

**SPECIAL COUNCIL MEETING held at COUNCIL OFFICES LONDON ROAD SAFFRON WALDEN at 7.30 pm on 27 FEBRUARY 2002**

Present:- Councillor D W Gregory – Chairman.  
Councillors E C Abrahams, Mrs C A Cant, R P Chambers, Mrs J F Cheetham, R A E Clifford, R J Copping, A Dean, Mrs C M Dean, R C Dean, Mrs S Flack, M A Gayler, A J Ketteridge, P G F Lewis, Mrs C M Little, Mrs J I Loughlin, Mrs J E Menell, R A Merrion, D M Miller, D J Morson, R J O'Neill, Mrs S V Schneider, G Sell, R C Smith, R W L Stone, A R Thawley and P A Wilcock.

Officers in attendance:- Mrs E C Forbes, F Chandley, Ms K Chapman, J B Dickson, A Forrow, Mrs S McLagan, B D Perkins, M Perry and M T Purkiss.

Also in attendance:- Mr M Ware and Ms K Henderson (Mouchels).

**C39 APOLOGIES**

Apologies for absence were received from Councillors Mrs C A Bayley, W F Bowker, Mrs M A Caton, Mrs C D Down, M L Foley, Mrs E J Godwin, R D Green, D M Jones, A R Row and R B Tyler.

**C40 EXCLUSION OF THE PUBLIC**

RESOLVED that under Section 100A(4) of the Local Government Act 1972 the public be excluded from the meeting for the following items of business on the grounds that they involved the likely disclosure of Exempt Information as defined in paragraphs 1, 7, 8 and 9 of Part I of Schedule 12A of the Act.

**C41 LEISURE (PFI) PROJECT – FINAL APPROVAL**

Members considered:-

- (i) the report by officers, updating Members on the progress made with the Uttlesford District Council Leisure PFI Project (the "Project");
- (ii) the Full Business Case; and
- (iii) the list of Project Documents (as set out in the Appendix to these minutes).

Councillor Copping, as joint Chairman of the Leisure (PFI) Board introduced this item and said that Councillor Row, his co-Chairman, was unable to attend the meeting. He said that Councillor Row fully supported the recommendations contained in the report and was sad and embarrassed that he was unable to attend. He had been involved in the project since its inception and the recommendations represented months of hard work and

dedication. Councillor Row had stated that the Officers and Members involved had negotiated the best possible deal for the District and over the years many residents would benefit from this scheme.

Councillor Copping added that the scheme was ambitious, original and complex and was the biggest investment ever made by this Council. He paid tribute to the tireless efforts of Kathy Chapman and to the contributions made by Frank Chandley, John Dickson and Sarah McLagan and the Members of the PFI Board who had worked together on this project.

Officers and Mr Ware answered questions raised by Members.

RESOLVED that

- 1 the outcome of the negotiations between the Council and Linteum (Uttlesford) Limited as detailed in the report, be noted and approved;
- 2 the Project Manager be authorised to do all that is necessary to conclude the negotiations on behalf of the Council in respect of the Project including to authorise the execution on behalf of the Authority of any document in addition to the Project Documents that may be necessary provided that the terms applicable to the Project are not materially varied from those referred to in the Full Business Case and described therein;
- 3 the Members of the PFI Leisure Board (*Councillors Copping, Row, Clifford and Ketteridge*), the Chief Executive of the Council (*Elizabeth Forbes*) and the Director of Resources of the Council (*John Dickson*) or any two of them be given delegated powers to sign and do all that is necessary to properly execute the Project Documents and any other document authorised under 2 above, (other than the certificates to be given under the Local Government (Contracts) Act 1997, which shall be signed by the Chief Financial Officer (*John Dickson*) on behalf of the Council);
- 4 the Full Business Case document be approved for submission to the Department for Transport, Local Government and the Regions;
- 5 the financial implications to the Council for the term of the Project be noted and the Unitary Charge calculated as part of the Project, as set out in the Report, be built into the annual revenue budget;
- 6 any provisions of the Council's Procedure Rules which are inconsistent with the Project Documents or the procurement and/or award of the contract be waived.

C42

**PFI – INDEMNIFICATION OF OFFICERS**

Members considered a report setting out the potential liability of the Director of Resources as Chief Finance Officer in connection with the PFI agreement.

It was noted that other local authorities had offered indemnities to its officers in respect of such liabilities. The power to give an indemnity was contained within Section 112 of the Local Government Act 1972.

RESOLVED that

- 1 the Council shall, subject to the exceptions set out below indemnify John Dickson against any claims demands, actions, proceedings, damages, costs, expenses or liabilities made against or incurred by him including costs incurred by him and awarded against him and will not itself make claims against him for any loss or damage other than claims falling within the cover provided to its officers under any policy of insurance taken out by its officers or the Council occasioned by any neglect, act, error or omission committed by the said John Dickson in the course of or in connection with signing certificates under the Local Government (Contracts) Act 1997.
- 2 the exceptions referred to in paragraph 1 above are:-
  - i Any amount which is declared to be an item of account contrary to law on the application of the Council's auditor acting under section 19 Local Government Finance Act 1982 to the extent to which the court orders it to be repaid by the said John Dickson or which the auditor certifies as due from and decides to recover from John Dickson under section 20 of the said Act unless and to the extent that John Dickson successfully appeals the said decision to the court under the provisions of section 20(2)(3) of the said Act and in any case whether or not jointly or severally with another or others
  - ii Any amount which results directly or indirectly from the commission of a criminal offence of which the said John Dickson is convicted unless the Council upon consideration of all the circumstances determine that he shall nonetheless benefit from the indemnity
  - iii Any amount directly or indirectly resulting from the fraud or dishonesty of the said John Dickson.
- 3 this resolution shall not apply if the said John Dickson admits liability or compromises any claim falling within the scope of this indemnity without the prior written approval of the Council.

**ANNEX  
PROJECT DOCUMENTS**

1. **Concession Agreement** between the District Council of Uttlesford (1) and Linteum (Uttlesford) Limited (2);
2. **Headlease** between the Governing Body of Helena Romanes School and Sixth Form Centre (1) and the District Council of Uttlesford (2);
3. **Headlease** between Essex County Council (1) and the District Council of Uttlesford (2);
4. **Underlease** between the District Council of Uttlesford (1) and Linteum (Uttlesford) Limited (2);
5. **Underlease** between the District Council of Uttlesford (1) and Linteum (Uttlesford) Limited (2);
6. **Underlease** between the District Council of Uttlesford (1) and Linteum (Uttlesford) Limited (2);
7. **Management Agreement** between the Governing Body of Mountfitchet High School (1), the District Council of Uttlesford (2) and Essex County Council (3);
8. **Management Agreement** between the Governing Body of Helena Romanes School and Sixth Form Centre (1) and the District Council of Uttlesford (2);
9. **Deed of Termination** between the District Council of Uttlesford (1) and the Governing Body of Helena Romanes School and Sixth Form Centre (2);
10. **Direct Agreement** between the District Council of Uttlesford (1), Linteum (Uttlesford) Limited (2), Leisure Connection plc (3), Kunick plc (4) and NIB Capital Bank N.V. (as Agent) (5) and NIB Capital Bank N.V. (as Trustee) (6);
11. **Building Contractor Collateral Warranty** between Pellikaan Limited (1), the District Council of Uttlesford (2) and Linteum (Uttlesford) Limited (3);
12. **Maintenance Contractor Collateral Warranty** between EmCor Limited (1), the District Council of Uttlesford (2) and Linteum (Uttlesford) Limited (3);
13. **Leisure Management Fee Contract** between Leisure Connection plc (1), the District Council of Uttlesford (2) and Kunick plc (3); and
14. Other ancillary documents required in connection with the Project.