

Report of the Director

PROPERTY MATTERS UPDATE

1 Purpose of report

To provide an update to members on the report submitted to the committee on 6 February 2019.

2 Executive summary

The report provides an update in relation to ongoing approved projects identified in Appendix 1 – Current projects and Appendix 2 – Business as usual.

3 Appendices

Appendix 1 – Current projects.
Appendix 2 – Business as usual.

4 Proposed action:

The committee is invited to RESOLVE

4.1 To note progress with regard to the projects outlined in Appendix 1 and Appendix 2.

5 Background

5.1 The council has approved an efficiency plan which was developed in conjunction with the medium term financial strategy to consider ways in which the council can either increase revenue income from its assets or reduce the cost of the operation of its assets. This, together with the proposal to set aside capital receipts to bring about those efficiencies was agreed by this committee in 2016.

5.2 Whilst there are a number of potential projects which the council could pursue to address the issues outlined above, a prudent approach has been taken to initiate those which can be managed with existing (or moderately enhanced) project resources; further projects are likely to require a development partner for which a procurement exercise will be necessary.

5.3 The majority of the proposed projects for which recommendations are outlined in Appendix 1 are either identified in the efficiency report or are outstanding issues which remain to be resolved.

- 5.4** In addition to the efficiency projects, some of the projects involving the development and/or disposal of sites will enhance the council's five year housing land supply position.
- 5.5** Given the potential changes to local government in Northamptonshire, the focus of this report is on the projects members have previously identified as priorities, and projects which can either be completed – or substantially progressed – whilst this authority is in existence.

6 Discussion

- 6.1** At the meeting of the committee on 12 December 2018, a revised list of projects and priorities was agreed. These projects are now being progressed and project documentation developed to better enable future monitoring. This will also assist communication with regard to progress and the reporting, by exception, of changes and issues that require a steer or a decision. Officers are currently planning the setting up of a project steering group to support the governance of projects. Reports seeking approval for key changes in priorities or projects will continue to be made to the resources committee.
- 6.2** Summary tables including the current, previously agreed, projects appear in Appendix 1 and Appendix 2. These will be updated monthly by the project managers. These summary tables include more information than has previously been reported to the committee. This does not change the priorities previously agreed by members. However, it does increase public transparency regarding how council resources are being used to invest in projects to improve Wellingborough.
- 6.3** More robust project management and structure to reporting will enhance this transparency and give members a clear direction of travel on the progression of projects, and the use of resources, through out the year.
- 6.4** Wellingborough Homes Land Transfer – The committee is specifically asked to note progress with regard to this project. At the resources committee on 7th February 2018 it was resolved to agree in principle to the transfer of land on ex-council housing estates to Wellingborough Homes and to receive a future report on the detail of the transfers to be effected. It was further resolved to provide a binding commitment to enable Wellingborough Homes to progress the developments proposed under this scheme at Milner road, Finedon and at Penrith drive and Fulmar lane off Nest Farm road, Wellingborough. To enable the developments at Milner road and Penrith drive to progress with the benefit of time limited Homes England funding, the freehold of those two properties has now been transferred. The intention is also to transfer the Fulmer land site as soon as possible to enable that development to progress. A further report regarding the remainder of the land will be brought to a future committee.

7 Legal powers

The council has full power to manage its property assets under the incidental powers in section 111 of the Local Government Act 1972. Furthermore the council has all the powers of an individual under section 1 of the Localism Act 2011. Accordingly it has full power to carry out the proposed actions.

8 Financial and value for money implications

- 8.1** Requirements for capital investment are outlined in each project, as are potential capital receipts for any sales proposed. Any new proposals for capital investment are processed by the S151 Officer for presentation to members as part of the capital report.
- 8.2** In terms of capital investment there is no proposal for investment unless a business case has been put forward. Business cases will either demonstrate a cost saving, income generation, an improved facility for the borough, or a combination of the three.
- 8.3** Further investment in commercial property will be undertaken as agreed via the capital program, to increase potential revenue income streams. A report seeking approval for an investment strategy for the acquisition of additional assets will be brought to a future committee.
- 8.4** The level of capital investment in these projects is likely to be significant and extend over a number of years. When planning the delivery of the schemes consideration will need to be given to the position on partial exemption for VAT. A breach of this level could result in significant costs to the council and will therefore be included as a risk in planning the project programme.
- 8.5** The Townscape Heritage Initiative (THI) may be used to support investment in some of the buildings mentioned.
- 8.6** Contracts have been exchanged and deposit received for the sale of 40 Acres of land to the north of Niort Way, Wellingborough for residential development. This has secured a substantial capital receipt that can be used to resource approved priority projects in the council's capital programme.

9 Risk analysis

- 9.1** One of the greatest risks in respect of many of these properties is inaction. A number of the buildings are listed and, even "mothballed"; these are costing the council money in terms of maintenance and repair, but with no return which, in itself, presents an added reputational risk.
- 9.2** Leaving listed buildings unoccupied is expensive as the council has obligations for their maintenance but – at present – no return on that investment.
- 9.3** Since 2011 the council's staffing resources have remained significantly lower than in years gone by, so it is essential to undertake projects which can be run concurrently using existing (or moderately increased) resource. Any further major projects will either need to follow on or be the subject of an agreement with a developer – for which a procurement exercise will be required.

9.4 The delivery of property related projects, and particularly those involving the need for agreement with external parties, involves risks affecting the timing and delivery of outcomes. Project management techniques identify and manage those risks where possible.

10 Implications for resources

10.1 Significant officer resources will be required to make these projects a success, but the need to maximise the council's assets may be regarded as an appropriate use of such resources. Recruitment to approved vacant posts in the Property and Projects team is ongoing. Four members of staff are in post as this report is published. One further post has been offered and clearance is awaited.

11 Implications for equalities, and stronger and safer communities

There are no direct implications for equalities, or stronger and safer communities.

12 Author and contact officer

Adrian Piper, Assistant Director (Corporate Landlord)

13 Consultees

Liz Elliott, Managing Director
Shaun Darcy, Director
Julie Thomas, Director
Eric Symons, Assistant Director
Victoria Phillipson, Principal Property and Projects Manager
Paul Burnett, Property and Projects Manager

14 Background papers

Documentation in relation to viability of potential developments.
Correspondence with interested parties or contractors.

Borough Council of Wellingborough Project Register Property and Projects - Current Projects

No. (Capital budget code)	Project Name	Priority	Summary	Project Manager/s	Project/stage end date	Project status (R/A/G)	Latest update - February 2019
PP003 (J122)	Street Furniture & Market	Expedite	Relocation, refurbishment and promotion of the market including repair of the mosaics.	Denise York, Project Co-ordinator	Oct-19	G	28.02.2019 - Options are being considered regarding improvement of infrastructure for the relocated market including sourcing quotes. Contractor sourced for mosaic repair works - dates to be confirmed.
PP004	Mosaics	Expedite	Considering and implementing options for the Mosaics.	Denise York, Project Co-ordinator	Oct-19	G	28.02.2019 - Options are being considered regarding improvement of infrastructure for the relocated market including sourcing quotes. Contractor sourced for mosaic repair works - dates to be confirmed.
PP005 (J148)	Allotment Improvements	Expedite	Improvements to fencing and access	Denise York, Project Co-ordinator	Mar-19	G	28.02.2019 - Last grants payments approved at Resources Committee, paperwork being completed.
PP009	3G Pitch	Expedite	Delivery of a 3G pitch at Redwell Leisure Centre	Victoria Phillipson Property and Projects Manager & Denise York, Project Co-ordinator	Oct-19	G	28.02.2019 - Planning application approved and FF funding granted. Condition discharge being progressed to allow start on site as soon as possible, date to be confirmed.
PP010	Croyland Road development site (former swimming pool)	Expedite	Disposal of site with planning permission.	Adrian Piper, Assistant Director & Underwoods	Sep-19	A	28.02.2019 - Planning permission granted. The site is filled leading to abnormal foundation costs. Discussions with bidder ongoing.
PP012	Drill Hall - disposal	Expedite	Disposal of site.	Adrian Piper, Assistant Director & Underwoods	Sep-19	A	28.02.2019 - Timber treatment and removal complete. Preferred bidder has re-submitted a bid and now seeking pre-application planning advice.
PP014	Crematorium	Expedite	Atrium installation	Paul Burnett, Project Manager	Aug-19	A	28.02.2019 - The construction of the atrium skylight is being discussed further to ensure it is appropriate.
PP018	43/44 High Street	Expedite	Bringing back first floor into use.	Paul Burnett, Project Manager	Sep-19	A	28.02.2019 - Planning permission granted.
PP021	20 Sheep Street - disposal	Expedite	Disposal of site with planning permission.	Adrian Piper, Assistant Director & Underwoods	Dec-19	G	28.02.2019 - Following the decision of the committee to dispose of this property, architects are preparing documents to submit a planning application prior to disposal.
PP024	Retail improvements - shop fronts	Expedite	Providing grants for shop fronts.	James Murray, Economic Development and Delivery Officer	Mar-21	G	28.02.2019 - The project paperwork and the process for this grant are currently being developed for launch as soon as possible. Funding will be available until March 2021.
PP026	Street Lighting replacement	Expedite	Replacement of bulbs in BCW owned street lights.	Marsha Allen, Technical Officer	Mar-20	G	28.02.2019 - Funding approved to allow consultants to be procured which will confirm timescales, costs and clarify any unforeseen elements,
PP001 J037	Redhill Farm - Roads & Sewers	High	Get unadopted roads, sewers and cycle ways adopted.	Victoria Phillipson, Property and Projects Manager	Jun-19	A	28.02.2019 - Some further works will be needed by KierWSP, S38 and sewer adoptions agreements progressing with District Law and LGSS.
PP002 (J100 & J151)	Wellingborough Townscape Heritage Initiative (THI)	High	To provide grant funding to critical/key buildings, shop fronts and other buildings in the Town Centre for restoration and refurbishment.	John Udall, THI Project Manager	Feb-20	G	28.02.2019 - The Hind Hotel scheme will be started shortly, this works are estimated to continue to early 2020 and are being monitored with HLF. Other works need to be completed by October 2019 and is progressing on working up proposals for BCW owned properties including the Tithe Barn and other privately owned shop fronts.
PP007	High Street Developer Procurement	High	To procure a developer for the High Street/Jacksons Lane site.	Victoria Phillipson, Property and Projects Manager	Jul-19	A	28.02.2019 - Planning approved at Committee subject to completion of a S106. Discussions progressing to allow a report to Council.
PP027	Wellingborough Homes land rationalisation	High	Agreement to sell land	Paul Burnett, Project Manager	Jun-19	A	28.02.2019 - Valuations completed and solicitors instructed to complete this transaction. Milner Road and Penrith Drive sites now transferred. First stage of this work to be completed by the end of March 2019 when the further timescales will be identified.
PP015	Multi-storey car park	High	Work to refurbish car park.	Project Manager	Sep-20	G	28.02.2019 - Funding approved to allow consultants to be procured which will confirm timescales, costs and clarify any unforeseen elements,
PP006 (J153 & J143)	Bassett's Park Skate Park and Bassett's Close S106	Medium	Skate park facilities and other related facilities.	Raj Gill, Project Co-ordinator	Mar-20	A	28.02.2019 - A good level of interest received so community engagement plans are progressing.
PP008	Tithe Barn - Public Realm	Medium	Open Space outside the Tithe Barn	Denise York & Raj Gill, Project Co-ordinators	Nov-19	G	28.02.2019 - Feasibility study to be procured to apply for THI funding this will confirm timescales, costs and clarify any unforeseen elements,
PP028	Stanton Cross Community Centre	Medium	Consider options to deliver a community centre on Stanton Cross	Victoria Phillipson, Property and Projects Manager	Ongoing	G	28.02.2019 - Discussion had with scouts and Northants Carers. Pick Everards have been procured to consider the design and feasibility of such a facility.
PP011	Doddington Road development site	Medium	Consider options for the site.	Adrian Piper, Assistant Director	On hold	F	28.02.2019 - Outline planning consent has been granted for residential development. Further work is needed to consider this alongside the Tithe Barn Road offices and will be brought forward to Committee as necessary.
PP013	Tithe Barn Road offices - options	Medium	Consider options for the site	Paul Burnett, Project Manager	On hold	F	28.02.2019 - Feasibility study completed, further consideration of how to progress with this alongside the Doddington Road site. A report will be brought to committee at the appropriate time.
PP0019	BCW owned properties - flats over shops	Medium	Bringing flats back into use.	Dewa Hopson, Eastates Officer & Underwoods	Dec-19	G	28.02.2019 - Costs have been received and these are being considered.
PP020	Digital High Street	Medium	Identifying and implementing the options for the WDYT campaign and other schemes to improve the digital presence in the town centre.	James Murray, Economic Development and Delivery Officer	Oct-19	G	28.02.2019 - A number of options are being researched and being discussed with the Chamber of Commerce.
PP022	London Road chapels - disposal	Medium	Disposal of site.	Adrian Piper, Assistant Director, Eastates Officer & Underwoods	Dec-19	G	28.02.2019 - Review of the current position needed.
Key							
R	Project not started/at significant risk of non-delivery						
A	Project on hold/at slight risk of non-delivery or delay						
G	Project in progress and on target						
F	Project on hold						

Borough Council of Wellingborough Project Register Property and Projects - Business as usual

No.	Project Name	Priority	Summary	Project Manager	Latest update
PPBAU005	Town Centre Strategy	Medium	Identifying a strategy to move forward town centre projects.	Victoria Phillipson, Property and Projects Manager	28.02.2019 - Feasibility works being undertaken to identify what work could be progressed, these will be brought back to the appropriate Committee/Sub-Committee as necessary.
PPBAU007	Asset strategy	Medium	To cover disposal and acquisition.	Adrian Piper, Assistant Director	28.02.2019 - Whilst further disposal/acquisition is not ruled out, should any additional properties be identified there would need to be a sound business case which supports the council's objectives and provides value for money before any action could be taken.
PPBAU015	Council owned assets	Medium	Identify properties to become projects.	Adrian Piper, Assistant Director	28.02.2019 - Further work is being carried out to assess the viability of attracting external funding, to match fund council investment in council owned property in the town centre.
PPBAU001	Stanton Cross	Ongoing	Progress delivery with Development Management	Victoria Phillipson, Property and Projects Manager	28.02.2019 - Monthly meetings being held to provide updates and address any issues.
PPBAU002	Tresham	Ongoing	Maximise the opportunities for skills and regeneration	Victoria Phillipson, Property and Projects Manager	28.02.2019 - Officers are working with Tresham to maximise the opportunities available, including public realm.
PPBAU003	Wellingborough Prison	Ongoing	Maximise the opportunities for skills and economic development.	James Murray, Economic Development and Deliver Officer	28.02.2019 - Ongoing discussions on how to work with the local community/economy and construction skills training.
PPBAU004	External Funding	Ongoing	Support the submission of bids	James Murray, Economic Development and Deliver Officer	28.02.2019 - Consultants providing support to develop a bid for the Future High Streets fund.
PPBAU006	Castle car parking	Ongoing	Identification of possible options	Marsha Allen, Technical Officer	28.02.2019 - Proposals to be sought for improvements that could be achieved with £20k S106 during allocated to the Castle car park.
PPBAU008	Commercial Property Management	Ongoing	Tender for management of the commercial property.	Adrian Piper, Assistant Director	28.02.2019 - Tender documents being finalised to allow procurement as soon as possible.
PPBAU010	Road adoptions and brooks	Ongoing	Review our ownership, health and safety reviews and progress any upgrades necessary.	Marsha Allen, Technical Officer	28.02.2019 - Annual review of brooks to be undertaken shortly, the ownership of roads information is being updated and street lights being addressed under capital project.
PPBAU013	Growth Deal	Ongoing	Submission of information into the North Northamptonshire Growth Deal bid.	Victoria Phillipson/Martyn Swann	28.02.2019 - Investment Framework has been drafted by Nathaniel Litchfield, and discussed at workshops with members by the Joint Planning and Delivery Unit.
PPBAU014	Investment Brochure	Ongoing	Develop an Investment brochure for Wellingborough	James Murray, Economic Development and Deliver Officer	28.02.2019 - A draft brochure and action plan of how this will link to overall investment are being developed.
PPBAU017	Business Newsletter	Ongoing	Develop and circulate a newsletter for businesses providing information and links to support them.	James Murray, Economic Development and Deliver Officer	28.02.2019 - Newsletter produced to go out with Business rates and be available on our website. Further work being done on the Enterprising Wellingborough initiative, which in future will link with business database, website, social media and events.
PPBAU016	Office space review	On hold	Consider options for relocation of staff.	Paul Burnett, Project Manager	28.02.2019 - Further work to be done once the future of the Tithe Barn Road offices is identified.

