

## Hungate Scrutiny Ad-Hoc Committee

27 January 2009

### Hungate Review – Interim Report

#### Background

1. In early July 2008, the Council decided to withdraw its planning application for the proposed development of its new office accommodation at Hungate, following receipt of a formal written response from English Heritage that although the proposed building was a very impressive, sustainable and fit for purpose civic building, they were concerned that the building, by virtue of its height and massing could not be developed without harming the setting of the cluster of historic buildings and spaces around it. In summary, they objected to the proposal.
2. Members of the public commented on this decision and previous decisions taken in regard to the Hungate development and as a result of the concerns expressed, Cllr Brooks submitted this topic for scrutiny review in order to fully understand those decisions and the costs involved to date.
3. A feasibility report was presented to Scrutiny Management Committee (SMC) on 15 September 2008, and having agreed to proceed with the review, an Ad-hoc Scrutiny Committee was formed and the following remit was agreed:
4. **Aim**  
To clarify whether the correct strategy for the accommodation project was set and adhered to, in order to ensure any future council projects are delivered on time and on budget.

#### Objectives

- i. In light of the overall budget, to identify whether the initial budget set was correct i.e. that all the relevant factors had been identified and included for, including the volume of all fees both agreed and incurred
- ii. To understand the decision taken in respect of agreeing which part of CYC would act as internal 'client' and to understand the relationship between Planning and the client.
- iii. To identify whether the consultation process was conducted properly and whether due consideration was given to the responses received when deciding how to proceed
- iv. To identify whether best practice was followed throughout the process in seeking the views of statutory consultees and English Heritage

specifically, and whether those views unduly influenced the decisions made

- v. To identify whether time was a factor in reaching the decisions made throughout the process e.g. in agreeing the design
5. On 10 November 2008 the Ad-hoc Scrutiny Committee met for the first time and agreed a timetable of meetings and a methodology for carrying out this review.

### **Consultation**

6. The Ad-hoc Scrutiny Committee held an informal information gathering event on 26 November 2008 and the following internal and external consultees attended:

Assistant Director of Property Services & Accommodation Project Director      CYC - Project Management Team

Maddy Jago      English Heritage

Assistant Director of Planning & Design      CYC – Planning & Conservation

Head of Risk Management & Accommodation Project Manager      CYC – Risk Management

7. Prior to the formal meeting held on 12 January 2009, a further informal information gathering session was held and the following internal consultees attended:

Chief Executive  
Director of City Strategy  
Director of Resources & Project Finance Manager

### **Information Gathered**

8. Information gathered at the two informal sessions and an analysis of it, is shown at Annex A.
9. As a result of the information gathered at the first session, Members asked that a 'Freedom of Information' request be submitted to English Heritage for copies of all their internal paperwork / communications relating to the Hungate development. This was done in two parts. Initially a request was made on 2 December 2008 for copies of any notes taken at their internal 'Important Application Review' meetings since August 2007, where discussions had taken place in relation to the new council building at Hungate. This was followed up by a further request on 11 December 2008 for any other internal documentation and copies of any letters/ emails that English Heritage may hold relating to the Hungate development. To date, no information has been provided, although English Heritage has confirmed that they will respond by 21

January 2009. Copies of their response will be provided at this meeting subject to receipt of the documentation.

10. For the formal meeting held on 12 January 2009, Members requested the following additional information:
  - a summary of all the consultation that took place throughout the life of the project, showing the timeline involved – officers highlighted that this information had previously been provided as part of the information pack presented to the Committee at the start of the review (section 22, page 5)
  - evidence of the design changes which officers had previously stated represented the project boards efforts to address the concerns of English Heritage – Officers provided a full history of revised drawings and team meeting notes, which clearly evidenced the number of changes that had been made between March 2007 and April 2008.
  - a revised version of the budget history previously provided, which clearly identified the elements of budget that were now fully committed etc – Officers presented a table showing the budget history plus a breakdown of expenditure at July 2008, and Members raised a number of queries. As a result the Director of Resources agreed to provide a further breakdown detailing any abortive costs and any other costs committed but not yet spent. Members asked that the revised information to be presented, be a fair and true picture of the costs including interest earned and additional rental costs etc (Annex B to follow).

## Options

10. Having considered the information contained within this report and its annexes, Members may choose to carry out further consultation by calling on additional witnesses or agree that no further information is required.

## Implications

11. **Human Resources** – If having considered all of the information provided to date, members decide that further clarification is required, it will be necessary to hold further interim meetings requiring the involvement of members of the project team. This in turn will reduce the time they can spend on their ongoing work on the development.
12. **Financial** – Originally there were only limited financial implications associated with this review, based on officer time spent supporting the minimal number of meeting scheduled. It is recognised however, that the financial implications will increase as further meetings are arranged.
13. There are no equalities, legal or other implications associated with the recommendation within this report.

## Corporate Strategy

14. The provision of the new accommodation and the consequential improvements in services to our customers will contribute to all of the Council's priorities and key change programmes.

### **Risk Management**

15. SMC agreed with the view of Cllr Brooks that this review should be conducted quickly and in a minimum number of meetings, in order not to adversely affect or delay the ongoing work of the Project Team and to enable the findings and resulting recommendations to benefit their processes.

### **Recommendations**

16. Having considered the aim and objectives for this review, and In light of the above options, Members are asked to:
- Identify if any further information is required, and if not;
  - Agree that all the relevant information has now been considered, and;
  - Identify any recommendations they would like to make as a result of the review

Reason: In order to ensure any future council projects are delivered on time and on budget

### **Contact Details**

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**Chief Officer Responsible for the report:**

Dawn Steel  
Democratic Services Manager

**Interim Report Approved**  **Date** 16 January 2009

**Wards Affected:**

All

**For further information please contact the author of the report**

**Background Papers:**

Feasibility Report dated 15 September 2008  
Scoping Report & Information Pack dated 18 November 2008  
Interim Reports dated 10 December 2008 & 12 January 2009

**Annexes:**

- Annex A** – Record and analysis of information gathered at the two informal information gathering sessions  
**Annex B** – Detailed Budget History