

LEWES DISTRICT COUNCIL
NEW HOMES WORKING GROUP (NHWG) – REPORT TO CABINET
SEPTEMBER 2016

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Preamble

This report represents the unanimous views of the Working Group (WG) and is endorsed by all of the WG's members.

1. Introduction

1.1. Establishment of the WG

At the Council meeting on 9th December 2015, during discussion of a response to a petition on new homes (agenda item 9), Councillor Enever moved, and Councillor Murray seconded, an amendment to a petition that the following text be included as an additional recommendation to those contained in the report (178/15): "That this Council form an all-party Working Party to look into the way that negotiations were conducted with regard to the conditional contract and profit share agreement involving Lewes District Council, Karis Developments Limited, Southern Housing Group Limited and Karis Southern Housing Projects Limited; and further that this Working Party oversee future decisions made under these agreements and report periodically to Members." The amendment was carried.

The Group Leaders proposed that the WG be chaired by someone independent from the Council, to assist in providing an external perspective. The Chair's independence would also help to ensure that WG proceedings and outputs were non-political. Vic Kempner, previously appointed as one of the Council's statutory Independent Persons for the standards regime required by the Localism Act 2011, was proposed for this role.

On 17 December 2015 the Council's political Group Leaders met to discuss the membership and terms of reference of the WG. Reflecting the need for cross-party representation, they agreed the Group should consist of two members of the Conservative Group, two members of the Liberal Democrat Group, one member of the Green Group, and one member of the Independent Group. The Group Leaders agreed draft terms for consideration by the WG.

At the WG's inaugural meeting on 25 January 2016, elected Members appointed Vic Kempner as Chair and agreed the WG terms of reference. For the membership and terms of reference, see Appendix 1.

The Group's overriding aims have been to identify aspects of the project that went well and those that might have been handled differently; and to identify lessons learned, which could be applied in the future.

1.2. Modus operandi

As a WG rather than a committee, meetings have not been open to the public which has allowed discussion with members and officers to be open and frank. This has assisted the WG in reporting back to Cabinet more meaningfully than might otherwise have been the case.

The Group met on 7 occasions between 25th January and 29th June 2016, questioning 13 witnesses, both councillors and officers, present and past; witnesses included two of the Council's serving statutory officers. Full names and roles of witnesses are set out at Appendix 2. There was no obligation on witnesses who no longer had direct association with LDC to attend, and the WG thanks them for appearing and answering our questions. Pleasingly, no witness invited to attend declined but the WG would have liked to have heard from Nilam Popat, who was the original programme director, as Corporate Head of

Communities and Enterprise. Attempts were made to contact her but she could not be located.

Questions to all witnesses were agreed by the WG and made available to witnesses around two weeks in advance of their attendance.

The WG also reviewed a substantial number of project-related documents dating from project inception in 2011. Since a number of these were and remain commercially sensitive, they were made available to members of the WG on a confidential basis.

The Chair attended a Cabinet informal drop-in session on 25th May 2016 to brief Members on the themes emerging from the Group's work.

2. Emerging themes

Five themes emerged as the WG's investigations progressed:-

1. project size and complexity,
2. sites and planning matters,
3. consultation and keeping members informed,
4. procurement,
5. governance and management.

The findings under each of these are detailed below.

2.1 Project size and complexity

The Project was undeniably large, ambitious and complex. The size, and whether it was *too* large, was mentioned to the WG by some, but not all, members and officers. It was probably one of the largest tackled by LDC but in moving it forward there was an awareness that experience (whilst not to be undersold) within the organisation and capacity to deliver the project would require supplementing. The development consortium (procured under EU public procurement rules) would bring a range of proven commercial expertise to the project, while external legal and property specialists would bring their specific expertise to help LDC in managing the procurement and contract management processes.

A major feature of the project was the involvement of an external development consortium. At project inception, this was seen as crucial in order to bring forward creative and innovative housing designs and planning proposals, so as to generate capital and income streams necessary to plug the significant gap left by the drop in Government revenue grant, and to help deliver the level of housing development required by the community.

None of the witnesses to the WG disagreed with the strategic rationale behind the project. Criticism was levelled, however, at certain aspects of project governance, and all attendees were keen that lessons be learned for the benefit of future projects.

Whilst there are plenty of examples across a range of sectors of large and complex projects (larger than this one) being delivered within budget and to time, when setting out on future large and potentially complex projects LDC should consider whether they should be split into phases (if that is feasible) rather than implemented as a whole. Working in phases may reduce the risks inherent in the project and increase the probability of achieving the benefits.

2.2 Sites and planning matters

The Council believed that working in partnership with a commercial development consortium was the best way to take forward the agreed regeneration strategy. This led to an underlying principle behind the procurement strategy for the New Homes Project that potential bidders should be given wide scope to come forward with innovative proposals. These would push the boundaries of planning considerations, leading to major benefits for the communities through housing developments (both private and, most importantly, affordable) through making maximum use of Council assets.

With the vision that developers would challenge the planning authority's views as set out in strategic and local plans, there was an inevitable difference of opinion as to what might be an achievable housing density on any given site. Whilst developers may wish to be unencumbered by a conventional wisdom and assume anything is possible, planners may have greater regard to environmental and infrastructure practicalities and other inherent site challenges, thus leading to a range of views on site capacity and development potential.

We heard doubts as to whether the anticipated levels of affordable housing were achievable and whether the assumption that all planning consents would be forthcoming was realistic.

Commenting in 2014 on the consortium partner's outline proposal, the Head of Strategic Policy had said: "If the acceptability of a site for solely market housing is dependent upon a site(s) elsewhere being delivered for affordable housing, this could result in one refused application undermining the potential approval of the other applications. Therefore, Karis need to set out what the contingency approach would be if such a scenario would happen (i.e. would the refusal of an application for a site in Phase 1B result in a site in Phase 1A being withdrawn, or incorporating an element of on-site affordable housing?)." No such contingency plan appeared to be forthcoming.

We also heard that technical officers were asked for opinions, having been given limited information about the project background and that limited attention seems to have been paid to their advice. In light of this, we need to ask four questions:

- (i) Were the project leaders over-optimistic? Our view is that while the project leaders were wise to press the limits and even exceed expectations in some areas, events have shown how difficult it was to reach the targets they set themselves. It appeared that at least for some aspects of this project, the project leaders were not initially aware of the areas in which they might experience greatest difficulty, because the scale of it was unfamiliar. They were thus unaware of the extent to which they might be being over-optimistic.
- (ii) Did the project leaders only want to hear particular messages, and was it the case that project leaders were given planning officer advice they did not take on board? We understood from the officers' brief that the project leaders were in this case acting more in the role of developer than any other role, and so a difference of opinion between planning officers and those involved in the project might be expected.
- (iii) What were the Council's options once the seriousness of the title problems at the two key sites became known? Further steps, albeit at additional expense and with no guarantee of success, may have been taken to try to resolve the covenant issues – as detailed in paragraph 13 of the report to Cabinet of 17 February 2016. However, there was no obligation on any party to do this; nor did any party press for this to happen. As paragraph 17 of that report makes clear, Southern Housing Group agreed that, in light of the significant difficulty over title,

the best course of action was to terminate the contractual arrangement between the council and its consortium partners, thus ending the project. As indicated in paragraph 18, Karis' preference was to proceed whilst dropping the key sites from the project, but this would have entailed a significant variation to the contract and would not have allowed the Council to receive the level of capital it expected, in order to invest in Council homes.

- (iv) Were the known key risks around covenants and other restrictions assessed adequately and early enough? The Council's legal team produced initial reports on title relating to some 40+ sites, and shared these with the consortium partners at an early stage. Detailed assessment of title was the responsibility of the Council and its partners together in the 5-month period following the execution of the contract. In the event, the Council sought specialist advice from counsel on legal title at two key sites.

The Assistant Director of Corporate Services suggested that all focus was on concluding the commercial deal and, in hindsight, it would have made sense for the project partners to undertake detailed covenant work on the two key sites at an earlier stage.

The lesson for future projects involving land development is that it may be prudent for the Council, not its partners, to be responsible for detailed reports on title and assessing the implications of issues arising, and for the project to make available sufficient additional resource for that to be done. Alternatively, there should be a very clear division of responsibilities between the project partners in relation to key tasks such as this.

The broader point to emerge from each of these points is that project leaders need to balance optimism with realism and assess attendant risk; this is one of their key roles.

2.3 Consultation and keeping people informed

Statute confers an express duty on public bodies to consult in certain circumstances, for example under planning law or if intending to dispose of open space land; and under common law an implied duty to consult can arise based on the previous conduct or assurances of the public body wishing to implement a project affecting any section of the public. An example of the latter is where a public authority has promised that it will engage in consultation before making a specific decision. Where an express or implied duty to consult does arise, the public body must carry out the consultation in a procedurally fair manner, which starts by consulting when proposals are at a formative stage.

One aspect of consultation the WG considered repeatedly was that of **timing**. If consultation is to have a genuine purpose, both the nature of the proposition on which views are being sought and the timing of it are vital. Members of the community wish to understand how a proposal will affect them as individuals and may be understandably suspicious if they are only told about a proposal in general terms or too late in the day to influence decisions. On the general principle of consultation, it was suggested to the WG that the formal planning process should be seen as the key stage for consultation. However, this assumes that site locations are agreed, and it is merely their number, size, context and design that are to be consulted upon. With this project, the actual selection of sites proved contentious, since many stakeholders (ward members and residents especially) felt they'd had no opportunity to comment on and influence the list before it was finalised.

There appeared to be a distinct lack of appreciation at the top whereby the Council had received petitions about some of the sites but the signing of the contract went ahead anyway. On the face of it, this represented a blatant disregard for the feelings of the residents and denied members the opportunity to discuss those feelings in a formal setting of the Council Chamber.

The argument put to the WG against involving ward members and the public in site selection was that doing so risked undermining negotiations between the Council and its development consortium aimed at achieving a commercially acceptable deal on all sides. Removing certain sites and adding others following public consultation may have rendered the project financially unviable. Also, had the initial list of sites been amended in this way, it would have been necessary to re-issue the formal notice (known as the OJEU Notice) advertising to the European Union the intention to procure a development partner. This, it was said, might deter prospective partners from coming forward due to lack of certainty and direction over the site list. In other words, changing the project scope just to suit as many interests as possible would make it difficult for any bidder to develop and finalise proposals in response to the contract opportunity, to the point where they may be obliged to withdraw.

On the evidence heard, the WG are strongly of the view that Members and affected residents were denied the opportunity to comment on the initial site proposals; and this lack of democracy was a significant cause of the disaffection that arose towards the project from 2015 to its demise.

2.3.1 Public and other interested parties

Treating significant parts of the project detail as commercially sensitive created dilemmas and tensions for Members who had certain knowledge which they could not use when discussing the project with their constituents as part of their normal ward business.

The issuing of pink papers on aspects of the project severely limited discussion and the dissemination of information. In this project the sites list became public knowledge with the issue of the tender documents only a few months after the pink paper was issued. Yet councillors continued to be constrained unnecessarily for a further 3 years. In fact the Chief Executive and Leader (at the time) seemed aggrieved that the list became partly public knowledge.

As a broader observation beyond our terms of reference, we recognise there will be times when material will of necessity have to be categorised in this way, but felt that on the wider grounds of democracy and inclusion, the threshold for making such decisions merits review and a more open position is recommended for future projects.

It was accepted by witnesses that the consultation process was challenging and could have been managed better, and that the right messages did not always get out to local people at the right time. Some WG members expressed the view that local knowledge of ward councillors was not used sufficiently, particularly where proposals were potentially more contentious, to assist an informed and constructive public consultation process. Some witnesses felt likewise, commenting that in hindsight, the local knowledge of residents and ward members should have been sought and listened to.

2.3.2 Keeping members informed

It is indisputable that member knowledge of the New Homes Project as it moved from the policy and strategy stages varied considerably. We have heard that officers did brief Group Leaders and other key members and that there was general presumption that Group Leaders would cascade briefings. It is not clear whether such cascading actually happened,

and where it did, whether it was satisfactory. Apart from all-member briefings (which themselves were few and infrequent), Members without the benefit of a Group structure appear to have received little information about the project, and felt disenfranchised as a result, as did some members of Groups.

This project was highly significant for LDC, being a fundamental element of the Council's regeneration strategy. As such, it may well have warranted formal and informal briefings of all councillors at key stages of progression. The WG are aware that on the North Street Quarter project a much more thorough and detailed briefing has occurred, and this is the standard to which we would wish all future projects to adhere.

In 2014 Cabinet resolved to delegate significant project decision-making powers to the Chief Executive. External legal advisers confirmed the delegation, and scope of it, was lawful, but with the Chief Executive now able to take most project decisions herself, there was limited reporting back to Cabinet or full Council. Powers delegated to the Chief Executive were to be exercised in consultation with the Leader and Leader of the Opposition. Whilst this consultation requirement was met, information about the project appears not to have reached other members on any structured or regular basis. In future we would advise a clearer definition of what was intended by 'consultation', as this has been interpreted differently by different people, from suggesting involvement in the decision making at one extreme, to merely being informed of what had already been decided at the other. Consultation purely as information sharing does not appear to have been a successful feature of the project. Indeed, the WG does not consider the mere sharing of information to represent a meaningful definition of "consultation".

The Council election in May 2015 impacted on council composition and leadership (see 2.5 below) and therefore on the body of knowledge of the project which members had. We suggest that the impact of these changes was much greater than may have been envisaged at the time and that inadequate factual and political briefings took place.

Of the six members of the Working Group, three were newly elected in May 2015 and three had already been on the Council prior to that. Collectively, therefore, the WG was able to take a balanced view about the impact of the May 2015 elections.

2.4 Procurement

LDC considered a number of options to achieve its defined ends and chose to form a contractual partnership. The WG is not clear how robust and rigorous the evaluation of alternative options was for achieving the desired objectives so is unable to comment on the applicability of the chosen approach. The chosen option may have been unnecessarily complex and unhelpful in seeking to implement Council strategy.

Bids to become the development partner were sought using the 'negotiated procedure'¹. The documentation we have seen and discussions we have had with officers has given the WG

¹ Under EU public procurement rules applicable at the time, the 'negotiated procedure' was a flexible procurement procedure under which a contracting authority such as the Council consults contractors or suppliers of its choice and negotiates the terms of the contract with them. It was one of four procedures through which a public body could award a contract valued above a certain threshold.

satisfactory assurance that processes and procedures leading to the selection of the development consortium accorded with legal requirements and standards of good governance.

From what we have heard and seen, there appear to have been times in the pre-contractual negotiations between LDC and the development partners when matters were handled with limited written confirmation of decisions. Looking to the future, it may be helpful to seek advice from auditors on ensuring satisfactory negotiation procedures.

If LDC chooses to work with a single development partner on a future project it might consider whether, to reduce the risk of failure, it should have a plan B in the event of plan A not proceeding.

2.5 Governance and management

The WG noted with concern that despite Cabinet agreeing on 30 May 2012 “to keep the Property Strategy under review with regular progress reports to Cabinet as individual projects are worked up in detail and implemented”, no reports of that nature were submitted to Cabinet until some 3 years later when the contract with the consortium partner was all but a done deal. A ‘Property Portfolio’ report was taken to Cabinet in September 2014 but this sought approval not for the sites selected for development but for the Chief Executive – in consultation with the Leader and Leader of the Opposition – to conclude negotiations with the consortium partner and award the contract.

Elections in May 2015 led to a change in composition of the Council, and later that year there was a change of Council Leader. Even though nearly two thirds of members of the largest groups were re-elected, we heard from a number of witnesses (both members and officers) of their clear perception that these changes did impact severely on the dynamics and ownership of the project. We also heard of a loss of member trust in the project in some quarters, although we are not able to comment on the extent of this.

This raises a number of points for future consideration including the need to ensure that political handover is managed better, that chief officers confirm with members regularly that they remain signed up to the project and that new members have been briefed adequately on projects of significance.

As mentioned above, we were advised that the delegation of responsibility from Cabinet to the Chief Executive in 2014 and governance arrangements for the project were reviewed and found lawful by specialist lawyers. The former was also reviewed by auditors. Nonetheless, we had concerns as to whether the risks had been assessed adequately and whether the very broad scope of delegation was best practice.

The delegation required consultation with the Council and largest Opposition Group Leaders before exercising the delegated powers. What is less clear is whether sufficient reporting back to members at large was, by implication, built into the delegation of powers. From what we have seen and heard, it would appear this was inadequate and did not meet a wider expectation of delegation downwards matched by accountability (namely, reporting and briefing) upwards. There may have been the possibility of reporting back up but whether this proved adequate depended on arrangements within each group. The question of pink papers meant not enough could be raised outside of the Council.

As well as changes in political leadership, there were several disruptive changes in senior officer leadership of the project and possibly a period when such oversight may have been absent. This has led to inconsistency and, at times, less than the requisite level of rigour; project management may not have been adequately resourced to fulfil the role. Partnership

procurement used the negotiated procedure (see definition in footnote 1 to paragraph 2.4) which is inevitably complex. The changes and lack of consistency in project leadership cannot have helped during this process.

A project of this magnitude (as for any other significant piece of work) must have an identified lead officer (often called a project director) of sufficient seniority to marshal and direct resources and with sufficient standing in the organisation to make things happen. When the Director of Business Strategy and Development was given lead responsibility in 2014 for project implementation she could identify no project plan, she herself was only the lead project officer for a matter of months before the Chief Executive assumed this mantle personally, an arrangement that did not lend itself to effective project management.

Risk management is a well-accepted feature of sound project management. We were shown an extensive risk log in which detailed individual risks were rated red, amber or green. A document of this coverage is only relevant to officers; however, a limited number of significant strategic risks might serve as an informative and powerful monitoring tool for key members to review periodically. Risk assessment by Officers, and oversight by Members, seemed to be lacking or insufficient.

The roles of members and officers are quite distinct; however, there are inevitably times when such a demarcation becomes less clear. From what we have heard, there was lack of clarity or blurring as to member and officer roles in the oversight and management of the project. This, together with some members not being clear over the role of officers may well have hindered the asking of effective questions which might have identified problems earlier and influenced whether the project went ahead. An essential part of effective project management (and programme management) is that the role of all participants is unambiguous; it may be helpful for each person to have a brief description of their expected contribution.

One of the clearest examples the WG heard of where the respective roles of members and officers was misunderstood was during some of the public consultation events that took place from July 2015 in response to leaks over site selection and media misinformation. By this time the Service Delivery Director was project manager and fronted many of these public meetings. She stated that she felt much of the criticism over the choice of sites was levelled directly at her, even though (quite properly) their original selection had been a political decision taken by Cabinet. The director's proper role was to implement Cabinet's will and yet she stated she felt she had found herself in front of the public taking the blame for a strategic decision taken by the Council's executive, and the focal point for residents who felt she was not listening to their concerns. Beyond this perception of personal attacks at public events, the director and other senior officers were also criticised by some Members at meetings of full Council, based on the misapprehension that those officers had been responsible for agreeing the project from its very inception. It is the role of senior management to take the flak sometimes but they need the support of members and, in particular, leaders.

Where members are involved, they need a meaningful role to maintain their commitment and political sign up to the project. It is apparent that this happened when bids were being assessed with three members sitting on the fourteen person panel, one being an evaluator and two being approvers. This example shows well-structured member, officer and adviser working; it is not clear that similar arrangements were in place for other aspects of the project.

Advice from the Council's independent property consultants confirmed that the arrangements being put in place would satisfy the statutory requirement of "best consideration" in accordance with section 123 of the Local Government Act 1972.

Although DTZ signed the project off, they did make comments such as some aspects being “unusual”. It might have been better if the contract had been negotiated by DTZ. There could have been no hint of Council Officers or Members being too close to Karis. There would have been continuity. We would not have had disruptions caused by changing members of staff, etc.

In addition, members would have benefited from a document explaining the key features of the business model underpinning the commercial deal between the Council and the consortium partner. The document should have set out plainly what each party would gain under the contract, and the number of houses (market and affordable) the deal would support.

3. Moving forward

The Cabinet decision earlier this year to terminate the agreement with the development consortium made the final part of our terms of reference (to recommend a report mechanism and frequency to ensure adequate monitoring of implementation) less relevant directly; however, we do offer observations for future projects. In 2.5 above we have said a project of this magnitude (as for any other significant piece of work) must have an identified officer lead (often called a project director) of sufficient seniority to marshal and direct resources and with sufficient standing to ensure things happen. It is not clear whether project management arrangements were entirely satisfactory, in part due to several changes in project leadership. There is extensive documentation about project management and methodologies which does not need repeating here.

The WG heard evidence that certain aspects of the NHP which had not functioned well had already been addressed and applied to the Council’s other strategic level property regeneration project, the North Street Quarter. This related to two areas in particular: (i) a presumption of openness in reports to Cabinet, meaning that most, if not all, project information is in the public domain, thus minimising the perception of secrecy and the need for confidentiality; and (ii) project governance includes oversight by members, ensuring proper accountability and stronger political buy-in. These features of the NSQ project were generally felt to have led to good quality project outcomes, in the view of witnesses.

4. Recommendations

The WG’s recommendations as to LDC’s management of future strategic projects of equivalent scale and complexity to the New Homes Project are laid out in Appendix 3.

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WG membership and terms of reference

Membership of the WG

Councillors Mike Chartier (Lib Dem), Nigel Enever (Con), Peter Gardiner (Lib Dem), Bill Giles (Con), Ruth O’Keeffe (Ind) and Tony Rowell (Green). Independent Chair: Vic Kempner.

The WG was supported by officers from the Council’s Legal and Democratic Services.

Terms of reference

To investigate and report to Cabinet on the following:

- (a) The extent to which the decision-making process culminating in the signing of the Conditional Sale Agreement and the Project Management and Profit Share Agreement accorded with proper governance requirements, including pre-contract member communication and engagement (including consultation); transparency of the procurement and contract process; and post-contract communications with Members.
- (b) The way in which negotiations were conducted between the Council, Southern Housing Group Limited and Karis Developments Limited culminating in the signing of the Conditional Sale Agreement and the Project Management and Profit Share Agreement.
- (c) The extent to which the commercial deal negotiated satisfies the statutory requirement that it represents “best consideration” in accordance with section 123 of the Local Government Act 1972.
- (d) The recommended report mechanism and frequency of such reporting which Cabinet should put in place and require officers to meet, in order to ensure adequate monitoring of implementation of this Project².

² The Cabinet decision on 17th Feb 2016 to terminate the agreement made this part of the terms of reference less relevant. However, this report does comment on monitoring of and reporting to Cabinet on similar future projects.

Witnesses appearing before the WG

Councillors

Councillor Rob Blackman (former Leader of the Council);
Councillor Sarah Osborne (current Leader of the Liberal Democrat group on the Council).

Former Councillors

James Page (former Leader of the Council);
Chris Bowers (former Leader of the Liberal Democrat group on the Council).

Officers

Jenny Rowlands, former Chief Executive
Nazeya Hussain, Director of Business Strategy and Development
Gillian Marston, Director of Service Delivery
Alan Osborne, Director of Corporate Services
Catherine Knight, Assistant Director of Corporate Services
Mark Reynard, Head of Legal Services
Edward Sheath, Head of Strategic Policy
Bee Lewis, Head of Property & Facilities
Leighton Rowe, Housing Policy & Development Manager

New Homes Project Working Group – Recommendations to Cabinet

<p>Site Selection</p>	<ol style="list-style-type: none"> 1. When recommending sites for development, provide the decision-maker (e.g. Cabinet) at the same time with: <ol style="list-style-type: none"> (a) criteria used in site selection; (b) risk assessment of each site (c) whether potential development is consistent with Local Plan (d) any other key planning issues affecting each site 2. If one or more sites are <u>key</u> to project success, complete due diligence on ground condition and title as early as possible and before signing the contract and incurring substantial costs.
<p>Officer briefings to Members</p>	<p>Senior officers should:</p> <ol style="list-style-type: none"> 1. Brief all Members on strategies underlying a project. 2. Explain the avenues available to backbench councillors to influence project outcomes, e.g. structured consultation, representations to Planning Committee. 3. Clarify the distinction between officer and member roles in project management, e.g. that officers are required to work within the strategy and policy framework set by Cabinet (or Council, as appropriate), and to implement strategic projects in line with those parameters. 4. Continue to brief members regularly and for the duration of the project. 5. Ensure that briefings to Group Leaders include members without a formal Group structure. 6. If the project straddles a local election, brief newly elected members on key aspects and explain their role in delivering its desired outcomes.

<p>Group Leader role</p>	<ol style="list-style-type: none"> 1. Once they have given political backing to the project, each Group Leader is responsible for obtaining similar buy-in from their members. 2. For strategic projects, Group Leaders should act as conduit for information to and from its Group members, so that: <ol style="list-style-type: none"> (a) senior officer briefings to Group Leaders are disseminated to Group members; (b) backbench members can flag up significant issues affecting their ward constituents, and the sentiment of those residents, for project managers to consider and act on.
<p>Scale and achievability of major projects</p>	<ol style="list-style-type: none"> 1. Use 'SMART' approach to project objectives: are they specific, manageable, achievable, realistic and timely? 2. Proposals, whether generated externally (as with NHP) or internally, should be framed with due regard to local factors, e.g. cultural and planning issues. This need not preclude innovative, ambitious designs if capable of justification on a site by site basis. Recognise cultural barriers such as resistance in a broadly rural environment to designs best suited to urban areas. 3. Set an achievable timescale for delivering complex projects. 3. If a project must be delivered within a short timeframe, consider whether achievable on the scale (i.e. the number and complexity of sites) envisaged. Consider downscaling or re-packaging into separate phases, to render the project more manageable. 4. Projects spanning the entire district and affecting two planning authorities (LDC and SDNPA) are likely by their nature to be complex, and project timescales need to reflect this. 5. Consider the impact of a change of political Leader and composition of Cabinet on the deliverability of contentious projects.

Project Governance

1. Where practicable, seek cross-party buy-in from Group Leaders to the project's strategic objectives.
2. Commence project management at **earliest** possible stage in project life cycle, using personnel with the necessary skills and experience in project management.
3. Project management should, from the outset, include a risk register that identifies and evaluates risks to project delivery; and specifies control / mitigation measures.
4. Appoint a Project Board. Include sufficient Members from each Group to ensure effective member oversight of project.
5. For regeneration projects, consider appointing an external planning consultant to the project team, whose role is separate from (and therefore not in conflict with) that of the Planning Authority's own officers.
6. Seek and take account of internal advice from specialist officers (e.g. on finance, housing, planning and legal matters) at all stages, in order to increase the likelihood of proposals being workable; and project outcomes being realistic and achievable.
7. If there are significant changes of political or officer leadership while a project is underway, make arrangements to provide continuity between outgoing and incoming personnel, to avoid project hiatus and knowledge gaps.
8. Recognise the risks to contentious projects of local elections. These are politically charged periods, and a project can become a major election issue.
9. Project reports to Cabinet should be openly published wherever possible, and only those parts which are genuinely confidential or commercially sensitive should be consigned to Part 2 proceedings. This will make it easier for backbench members to discuss project proposals openly with their ward residents. Avoid using pink papers as far as possible.
10. Where Cabinet grants broad decision-making powers to the Chief Executive or a director

	<p>regarding project implementation, there should be a process for reporting back to Members on the exercise of those powers.</p> <ol style="list-style-type: none"> 11. Pink papers should be time limited or 'declassified' when appropriate. 12. Officers should adhere to Cabinet resolutions requiring ongoing project briefings and updates. 13. When petitions are received, an officer with relevant delegated powers should not decide on how to respond without reference to Cabinet or Council as appropriate.
<p>Consultation</p>	<ol style="list-style-type: none"> 1. Give ward Members the opportunity early in the project lifecycle to comment on sites in their constituency and to make project managers aware of any difficulties affecting them. 2. Include town and parish councils in the consultation process, making best use of their local knowledge. 3. Any consultation with the public should be at the earliest opportunity, to prevent rumours and concerns which could cause delays; and the scope of the consultation should be clear, to avoid misunderstandings or raise false expectations. Similarly, where the Council holds public meetings about projects, the purpose of those meetings – and any limitations on scope – should be spelt out in advance. 4. Consultation should allow consultees to comment on each individual site, rather than expect a composite response to a whole package of sites. 5. Explain to members what consultation at each stage of the project actually means. There was a lack of clarity as to what consultation meant during the project.

Management of partners	<ol style="list-style-type: none">1. If a partnership approach is seen as beneficial, consider the merits of appointing a sole partner as opposed to a consortium or multiple partners operating outside a consortium.2. Outcomes of negotiations with partners should be recorded in writing.3. For future projects involving land development, consider making the Council, not its partners, responsible for detailed reports on title and assessing the implications of issues arising, and for the project to make available sufficient additional resource for this purpose.4. Heads of agreement or contract with project partners must clearly specify the roles and responsibilities of each party (e.g. performing due diligence on named sites, if so agreed as an alternative to the option recommended immediately above), and timescales for delivery.5. Make resource available for contract monitoring, so that failures by partners can be identified and remedied.
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