.
- Use the Planning process to deliver affordable housing
- Continue work with partners to address homelessness.
- Improve on-line benefit claims and payments to better serve those most in need.

## **OBJECTIVE 2: Prosper and Protect**

**To promote sustainable growth within our district to ensure economic and social opportunities exist for our communities whilst remaining mindful of our cultural and physical heritage.**

### **Sustainable Growth**

In order to ensure there was sufficient land available to meet future housing targets the Strategic Housing Land Availability Assessment [SHLAA] was undertaken. This informed the Local Plan which is currently [June 2017] with the inspector. A wide ranging consultation process took place on potential sites eliciting thousands of responses from residents which were incorporated in the plan.

We recognise that tensions exist in creating opportunities for growth to sustain the local population, the impact on rail and road networks and the green and open spaces so important to our residents.

- We will review both existing and future green space provision.
- The Local Plan provides an increase in designated green belt land from 38% to around 47%
- Conclude the review of the Council's Car Parking Strategy to ensure it supports our corporate objectives.

We will continue to promote schemes with our partners to increase energy efficiency of residents' homes and reduce use of water, generated power and increase our sustainability for the longer term.

- We will maintain the six electric charging points for vehicles and install more where funding permits

The refurbishment of the District Council Offices will substantially reduce its carbon footprint. i.e by the incorporation of renewed Curtain walling to improve thermal performance and new low energy cooling & ventilation to significantly reduce energy consumption in the building

- We will seek to use more energy efficient LED lighting in our buildings where feasible.

### **Economic and Social Opportunities**

The district has a considerable daily outflow of commuters to both London and increasingly to Cambridge.

Johnson Matthey, NHDC, Altro and the retail and hospitality sectors constitute our largest employers. We work with the Local Enterprise Partnerships [LEP], the business sector, three Business Improvement Districts [BID] companies to identify opportunities for inward investment to increase our employment base and encourage new enterprise.

We will

- Continue to implement our Economic Development Strategy for the district including the provision of an Economic Development Officer to work closely in partnership, increasing inward investment and business development opportunities.
- Exploit the opportunities offered by new enterprise zones
- Continue to support local business through our Go Local Policy – for 2016/17 16% of our total spend on goods and services was spent with suppliers with an NHDC postcode.

Three of our four towns have BID companies. These companies use the additional business rate levy and individual memberships to contribute to various activities including:

- Community cinema in Royston
- Tourist information
- Street wardens
- Trade recycling
- Food fairs
- Street entertainment
- Festivals

We will continue to work with these companies.

### **Cultural and Physical Heritage**

We aim to ensure North Hertfordshire is a place where people can prosper and we protect our heritage.

This aim is delivered through:

- Submission of the Local Plan to the following time scale
  - Summer 2017: Examination
- Following the redevelopment of the Council's office accommodation, explore opportunities to share that accommodation with other partners to increase financial and resource efficiency.
- Support North Herts Homes' regeneration of John Baker Place, Hitchin to provide new homes and better shops.
- Agree projects for delivery of improvements to urban and rural community facilities over four years from 2016 through the £1m Capital Enhancement Fund.
- Support Community events and local organisations through provision of relevant officer support.

### **OBJECTIVE 3: Responsive and Efficient.**

**To ensure that the Council delivers cost effective and necessary services to our residents that are responsive to developing need and financial constraints.**

#### **Cost Effective and necessary services**

Over the last five years the percentage of our overall funding that we receive from government has fallen from 39% of our total funding to 24%. This means that we are increasingly dependent on Council Tax to support the Council's activities but even this is subject to government constraints. We have a statutory requirement to balance our budget and to do this, we can either increase income from fees and charges, seek ways to reduce

the cost of providing the services that we deliver as part of our general activities or cease providing some non-statutory services where they are no longer affordable. This means that we continuously review the services we provide to ensure that they remain necessary and are delivered as efficiently as possible. We also seek to develop new income streams through our commercialisation agenda where we believe that these will be of value to our residents

## **A Responsive Council**

The Council's 'districtwide survey' shows:

- 83% of respondents believe the way the Council runs its services remains high against the latest Local Government Association benchmark of 67%
- 79% believe that the services provided by NHDC are of good quality

The Council is responsive to local and developing need currently through partnership working e.g. membership of the Local Strategic Partnership (LSP) encompassing Hertfordshire County Council, North Hertfordshire Centre for Voluntary Services, Hertfordshire Constabulary, Hertfordshire Fire and Rescue Service, North Hertfordshire Minority Ethnic Forum, Hertfordshire Local Enterprise Partnership, Chamber of Commerce, North Herts Homes, Citizens Advice and the East and North Hertfordshire Clinical Commissioning Group.

The council will seek to enhance community engagement with residents and local organisations through surveys of local residents and through the work of local elected Members.

## **Commercialisation.**

The Localism Act and the Deregulation Act provide opportunities for 'commercialisation' such as Careline. The Council believes that commercialisation is key to providing the Council with the resilience it needs in the light of planned cuts to local government funding from 2020.

Over the past 3-4 years NHDC has altered the way in which it works and undertaken new activities based on maintaining and/or improving customer service, providing efficiencies and increasing the resilience of our services.

These include:

- Leisure Centres: contracted out to Stevenage Leisure Ltd. Reversal of financing from -£500k to +£500K
- Waste: Outsourced initially in 2003/4. Shared waste service with East Herts anticipates a substantial saving to NHDC.
- Careline: Established by NHDC approximately 35 years ago this service was provided at a net cost of between £100K -£330K per annum. As part of a business transformation plan, the Council entered into a strategic partnership with Hertfordshire County Council; it now operates at no net cost to the Council and helps over 220 new clients per month.
- Building Control: a building control business has been established in conjunction with six other local authorities to deal with both local authority and private sector work. This is providing resilience and staff retention benefits.
- Legal Services: legal services have been offered to other local authorities for 18 months. This brings income to the Council and provides career development opportunities for staff hence assisting our recruitment and retention service.
- Refurbishment of the Council's offices providing the potential for lettings and room hire income.

Potential future development:

- Provision of a crematorium: Working with the private sector to provide and develop the provision.
- Creation of a Property company. 26 LAs currently have property development companies where the Local Authority can use the amounts generated to support ongoing service delivery.

The Council will explore these opportunities and others as they arise.

The Council owns a number of local assets and will continue to achieve best consideration from them in maintaining and managing them and may choose to do this through:

- Direct and indirect service provision
- Commercial Rental
- Operation by local groups
- Transfer to local, viable community organisations
- Exploring opportunities to share assets through the county-wide Hertfordshire Property Partnership which brings District and County Council, Police and Health colleagues together to look at optimal use of property,

We will work with our partners in Public Health Hertfordshire to improve the health and wellbeing of our communities by integrating health into the work of all our services, continuing to offer opportunities for physical exercise and use of outside space and monitoring food hygiene and air quality.

We aim to ensure North Hertfordshire is responsive and efficient and aim to deliver this objective by:

- Continuing to explore alternative options for effective and more efficient service delivery wherever possible, including through on-line self service opportunities, partnership, joint working or 'commercial' models where they are appropriate.
- Working with our contractors Stevenage Leisure Ltd.
- Continuing to extend Careline.
- Working with health partners to optimise opportunities for older residents to remain living independently but well supported at home including a programme to provide nutritional education for single older people in sheltered accommodation
- Working with community and voluntary sector partners to facilitate appropriate integrated services for those being cared for and their carers.
- Working through our leisure providers, schools and Sports England funded schemes to ensure that children/young people are offered the opportunity to increase activity to prevent long term ill health.
- Continuing to play a full part with Smoke Free Hertfordshire to reduce the incidents of smoking in adults and young people.
- Rolling out Building Control Services with six other Hertfordshire authorities.
- Optimising use, management and profitability of the Council's assets.
- Reviewing resources, including management structure, to ensure the Council continues to deliver key services cost effectively.
- Increasing awareness of opportunities for volunteers [formal and informal] through:
  - The Council's Outlook magazine
  - The Council's website
  - Social media
  - Working with partner agencies

- Reviewing how the Council and its partners can be better engaged with and build capacity for its communities and in doing so increase awareness of how to become more engaged with and in the democratic process.

**PERFORMANCE MONITORING AND REPORTING.**

- All projects will be subject to a sound business case being provided
- Specific targets will be established as projects are introduced and the Councils performance against these monitored and reported.

This will be done quarterly through the Council's Senior Management Team and the Overview and Scrutiny Committee. Any exceptions in regard to delivery of a top risk project are reported to the Council's Cabinet as necessary under their terms of reference. General project risks are reported via the Council's Risk Management Group and onward to Finance Audit and Risk Committee. Details of dates, times and agenda for meetings are available at [www.north-herts.gov.uk](http://www.north-herts.gov.uk)

## **Our Community.**

- Population ONS mid year 2016 132,700
- Population density 3.54 per hectare [Hertfordshire average 7.16]
- Large rural area
- Four main towns Baldock, Hitchin, Letchworth Garden City and Royston
- 24 wards
- The population projections suggest an increase of approximately 32, 600 (24.89%) in population in North Hertfordshire District over the 25 year period from 2014 to 2039. The biggest increases in population are estimated to be the age ranges for those over 70 and over all the way through to those 90+ years of age.
  - Factors influencing this are increased longevity, social patterns, and the attractiveness of district.
- The median age of both the UK and North Hertfordshire population is 40
- The life expectancy at birth for a resident in the North Hertfordshire District between 2013-2015 was 80.8 years for men and 83.1 years for women. (ONS).
- Lowest life expectancy area for males Hitchin Oughton , 76.1 years<sup>3</sup>
- Highest life expectancy for females Royston Meridian, 89.1 years
- In 2016, the smoking prevalence in Adults was recorded as 8.1% as compared to 15.5% in England<sup>4</sup>
- The percentage of overweight and Obese Children aged 10-11 in north Hertfordshire is 28.2%; this compares to 29.4% average of Hertfordshire and 34.2% for England
- 54.4% of adults are physically active. 57% of Adults are active in England.
- The mortality rate for cardiovascular disease for people aged 75 and under in North Hertfordshire (between 2013-2015) was 65.75 per 10,000 slightly above the Hertfordshire average(65.57) and below the England average of 74.65%.
- In 2011, 1,030 people in North Hertfordshire District stated that their general health was "very bad". That was 0.81% of the resident population. Also 19,182 people stated that they had a long-term health problem or disability that limited their day-to-day activities to some extent. That was 15.1% of the resident population<sup>5</sup>
- Projected population changes 2014-2039
  - 70-74 years an increase of 2,000 residents
  - 75-95 years an increase of 3,000 residents
  - 80-84 years an increase of 2,000 residents
  - 85-90 years an increase of 2,000 residents
  - 90+ years an increase of 3,000 residents<sup>6</sup>
  - In real terms each band would increase by 2,000-3,000 people by 2039
- In the 2011 Census, 10.1% of residents in North Hertfordshire District stated that they provide unpaid care. This was a total of 12,805 people. In comparison, 9.7% of residents in the Hertfordshire and 10.2%

<sup>3</sup> Public Health England; Life expectancy, based on Office for National Statistics mortality statistics

<sup>4</sup> Public Health England. 2016. Health Profiles (Online).

<sup>5</sup>: Office for National Statistics, 2011 Census, Table KS301EW.

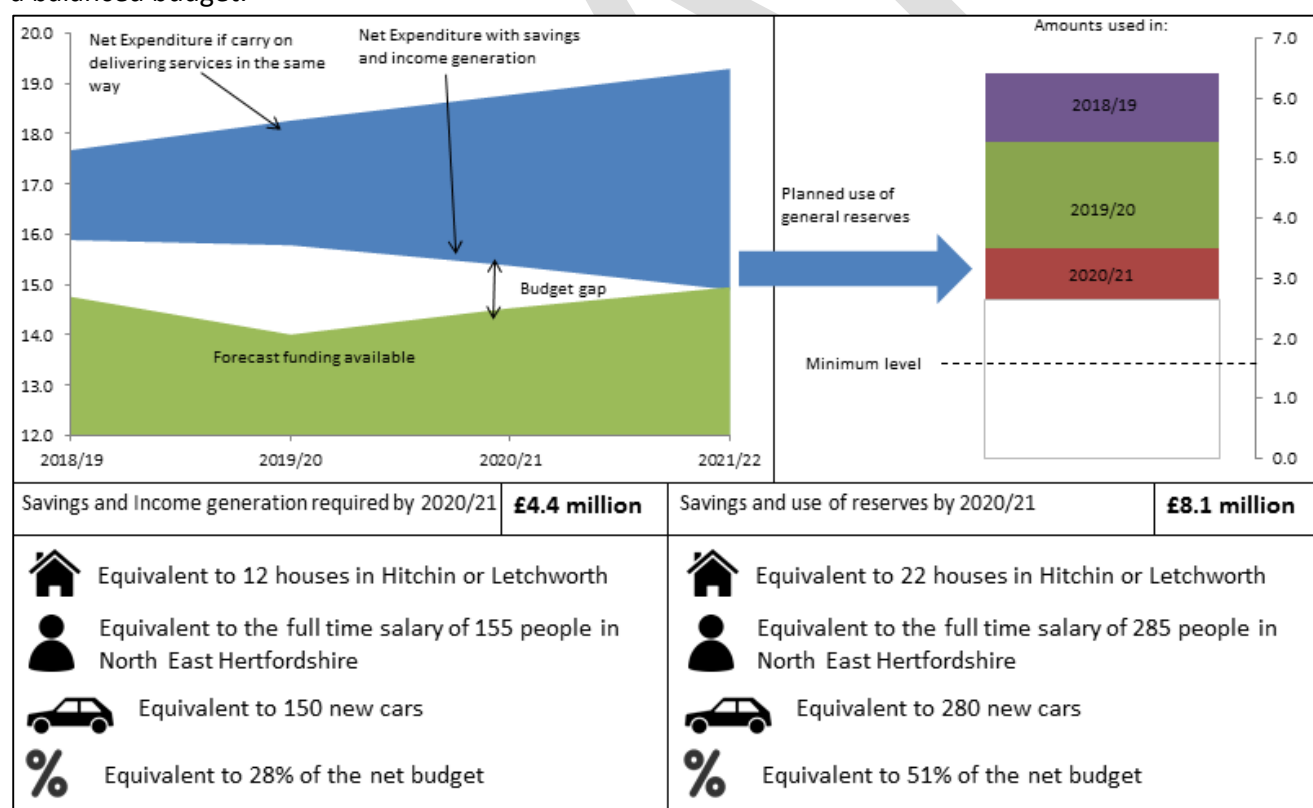
<sup>6</sup> Office for National Statistics Subnational Population projections for Local Authorities in England (mid 2014 to mid 2039)  
**O&S (18.07.17)**

of Hertfordshire residents provided unpaid care in 2011. Furthermore, 1.8% (2,343 people) of the residents in North Hertfordshire District were providing 50 or more hours per week of unpaid care.

- National record of Multiple Deprivation [IMD] rank five of our areas as being deprived using a measure of seven factors; level of income, access to adequate housing, employment, health, education, crime and deprivation factors affecting either the youngest or eldest. 32,844 neighbourhoods (also referred to as Local Super Output Areas, LSOAs) ranked nationally, the top 20% are seen as most deprived.
  - Letchworth South East 5,822 out of 32,844 LSOAs
  - Oughton Hitchin 6,681 out of 32,844 LSOAs
  - Letchworth South East 7,062 out of 32,844 LSOAs
  - Letchworth Wilbury 7,262 out of 32,844 LSOAs
  - Letchworth Grange 8,368 out of 32,844 LSOAs.<sup>7</sup>
- In 2011, the proportion of the total population that were in a minority ethnic group (i.e. not White-British) was 15.12%.(compared to 19.18% in Hertfordshire, 14.72 in the East of England and 20.25 in England).

## Our Financial position

The Council has faced considerable budget pressures over a number of years as government funding has reduced throughout the years of austerity. The position with regard to proposed changes to funding support for local Government remains uncertain and the Council's Medium Term Financial strategy for the period 2018/19 to 2020/21 forecasts that we will need to use a combination of efficiencies and new income generation proposals together with planned use of general reserves of around £8.1 million if we are to deliver a balanced budget.



## Conclusions and trends.

1. The Council needs to ensure that the Corporate Plan reflects changes to our District.

<sup>7</sup> Department for Communities and Local Government – OpenData Communities  
O&S (18.07.17)

2. The financial constraints placed upon the Council.
3. The Council recognises the challenges in North Hertfordshire and the additional cost that will be incurred by:
  - An ageing population
  - Increasing demands on care services
  - Specific health concerns – obesity, smoking and helping the growing older population maintain their health.
  - Pressure for substantial housing growth
  - Maintaining and enhancing a cohesive community.
  - Addressing the needs of our separate towns
  - Addressing areas of deprivation
  - Encouraging employment opportunities
4. The Council recognises that the Corporate Plan is a “live” document which will develop over time.
5. The Council recognises that implicit in addressing these issues is a commitment to partnership working, shared services, economy of scale, commercialisation and seeking efficiencies where possible.



**OVERVIEW AND SCRUTINY COMMITTEE**  
**18 JULY 2017**

**\*PART 1 – PUBLIC DOCUMENT**

**AGENDA ITEM No.**

**12**

**TITLE OF INFORMATION NOTE : GREEN SPACE STRATEGY**

INFORMATION NOTE OF THE HEAD OF LEISURE AND ENVIRONMENTAL SERVICES

EXECUTIVE MEMBER: COUNCILLOR JANE GRAY

At the 15 February 2017 Overview and Scrutiny meeting the following was resolved: ***‘That the Head of Leisure and Environmental Services be requested to produce a report detailing the steps taken and the progress made in identifying interested groups and organisations to safely provide facilities and present it to this Committee at the meeting due to be held on 18 July 2017’***

This information note details the steps taken and the progress made in identifying interested groups and organisations to safely provide facilities. A communication plan has been produced and is shown at appendix A. It lists agreed actions between Jan 2017– April 2018.

As per the agreed actions in the Councils adopted Green Space Management Strategy 2017-2021 pavilions identified as being beyond economic repair have now been closed. (Bakers Close, Baldock, St. Johns Road, Cadwell Lane and Walsworth Common, Hitchin.) Prior to removing pavilions there is a period of time until 1<sup>st</sup> March 2018 for interested parties to put forward sustainable proposals.

Also as per the agreed actions in the Councils adopted Green Space Management Strategy 2017-2021, Local neighbourhood play areas identified as lower usage shall have until 1st March 2018 for interested parties to put forward sustainable proposals. (13 sites)

**SUMMARY OF STEPS TAKEN**

**Pavilions**

Date	Action
Feb 2017	All current users of football pavilions contacted seeking expressions of interest for asset transfer.
Feb 2017	Received expression of interest from interested party for use of Bakers Close pavilion as venue for beer festival. (later withdrawn)
Feb 2017	Contacted Hertfordshire Football Association for interest in asset transfer of pavilions
Feb 2017	Met with Hitchin Sunday Football League. Provided detailed information on maintenance and repairs required to pavilions.
Feb 2017	Expression of interest received from Hitchin Town Youth FC. Provided detailed information on maintenance and repairs required to pavilions.

Feb 2017	Received outline business case from community group for use of Bakers Close pavilion. (detailed business case to follow in late summer)
April 2017	Followed up Sunday Football League for proposals for pavilions
April 2017	Followed up Hitchin Town Youth for proposals for pavilions (No response)
April 2017	Complaint received from Sunday Football League re closure of pavilions. Currently referred to Local Government Ombudsman.
May 2017	Received expression of interest from St. Johns FC to take on St. Johns pavilion. Provided detailed information on maintenance and repairs required to pavilion.
June 2017	Received expression of interest from Albion FC to take on Cadwell pavilion. Provided detailed information on maintenance and repairs required to pavilion.

Appendix B details letter sent to existing users.

### Play Areas

Date	Action
Jan 2017	Article in Mercury paper requesting asset transfer of play areas.
Feb 2017	Contacted 38 residents who expressed an interest in play areas for expressions of interest for asset transfer.
Feb 2017	Contacted 46 PTA's and 85 community groups seeking expressions of interest for asset transfer.
Feb 2017	Play area information sheet on Web site (see appendix C)
Feb 2017	Contacted Royston Town Council and North Herts Homes seeking interest in asset transfer.
Feb 2017	Met with Gt. Ashby Council re options for play area. (They are undertaking residents survey results due in July)
Feb 2017	Tweeted offer of support for community groups.
Feb 2017	Provided Royston Councillors maintenance cost of play areas.
Mar 2017	Article in Comet paper requesting community groups to run play areas.
Mar 2017	Article in Royston Crow paper requesting community groups to run play areas.
Mar 2017	Article in Comet online requesting community support for Rosehill play area.
Mar 2017	Contacted Town Centre managers for funding for play areas.
Mar 2017	New sponsorship page on web site (see appendix D) Emailed link to Town Centre Managers & NHDC Business development officer to include in business newsletter.
Mar 2017	Met with planning to discuss future options for new play areas.
Apr 2017	Community management signs erected in 13 play area (see appendix E)
Apr 2017	Royston Town Council resolved not to fund play areas.
May 2017	Met with Community group who expressed interest in taking on Jackmans Recreation Ground play area.
May 2017	Petition received to save Rosehill play area. (with Committee section)
June 2017	Community Development working on a business plan with Community group who expressed interest in taking on Jackmans Recreation Ground play area.

## SUMMARY OF PROGRESS MADE

### Pavilions

Site	Progress
Bakers Close Pavilion, Baldock	Outline business case received from community group to develop as social club with retained changing rooms and additional community use.
St. Johns changing rooms, Hitchin	Expression of interest received from St. Johns FC to take on building. Provided detailed maintenance cost and condition survey. Community Development to work with St. Johns FC on business case.
Cadwell Lane changing rooms, Hitchin	Expression of interest received from Albion FC to take on building. Provided detailed maintenance cost and condition survey. Community Development working with Albion FC on business case.
Walsworth changing rooms, Hitchin	No expressions of interest received for existing building. Aiming to secure section 106 money for new build in 2020/21.

### Play Areas

Site	Progress
Generic	Seeking sponsorship of some of our larger play area sites, which may generate additional income to offset the cost to help retain some of the smaller sites. We are also seeking opportunities for alternative play provision in the locality of our existing play areas through negotiations with landowners and stakeholders.
Betjeman Road, Royston	No interest from Royston Town Council. Royston District Councillors seeking options for alternative funding.
Farrier Court, Royston	No interest from Royston Town Council. Royston District Councillors seeking options for alternative funding.
Ivel Road, Baldock	No expressions of interest received.
Dacre Road, Hitchin	No expressions of interest received.
Rosehill, Hitchin	Large amount of community support to retain play area. No offers of funding.
Symonds Rd, Hitchin	No expressions of interest received.
Jackmans Recreation Ground, Letchworth	Expression of interest received from community group to fund play area. Shortly due to meet with group to finalise details.
Linnet Close, Letchworth	Some community support to retain play area. No offers of funding.
Oaktree Close, Letchworth	No expressions of interest received.

Chilterns, Gt. Ashby	Gt. Ashby Community Council have taken an interest in play areas. They are currently consulting with residents on future options.
Cleveland Way, Gt. Ashby	Gt. Ashby Community Council have taken an interest in play areas. They are currently consulting with residents on future options.
Fairfield Crescent, Gt. Ashby	Gt. Ashby Community Council have taken an interest in play areas. They are currently consulting with residents on future options.
Merrick Close, Gt. Ashby	Gt. Ashby Community Council have taken an interest in play areas. They are currently consulting with residents on future options.

## COMMUNICATION PLAN

## OUTLINE TIMELINE FOR COMMUNICATIONS – GSMS

Timing	Action	Who is responsible ?	Complete
Jan 2017	Article in local press seeking interested parties for asset transfer	Comms	Yes
Feb	Contact residents who expressed an interest in play areas	SG	Yes
Feb	Contact local football clubs advising of closure of pavilions and seeking interest in asset transfer	SG	Yes
Feb	Contact Herts FA seeking interest in asset transfer	SG	Yes
Monthly	Inform Chairman of Overview and Scrutiny Committee	SG	ongoing
Feb	Meet with Gt. Ashby Community Council re asset transfer of play areas	SG	Yes
Feb	Meet with Sunday Football League seeking interest in asset transfer	SG	Yes
Feb	Contact PTA's of all Schools in District seeking interest in asset transfer	SG	Yes
Feb	Produce information pack/toolkit for asset transfer of play areas	SG	Yes
Feb	Publish information pack/toolkit on a web page on NHDC website	SG	Yes
Feb	Contact community groups who may have an interest in asset transfer	SG	Yes
Feb	Press release	Comms	Yes
Feb	Social media	Comms	Yes
March/April	Erect notices in play areas seeking interest in asset transfer	SG	Yes

April	Contact local companies for sponsorship of play areas	SG	Yes
June	Article in Summer Outlook seeking interest in asset transfer	Comms	
June/July	Social media	Comms	
July	Progress report to Overview & Scrutiny	SG	
Oct/Nov	Press release – last chance	Comms	
Oct/Nov	Social media – last chance	Comms	
Oct/Nov	Briefing note for Area Committees	SG	
March 2018	Progress report to Overview & Scrutiny	SG	
March	Report to Cabinet on any completed or proposed asset transfers	SG	
April	Erect removal of equipment notices at play areas not transferred explaining what will happen to the site	SG	
April/May	Remove equipment and landscape sites not transferred	SG	
March/April	Article in Spring Outlook promoting importance of green space	Comms	

**Audience;**

Residents

Grandparents

Childminders

Community groups

Football clubs

School PTAs

Forums, blogs (mumsnet, best of Hitchin)

play groups

cubs, scouts, brownie groups

Housing associations

Parish and Town Councils

Local business (eg estate agents)

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## LETTER SENT TO EXISTING PAVILION USERS

Dear

On the 24th January 2017 the Council's Cabinet discussed the future of green space and adopted a four year Green Space Management Strategy to ensure its protection in North Herts. The following link provides details of the Cabinet report listed at item 9. Appendix A. details the adopted 2017-2021 Green Space Strategy.

<http://web.north-herts.gov.uk/aksnherts/users/public/admin/kab14.pl?operation=SUBMIT&meet=102&cmte=CAB&grpid=public&arc=71>

You will see that the stated aim of the strategy is 'to provide a sustainable, strategic approach for the future management of green space'. The key driver of the strategy is to retain and maintain the green space in our urban environments for current and future generations to enjoy.

In relation to Football Pavilions:

The Council recognises that many of its pavilions are beyond economic repair and costly to maintain. It has been agreed that at the end of the current football season, the following pavilions shall be closed: St. Johns Road, Cadwell Lane and Walsworth Common, Hitchin.

The Council will allow up to 1 March 2018 for interested parties to put forward viable proposals for the transfer of these facilities to a third party.

If you feel you may have a viable proposal please contact North Hertfordshire District Council on 01462474553 or email [steve.geach@north-herts.gov.uk](mailto:steve.geach@north-herts.gov.uk).

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## PLAY AREA INFORMATION SHEET

## Managing a play area

In order to ensure continued investment in its major play areas, the Council is looking for interested parties to put forward viable proposals that would fund both the maintenance and as required the replacement of the equipment for some small play areas.

These play areas include:

Dacre Road, Rosehill and Symons Rd play areas in Hitchin;

Jackmans Recreation Ground, Linnet Close and Oaktree Close play areas in Letchworth;

Ivel Road play area in Baldock;

Betjeman Road & Farriar Court play areas in Royston; and

Chilterns, Cleveland Way, Fairfield Crescent and Merrick Close play areas in Gt. Ashby

Firstly, if not already established you will need to form a legally recognised body such as a registered Friends of Group or Residents Association. Our Community Development team will be happy to assist you in this. Please contact our Community Manager, Stuart Izzard on 01462 474854 or email [stuart.izzard@north-herts.gov.uk](mailto:stuart.izzard@north-herts.gov.uk).

### What we will do

The Council will transfer the play area to the group in the form of a 25 year lease. The lease will be legally binding and it is recommended that you obtain your own legal advice to ensure you are happy with it. The lease will stipulate what the Council expects from you and what you can expect from the Council.

The Council will continue to maintain the grass and any trees or shrubs that may be present along with litter picking the area and emptying the bins.

### What you will do

In summary you will become responsible for the regular inspection and maintenance of the play area including the equipment, safety surfacing, litter bins, seat, fencing etc. You will also be responsible for the replacement of equipment as and when required.

You will need to take out your own public liability insurance. This [charity insurance page](#) provides useful information on insurance and other information of interest to community groups.

### Inspections and risk assessments

The play area must remain open for general public use and the Council expects you to maintain it in a safe and clean condition for use.

Currently the Council inspects its play areas on a daily basis and you may wish to contact our grounds maintenance contractor for a quote to do this on your behalf. Our contractor can be contacted via [andrew.mills@north-herts.gov.uk](mailto:andrew.mills@north-herts.gov.uk). We have found that these recorded daily inspections pay dividends in defending insurance claims. If you wish to do the inspections yourself The Royal Society for the Prevention of Accidents (RoSPA) can arrange suitable training. RoSPA can be contacted at [enquiries@rospa.com](mailto:enquiries@rospa.com).

Each year you will be required to undertake an independent risk assessment of the play area and send a copy to the Council. The Council will expect you to undertake any remedial work

highlighted in the report. If any highlighted work identified as a risk to users is not undertaken, the Council may have no option but to remove the item of equipment; if there are regular failures, the Council will need to consider whether to terminate the lease.

The Council has negotiated a reduced rate with a specialist playground inspection company for these annual inspections and you may wish to take advantage of this service. The current charge is £50.00. If you prefer to make your own arrangements RoSAP will be able to provide a suitable list of companies.

## Considerations when taking on a play area

The check list below is not exhaustive but identifies some of things that you will need to consider prior to taking on a play area:

Becoming qualified to undertake play area inspections.	Retaining records of safety inspections.
Routine maintenance of the equipment such as replacement swing seats and chains.	Arranging public liability insurance.
How to respond to public / media enquiries	Training for routine maintenance for example how to safely replace a swing seat.
Who will paint the equipment	Arranging annual risk assessment
What to do if you find hazardous waste such as needles from drug users.	What contact number to have displayed at the play area in case of emergencies or complaints.
How to quickly make safe a dangerous item of play equipment.	How to clean noxious substances from play equipment e.g. dog mess, sick etc.

## Further help and information

This may all sound rather daunting but it is important to realise upfront what is involved in managing a play area. This information may help prevent future unexpected surprises.

If you google 'Community Playgrounds' you will see that a number of Councils have adopted a similar approach. You will also be able to contact a number of community groups that already manage play areas.

There are also a number of playground companies that will be able to offer help and guidance especial on funding opportunities for community playgrounds. Below is a brochure from Wicksteed Playgrounds that you may find of use.

If you wish to proceed with taking on the responsibility of your local play area, please contact Steve Geach, Parks & Countryside Development Manager, [steve.geach@north-herts.gov.uk](mailto:steve.geach@north-herts.gov.uk), or call 01462 474553.

Attachment	Size
<a href="#">Wicksteed Playgrounds Funding Brochure</a>	1.02 MB

## PARKS SPONSORSHIP PAGE

## Park Sponsorship Scheme

The Parks service of North Hertfordshire District Council runs a sponsorship scheme, designed to offer local businesses the opportunity to advertise in popular destinations around the district.

Roadside bedding displays, play areas, water splash parks and skate/BMX parks in North Hertfordshire are available to sponsor with all proceeds being used to improve the surrounding park areas. You can see an example of a sign [below](#).

Some of the sites on offer include main town gateway locations such as those entering Letchworth Garden City and large floral beds in the Green Flag award winning Priory Memorial Gardens in Royston. Also available to sponsor are the extremely popular and recently improved and well used larger play areas in our towns. Four popular interactive water splash parks including the large water pool at Howard Park in Letchworth are also available to sponsor along with our newly constructed skate park at Norton Common in Letchworth.

For more information please contact the Parks Department on 01462 474000 or by email via [services@north.herts.gov.uk](mailto:services@north.herts.gov.uk) to learn more about the scheme and discuss how it could help your business.

### Sites available for sponsorship

Site	Size (M2)	Description
<b>Letchworth Garden City</b>		<b>The World's first Garden City</b>
Pixmore Way roundabout flower beds	177m2	Flora display at main gateway into town centre
Howard Park play area	1950m2	Play area located adjacent large interactive water splash park attracting many thousands of visitors each year.
Norton Common, skate park	1205m2	New district wide skate boarding facility.
<b>Baldock</b>		<b>Historic market town</b>
Avenue Park water splash park	390m2	Interactive water splash park, open May–September each year.
<b>Royston</b>		<b>Historic market town</b>
Priory Memorial gardens, flora displays.	617m2	Town centre gardens. Displays include herbaceous borders and annual bedding.

Priory Memorial gardens, water splash park	300m <sup>2</sup>	Interactive water splash park, open May –September each year.
<b>Hitchin</b>		<b>Historic market town</b>
Bancroft Recreation Ground, water splash park	300m <sup>2</sup>	Interactive water splash park, open May –September each year.
Ransoms Recreation Ground, play area	798m <sup>2</sup>	Recently refurbished play area including equipment for all ages and multi use games area
Walsworth Common, Play Area	1914m <sup>2</sup>	Recently refurbished play area including equipment for all ages and ball games area

**Attachment****Size**
[Sponsorship sign example](#)

244.21 KB

## PLAY AREA SIGN

NORTH HERTFORDSHIRE  
DISTRICT COUNCIL



In order to ensure continued investment in its major play areas the Council is looking for interested parties to put forward viable proposals that would fund both the maintenance and as required the replacement of the equipment for this small play area.

If you are interested in putting forward a proposal and would like more details, please follow this web link.



[www.north-herts.gov.uk/playareas](http://www.north-herts.gov.uk/playareas)

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<b>OVERVIEW AND SCRUTINY COMMITTEE</b> <b>18 JULY 2017</b>
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<b>*PART 1 – PUBLIC DOCUMENT</b>	<b>AGENDA ITEM No.</b>  <b>13</b>
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**TITLE OF INFORMATION NOTE - CITIZENS ADVICE NORTH HERTFORDSHIRE –  
MAJOR FUNDERS**

INFORMATION NOTE OF THE STRATEGIC DIRECTOR OF FINANCE, POLICY AND  
GOVERNANCE

At the meeting of the Overview and Scrutiny Committee held on 21 March 2017 it was  
resolved:

“That the Strategic Director of Finance, Policy and Governance be requested to attend the  
next meeting of this Committee, due to be held on 6 June 2017, to advise the Committee of  
the amounts of grant funding awarded to Citizens Advice North Herts and from which  
organisations these grants were awarded”

Please see details attached.

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## Citizens Advice North Hertfordshire – List of major funders 2017/18

Funder	Project / Service provided	Funding
<b>North Hertfordshire District Council –</b>	<b>Core service:</b> General advice service: Drop-in and generalist appointments at Letchworth (5 mornings & 3 afternoons), Hitchin (2 days) and Royston (2 days). Adviceline service and call backs. Email advice. Website with self-help information.	£145,000
<b>North Hertfordshire District Council</b>	<b>Court Help Desk:</b> Provision of on-the-ground representation at Court, picking up clients on the day as well as through referrals from the council, court, internal referrals and self-referrals. Clients are supported through follow-up casework to take action on behalf of the client, including negotiating with third parties.	£25,000 (to March 2018)
<b>North Hertfordshire Homes</b>	<b>Money Advice:</b> Our Money Advice caseworkers offer support to NHH tenants who are in rent arrears. Referrals are made by NHH with 3 appointments in each of our offices in Letchworth and Hitchin each week and 2 appointment slots in Royston. NHH tenants with debt issues who drop-in through our general advice service are also referred to this service for additional support, where we have capacity.	£40,000 (to March 2018)
<b>Letchworth Garden City Heritage Foundation</b>	<b>Welfare Rights:</b> Provision of casework service for welfare benefits for Letchworth residents. The service includes home visits as well as appointments in our offices. Volunteer caseworkers and administrators extend the service across the district. Around 75-80% of clients supported have disabilities or long-term health conditions due to the demand for support with disability benefits.	£35,500 (to March 2018)
<b>Letchworth Garden City Heritage Foundation</b>	<b>Money Matters:</b> Provision of financial capability 1-2-1 appointments and outreach workshops in community settings, including drop-in sessions at Garden House Hospice. We deliver group sessions, drop-in clinics and tailored one-to-one appointments teaching people how to budget, use bank accounts, deal with bills, reduce expenditure, and understand credit options and the consequences of debt.	£12,500 (to March 2018)
<b>Hertfordshire County Council</b>	<b>Crisis Intervention:</b> A debt and benefits casework service to support those with urgent and complex needs. We extend the service through using volunteer advisors to support vulnerable people referred from the HertsHelp helpline and through our drop-in sessions, including those in need of Food Bank vouchers.	£26,000 (to March 2018)
<b>South Cambridgeshire District Council</b>	General advice service to South Cambridgeshire residents: Drop-in and generalist appointments at Royston, Melbourn Hub (1st & 3rd Thurs), Bassingbourn (2nd Thurs by appointment). Welfare benefits casework (limited).	£17,850 (to March 2019)

Funder	Project / Service provided	Funding
<b>Citizens Advice / energy companies</b>	<b>Energy Best Deal Extra appointments:</b> To provide 1-2-1 appointments in energy advice to clients. People in or at risk of fuel poverty are supported with issues such as fuel debt, benefits entitlement, energy efficiency and switching suppliers or tariffs. Includes outreach community work in libraries, groups and pop-up shops as well as drop-in energy clinics.	£12,000 (+£12,000 tbc Sept 2017)
<b>Citizens Advice – energy companies</b>	<b>Energy Best Deal group workshops:</b> To deliver workshops to vulnerable groups in community settings or frontline workers to promote energy awareness to those in or at risk of fuel poverty.	£1,500 (to May 2017)
<b>Citizens Advice – energy companies</b>	<b>Energy Champion:</b> Provision of 1 FTE Energy Champion to support local Citizens Advice to deliver Energy Advice in North Hertfordshire, Bedfordshire, Cambridgeshire, Norfolk and Suffolk.	£45,000 (to March 2018)
<b>Citizens Advice – Phone Strategy</b>	<b>Lot 1 Group working:</b> Development of Hertfordshire Adviceline service through piloting and testing new ways of delivering telephone advice.	£8,750 (to July 2017)
<b>Citizens Advice – Phone Strategy</b>	<b>Lot 2 Volunteers:</b> Development of resources for recruiting & training Adviceline volunteers to share with national Citizens Advice network.	£1,750 (to July 2017)
<b>Citizens Advice – Phone Strategy</b>	<b>Lot 3 Supervisors:</b> Development & testing of model of using a volunteer supervisor for Adviceline to share findings with national Citizens Advice network.	£1,750 (to July 2017)

## RESOLUTIONS OF THE OVERVIEW AND SCRUTINY COMMITTEE: 18 JULY 2017

### SECTION 1: COMMITTEE RESOLUTIONS

Ref	Resolution	Response/Outcome	State of Play
Min 92 Feb 17	<p><b>Call in: Green Space Management Strategy</b></p> <p>That the Head of Leisure and Environmental Services be requested to produce a report detailing the steps taken and the progress made in identifying interested groups and organisations to safely provide facilities and present it to this Committee at the meeting due to be held on 18 July 2017;</p> <p>That the Head of Leisure and Environmental Services be requested to produce a report detailing the steps taken and the progress made in identifying interested groups and organisations to safely provide facilities, together with details of play areas that have not attracted any interested groups and would likely close following the deadline of 1 March 2018 and present it to this Committee at the meeting due to be held in March 2018.</p>	<p>This item is on the Committee's agenda for July.</p> <p>Passed to the Head of Leisure and Environmental Services for action.</p>	<p>In hand</p> <p>In hand</p>
Min 98 Mar 17	<p><b>Hitchin Town Hall/North Herts Museum: Presentation by Jacqueline McDonald</b></p> <p>1) That the Scrutiny Officer retain the minute of this item for presentation to the review of the North Hertfordshire Museum and Community Facility at Hitchin Town Hall, which would be undertaken at the completion of the project;</p>	<p>Noted by the Scrutiny Officer</p>	<p>Complete</p>

	(2) That the Executive Member for Community Engagement and Rural Affairs consider the questions posed in the above presentation and provide answers, wherever this is possible without causing detriment to the completion of the project, to this Committee and Ms McDonald.	A response has been sent to Ms McDonald and has also been circulated to the Committee. The response is attached as <b><u>Annex A</u></b> to this report.	Committee to note
Min 103 Mar 17	<p><b>Memoranda Of Understandings with Citizens Advice North Herts, North Herts Centre For Voluntary Services &amp; North Herts Minority Ethnic Forum</b></p> <p>That the Strategic Director of Finance, Policy and Governance be requested to attend the next meeting of this Committee, due to be held on 6 June 2017, to advise the Committee of the amounts of grant funding awarded to Citizens Advice North Herts and from which organisations these grants were awarded;</p> <p>That the Communities Manager be requested to scrutinise the detail of the services provided by each organisation and check whether any of those services could be funded from other funding sources.</p>	These two resolutions will be addressed at the Committee's meeting in July.	In hand
Min 106 Mar 17	<p><b>Performance Management Measures for 2017/18</b></p> <p>That the Chief Executive advise Members of the Committee of the exact percentage of Council Tax collected in year (BV9) and the procedures used to collect outstanding amounts</p>	Passed to the Chief Executive for action	Pending

Min 111 Mar 17	<b>Resolutions Report: Task &amp; Finish Groups</b> That Chairman be authorised to look into the issue of actions taken following Task and Finish Groups and report back to this Committee on her conclusions.	The state of play with the last four Task and Finish Groups has been set out in Section 2 of this report	Committee to note
Min 11 June 17	<b>Year End Performance Indicators Monitoring Report 16/17</b> That the Controls, Risk and Performance Manager be requested to include benchmarking data in respect of sickness absence in all future reports.	Noted by the Controls, Risk and Performance Manager for future reports	In hand
Min 12 June 17	<b>4th Quarter Monitoring Report: Key Projects 16/17:</b> That the Controls, Risk and Performance Manager be requested to include a record of any Prince II documentation produced for projects in all future reports.	Noted by the Controls, Risk and Performance Manager for future reports	In hand
Min 14 June 17	<b>Task and Finish Group on the Council's Management of Larger projects</b>  1) That the Task and Finish Group on the Council's Management of Larger projects be requested to consider the comments made by this Committee: <u>Recommendation 1:</u> Members suggested that the recommendation be amended to reflect the need to move forward and the need to assess risks and recognise when a project should be stopped.  <u>Recommendation 2:</u> Members queried whether this recommendation applied to only one project and therefore should be clarified as such, or whether this was something	The Task and Finish Group has revised its report and recommendations. The report is on the Committee's agenda for July's meeting.	Complete

	<p>that should be applied generally and maybe be re-worded.</p> <p>As a point of clarification the recommendation should be to be clearer about its tender invitations and then put it out to tender.</p> <p><u>Recommendation 9:</u> It was suggested that the recommendation be amended to reflect that the Council should not embark on a project unless they were confident that proper and meaningful consultation had been undertaken, but it was important to continue to engage with the public at stages throughout project.</p> <p><u>Recommendation 10:</u> It was suggested that the recommendation be amended to ensure that use of the Competitive Dialogue Process was not excluded, but that it was used appropriately and not used on highly sensitive and visible projects.</p> <p>(2) That the Task and Finish Group on the Council's Management of Larger projects be requested to consider whether the comments made and documents presented in public participation would add any value to their discussions.</p>		
Min 16 June 17	<p><b>Work Programme</b></p> <p>That the Chairman, Chief Executive and Scrutiny Officer be requested to develop the outline for a workshop that would enable Members to identify issues and topics for discussion at future meetings of this Committee;</p>	A meeting will be arranged shortly	Pending



	That the Scrutiny Officer be requested to produce a scope for a Task and Finish Group on Communication and Engagement and present this to the next meeting of this Committee;	A scope has been drafted for the Committee's comments and is attached to the work programme.	In hand
	That the Head of Development and Building Control be requested to formulate a discussion paper regarding the Strategy for a New Settlement to be presented at the next meeting of this Committee;	The Head of Development and Building Control is on leave and cannot attend July's meeting of the Committee. This item has been deferred until September's meeting.	In hand
	That the Communications Manager and Customer Services Manager be requested to formulate a discussion paper regarding Channel Shifting and present it to this Committee on 19 September 2017.	The Communications Manager and Customer Services Manager will attend the Committee's meeting in July.	In hand

## SECTION 2: RECOMMENDATIONS OF TASK AND FINISH GROUPS

Ref	Resolution	Response/Outcome	State of Play
Min 26 July 14	<p><b>Task &amp; Finish Group Report on Employment Partnerships in North Herts: Recommendations</b></p> <p><b>1:</b> The Council should seek opportunities to give unemployed people work experience, apprenticeships and traineeships within the Council and within community organisations.</p> <p><b>2:</b> When assessing planning applications for larger projects, when letting contracts to supply Council services, and when allocating grant funding the Council should consider setting developers, contractors and grant recipients a minimum level of local employment as a condition of approval.</p> <p><b>3 (rejected):</b> The Council should develop a programme which offers interviews with both members and officers to unemployed people to improve their interview techniques and their chances of getting a job.</p> <p><b>4:</b> The Council should consider all of its options for employing an economic development officer, including outsourcing the role to North Herts College or other partners; and members should have an input into economic development matters through a members' working group.</p> <p><b>5 (rejected):</b> The Council should consider instituting</p>	<p><b>Cabinet:</b> supported Recommendations 1 and 6;</p> <p>supported Recommendation 2 in principle, but that further work be carried out on this recommendation with, if necessary, the outcome being reported back to Cabinet;</p> <p>rejected recommendations 3, 5, 7 and 11.</p> <p>Recommendations 4, 8, 9 and 10 of the Task and Finish Group were to be encompassed in the emerging NHDC Economic Development Strategy.</p> <p>supported Recommendation 12 in relation to those recommendations which Cabinet supported.</p> <p>Cabinet adopted the Economic Development Strategy in September 2015.</p>	Pending

	<p>community awards to celebrate employment successes for North Herts such as apprentice of the year.</p> <p><b>6:</b> The Council should enhance its understanding of economic trends and activity in the district and share this information with members and partners.</p> <p><b>7 (rejected):</b> The Council should be aware of and promote the employment opportunities the expansion of Luton airport will bring for North Herts.</p> <p><b>8:</b> The Council should consider establishing a North Herts Economic Forum; and aim to have a greater officer and member presence at existing economic fora.</p> <p><b>9:</b> The Council should encourage the Hertfordshire LEP to emulate the success of the Cambridgeshire LEP in working with the voluntary sector.</p> <p><b>10:</b> The Council should act as a broker and facilitator between the private sector and voluntary and other community organisations.</p> <p><b>11(rejected):</b> The Council should consider creating an Enterprise Grant Scheme of the type run by Bassetlaw District Council, which provides grants for capital expenditure of up to £1,500, or £2,500 for businesses seeking to locate, re-locate or expand within North Hertfordshire. This money can be used to support the employment of people with disabilities.</p>		
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	<b>12:</b> These recommendations should be implemented within 12 months of the reports consideration by Cabinet.		
Min 100 Mar 15	<b>Task and Finish group Report on Parking</b>  <b>Recommendations</b> <b>1:</b> The Council should review its policies to ensure adequate provision of parking for town centre residents.  <b>2.</b> The Council should consider outsourcing the management and maintenance of its car parks, or sharing the costs with another authority, provided there is a good business case for doing so.  <b>3.</b> The Council should consider acquiring land in order to provide new car parks when there is a need and a good business case for doing so.  <b>4:</b> The Council should keep the problem of verge parking under review.  <b>5.</b> The Council's Parking Strategy should contain a section on parking for rail commuters.  <b>6.</b> The Council should review the opening hours of its car parks.  <b>7.</b> In order to do so, the Council should gather sufficient data about the usage of car parks, particularly at times when there is no charging, so it can make an informed decision about opening hours.  <b>8.</b> The Council should talk to its local MPs to see if they can	<b>Cabinet</b> resolved that that, taking into account the Senior Management Team's comments set out at Paragraph 7.3 of the report, Recommendations 1 to 9 contained in the Report of the Scrutiny Task and Finish Group on Parking be supported and progressed at appropriate times in the future.  A parking review is under way.	Pending

	<p>facilitate a dialogue with Network Rail and the train operating companies about provision of more parking around stations in North Herts.</p> <p>9. The Council should review its policy on season tickets, including ways of boosting their sales. This could include better publicity; making sure the process of buying them is as straightforward as possible; using alternative outlets such as shops; and allowing season tickets to be transferable in some circumstances.</p>		
Min 50 Sept 15	<p><b>Task and Finish Group on the Commercialisation of Council Services</b></p> <p>The Task and Finish Group made 9 recommendations which were considered by Cabinet on 10 November 2015. Its recommendations were:</p> <p>1. The Council should appoint a senior commercial manager to lead and coordinate its commercial activities; and to identify and develop new commercial opportunities.</p> <p>2. The Council should appoint a high level commercial board comprised of councillors, officers and others with commercial experience. The board can advise the Cabinet about the feasibility of commercial opportunities and review the performance of existing ones.</p> <p>3. The Council should pursue income generation opportunities where it has the skills, experience and resources to do so. These should be compatible with the</p>	<p>Cabinet considered its recommendations in November 2015 and:</p> <ul style="list-style-type: none"> <li>accepted recommendations 3 and 6; and</li> <li>established a Project Board to advise Cabinet on these and the other recommendations.</li> </ul> <p>The Project Board was scheduled to report to Cabinet in June 2016. It has yet to do so. Cabinet did, however, receive a progress report on the work of the Project Board on 28 March 2017. At that meeting Cabinet:</p> <ul style="list-style-type: none"> <li>endorsed the establishment of a housing company and the progression of proposals to create a new North Hertfordshire Crematorium;</li> <li>endorsed the establishment of a Cabinet sub-committee to deal with share holder functions</li> </ul>	Pending.

	<p>Council's strategic objectives, and at a level of risk which would not threaten the Council's core services in the event of an enterprise's failure.</p> <p><b>4.</b> The Council should explore the possibilities of property investment as a means of generating revenue.</p> <p><b>5.</b> The Council should use the expertise of its strategic partners to help manage its property portfolio.</p> <p><b>6.</b> The Council should review its assets register to understand whether any of them could be used for property development or other commercial purposes.</p> <p><b>7.</b> Commercial activities should bear the true cost - but no more than that – of any support they receive from the Council.</p> <p><b>8.</b> The Council should review its training programmes for senior and other key staff to include more commercial training, networking and mentoring activities.</p> <p><b>9.</b> The Council should have a scheme that recognises officers who make useful commercialisation proposals or make significant contributions to their success.</p>	<p>relating to both of these as well as commercial activities related to its Building Control, CCTV and North Hertfordshire Homes. This change was subsequently agreed by Council in April; and</p> <ul style="list-style-type: none"> <li>supported the development of commercial activities where they contribute to the financial sustainability of the Authority and provided services to the residents of North Hertfordshire.</li> </ul> <p>Cabinet has not yet responded to all of the recommendations of the Task and Finish Group.</p>	
Min 103 Mar 16	<p><b>Task and Finish Group on the Quality of Council Reports: Recommendations</b></p> <p><b>1:</b> The Council should review its report template and</p>	<p>Cabinet considered the report at its meeting in June</p>	Pending

	<p>consider adopting the features of the alternative report template in Annex 1.</p> <p><b>2:</b> Reports should clearly state their purpose.</p> <p><b>3:</b> Reports should include timelines showing financial and timetable changes for projects.</p> <p><b>4:</b> The Council should be mindful of the burden of producing reports and consider doing so only when decisions are required. Reports should not be used to brief members unless there is a compelling reason for it.</p> <p><b>5:</b> The Council should introduce a document management system to enable proper tracking, management and storage of documents.</p> <p><b>6:</b> There is a need for training to encourage both plainer English and for officers to better understand the purpose of reports.</p> <p><b>7:</b> The Council should trial the introduction of paperless reports with a view to introducing paperless reports for all 49 councillors.</p>	<p>2016 and:</p> <ul style="list-style-type: none"> <li>• accepted recommendations 2, 3, 5 and 6;</li> <li>• accepted recommendation 1 to review the Council's report template but did not undertake to adopt the features of the template annexed to the TFG report;</li> <li>• accepted recommendation 4 with the caveat that there are circumstances, such as when it is a legal requirement, when it is appropriate to use Council reports to brief members;</li> <li>• accepted recommendation 7 with the caveat that Members still retain an option to receive paper copies of reports.</li> </ul> <p>The Council's report template and accompanying guide have since been reviewed and amended. The revised report template was introduced from the start of the civic year 2017/18.</p> <p>The Committee is due to receive a report on the implementation of the recommendations at a future meeting</p>	
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<b>OVERVIEW AND SCRUTINY COMMITTEE</b> <b>18 JULY 2017</b>
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<b>PART 1 – PUBLIC DOCUMENT</b>	<b>AGENDA ITEM No.</b>  <b>16</b>
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**TITLE OF REPORT: OVERVIEW AND SCRUTINY COMMITTEE WORK PROGRAMME FOR 2017/18**

REPORT OF THE SCRUTINY OFFICER

EXECUTIVE MEMBER: NOT APPLICABLE

COUNCIL PRIORITY: RESPONSIVE AND EFFICIENT

**1. EXECUTIVE SUMMARY**

The Committee's draft work programme for 2017/18 is set out below.

**2. RECOMMENDATIONS**

- That the Committee comments on the attached work programme for Committee meetings.
- That if other agenda items are suggested after the meeting the Chairman be given the authority to consider them and finalise the agenda for the next meeting.
- The Committee comments on the draft scope for the Task and Finish Group on Consultation and Engagement.

**3. REASONS FOR RECOMMENDATIONS**

- 3.1 To allow the Committee to set its work programme and operate effectively.

**4. ALTERNATIVE OPTIONS CONSIDERED**

- 4.1 The Committee has varied its approach to overview and scrutiny over the years. For most of this time, its agenda has usually been centred on the Forward Plan, Constitutional requirements and other regular topics. The Committee has now resolved to cast its net wider when setting its agenda so it can enter the process of policy development earlier.

## **5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS**

- 5.1 The Committee is consulted about its work programme at every meeting. It also held a workshop on 19 April 2017 to discuss the best way forward.

## **6. FORWARD PLAN**

- 6.1 This report does not contain a recommendation on a key decision and has not been referred to in the Forward Plan.

## **7. BACKGROUND**

- 7.1 Following discussions at earlier meetings and a workshop in April 2017, the Committee decided at its meeting in June to supplement its approach to agenda setting. It would consider a wider range of topics as potential agenda items and look at those topics earlier in the policy development process. By doing so it hoped to be able to influence policy making at an earlier stage.
- 7.2 Alongside this, the Committee will continue with some elements of the traditional approach to setting its agenda by using the Forward Plan; and meeting the statutory obligations which have been delegated to the Committee to look at safeguarding, RIPA and crime and disorder.
- 7.3 In practice, the Scrutiny Officer will review some extra sources of information to identify possible agenda items which assist the Committee in its new approach - essentially to look at issues earlier while there is still time to say something meaningful about them to Cabinet.
- 7.4 There will still be six regular meetings a year and the meetings should not last any longer than before. The Committee will probably not add more than one extra item per meeting. Some extra officer time will be needed to produce an information note and attend the Committee; but this should be offset by the time saved by other officers not having to produce reports or briefing for Executive Members and not having to attend the Committee. The net effect of the new approach on officer time should be zero or something close to it.

## **8. RELEVANT CONSIDERATIONS**

- 8.1 A draft work programme is set out at **Appendix A** for the Committee's consideration. The Forward Plan for 27 June 2017 is attached at **Appendix B**. The Committee chose to look at the Local Plan 2031 (New Settlement) at its meeting in July but officer absence means this has been deferred until September's meeting. The Channel Shift Project, which the Committee identified for later in the year, has therefore been brought forward to July's meeting.

- 8.2 The Scrutiny Officer will review the sources of information set out below and suggest topics which may be of interest to the Committee. He will give a verbal update to ensure the information is as up to date as possible. The sources of information agreed by the Committee at its last meeting were:
- The Corporate Plan;
  - Service Plans;
  - Covalent;
  - The Revenue Monitoring Report;
  - The Capital Monitoring Report;
  - The Key Projects Monitoring Report;
  - The Forward Plan;
  - Public concern;
  - The Members' Information Service.
- 8.3 The Committee is advised to choose one extra topic per meeting. In doing so it may be wise to select two or three topics of interest and to prioritise them in case officers are unavailable to speak to items as was the case for this meeting and the Local Plan 2031 (New Settlement) item.
- 8.4 In cases where items are identified after the meeting the Committee is asked to give the Chairman the authority to finalise the agenda.

### **Task and Finish Groups**

- 8.5 The Committee has already agreed to move to fixed dates for Task and Finish Groups. Given election priorities and the absence of the lead officer on maternity leave, the first of these will begin in August or September 2017 with **Consultation and Engagement** the first topic. A draft scope is attached at **Appendix C** for the Committee's consideration.

## **9. LEGAL IMPLICATIONS**

- 9.1 Under Section 6.2.5 of the Constitution the Committee is responsible for setting its own Work Programme.
- 9.2 Section 6.2.7 (u) of the Constitution allows the Committee "to appoint time limited task and finish Topic Groups to undertake detailed scrutiny work report back to the Overview and Scrutiny Committee to make recommendations to the Cabinet."
- 9.3 The legal implications at paragraphs 9.1 and 9.2 reflect that the Committee has some latitude in the Constitution to set its own work programme. However there are three important further considerations to take into account in relation to the content of the report. Firstly, the Committee must retain the capacity to undertake the statutory requirements included within its terms of reference. Secondly, the quarterly revenue and capital monitoring reports are constitutionally the responsibility of the Finance, Audit and Risk Committee to review. It would not be an effective use of time to also report on these to the Overview and Scrutiny Committee. Thirdly, any substantive change to the Committee's approach which required a change in the Council's Constitution would require approval by Full Council, as only Full Council can approve substantive changes to the Constitution.

- 9.4 Paragraph 6.2.4 of the Council's Constitution states that "It is the responsibility of the Head of Paid Service to ensure appropriate officer support for the Overview and Scrutiny Committee" [underlining added for emphasis]. The proposals may require more support than is considered appropriate given the size and capacity of the Council workforce.

## **10. FINANCIAL IMPLICATIONS**

- 10.1 The scope of the options presented in section 8 could be quite wide, depending on how they are applied in practise. As detailed in the Human Resources implications (section 14), there could be significant impacts on Officer time in terms of writing reports, analysing information and attending Committee meetings. The number of Officers has reduced over recent years in line with funding pressures, and this makes it unlikely that this could be absorbed within current workloads. Even if it could be absorbed, it would limit the time that Officers could spend on other activities. From a financial perspective this could reduce the amount of time that can be spent on identifying and delivering cost reductions, income generation and project management.
- 10.2 Whilst not significant, for Officers below Senior Management level there is a Committee Attendance Allowance that is payable at £24.20 per Officer per meeting. This is in addition to providing Time of in Lieu.

## **11. RISK IMPLICATIONS**

- 11.1 Effective scrutiny of decisions and processes can help reduce the risk of making an incorrect decision. However this should always be balanced against the potential impacts of over-scrutiny which could lead to decisions not being made, or not being made at the right time.
- 11.2 Members of the Committee will always be reliant on Officers to summarise information so that there is a manageable amount to scrutinise. The proposals require the Scrutiny Officer to screen the additional information suggested in sections 8. It may be difficult for the Scrutiny Officer to ensure that this screening is both concise and captures all the relevant information. There is a risk that this could make the scrutiny less effective.

## **12. EQUALITIES IMPLICATIONS**

- 12.1 In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.
- 12.2 There are no direct equality implications arising from the report. However the impact on the additional reporting to the committee may affect the ability of officers to discharge their deliver of services to the diverse community of North Hertfordshire.

## **13. SOCIAL VALUE IMPLICATIONS**

- 13.1 The Social Value Act and "go local" policy do not apply to this report.

## **14. HUMAN RESOURCE IMPLICATIONS**

- 14.1 The change of approach suggested is likely to have a significant impact on Officer time in terms of reprioritisation of projects or their scope or their timetable and resources. Delivery of service plans to achieve the Council's agreed Corporate plan objectives is the responsibility of the Head of Service. Projects often require significant support service contributions as well. There would also be additional resources for report writing, collecting and analysing information and attending Committee meetings.
- 14.2 The number of Officers actually in employment at the beginning of the financial year has reduced over the years of austerity from an FTE in 2008/9 of 367 to an FTE of 274 in 2017/18 due to the years of acute funding pressures. This makes it unlikely that these proposals could be absorbed within current workloads.

## **15. APPENDICES**

- 15.1 Appendix A – Work Programme
- 15.2 Appendix B – Forward Plan for 27 June 2017
- 15.3 Appendix C – Draft Scope for Consultation Task and Finish Group

## **16. CONTACT OFFICERS**

- 16.1 Brendan Sullivan, Scrutiny Officer, 01462 474612;  
[Brendan.Sullivan@north-herts.gov.uk](mailto:Brendan.Sullivan@north-herts.gov.uk)

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Kerry Shorrocks, Corporate Human Resources Manager, 01462 474224  
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## **17. BACKGROUND PAPERS**

- 17.1 None

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## PROGRAMME FOR COMMITTEE MEETINGS 2017-18

19 Sept 2017	Local Plan 2031 - New Settlement Regulation of Investigatory Powers Act (RIPA) update (information item) Performance Indicators Report Key Projects Monitoring Report Committee Resolutions Update Report The Committee's Work Programme
12 Dec 2017	Crime and Disorder Committee Meeting RIPA update (information item) Performance Indicators Report Key Projects Monitoring Report Committee Resolutions Update Report The Committee's Work Programme
16 Jan 2018	Task and Finish Group Report: Consultation and Engagement Committee Resolutions Update Report The Committee's Work Programme
20 Mar 2018	Presentation from the Leader of the Council Update on the Green Space Strategy RIPA update (information item) Performance Indicators Report Key Projects Monitoring Report Overview and Scrutiny Committee Annual Report Committee Resolutions Update Report The Committee's Work Programme
	<b>To be Scheduled</b> Annual Safeguarding Update

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## NORTH HERTFORDSHIRE DISTRICT COUNCIL

# Forward Plan of Key Decisions – 27 June 2017

The Forward Plan contains brief details of Key Decisions that the Council is likely to take over the next four month period and beyond. You will also find details of contacts who can provide further information and hear your views. **Please note that the dates of some of the decisions may change from month to month, please check with Committee Services on 01462 474403 before deciding to attend a meeting.**

Decision required	Overview and Scrutiny	Decision Maker	Date of Decision	Documents to be submitted to Decision Maker	Contact Officer from whom documents can be requested	Confirmation that other documents <u>may</u> be submitted to the Decision Maker	Procedure for requesting details of other documents
Revenue Budget Outturn 2016/17 (3/3/17)	Finance, Audit & Risk Committee	Council (via Cabinet)	19 July 2017 (via 13 June 2017)	Report	Norma Atlay <a href="mailto:norma.atlay@north-herts.gov.uk">norma.atlay@north-herts.gov.uk</a> 01462 474297	Yes	via the Contact Officer named in Column 6
Annual Treasury Management Review 2016/17 (3/3/17)	Finance, Audit & Risk Committee	Council (via Cabinet)	19 July 2017 (via 13 June 2017)	Report	Norma Atlay <a href="mailto:norma.atlay@north-herts.gov.uk">norma.atlay@north-herts.gov.uk</a> 01462 474297	Yes	via the Contact Officer named in Column 6
Capital Programme Outturn 2016/17 (3/3/17)	Finance, Audit & Risk Committee	Council (via Cabinet)	19 July 2017 (via 13 June 2017)	Report	Norma Atlay <a href="mailto:norma.atlay@north-herts.gov.uk">norma.atlay@north-herts.gov.uk</a> 01462 474297	Yes	via the Contact Officer named in Column 6
Corporate Objectives 2018 to 2022 (3/3/17)	Overview & Scrutiny Committee	Council (via Cabinet)	19 July 2017 (via 13 June 2017)	Report	Norma Atlay <a href="mailto:norma.atlay@north-herts.gov.uk">norma.atlay@north-herts.gov.uk</a> 01462 474297	Yes	via the Contact Officer named in Column 6
Baldock, Bygrave & Clothall neighbourhood area designation (5/5/17)		Cabinet	25 July 2017	Report; Map of proposed area	Clare Skeels <a href="mailto:clare.skeels@north-herts.gov.uk">clare.skeels@north-herts.gov.uk</a> 01462 474424	Yes	Via the Contact Officer named in Column 6
Review of Supplementary Planning Guidance & Supplementary Planning Documents (5/5/17)		Cabinet	25 July 2017	Report	Laura Allen <a href="mailto:laura.allen@north-herts.gov.uk">laura.allen@north-herts.gov.uk</a> 01462 474826	Yes	Via the Contact Officer named in Column 6
Review of the Council's Byelaws (5/5/17)		Council	31 Aug 2017	Report	Anthony Roche <a href="mailto:anthony.roche@north-herts.gov.uk">anthony.roche@north-herts.gov.uk</a> 01462 474588	Yes	via the Contact Officer named in Column 6

**APPENDIX B**

Decision required	Overview and Scrutiny	Decision Maker	Date of Decision	Documents to be submitted to Decision Maker	Contact Officer from whom documents can be requested	Confirmation that other documents <u>may</u> be submitted to the Decision Maker	Procedure for requesting details of other documents
Corporate Plan 2018 to 2022 (3/3/17)	Overview & Scrutiny Committee	Council (via Cabinet)	31 Aug 2017 (via 25 July 2017)	Report	Norma Atlay <a href="mailto:norma.atlay@north-herts.gov.uk">norma.atlay@north-herts.gov.uk</a> 01462 474297	Yes	via the Contact Officer named in Column 6
Medium Term Financial Strategy 2018-2023 (3/3/17)	Finance, Audit & Risk Committee	Council (via Cabinet)	31 Aug 2017 (via 25 July 2017)	Report	Norma Atlay <a href="mailto:norma.atlay@north-herts.gov.uk">norma.atlay@north-herts.gov.uk</a> 01462 474297	Yes	via the Contact Officer named in Column 6
First Quarter Revenue Monitoring 2017/18 (27/6/17)	Finance, Audit & Risk Committee	Cabinet	26 Sep 2017	Report	Ian Couper <a href="mailto:ian.couper@north-herts.gov.uk">ian.couper@north-herts.gov.uk</a> 01462 474243	Yes	via the Contact Officer named in Column 6
First Quarter Treasury Management Monitoring 2017/18 (27/6/17)	Finance, Audit & Risk Committee	Cabinet	26 Sep 2017	Report	Ian Couper <a href="mailto:ian.couper@north-herts.gov.uk">ian.couper@north-herts.gov.uk</a> 01462 474243	Yes	via the Contact Officer named in Column 6
First Quarter Capital Monitoring 2017/18 (27/6/17)	Finance, Audit & Risk Committee	Cabinet	26 Sep 2017	Report	Ian Couper <a href="mailto:ian.couper@north-herts.gov.uk">ian.couper@north-herts.gov.uk</a> 01462 474243	Yes	via the Contact Officer named in Column 6
Proposals for deployment of the Flexible Homeless Support Grant (16/5/17)		Cabinet	26 Sep 2017	Report	Martin Lawrence <a href="mailto:martin.lawrence@north-herts.gov.uk">martin.lawrence@north-herts.gov.uk</a> 01462 474250	Yes	via the Contact Officer named in Column 6
Taxi Licensing Policy 2018 (6/11/15)		Cabinet	19 Dec 2017	Report; Proposed Policy	Steven Cobb <a href="mailto:steven.cobb@north-herts.gov.uk">steven.cobb@north-herts.gov.uk</a> 01462 474833	Yes	via the Contact Officer named in Column 6
Street Trading Policy 2018 (5/5/17)		Cabinet	19 Dec 2017	Report; Proposed Policy	Steven Cobb <a href="mailto:steven.cobb@north-herts.gov.uk">steven.cobb@north-herts.gov.uk</a> 01462 474833	Yes	via the Contact Officer named in Column 6
Animal Licensing Policy 2018 (5/5/17)		Cabinet	19 Dec 2017	Report; Proposed Policy	Steven Cobb <a href="mailto:steven.cobb@north-herts.gov.uk">steven.cobb@north-herts.gov.uk</a> 01462 474833	Yes	via the Contact Officer named in Column 6

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Award of Joint Waste and Street Cleansing Contract (5/5/17)		Cabinet	To be advised	Report	Chloe Hipwood <a href="mailto:chloe.hipwood@north-herts.gov.uk">chloe.hipwood@north-herts.gov.uk</a> 01462 474304	Yes	via the Contact Officer named in Column 6

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**North Hertfordshire District Council  
Overview and Scrutiny Committee Task and Finish Group**

**Consultation and Engagement**

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**DRAFT SCOPE (v0.1)**

**Terms of reference**

To review the effectiveness of the Council's public consultation and engagement arrangements

To suggest improvements where necessary

**Timeframe**

3-4 meetings over 3/4 months beginning August/September 2017

Report to Overview and Scrutiny Committee January/March 2018

**Link with Council Objectives**

Responsive and Efficient

**Key Questions**

What are the key elements of the Council's Consultation Strategy?

What do stakeholders want from consultation and engagement?

Which tools does the Council use to consult and engage; and how effective are they?

How does the Council incorporate feedback from stakeholders into its policies?

How satisfied are stakeholders with the Council's approach?

What can NHDC learn from best practice in other councils?

**Key Topics**

**Overall approach**

District-Wide Survey

Citizens Panel

Consultation formats and demographics

**Individual Case Studies**

Review of the Green Space Strategy

Grants and MoU Review

The Local Plan

**Potential Witnesses and Community Engagement**

Executive Members and Lead Officers for each project

Community meetings and visits

Other participants to be confirmed

**Green Issues**

Nothing specific

**Briefing arrangements and Key Documents**

Consultation Strategy 2016-20

District Wide Survey 2015

Other briefing arrangements to be decided

**Membership**

To be confirmed

**Executive Members**

Cllr Lynda Needham – Leader of the Council

Cllr Tony Hunter – Community Engagement & Rural Affairs

Cllr Ray Shakespeare-Smith – Policy, Transport & Green Issues

**Scrutiny Officer** - Brendan Sullivan

**Lead Officer** – Sarah Kingsley

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