

**To:**  
**All members of the**  
**Corporate Policy and Resources**  
**Committee**

*Please reply to:*  
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Service: Committee Services  
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Date: 2 July 2021

### Supplementary Agenda

### **Corporate Policy and Resources Committee - Monday, 5 July 2021**

Dear Councillor

I enclose the following items which were either marked 'to follow' on the agenda or updates have been provided since the publication of the agenda for the Corporate Policy and Resources Committee meeting to be held on Monday, 5 July 2021:

- |            |  |                |
|------------|--|----------------|
| <b>5.</b>  | <b>Nominations for Development Sub-Committee</b>   | <b>3 - 4</b>   |
|            | To nominate five members to the Development Sub-Committee taking into account political balance as set out in the attached document.             |                |
|            | <i>This item has been updated.</i>   |                |
| <b>6.</b>  | <b>Appointments to Outside Bodies for 2021-22</b>  | <b>5 - 6</b>   |
|            | This report seeks approval to appoint the representatives and deputy representatives to the Outside Bodies for 2021-2022 as shown at Appendix 1. |                |
|            | <i>Appendix 1 is now attached</i>  |                |
| <b>7.</b>  | <b>Establishment of Task Group</b>   | <b>7 - 16</b>  |
|            | <i>The details are now attached for the Waterfront Investigatory Task Group.</i>   |                |
| <b>11.</b> | <b>Corporate Plan - Update</b>   | <b>17 - 18</b> |
|            | To receive a verbal update on the status of the Corporate Plan.<br><i>There is a written update provided to be read ahead of the meeting.</i>    |                |

**Spelthorne Borough Council, Council Offices, Knowle Green**

**Staines-upon-Thames TW18 1XB**

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Yours sincerely

Michelle Beaumont  
Corporate Governance

To the members of the Corporate Policy and Resources Committee

Councillors:

L. E. Nichols (Chairman)  
J.R. Sexton (Vice-Chairman)  
J.R. Boughtflower  
C.F. Barnard  
V.J. Leighton

S. Buttar  
J. McIlroy  
R.J. Noble  
N. Islam  
S.A. Dunn

A. Brar  
O. Rybinski  
S.M. Doran  
I.J. Beardsmore  
V. Siva

**ALLOCATION OF SEATS FOR DEVELOPMENT SUB-COMMITTEE**

Membership of the Development Sub-Committee will consist of:

**5 members nominated by the Corporate Policy and Resources Committee** and **2 members nominated by the Environment and Sustainability Committee** drawn from all members of the Council and reflecting political balance.

The Political allocation will be:

Conservatives	3 seats
Liberal Democrat Green Group	1 seat
USG	1 seat
Other Groups	2 seats

The **Environment and Sustainability Committee** will consider their nominations at their meeting on 30 June 2021.

The **Corporate Policy and Resources Committee** will consider nominations at their meeting on 5 July 2021, and it may be necessary for further discussions to take place to ensure that political balance has been achieved.

Appointments to the Development Sub-Committee will be determined at the Council meeting on 15 July 2021.

**UPDATE 2 JULY 2021**

The **Environment and Sustainability Committee** considered their nominations at their meeting on 30 June 2021 and resolved to nominate the following members to sit on the Development Sub-Committee:

J. Doran	Labour
R. Smith-Ainsley	Independent Spelthorne Group

This leaves the following seats available for the **Corporate Policy and Resources Committee** to nominate to on 5 July 2021.

Conservatives	3 seats	<b>TBC</b>
Liberal Democrats	1 seats	Lawrence Nichols
USG	1 seat	Helen Harvey

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## Agenda Item 6

ORGANISATION	NOMINATION 2021-22	ROLE	NO ROLES
A2Dominion Customer Insight Panel	Amar Brar	Representative	1
Ashford and St Peters Hospitals NHS Foundation Trust	Denise Saliagopoulos	Representative	1
Heathrow Community Noise Forum		Representative	1
Heathrow Local Focus Forum		Representative	2
		Representative	
Heathrow Community Engagement Board		Representative	1
Local Authority Aircraft Noise Council		Representative	3
		Representative	
		Representative	
Management Committee of Mediation North Surrey	Chris Bateson	Representative	1
Runnymede and Spelthorne SHMA – Joint Member Liaison Group	Kathy Grant	Representative	2
		Representative	
South East Employers	Dick Smith-Ainsley	Representative	2
	Sandra Dunn	Deputy	
Spelthorne Mental Health Association Management Committee	Sue Doran	Representative	1
Spelthorne Safer, Stronger Partnership Board	Helen Harvey	Representative	1
Strategic Aviation Special Interest Group	Ian Harvey	Representative	2
		Representative	
Surrey Environment Partnership	Bob Noble	Representative	1
Surrey Museums Consultative Committee	Tom Fidler	Representative	1
	Chris Bateson	Deputy	1
Surrey Traveller Community Relations Forum	Robin Sider	Representative	1
Sustainability and Transformation Plan Stakeholder Reference Group	Sue Doran	Representative	1
The Traffic Penalty Tribunal		Representative	1
		Deputy	1

Yellow denotes no nominations yet received.

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# Corporate Policy and Resources

5 July 2021



<b>Title</b>	Waterfront Inquiry Review Group and terms of reference
<b>Purpose of the report</b>	To make a decision
<b>Report Author</b>	Victoria Statham, Group Head of Corporate Governance
<b>Ward(s) Affected</b>	All wards
<b>Exempt</b>	No
<b>Corporate Priority</b>	This item is not in the current list of Corporate Priorities but still requires a Committee decision
<b>Recommendations</b>	<p><b>Committee is asked to:</b></p> <ol style="list-style-type: none"> <li>1. Establish a Waterfront Inquiry Review Group (Review Group) with the terms of reference set out in the report at Appendix A;</li> <li>2. Establish the Councillor membership of the Review Group;</li> <li>3. In consultation with the Review Group, to authorise the Chief Executive to finalise the terms of reference for the inquiry which are to be based upon the terms of reference set out in the report at Appendix B;</li> <li>4. In consultation with the Review Group, to authorise the Chief Executive to amend the terms of reference as considered appropriate as the inquiry develops or as recommended by the investigator;</li> <li>5. In consultation with the review group, to authorise the Chief Executive to appoint the investigator; and</li> <li>6. In consultation with the Review Group, to authorise the Chief Executive to appoint any replacement investigator if the original investigator appointed can no longer act.</li> </ol>
<b>Reason for Recommendation</b>	Councillors require an inquiry into the Waterfront development project to take place as soon as possible. A task group – the Review Group is to be set up to over see this process. The delegations to the Chief Executive in consultation with the Review Group are to ensure the timely progression without having to wait for the full cycle of committee meetings.

## **1. Key issues**

- 1.1 On the 4 May 2020 Spelthorne Borough Council announced that following a competitive tender process and the unanimous agreement of the Council's Cabinet, the Arora Group had been awarded the contract to develop Bridge Street Car Park and Hanover House in Staines-upon-Thames for a hotel-led mixed-use development.
- 1.2 There has been a call to seek verifications of the project process that due diligence was followed in the decision-making process.
- 1.3 In response to this Councillors have indicated that they want to ensure an in-depth and exhaustive investigations into the legality and reasonableness of the process and procedures takes place.
- 1.4 In order to progress this inquiry comprehensive terms of the reference have been drafted for consideration. These are written to ensure that 'no stone is left unturned' and that all aspects of the transaction are considered. These terms of reference are attached at Appendix B.
- 1.5 To ensure councillor oversight of the inquiry it is proposed that a Review Group is established as a task and finish group under the Corporate Policy and Resources Committee. A task and finish group act as an advisory body to their parent committee, such a group cannot have decision making powers. The proposed terms of reference for this Review Group are attached at Appendix A.
- 1.6 It is the desire of both Councillors and officers to ensure that this inquiry is commenced as soon as possible. To achieve this, recommendations are included to delegate the finalisation of the terms of reference for the inquiry (and any amendments) and the appointment the of investigator (and any replacement) to the Chief Executive in consultation with the Review Group. Under the committee system of governance decisions can only be taken by committee or an officer (as delegated). Delegations to officers can, however, be in consultation with Councillors. It is proposed that these delegations are in consultation with the Review Group to ensure councillor direction in the decisions.
- 1.7 The delegation for the finalising of the terms of reference is specifically stated to be based on the terms of reference set out at Appendix B so that this committee have considered these terms.
- 1.8 The Local Government Association (LGA) have been approached for the CV's of suitable investigators. It is proposed that the appointment will be from one of those put forward by the LGA as having the suitable skills. The delegation again is in consultation with the Review Group and therefore the full details of their CV's will be provided to them as part of that consultation.

## **2. Options analysis and proposal**

- 2.1 The recommendation is that the Review Group is set up with the proposed terms of reference as these allow for the breadth and scope of oversight



required together with being permissible in terms of where decision making needs to rest under the committee system of governance.

- 2.2 It is recommended that the delegations are put in place to ensure the timely progression of this inquiry. The consultation with the Review Group provides councillor guidance on the process.
- 2.3 If this Review Group is not established, officers would progress the inquiry reporting to the Corporate Policy and Resources Committee in line with the committee cycle. Therefore, input from councillors would only be at those committee dates and this would impact on the timelines for the investigation.
- 2.4 Similarly, if the delegations are not in place the appointment of the investigator and the finalisation of the terms of reference would need to come back to the next scheduled meeting of the Corporate Policy and Resources Committee in October, thus delaying this considerably.

### **3. Financial implications**

- 3.1 There will be the costs of the investigator. Until the decision is made on his/her appointment these costs are unknown. The expenditure will be within officer delegation levels and will not have to come back to this committee for authorisation. Full details will be provided to the Review Group when known and will be reported to the Corporate Policy and Resources Committee.

### **4. Other considerations**

- 4.1 There are no other considerations to highlight.

### **5. Equality and Diversity**

- 5.1 This does not have any direct equality and diversity impacts.

### **6. Sustainability/Climate Change Implications**

- 6.1 This does not have any direct sustainability/climate change implications.

### **7. Timetable for implementation**

- 7.1 The consultation for the delegations will take place as soon as possible after the committee decision to ensure that this inquiry is commenced quickly.

### **Background papers:**

There are none.

### **Appendices:**

**Appendix A – Terms of reference for the Waterfront Review Group**

**Appendix B – proposed terms of reference for inquiry**

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# **WATERFRONT INQUIRY REVIEW GROUP**

## **DRAFT TERMS OF REFERENCE**

### **Membership**

4 members from the Corporate Policy and Resources Committee

**Members:** - One member to be the Leader of the Council.

**Attendance:** - Members are not obliged to attend in person and may attend the meeting by electronic means via conference call or similar.

**Officers in attendance:** - Chief Executive, Deputy Chief Executive (s 151) and Group Head of Corporate Governance (Monitoring Officer) and any other officer from the assets or procurement team by invitation.

### **Responsibilities**

#### **Terms of Reference for investigation**

To provide a timely response to the consultation request of the Chief Executive to exercise the delegation to finalise the terms of reference for the inquiry or any amendment thereto.

#### **Appointment of Investigator**

To provide a timely response to the consultation request of the Chief Executive to exercise the delegation to appoint the investigator (or any replacement thereof).

#### **Progression of inquiry**

To receive updates from officers on the progress of the inquiry and the next steps to be taken.

To act as a point of contact for discussions with officers on the facilitation of this inquiry.

To make recommendations to the Corporate Policy and Resources Committee on any matters requiring decisions which emerge during the investigation.

To report the outcome of the inquiry to the Corporate Policy and Resources Committee with recommendations for any actions (if any) resulting from that inquiry.

#### **Frequency**

Day-time meetings as required.

#### **Decision and minutes**

This review group has **no** formal decision-making powers.

Any matters which require a Councillor decision will require a report the Corporate Policy and Resources Committee for their decision.

Minutes will be taken and these minutes will be placed on the secure area of mod.gov for all councillors but are to remain confidential.

DRAFT

# **Investigation into the Waterfront Development Project**

## **Summary**

Due to the concerns raised by Councillors and resident groups around the project-process and decision making the Council is seeking an in-depth investigation into the Waterfront Development Project.

## **Background**

On the 4 May 2020 Spelthorne Borough Council announced that following a competitive tender process and the unanimous agreement of the Council's Cabinet, the Arora Group had been awarded the contract to develop Bridge Street Car Park and Hanover House in Staines-upon-Thames for a hotel-led mixed-use development.

This landmark development is set to provide an upscale (4 star) hotel with over 300 guest rooms, serviced apartments and residential units and represents a large inward investment for this Borough to boost economic footing and create many new local jobs for residents. It was quoted at contract award as being one of the largest deals of the type outside of London. The full press release that was issued at the time can be read here;

<https://www.spelthorne.gov.uk/article/19405/Waterfront-hotel-development-announced-for-Staines-upon-Thames-May-2020>

This Council recognises the significance of the development for Staines upon Thames and understand that there are some concerns from both some councillors and community groups regarding the decision-making processes which led to the contract award. In January 2021 a briefing session was held by officers for nominated representatives of the Riverside Residents (Staines) Coalition and local ward Councillors on the Waterfront scheme. The presentation, alongside a project timeline can be read on our website at;

<https://www.spelthorne.gov.uk/article/20011/Waterfront-scheme-residents-briefing-February-2021>

There has been a call to seek verifications of the project process and that due diligence was followed in the decision-making process. This Council is launching an independent investigation with an open remit to review all the steps taken throughout the process.

## **The structure of the Council**

Until May 2021, the Council operated a Leader and Cabinet model of Governance, and with the 'strong leader' appointing the cabinet to discharge the executive functions of the Council. The constitution at this time can be located with the following link:

<https://democracy.spelthorne.gov.uk/ieListDocuments.aspx?CId=209&MId=3416&Ver=4&Info=1>

At the time of the Cabinet decision on this project the political composition of the Council was 23 Conservative, 8 Liberal Democrat, 4 Labour, 2 Green and 2 Independent. The

following month a number of Councillors including the then Council Leader left the Conservative party and following further group formations the Council now has a composition of 18 Conservative, 8 Liberal Democrat Green Group, 4 United Spelthorne Group, 2 Labour, 2 Independent Group, 2 Independent Spelthorne Group, 2 Independent Labour and 1 vacancy.

At the Annual Council Meeting on the 27 May 2021 the Council moved to a Committee System of Governance.

### **The Procurement Process**

At the initial stages of the process it was considered by officers as to whether this was a land transaction or classified as a works contract under the Public Contracts Regulations 2015 (PCRs). In light of the decision in the Supreme Court case of Faraday v West Berkshire, due to the controls over the development envisaged within a development agreement, it was concluded that this is a public works contract.

With the number of routes to market under the regulations, discussions took place between officers and the Council's commercial and legal advisors on the best route to use to ensure getting a deal of the quality required to fulfil the brief. The market is just starting to get used to having to undertake public procurements as traditionally deals in this sector were based on negotiations. It was agreed that the Competitive Dialogue process would achieve these aims as it allowed for on-going dialogue with the bidders to enable them to submit a final tender and produce quality submissions. This was considered the most suited to this complex, high value procurement.

The Competitive Dialogue process started with a high level specification to enable the bidders to understand the aspirations of the Council. This was followed by a set dialogue sessions built around the quality criteria evaluation criteria which were issued at the time of the OJEU notice being published. During the dialogue sessions the bidders discussed how they would fulfil that brief, satisfy the quality criteria and make their commercial submissions on the terms with the legal documents which were presented to them.

To ensure that the Council's ambitions were realistic in the market professional hotel advisors were appointed to advise through every step of the process from the initial concept and the production of the high level specification through to the evaluation of the tenders in terms of the commercial offer. Specialist legal advice was obtained to draft and complete all the legal documentation including the Development Agreement and the Lease. Legal advice was obtained on the procurement side to ensure that the risk of challenge was mitigated along the way.

### **The contract structure**

The contract has taken the form of a conditional development agreement which provides for the granting of a long leasehold interest(s) in the site. The development agreement, the lease(s) and associated documents were issued with the tender pack at the beginning of the process and formed part of the dialogue sessions.

The development agreement was drafted to be institutionally acceptable to ensure that the bidders could fund the project, but at the same time as providing the Council proper controls for the development.

The development agreement is only conditional on vacant possession and satisfactory planning. There are no viability conditions, which indicates that the developer is fully committed to a scheme.

Within the development agreement there are approval mechanisms for revisions to the concept design. If there is a major variation, then Council has the opportunity to state that it is non-compliant with the development agreement. All these measures are in place to ensure the Council's vision stemming from the market demand reports is delivered.

As part of the tender quality requirements the Council included social value and local employment criteria as this project is focused on regeneration and economic development of the borough.

### **Concerns raised over the development**

A community group has been set up called Riverside Residents (Staines) Coalition, who have raised a number of concerns about the transaction. The principal complaint is the size and massing of the development. There are wider planning concerns around whether the scheme was in line with the local plan and the impact on the conservation area. These concerns have fed into calls for a moratorium on development on Staines upon Thames town centre.

They have also raised concerns regarding the transparency of the decision making, the lack of involvement of all Councillors in the decision-making process, the lack of Councillor involvement in the drafting/terms of the contract documentation and the lack of involvement of the Overview & Scrutiny Committee.

This is the link to their website for full details of the correspondence and newsletters that have been issued by the group. <https://www.riversideresidentsstaines.org.uk/>

### **The investigation requirements**

The Council are seeking an in-depth and exhaustive investigation into the legality and reasonableness of the process and procedures used from project inception through to final decision making and there is an open remit for the investigator to consider all matters that he/she considers appropriate to address the concerns raised by the Councillors and resident's group.

Below is a list of issues that have been extracted from the concerns:

1. Was there effective decision making in terms of Leader/Cabinet decisions (including political group processes) and officer delegations, at appropriate stages, and in accordance with the Council's form of governance, including whether there should have been active participation of the Overview & Scrutiny Committee?

2. Was the provision of information from officers to Councillors and between Councillors appropriate in this commercial transaction with a cabinet form of governance all the circumstances?
3. Was an appropriate procurement route followed to ensure compliance with the PCRs?
4. Was there appropriate officer, consultant, and Councillor involvement in the development of the procurement documents including the contract documents for a transaction of this size and scale?
5. Was the evaluation methodology adopted and the evaluation processes (including appropriateness of the evaluation team) reasonable?
6. In terms of the quality evaluation questions and the contractual requirements is there reasoned separation of functions of the Council as landowner and the Council as Local Planning Authority to ensure the appropriateness of the development in this riverside site on the edge of the conservation area?
7. Was the officer recommendation within the report appropriate and the options open to the Cabinet clear to enable them to make a reasoned decision?
8. The decision to award the contract was taken at a remote Extraordinary Cabinet Meeting in April 2020, was this meeting called appropriately and was it reasonable to proceed?
9. Given the previous business relationship between the Council and Arora Group were all appropriate declarations of interest made?

All documentation held by the Council will be made available to the investigator to ensure that this is a fully transparent process. If interviews with relevant officers and Councillors are required this will be facilitated.



## UPDATE FOR POLICY AND RESOURCES COMMITTEE - 9 JULY 2021

### OPTIONS FOR NEW CORPORATE PLAN, PRIORITIES AND VALUES

Lee O'Neil, Deputy Chief Executive

#### Background:

The Council's previous Corporate Plan covered the period 2016-2019. The priorities for that plan were:

- Housing
- Economic Development
- Clean and Safe Environment
- Financial Sustainability

Around the end of 2019/early 2020 when Cllr Harvey was still Leader, he indicated that he wanted to keep the above priorities. Work was therefore undertaken to start drafting an updated plan with some slight amendments to these priorities to cover some of the new challenges we faced since the previous plan was published, e.g. it was proposed that:

- a. The Clean and Safe Environment priority should be adapted to become 'Clean, Safe and Sustainable Environment', to take account the increased emphasis on tackling climate change.
- b. The 'Financial Sustainability' priority should be adapted to 'Investing in our Future', to reflect both the importance of our investments to deliver sustainable income streams and the need to invest in our staff and future service delivery.

#### DEVELOPMENT OF PROPOSED NEW PRIORITIES

The previous administration under Cllr Boughtflower came into being in the midst of COVID, which meant that work on development of a new Corporate Plan had to be put on hold whilst the Council focused on the enormous task of responding to the pandemic. Work was subsequently undertaken on developing a number of emerging ideas for a new set of priorities for the Council, working with IESE (previously Improvement and Efficiency South-East). These were based around a number of key themes: The Borough's recovery from the effects of the pandemic, the need for more affordable housing, the need to tackle climate change, and an overriding desire to make sure that our communities were at the heart of everything we do.

These were developed into the **CARE** priorities outlined below, which were announced by the previous administration and included in the Council Tax leaflet in March 2021. These are also due to be published in the next Borough Bulletin:

Community  
Affordable Housing  
Recovery  
Environment (Climate Change)



#### DEVELOPMENT OF PROPOSED NEW VALUES

The work with IESE also included a discussion around options for a new set of corporate values for the Council to replace the previous ASCOT values. IESE highlighted how the best performing public and private sector organisations have a clear set of values and behaviours and how these could assist in defining who we are and the underlying context to the way we do our work. Using the options discussed, it was proposed to base the Council's new values around a relevant acronym '**PROVIDE**'. In so doing it was felt that this would potentially fit well with the CARE priorities (as a Council we CARE and PROVIDE) and that this would assist in the process of embedding these with staff and Councillors. The proposed values were therefore proposed to be:

Pride in our Council, communities and borough  
Responsive and flexible  
Open and accountable  
Value for money  
Integrity  
Dependable  
Empowering

Although the above priorities and values were announced by the previous administration, it was not possible to formally adopt these through a new Corporate Plan, approved by Full Council, before the introduction of the new Committee system. With the Council now in COVID recovery mode, there is a need to progress the development of the new Corporate Plan, priorities and values. We are therefore seeking guidance from the Corporate Policy and Resources Committee as to how Members wish to take this forward.

### OPTIONS FOR FURTHER WORK

In developing a new Corporate Plan there are a number of options which could be considered by the Committee in relation to the proposed priorities and values. Assuming the Committee agrees that it is important to have some clearly defined Council corporate values, in addition to the priorities under a new Corporate Plan, Members could:

- i. Continue with development/implementation of the proposed CARE priorities and PROVIDE values.
- ii. Modify the CARE priorities and/or PROVIDE values to include any areas that the Committee feels are not adequately covered.
- iii. Develop an entirely new set of priorities and/or values.
- iv. Implement an alternative approach.

Following some initial discussions with Councillor Nichols it has been suggested that one aspect lacking from the proposed CARE priorities is any mention of the importance of service delivery to our residents and businesses. If the Committee were minded to modify the proposed CARE priorities this could therefore be added as a fifth priority. In considering the above options there are some additional matters to consider:

- **The lifespan of the new Plan** – Our previous Corporate Plans have generally each covered a 3-year period. However, the next Borough elections will be held in May 2023, under two years away. By the time any new plan is drafted and goes through the Committee and Full Council approval process, this may therefore only have around 18 months to run before any new post-election administration is formed. In view of this shorter lifespan, it is important to progress the development and implementation of a new Plan in a timely manner in order to be able to make meaningful progress on actions to deliver the Council's new priorities.
- **Continuing threat of COVID** – The effects of COVID-19 are likely to be around for many months to come. The Council is still having to undertake a significant volume of additional work helping to prevent the spread of the virus and implementing a comprehensive Recovery Plan, whilst some services also face a significant backlog of their core work. Capacity to deliver any additional priorities will therefore remain stretched throughout this period.
- **The number of priorities** – It is important to limit the number of priorities to a manageable number which can be given sufficient focus to deliver tangible results over the life of the Plan. Up to a maximum of 5 priorities would normally be sufficient (fewer if possible). Priorities can always be changed to reflect a new problem/threat. The COVID pandemic was a perfect example of this.

The Committee are therefore asked for their views on:

1. How Members wish to progress with the development of the proposed priorities and values.
2. How Members wish to work with officers on the development of a new Corporate Plan.