

NORTH HERTFORDSHIRE DISTRICT COUNCIL

OVERVIEW AND SCRUTINY COMMITTEE

MEETING HELD IN THE COUNCIL CHAMBER, DISTRICT COUNCIL OFFICES,
GERNON ROAD, LETCHWORTH GARDEN CITY
ON WEDNESDAY, 23RD OCTOBER, 2019 AT 7.30 PM

MINUTES

Present: *Councillors David Levett (Chairman), Councillor Kate Aspinwall (Vice-Chairman), Val Bryant, Sam Collins, George Davies, Tony Hunter, Jim McNally, Gerald Morris, Lisa Nash, Sue Ngwala, Adem Ruggiero-Cakir, Carol Stanier, Claire Strong and Tom Tyson*

In Attendance: *Mr John Richardson (Independent Chairman of the HTH Review Panel), Councillor Val Shanley (Member of HTH Review Panel), Melanie Stimpson (Democratic Services Manager), Hilary Dineen (Committee, Member and Scrutiny Manager) and Amelia McNally (Committee, Member and Scrutiny Officer)*

Also Present: *Councillors Ian Albert, Martin Stears-Handscomb, Paul Clark, Jean Green, Sam North, Judi Billing, Kay Tart and approximately 17 members of the public, including 3 registered speakers.*

46 APOLOGIES FOR ABSENCE

Audio Recording – Start of Item - 43 Seconds

Apologies for absence were received from Councillors Terry Hone and Helen Oliver.

Having given due notice Councillor Morgan Derbyshire advised that he would be substituting for Councillor Terry Hone.

Apologies were also received from Mr John Robinson who had registered to speak under public participation, however, he was subsequently unable to attend and had indicated that his apologies be formally recorded.

The Chairman informed that there was a non-committee Member in attendance who had sat on the Hitchin Town Hall Review Panel, namely, Councillor Val Shanley who would be available to answer questions if required. A further Hitchin Town Hall Review Panel Member, Councillor Ian Moody, was also due to attend the meeting, having advised that he would be arriving late, (subsequently Councillor Moody did not attend the meeting).

47 NOTIFICATION OF OTHER BUSINESS

Audio Recording – Start of Item - 1 Minute 43 Seconds

There was no other business notified.

48 CHAIRMAN'S ANNOUNCEMENTS

Audio Recording – Start of Item - 1 Minute 47 Seconds

- (1) The Chairman welcomed those present at the meeting, the Independent Chairman and Members of the Hitchin Town Hall Review Panel and those who had attended to give a presentation;
- (2) The Chairman advised that, in accordance with Council Policy, the meeting would be audio recorded;
- (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 clarified the running order of how the evenings procedures would take place; and
- (5) The Chairman informed the Committee of the options open to them in respect of recommendations as follows:
 - (a) To accept all of the recommendations in the report;
 - (b) Suggest amendments to any recommendations; and
 - (c) Delete recommendations.

49 PUBLIC PARTICIPATION - CATHRYN HENRY

Audio Recording – Start of Item - 7 minutes 31 seconds

Ms Cathryn Henry thanked the Chairman for the opportunity to address the Committee and gave a verbal presentation as follows:

- She was the predecessor as Chair of the Overview and Scrutiny Committee when the review was commissioned and the scope agreed;
- Comments of the Leadership Team should have been presented to Cabinet and not to the Overview and Scrutiny Committee;
- Whilst she agreed with the aim of the review to understand how we worked with partners, the Committee should be very clear that the purpose of the review was to improve partnership working in the future;
- She would have liked the report to be more diligent in its clarity about the future;
- Recommendations were insightful, considered and where needed, impartial in regard to culpability and focused on the lesson;
- She was appalled at the decision to submit the comments of the Leadership Team as part of the Agenda;
- All parties had plentiful and equitable opportunities to contribute to the review whilst it was sitting;
- She encouraged the Committee to disregard the opinions expressed by the Leadership Team and to look at the report of the independent panel in isolation;
- Scrutiny of the project was essential to ensure that lessons were learnt and that a similar situation was prevented in the future;
- There was an opportunity for real change as a consequence of the report; and
- A previous review had been undertaken on Large Scale Projects, which could be used in conjunction with the report to encourage officers to work with partners in the community in a more constructive way.

The Chairman thanked Ms Henry for her presentation.

50 PUBLIC PARTICIPATION - DAVID LEAL-BENNETT

Audio Recording – Start of Item - 12 minutes 14 seconds

Mr David Leal-Bennett thanked the Chairman for the opportunity to address the Committee and gave a verbal presentation as follows:

- As a Director of Hitchin Finance Ltd, he accepted the report in its entirety, although he did not agree with all of the points, for which he felt needed clarification;
- He was appalled by the document containing the Leadership Team comments; and
- He wished to clarify some of the points in the report, as follows:
 - Hitchin Town Hall taking over from Hitchin Initiative was agreed by the Council;
 - There were 8 material breaches that were not resolvable and therefore were termination events;
 - Hitchin Town Hall Ltd had a lot of expertise and were not an unreasonable organisation;
 - There were numerous breaches of the financial agreement because Hitchin Town Hall Ltd went to their bankers and advised them that they could not continue;
 - Prince II was a logical way to deal with contracts however an amended version was used by NHDC;
 - There was no process in place for dealing with disputes;
 - HTH Ltd was a new entity and a charity, with a detailed business plan that raised over £1 million pounds in funding, this funding was subsequently lost;
 - HTH Finance was set up to step in as bankers in order to prevent the site being sold to developers; and
 - He was very proud of what they had achieved.

The following Members asked questions:

- Councillor Claire Strong

In response to questions, Mr Leal-Bennett advised that:

- After the material breaches, Hitchin Town Hall Ltd did not wish to continue;
- Several offers were made to sell 14/15 Brand Street to the Council;
- The Council could have bought 14/15 Brand Street for approx. £480,000 at that time;
- Social Investment Bank had wanted to do a deal with the Council over a 2 year period and had many meetings with them; and
- HTH finance did a deal with SIB in approximately 4 weeks and should not be accused of dragging their heels on anything.

The Chairman thanked Mr Leal-Bennett for his presentation.

51 PUBLIC PARTICIPATION - STEPHEN PIKE

Audio Recording – Start of Item - 21 Minutes 27 Seconds

Mr Stephen Pike thanked the Chairman for the opportunity to address the Committee and gave a verbal presentation as follows:

- He was the Chairman of Hitchin Town Hall Ltd;
- The report of the Panel was broadly a good report;

- This was about a learning process and it was clear that the Leadership Team had not learnt the lessons;
- He felt that the Report of the Panel should be sent to Cabinet without the comments of the Leadership Team, however, if those comments were sent to Cabinet, then he would like the opportunity to respond to the comments;
- Took issue in respect of Recommendation 3, which had implied that HTH Ltd did not properly represent the community, as HTH Ltd had engaged with the community at every given opportunity;
- In respect of Recommendation 10, mediation was attempted, but it turned out that it was in fact, just reporting back to NHDC. There was no empowerment given to the mediator;
- He suggested that proper adoption of mediation practice should be a requirement;
- In respect of Recommendation 12, external, professionally qualified project managers was the way forward for large projects; and
- In respect of Recommendation 15, Project Boards should be chaired by the External Project Manager.

The Chairman thanked Mr Pike for his presentation.

The Chairman stated that he was disappointed that the Leadership comments had been presented to the Committee in that manner and he would investigate the process regarding which documents would be presented to Cabinet.

52 REVIEW OF THE HITCHIN TOWN HALL AND DISTRICT WIDE MUSEUM PROJECT

Audio Recording – Start of Item - 28 minutes 10 seconds

The Democratic Services Manager thanked the Chairman for the opportunity to address the Committee and introduced the report entitled Review of The Hitchin Town Hall and District Wide Museum Project, together with the following appendices:

- Appendix A – Introductory note by the Independent Chairman;
- Appendix B – Comments from the Leadership Team.

At the invitation of the Chairman, Mr John Richardson, Independent Chairman of the Hitchin Town Hall Review Panel presented the report and findings of the Panel following the Review, (as attached as Appendix A of the submitted report) and in summary:

- Thanked the Democratic Services Manager and her Team for the support given during the review process;
- Also thanked all those who took part in the review process and the Museum staff, who kept going when times were challenging;
- Highlighted that the report was aimed at learning and moving forward and had been specifically addressed to the Overview and Scrutiny Committee;
- Although the report and recommendations were presented to the meeting, the value of the process should not be undervalued;
- He had been surprised at the comments of the Leadership Team and noted that the Authority had acted correctly throughout, however, although correctness was vital, it had to be tempered with co-operation and sometimes compromise; and
- More than one witness had commented that there was now a new approach to partnerships and he hoped that the recommendations were pushing at an open door.

The Independent Chairman presented each of the recommendations made by the Panel individually and a lengthy detailed debate ensued, summarised as follows:

Recommendations 1 & 2

The following Members asked questions and took part in the debate:

- Councillor Claire Strong; and
- Councillor David Levett;

The following observations were made:

- There was a lot of experienced members of the community who had given their time, experience and talent to the project; and
- This project had incorporated the Letchworth and Hitchin Museums

Recommendation 3

The following Members asked questions and took part in the debate:

- Councillor Claire Strong; and
- Councillor David Levett.

The following observations were made:

- That HTH Ltd was a properly constituted charity; and
- That understanding how a particular group came to represent the community was a good learning point.

In response to questions Panel Members advised that:

- There were still some questions about exactly how HTH Ltd represented the community;
- How HTH Ltd came into existence became evident through the hearings, but it was likely that residents were unclear as to how that had happened; and
- Discernment was very important in understanding, amongst other things, how bodies were formed, what their credentials were and who they represented before entering into a business agreement together.

Recommendation 8

The following Members asked questions and took part in the debate:

- Councillor Claire Strong; and
- Councillor David Levett.

Recommendation 10

The following Members asked questions and took part in the debate:

- Councillor David Levett; and
- Councillor Jim McNally.

In response to questions the Independent Chairman advised:

- That mediation should have started earlier than it did; and
- That all parties needed to sign up to any mediation process.

Members comments included:

- That it should be made clear, at the beginning of an agreement, at which point mediation should start and the procedure; and
- That mediation should take place before any party took an entrenched position.

Recommendations 12, 13 and 14

The following Members asked questions and took part in the debate:

- Councillor Gerald Morris;
- Councillor David Levett; and
- Councillor Val Shanley.

In response to questions the Independent Chairman advised that:

- From evidence heard, Prince II seemed to be a perfectly satisfactory project management tool, however it should not have been quoted as the solution to problems.

Members comments included that:

- Dedicated managers should be appointed to projects and that once appointed, they be able to take complete responsibility; and
- Managers of projects should not be placed under pressure and be able to advise senior managers if they needed support.

Recommendation 15

The following Member asked questions and took part in the debate:

- Councillor Claire Strong.

In response to questions the Independent Chairman advised:

- That evidence given at the hearings led them to believe that the Project Board Meetings did not meet the needs of all partners.

Members comments included:

- That many elements were required for a successful project including an effective project management tool, regular meetings and good communication.

Recommendation 16

The Independent Chairman advised that the final recommendation was a positive note in which to conclude.

The Chairman of the Overview and Scrutiny Committee expressed thanks to the Independent Chairman and Members of the Panel for their work.

Having discussed each recommendation, the Committee had a general debate on the presentations, the report and the Leadership Team Comments regarding the report.

The following Members asked questions and took part in the debate:

- Councillor Kate Aspinwall;
- Councillor Sam Collins;
- Councillor Gerald Morris;
- Councillor George Davies;
- Councillor Val Bryant;
- Councillor Tom Tyson; and
- Councillor Carol Stanier;

In response to questions the Independent Chairman advised:

- That many of the recommendations stated the obvious; and
- Some of the recommendations should be built into the life of the Council;

The following comments were made by Members:

- That the recommendations needed to be at the forefront of future projects; and
- That the recommendation about tone of comments was very important.

In response to a query, the Chairman stated that he had sought advice and it had been confirmed that Councillors who were both Members of the Panel and Members of the Committee could take part in any vote regarding the report.

At 8.50pm the meeting was adjourned for a short comfort break.

The meeting resumed at 9.00pm.

The Chairman summarised the comments that had been made throughout the meeting.

The following Councillors took part in the debate:

- Councillor Claire Strong;
- Councillor Lisa Nash;
- Councillor Sam Collins;
- Councillor Kate Aspinwall;
- Councillor Gerald Morris;
- Councillor David Levett; and
- Councillor Carol Stanier.

There was a detailed discussion regarding Appendix B. The consensus amongst the Committee was that the comments from the Leadership Team should be presented to Cabinet and not the Overview and Scrutiny Committee.

The Committee agreed that the report and recommendations of the Panel should be presented to Cabinet without amendment, however, the Committee would present several additional recommendations to Cabinet by way of a referral.

RESOLVED: That the Overview and Scrutiny Committee:

1. Express appreciation to the Independent Chairman of the Hitchin Town Hall Review Panel and Members of the Panel for their hard work in producing the Report.

2. Notes the Report of Hitchin Town Hall and District Wide Museum Review Panel (Appendix A) and accepts the recommendations in Part D of the Report.
3. Express its profound disappointment that Appendix B of the Report, (Comments of The Leadership Team) was included in the report to the Overview and Scrutiny Committee.

RECOMMENDED TO CABINET:

1. That the Report of the Hitchin Town Hall Review Panel, (Appendix A) be reviewed and the recommendations, as contained in part D of the report, be accepted.
 - (i) That the following recommendations from the Overview and Scrutiny Committee be considered:
 - (ii) When reviewing the recommendations of the Hitchin Town Hall Review Panel the comments of the Overview and Scrutiny Committee be taken into account, particularly the way in which the Council works with Community Groups/Partners;
 - (iii) Ensure that a robust system of mediation is established;
 - (iv) That an effective intervention process is put into place that results in suitable progressive remedial action following any mediation;
 - (v) That dedicated Project Management is put in place that is adequately resourced as recommended by the Overview and Scrutiny Committee;
 - (vi) That a summarised version of the recommendations, (Part D of the Report) is incorporated into all large briefing documents to enable the production of a Code of Conduct which could inform any future projects;
 - (vii) That a clear Intervention Protocol is written and adopted within a reasonable timescale, and included within the Terms of Reference of the Overview and Scrutiny Committee (a separate stand alone paragraph that the Committee will understand to be the process followed when it is deemed necessary for a decision regarding a project is “called in”); and
 - (viii) That the Council’s Procurement Procedures are reviewed as part of the review of the Constitution and continue to be followed and updated regularly to ensure it is adequately robust.

REASON FOR DECISION: To enable The Overview and Scrutiny Committee to comment on the review into Hitchin Town Hall and District Wide Museum Project.

The meeting closed at 9.40 pm

Chairman