

15th January 2018

Policy, Projects and Resources

Asset Development Programme Update

Report of: *Philip Ruck – Chief Executive*

Wards Affected: *All*

This report is: *Public*

1. Executive Summary

- 1.1 As previously identified the aim of the Council's Asset Development Programme is to realise redevelopment opportunities from the Council's property portfolio to secure improved revenue streams, regeneration objectives, economic development and housing objectives of the Council. This report provides an update on the work of the Asset Development Programme Project Board to date.
- 1.2 Since the P, P&R Committee meeting in September, market soundings have been undertaken with a range of organisations (December 2017) to get feedback on the Council's ambitions. Interest was high and feedback complimentary of Brentwood, its favourable location, its asset portfolio and the structured and considered way in which the Council is developing the project.
- 1.3 The Memorial Wall project continues to develop and has taken an exciting turn as officers have established that modular built plinths can be purchased, some including storage of ashes, which are proving very popular in Colchester Cemetery and Crematorium. A new layout/design for setting these in the Woodman Road cemetery is being developed along with a re-working of the business case finances and options analysis.
- 1.4 A monthly Project Highlight Report for the Asset Development Programme is reported to Project Board setting out achievements for that month and also what is planned for the coming month.

2. Recommendation

2.1 To note the report of the Asset Development Programme Project Board.

2.2 A report be made to the Policy, Projects and Resources February 2018 Committee to confirm the investment vehicle, including governance, tax and legal Implications, required to deliver the Asset Development Programme objectives as set out in No.4 of this report.

3. Introduction and Background

3.1 The Asset Development Programme Project Board is a working group of the P, P&R Committee and oversees the project, its delivery and the associated interdependencies and risk on behalf of P, P&R.

3.2 At its inaugural meeting on 1st November 2017 an action point arising was that “Asset Development Programme Project Board Update was to be a standing item on the P, P&R Agenda for items that need a resolution”.

4. Primary Objectives of the Asset Development Programme

- Generate capital and revenue returns from the Council’s asset programme and managing opportunities as appropriate;
- Develop a portfolio approach that balances risk and reward across a portfolio of assets;
- In developing / making investment decisions / optimising assets be cognisant of the potential to reduce long term costs and risks to the Council Tax payers;
- In making development / investment decisions / optimising assets take into account the Council’s growth agenda;
- To develop and utilise a series of approaches that are in line with the Council’s corporate strategy whilst maximising income return;
- The Council will use its borrowing powers, and capital receipts, to invest in asset based transactions targeting financial return;
- Undertake activities with a view to establishing and maintaining pace; and
- The Council is open to appraising out of borough investments for better financial returns and will also consider co-investment opportunities with public not for profit and private sector partners.

5. Achievements during December 2017

- Completed Market Soundings – December dates were achieved, and a good level of response received. All meetings went well with many good ideas and examples discussed.
- Date for check and challenge in diaries

- Specification agreed, and Council signed up to CCS framework to call off Property Advisors and call off under way
- Procured Legal Advisors
- Produced service requirement specification for Financial Advisors and held discussions with 2 top-level firms. Awaiting return of fee and cost proposals.
- Produced draft Outline Business Case to potentially set up a company structure
- Whilst in-principle approval to build a wall has been obtained, an alternative structure to a Memorial Wall has been found which appears to produce better financial returns with lower risk. Figures currently being worked up and designs being looked into how best to incorporate into the cemetery layout. Also, potentially helps reduce amount of land taken up in cemetery required for burial of ashes.
- Mobilised sales process for assets identified in 29/11 Committee report.
- Met with Basildon BC to discuss various joint working arrangements eg a Wholly Owned Company, S.101 agreement work, Housing R&M and other commercial opportunities.

6. Planned Activities (January 2018)

- Work through Company Structure options with Lawyers
- Develop OBC financials for company/partnership structures
- Undertake “Check & Challenge” exercise with PDT and PB – following market soundings exercise
- Progress negotiations with BLT for Community Halls management.
- Prepare full report for February PPR Committee covering options for Memorial Wall and other structures.
- Prepare next progress report for the Asset Development Programme.

7. Reasons for Recommendation

7.1 PPR Members to note progress at this stage.

8. Consultation

8.1 None

9. References to Corporate Plan

9.1 Value for Money: policies that invest in key services to create opportunity for all, provide better value for Brentwood’s taxpayers and enhance the Borough’s infrastructure whilst modernising and transforming Brentwood Borough Council. We will re-prioritise and focus our resources and be innovative in our approach.

- 9.2 Our Borough: Policies which promote our environment, support sustainable growth, and safeguard our high-quality environment including heritage and countryside. We will provide responsive, accessible and forward thinking services for vulnerable residents, supporting people back into work and providing good quality housing making Brentwood our residents' Borough of Choice.

10. Implications

Financial Implications

Name & Title: Jacqueline Van Mellaerts, Financial Services Manager
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- 10.1 There are no direct financial implications included in this report.

Legal Implications

Name & Title: Daniel Toohey, Monitoring Officer/Head of Legal Services
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- 10.2 Legal Services are available to provide ongoing advice and assistance in relation to this programme, including advice on public procurement requirements and property issues as these emerge.

Other Implications (where significant) – i.e. Health and Safety, Asset Management, Equality and Diversity, Risk Management, Section 17 – Crime & Disorder, Sustainability, ICT.

- 10.3 None

11. Background Papers (include their location and identify whether any are exempt or protected by copyright)

- 11.1 None

12. Appendices to this report

- 12.1 None

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