

Dear Mr Richardson,

Hitchin Town Hall and Museum Project Review

I am a now retired solicitor. My firm, HRJ Foreman Laws of Bancroft, Hitchin, acted on a non-profit basis for Hitchin Town Hall Ltd. ('HTHL') in the period leading up to and completion of the second Development Agreement. The firm was pleased to be associated with this community project.

To my mind, the review should look at the project in three phases.

1. From commencement of the legal work to the date the second Development Agreement was completed.
2. The period through to withdrawal of HTHL from the project due to the alleged breaches of contract by NHDC.
3. The negotiation by NHDC of its purchase of 15 Brand Street Hitchin from the social investment bank (as it had not accepted the mechanism and price set out in the Development Agreement) and its subsequent purchase from Hitchin Town Hall Finance Ltd.

My firm was not engaged with phases 2 and 3 as we did not wish to advise on litigation against NHDC in respect of this community project. I was personally well aware of problems arising during these latter phases and attended meetings as I was concerned that what had taken many hours of voluntary time would be lost.

In my view the following need to be addressed in relation to future project partnerships.

1. NHDC should always appoint an external project manager and not use heavily engaged Officers to take the role of project manager when they are already in a naturally close relationship with Councillors as employee and employer.
2. It has to be recognised that most Councillors do not have commercial, construction, development or legal expertise to challenge Officers on the detail of a project and must set aside sufficient time and if necessary, call upon third party expertise.
3. NHDC should respect the views and expertise of their partners. In this instance, HTHL were responsible for procuring £1.5 million in loans and grants, obtained planning permission and listed building consent for the development to include 15 and 16 Brand Street on favourable terms with vacant possession and were about to embark on a £300,000 fund raising campaign. Its team included an architect, planner, estate agent, senior surveyors, accountant, sound engineer, marketing experts, a banker and myself with 40 years experience of property development and construction.
4. The Development Agreement incorporated the 'Prince 2 protocol' to be followed when working in partnerships such as this. HTHL complained that minutes and notes did not accurately record issues raised at meetings particularly in relation to the basic HTHL requirements which were not addressed. The protocol did not appear to be followed.

5. There needs to be openness. The use of Part 2 in Council meetings meant that HTHL could not know what was being reported to the Councillors and it felt as if HTHL was being briefed against with no opportunity to respond.
6. There were disagreements and personal issues between directors of HTHL and Officers of NHDC and also, it appeared, within the Conservative group which was allowed to colour NHDC'S opinion of HTHL as a whole. There were faults on both sides but relationships should not have been allowed to hinder the project. The Chief Executive of the Council should be prepared to stand back, review and bring matters back on an even keel.

Being retired, I do not have access to my files but should be pleased to give oral evidence based on my memory of events.

Yours sincerely

David *[Morgan]*