

LD	Governance	Answers
1.	When or how was the possibility for redeveloping LRIE identified?	<p>The Newbury Vision 2025 document was published in 2003 and identified a range of projects. Work started approximately 3 years previously on the Vision. NC involved since 1999. Not aware of discussions prior to that.</p> <p>The Conservative opposition at the time raised the need for a Vision for Newbury. Newbury was dropping down the retail rankings and the Vision came out. LRIE redevelopment came about from the holistic work for Newbury Town Centre. No knowledge of more historical closure desire.</p>
2.	Once identified, what did officers do to ensure that there were suitable governance arrangements in place to manage the project?	<p>15 year Action Plan in place for the Vision. No additional resource for implementation. Two most important – Parkway and Market Street given priority. LRIE to start post Parkway once greater capacity available.</p> <p>Newbury Town Centre Task Group (NTCTG) set up as the governance group to oversee all Newbury work. This cross-party group been in existence since approximately 1998, chaired by Portfolio Holder.</p> <p>Beneath NTCTG - officer groups, Project Board, sub Task Group of Members/Officers formed to select LRIE developer.</p> <p>Felt clear governance in place. NTCTG a task group of the Executive and therefore linked to the Executive.</p> <p>Nick the Sponsor for the Vision. This gave him overall responsibility for Vision and included oversight of different projects, ensured delivery and governance in place/followed. Vision been updated over time.</p> <p>Arranged Annual Vision Conference.</p> <p>Engaged with different groups. NC a member of the majority of these.</p>
3.	Can you please describe those governance arrangements?	<p>Officer Groups/Project Board Terms of Reference queried.</p> <p>NC – officer group supported the NTCTG - largely 2025 vision. This helped to co-ordinate activity. Officer group (Programme Group) represented by Highways, Planning, Property, Legal (where necessary) and Economic Development Officer. Not a Procurement representative – covered by Legal.</p> <p>Project Boards for projects, included developers and advisors as required. This included St Modwen and external lawyers. Programme Group concerned with delivery rather than governance.</p> <p>LDillon – be useful for the full structure to be mapped out in a diagram.</p>

4.	There seems to be quite a time lag before the project actually commenced with reference to the project being made mid 2008 – why did it take so long to actually start on the main work e.g. the Feasibility Study – Strutt and Parker not engaged to do this until 2011.	Parkway concluded in 2011. In 2008 – initial discussions only re when to start LRIE. Not expected to start until 2010/11. JCole queried as reference to Feasibility Study in 2009 – minuted at NTCTG – discussed with Les Gaulton at meeting? July 2010 – mention about to complete? Pre-work only. NC – unclear, possibly over ambitious or misinterpreted. Always the expectation to commission Feasibility Study externally.
5.	At a NTCTG in 2008, you made reference to a working group being set up to review the strategy/vision for the area, was this group set up at the time, who was involved?	This was potentially making reference to officer work/initial discussions. No record of any substantive work in 2008. No formal working group until decision to start Feasibility Study.
6.	We have only found draft Terms of Reference for NTCTG. Can you confirm how the Terms of Reference for that Group were communicated to the Members of that Group?	NC – assume they were agreed by NTCTG itself. Key role the oversight of the Vision and delivery of projects. LDillon – expect agreed Terms of Reference? NC – lasted 14 years. Felt remit clear to Task Group and beyond. Purpose reviewed by TG and likely the Executive also. LDillon - no evidence? Were Terms of Reference made formal and communicated? NC felt Members clear on what required to do. Felt would have been made formal. Chair/Vice-Chair appointed annually – Chair the relevant Portfolio Holder. Membership confirmed at time of Annual (May) Council.
7.	At the point of choosing a developer it was agreed that a Steering Group would be set up, did this happen and who was involved?	Member led cross-party group formed to select developer (the sub-group of NTCTG). Members heavily involved: Pamela Bale, Alan Law, Roger Hunneman, Paul Bryant. Selection process included site visits. This would normally have been left to officers, but Members sought stronger involvement. This group regularly reported to NTCTG (well attended meeting). Officers involved – as per the Scheme of Delegation. Included Legal. LDillon – Terms of Reference for sub-group? NC – potentially, formed to oversee selection process – a clear process with clear objectives.

8.	<p>There were a few occasions where information was agreed to be provided to governance groups but was not followed through/picked up at the next meeting of the group. Consideration be given to having a specific Project Group for the new LRIE with minutes of each meeting and outstanding actions would help address any such omissions in future. Your view on this?</p>	<p>NC – actions list produced, but acknowledged lack of follow through could sometimes have been the case. Added that some actions could have been taken off line from the NTCTG. Julie Gillhespey voiced a concern then that some actions not done/lost, i.e. agreement to produce Risk Register by Exec.</p> <p>NC – same governance for Park Way as LRIE. Felt any issues separate from governance. LDillon ? evidence of some weak governance? NC - WBC had matured as an organisation over the last 20 years. It had got better at doing things and a number of systems/processes etc had been put in place – i.e. performance management. Project Management had significantly matured over the past 2/3 years. LDillon – concept of project management clear? JBrooks – any project input? Asked some time ago if project management methodology to be rolled out? NC – this had been developed/matured over time. Invested much time/staff resource to make improvements. LDillon – undertook project training as project sponsor? NC – not the project manager but had done training. JBrooks – PRINCE2 trained officers now? NC – yes. Felt methodology began to be introduced post Amey. Advanced further as part of the Corporate Programme. Being developed across services. Importance of Project Management now widely accepted.</p> <p>Strutt and Parker commissioned to project manage LRIE and provide specialist advice. They produced feasibility study in line with WBC framework.</p> <p>JCole – important to understand how project managed – whether all external/some internal?</p>
.CR	Advice	
9.	<p>From your perspective, who was providing specialist advice to the Council for this project?</p>	<p>NC – different advice for different areas. Some external.</p> <p>Strutt & Parker the advisors for Parkway (property advisors). Discussion held about whether to commission them. They recommended a proposal for LRIE, they produced the Feasibility Study and were the adviser for the appointment of the developer.</p>

		<p>Bond Dickinson – external legal advisors, also for Parkway. Legal Services also look to BD if not capacity or expertise internally.</p> <p>From there, Strutt & Parker could bring in sub-advisors – fairly common practice. They brought in Broadway Malyan specifically for planning advice. Project management clearly sat with Strutt & Parker. They held responsibility to resolve issues.</p> <p>LDillon – what specialisms were held internally in Legal – i.e. procurement? NC – Shiraz Sheikh part of Legal Service. Awareness of which individuals to ask as and when necessary. If a matter went beyond speciality of internal officers, contact made with Counsel. In this case Bond Dickinson.</p> <p>Strutt and Parker stated no need to follow OJEU route.</p> <p>WBC a risk averse organisation. NC stated was surprised at this non OJEU advice as were Legal and Legal Service contacted Bond Dickinson for in depth view. Sought to establish route followed elsewhere. Bond Dickinson heavily involved. Seemed fine.</p> <p>JBrooks – in 2007/08 – were Procurement Officers let go? Negatively effecting procurement capability internally. NC did not feel that necessary expertise was held in 2007/08 or at the time of OJEU advice. This was a matter of some complexity and necessary to go externally.</p> <p>CRowles – scope to enhance internal legal team? Would this be more cost effective? NC – felt difficult to bring in specialism internally. There was not felt to be justification to employ a full time officer when there was not much regeneration work to happen. So decision taken to buy in specialism. View of Monitoring Officer (David Holling) at the time. Sarah Clarke commented spend in year on external advice was currently under budget.</p> <p>Bond Dickinson costs - £474k. NC stated that only a relatively small sum agreed at the outset. £378k of spend on legal advice to defend procurement challenge.</p>
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<p>10.</p>	<p>In particular, who provided advice in the following areas:</p> <ul style="list-style-type: none"> a. Property b. Procurement c. Legal 	<p>Detail noted above.</p>
<p>11.</p>	<p>Who determined what external advisers were appointed?</p>	<p>NC - Strutt & Parker were properly commissioned. They tendered for Feasibility Study. Strutt & Parker wanted to tender for full project, Legal advice was no (Shiraz). JBrooks – any suggestion of ‘creep’ in the commissioning of Strutt and Parker? CRowles – ongoing relationship with advisers. Was this challenged/scrutinised? NC – others invited to tender which was advertised. Others considered, all subject to a scoring process. NC not involved in detail in the selection of Strutt & Parker.</p> <p>Discussed process with NTCTG – they were aware. Power to appoint not with the task group. Portfolio Holder input/oversight at that point. Julie Gillhespey – Executive delegated authority to Procurement Officer/Les Gaulton/Nick Carter to appoint. NC – confirmed point. Budget allocated within Vision budget.</p>
<p>12.</p>	<p>Do you know what processes were followed to appoint those advisers? If so, are you satisfied that those processes were appropriate for this project?</p>	<p>NC – followed due process – no suggestion otherwise. NC not involved in scoring process. Rarely was as not appropriate. Although involved in bus tour (for developer). 3-6 advisers were shortlisted, Shiraz/Bill Bagnell more involved.</p> <p>JG – felt an element of creep with Strutt and Parker. There was the tender exercise at the outset, but there followed work by them for middle and lower value work. NC – accepted, but made clear that tender exercise undertaken on advice from Legal. Legal ensured due process was followed.</p>

<p>13.</p>	<p>How was that advice communicated to relevant officers and Members?</p>	<p>NC – via governance. I.e. the necessary officers and Members on Project Board/Programme Board etc. Strutt & Parker made presentation to NTCTG in an advisory capacity and in relation to the Feasibility Study. S&P made several visits to the task group. On occasion perhaps Bond Dickinson. The task group did not generally hold legal discussions. Officers also reflected advice in their reports to Members.</p> <p>LDillon queried the interface between officers and NTCTG. Did task group Chairman ask for items etc or were items put to Chair on what to include? NC – felt an open process with the NTCTG. Officers would take/recommend a view on detailed/complex areas. LD – recall items not going through? NC would not look to hide away – not the organisation’s culture to do so. Would look to keep Members informed – keep backs covered.</p> <p>CRowles – any scrutiny of legal advice or taken as given? NC could have flagged up points, but discussions between lawyers. David Holling reliant on specialists, he led this relationship.</p>
<p>14.</p>	<p>Do you consider that the specialist advice, and the level of advice received by the Council was appropriate for a project of this scale?</p>	<p>NC – yes. Nothing missing in his view. Felt cautious approach taken with regards legal advice. Legal advice came from specialist legal adviser.</p>
<p>15.</p>	<p>What discussions took place between the Council and Faraday Developments Ltd (Duncan Crook) regarding the potential for redeveloping LRIE?</p>	<p>NC – many conversations held and they continued. Began at time when the Council started to try to move forward on LRIE. Discussions held with FDL re leases. [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED].</p>

		<p>NC confirmed that key discussions were documented by WBC on the landowner side.</p> <p>FDL formed an alliance with Wilson Bowden – they bided for development. [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>
16.	Did you receive any advice from any of land owners at LRIE?	<p>NC could not recall advice.</p> <p>Some comments received, i.e. from FDL. More lately Newbury Community Football Group.</p> <p>JBrooks – ? the Council’s obligation to the football club. Morally obliged to provide?</p> <p>NC – not aware legally obliged – not from land owner perspective.</p> <p>Planning Policy/Sport England view – should re-provide pitch on an existing facility.</p> <p>Sport England were a statutory consultee – asked for view re playing field facility. Felt not clear cut beyond use of an existing facility.</p> <p>Playing Pitch Strategy being developed.</p>
17.	If you did receive advice from any landowner(s), what action did the Council take in response to that advice?	As above.
JB	Costs	
18.	We understand that Strutt and Parker were involved and providing advice at an early stage. However, we cannot find any payments pre the appointment of them to do the Feasibility study in	<p>NC – not entirely clear.</p> <p>Felt not commissioned until the Feasibility Study. Possible that discussions held alongside Parkway work when S&P became aware of LRIE.</p> <p>There was no commissioning or payment until Feasibility Study work.</p> <p>Between Feasibility Study and receipt of advice – potential area to tighten.</p> <p>Julie Gillhespy couldn’t find any evidence on this point.</p>

	2011. Can you recall what sort of costs were involved and where these costs would have been charged to?	
19.	Strutt and Parker were engaged to manage the project, why was it decided to go down this route and have the project externally managed rather than internally?	<p>NC – not project managed by S&P. By WBC and continues to be so. Strutt & Parker commissioned for Feasibility Study and to manage developer selection process. Otherwise led by WBC officers with oversight from Members.</p> <p>JG – S&P paid £25k per quarter. So engaged for some project management? NC – not project managing. Need to speak to Bill Bagnell to understand cost.</p> <p>JBrooks – Project management improved since that time? Greater level of expertise? NC – not felt an issue with project management. LDillon public expect project management skills? NC – do have this. This was being enhanced by WBC undertaking more project work. Understood reason for project management questions – but not part of the issue in court. Would not have changed outcome. JG agreed.</p>
20.	Did you have any oversight of the legal of spend on this project?	<p>NC – Yes, in an oversight capacity – not the detail. Detail with David Holling. CRowles – an area subject to challenge? NC – yes with David H. Confident David did so.</p>
21.	Was there any central record maintained of the amount that the Council was spending (including both costs incurred and future spend) on this project? If not, should there have been? Project/financial controls?	<p>NC – undertook monitoring, supported by Bill Bagnell as project manager and with Nick's PA. NC – the budget was managed. If costs escalated would have looked for further funds. Legal costs would go to the developer at a point. Much cost incurred with defence of legal challenge.</p>

<p>24.</p>	<p>When engaging external consultants, how do we ensure that we don't approach that in a piecemeal fashion?</p>	<p>NC – did not accept a piecemeal approach taken other than 'middle period' - Strutt & Parker work. JG – forward looking piece needed? NC – felt taken a stage at a time. S&P wanted a longer term arrangement, but WBC view to take stages at a time 'phased'.</p> <p>JCole – once consultant in, much easier to keep on, the perception? NC – no evidence to support that. Paid Strutt & Parker for Feasibility Study as tendered. JG – could have quoted for the lot? NC – Could have, chose not to. LDillon – different approach now? NC - Strutt & Parker wanted ongoing involvement. Would have received a cut in payment. But decided no. Commission the Feasibility Study then wait and see beyond. Felt not a fundamental issue.</p> <p>CRowles – benefit for pool of lawyers as more cost effective. A consideration? NC – learning point here – felt not fleeced by Bond Dickinson. Not see learning point in that respect. CRowles – potential to achieve better value with access to a pool – achieve greater leverage from others? NC – Bond Dickinson did have to tender. CRowles – could this be a secondary option? JCole – put further discussion on this point through legal.</p>
<p>25.</p>	<p>We understand that there may have been changes to the manner in which projects are now managed. Could you please describe those changes</p>	<p>NC – overall, did not accept governance the cause of issues. Felt components of governance there and felt delivered.</p> <p>JG – lessons learnt – archiving improvements? NC – a captured point. Acknowledge area to develop since then with more formal records kept. General lesson learnt.</p> <p>JG – need to address with project group established now. Access to a shared folder/documents. NC – point of discussion with Property.</p>

<p>26.</p>	<p>For the new project there is a project board, and highlight reporting via the Programme Board. However there is no project group, so the communication/progress on the day to day basis is on a more informal basis, suggest a project group to formalise officer discussions and communication and decision making, and create a central project repository for project information and correspondence. Your view on this?</p>	<p>Project Sponsor – NC. Project Manager – BB. Programme Board reported to Economic Development. Below – project board formed by Members and Officers. BB/NC meet frequently. NC – need exists for stronger document management.</p>
<p>27.</p>	<p>Any other comments?</p>	<p>CRowles – regular scrutiny after projects. A helpful exercise? NC – view of officers/members that LRIE had consumed much resource, felt disproportionate to the issues/concerns. Been through two courts, but questionable what value added.</p> <p>However, post implementation reviews are valuable – but more light touch. Is a need to do more post a project.</p> <p>JBrooks – felt appropriate for a thorough review in this case. LDillon – also football club an impact. Adds cumulative impact.</p> <p>JCole – level of review dependent on value of project.</p>