

MEETING**BUDGET AND PERFORMANCE OVERVIEW AND SCRUTINY COMMITTEE****DATE AND TIME****TUESDAY 11TH JUNE, 2013****AT 7.00 PM****VENUE****HENDON TOWN HALL, THE BURROUGHS, NW4 4BG**

Dear Councillors,

Please find enclosed an addendum relating to the following item for the above meeting.

Item No	Title of Report	Pages
6.	Development and Regulatory Services: Recommendation for Preferred and Reserved Bidder and Full Business Case – Addendum	1 - 4

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Budget and Performance Overview and Scrutiny Committee

11 June 2013

AGENDA ITEM 6

Addendum

The Committee are requested to note the following amendments to agenda item 6 (Development and Regulatory Services: Recommendation for a Preferred and Reserve Bidder and Full Business Case):

Annex 1, page 11 – delete recommendation 1.3 and replace with “That Cabinet instruct the officers to take all necessary action to complete the formalities for the finalisation and execution of the contract.”

Annex 1, page 11 – amend recommendation 1.4 to read “That Cabinet approve the formation of a Joint Venture Company with Capita Symonds Ltd and instruct officers to take all necessary actions.”

Annex 1, page 14 – under the Risk Area of ‘Joint Venture’ the wording in the first line of ‘Causes’ should be amended to read “Joint venture could have an increased risk of facing financial difficulties as it has lower capital reserves than the commercial partner.” *(Note: the wording “could have” replaces “has” contained in the original published version of the committee report)*

Annex 1, page 14 – under the Risk Area of ‘Financial Probity’ the third and fourth lines are to be replaced with the following wording:

Risk Area	Causes	Control
Financial Probity	There are weak elements within the commercials of the project	The commercial elements have been developed during detailed and lengthy negotiations and have been reviewed by both internal and external specialists.
	Unilateral use of intellectual property by partner	There is a position in the contract which is clear on ownership and use of intellectual property rights between the parties. The council also has open book accounting and audit rights, plus rights as a joint venture company Director and shareholder

Annex 1, page 22, paragraph 6.28 – add the following wording after the first bullet point ending “...to best meet to local needs”:

“Barnet Observatory will provide Borough-wide economic and socio economic information through Middlesex University’s Centre for Enterprise and Economic

Research (CEEDR). This information will be used to inform the prioritisation of projects and provide opinion on key major projects.”

Annex 1, pages 26, paragraph 9.11 (Benefits for Members) – add the following wording at the end of the first paragraph ending “...tracking cases and keeping Members informed”:

“This does not preclude direct contact with service officers or planners as necessary for Members.”

Appendix 1, page 34, paragraph 1.2 (Non-Financial Benefits – Benefits for Residents) – add the following wording at the end of the second bullet point ending “...total investment in the Barnet Observatory will be £1.04m over ten years”:

“Barnet Observatory will provide Borough-wide economic and socio economic information through Middlesex University’s Centre for Enterprise and Economic Research (CEEDR). This information will be used to inform the prioritisation of projects and provide opinion on key major projects.”

Appendix 1, page 34, paragraph 1.2 (Non-Financial Benefits – Benefits for Members) – add the following wording at the end of first paragraph in the section titled ‘Benefits for Members’ which end with “...tracking cases and keeping Members informed”:

“This does not preclude direct contact with service officers or planners as necessary for Members.”

Appendix 1, page 61, Table 6-1 (Key Commercial Risk Areas) – under the Risk Area of ‘Joint Venture’ the wording in the first line of ‘Causes’ should be amended to read “Joint venture could have an increased risk of facing financial difficulties as it has lower capital reserves than the commercial partner.” (*Note: the wording “could have” replaces “has” contained in the original published version*)

Appendix 1, page 62, Table 6-1 (Key Commercial Risk Areas) – under the Risk Area of ‘Financial Probity’ the third and fourth lines are to be replaced with the following wording:

Causes	Owner	Consequence	Control
There are weak elements within the commercials of the project	Council	Council does not obtain all the financial benefit it anticipated	Extensive work and review has been done to commercial elements

Unilateral use of intellectual property by partner	Council	Council does not obtain all the financial benefit it is due	The contract is clear on our intellectual property rights and we have open book accounting and audit rights, plus rights as a joint venture company Director and shareholder
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