

6th February 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 Since the January P, P&R Committee check and challenge sessions have taken place between Council Officers, the Project Delivery Team, the Project Lawyer and the EELGA and JCG consultants who arranged and coordinated the Market Soundings exercise. These sessions reviewed and summarised the key findings of the market soundings exercise as set out further in this report. The sessions also discussed how best to take the procurement of a joint venture partner forward, including initial thoughts on governance, procurement process, key decisions to be taken, crucial milestones etc. These are still being developed and will be reported to your next meeting (March 2018). The March 2018 report will highlight activity in relation to key sites incorporated into the joint venture procurement.
- 1.2 There is one other specific report for the Asset Development Programme being presented to committee on this occasion. It is the follow up report to progress the Memorial Wall project at Woodman Road cemetery. A design for potential layout at the cemetery and a set of estimated figures have now been prepared for the introduction of purpose built towers, called “Columbaria”, plus small memorial walls, and also a proposal for a new section of boundary fence, currently in a bad state of repair, at the far end of the cemetery for placing Pet Memorial Plaques. The Columbaria and the small memorial walls will accommodate ashes, but it is not intended to obtain the required licensing to be able to accept animal ashes at this stage. There are implications for the pricing strategy for the current process of burial of ashes in the ground which will need to be changed to encourage the use of the Columbaria/small memorial walls. A report to the relevant committee will be required for this.
- 1.3 Each month, a “Project Highlight Report” is produced for the Asset Development Programme, setting out achievements for that month and what is planned for the coming month and reported to Project Board. As

the February P, P & R Committee is early in the month, the January Project Highlight Report is not ready at the time of writing. However, work completed to date and intended for the coming month is covered further below for Members' information.

1 Recommendation(s)

1.1 To note the progress of the Asset Development Programme Project Board

3 Introduction and Background

2.1 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.

2.2 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".

3 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.

4 Achievements during January 2018

- Completed first stage of “check and challenge” sessions – officers, the project lawyer, and EELGA reviewed the outcome of the market soundings exercise where 11 consultees gave the Council feedback on their level of interest, ideas for how to engage with them and, in some cases, what they could achieve with the 8 sample sites. The feedback was very positive and whilst some written responses are awaited at the time of compiling this report the following conclusions are emerging:
 - a) *The Council’s partnership approach has been well received by the market*
 - b) *The example sites are of strong interest to the market, although the Council should seek to draw the procurement as wide as possible to include multiple sites, multiple potential partners and a higher contract value.*
- A detailed timeline is now being developed to take the project forward, outlining how a development partner might be procured.
- Due to the value of the potential works, external legal advisors have recommended that the procurement process be undertaken in accordance with EU regulations.
- Progressed sales process for assets identified in 29/11 Committee report (“List 1”).

5 Planned Activities (February 2018)

- Work through Special Purpose Vehicle (SPV)/Company Structure options with Lawyers for the Joint Venture
- Firm up/develop questions for evaluating the procurement process
- Engage fully with Members on the procurement process.

6 Reasons for Recommendation

6.1 PPR Members to note progress at this stage.

7 Consultation

7.1 None

8 References to Corporate Plan

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.

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.

9 Implications

Financial Implications

Name & Title: Jacqueline Van Mellaerts, Financial Services Manager

Tel & Email: 01277 312 829

jacqueline.vanmellaerts@brentwood.gov.uk

- 9.1 None. The Financial Implications for the Memorial Wall project are included in the specific report on this agenda.

Legal Implications

Name & Title: Daniel Toohey, Monitoring Officer

Tel & Email: 01277 312 860 daniel.toohey@brentwood.gov.uk

- 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)

- 11.3 None

12 Appendices to this report

None

Report Author Contact Details:

Name: Ray Inns – Interim Project Accountant

Telephone: 01277 312837

E-mail: ray.inns@brentwood.gov.uk