

## OVERVIEW AND SCRUTINY COMMITTEE – 6 JUNE 2017

### RELEVANT MINUTE EXTRACTS REGARDING THE TASK AND FINISH GROUP ON THE COUNCIL'S MANAGEMENT OF LARGER PROJECTS

#### 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.

#### **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.

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 belittled 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.