

PROPERTY MATTERS

1 Purpose of report

To provide an update to members on the report submitted to the committee on 19 June 2019.

2 Executive summary

The report provides an update in relation to ongoing approved projects identified in appendix 1 – current projects.

3 Appendices

Appendix 1 – Current projects.

4 Proposed action:

The committee is invited to RESOLVE

4.1 To note progress with regard to the projects outlined in appendix 1.

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 large scale 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 planned 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.
- 5.6** The procurement of the contract for estate management services to the council is now complete and draft contracts have been issued to the contractor at the time of writing.

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 have now set up a project board 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** A summary table including the current, previously agreed, projects appear in appendix 1. These are updated monthly by the project managers. This does not change the priorities previously agreed by members. However, it does ensure public transparency regarding how council resources are being used to invest in projects to improve Wellingborough.
- 6.3** A more robust project management framework 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, throughout the year.

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. An investment strategy for the acquisition of additional commercial investment property has now been agreed.
- 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** The sale of 40 Acres of land to the north of Niort Way, Wellingborough for residential development has been completed. 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 the Property and Projects team is ongoing with the majority of posts filled. Additional specialist resources are being procured on a project by project basis from external consultants. If additional permanent or fixed term resources are required to enhance the team a further report will be brought to the committee.

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

Eric Symons, Assistant Director

Vicki Jessop, Assistant Director

Karen Denton, 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 & Projects - Current Projects

No. (Capital budget code)	Project Name	Priority	Summary	Project Manager/s	Project/stage end date	Capital/ Revenue	Project status (R/A/G)	Latest update - October 2019
PP003 (J122)	Street Furniture & Market	Expedite	Relocation, refurbishment and promotion of the market.	Denise York, Project Co-ordinator	Oct-19	Both	G	18.10.19 - Further consideration is being undertaken for the ground anchoring system.
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	Both	G	18.10.19 - Work complete, maintenance contract to be confirmed.
PP010	Croyland Road development site (former swimming pool)	Expedite	Disposal of site with planning permission.	Adrian Piper, Assistant Director & Underwoods	Dec-19	Capital	A	18.10.2019 - The site is filled leading to abnormal foundation costs. The purchaser has received a detailed survey to establish an accurate estimate of costs and these are being discussed. Pre-application planning advice has been received and discussions are ongoing with planning officers.
PP012	Drill Hall - disposal	Expedite	Disposal of site.	Adrian Piper, Assistant Director & Underwoods	Dec-19	Capital	A	18.10.2019 - Pre-application planning advice has been received by the purchaser and a planning application has now been prepared for submission. It is proposed to retain and extend the existing buildings.
PP014	Crematorium	Expedite	All projects relating to the crematorium.	Paul Burnett, Project Manager	Aug-19	Capital	A	18.10.2019 - The construction of the atrium skylight is now substantially complete and snagging works are being carried out. Further projects to construct paths and gardens are being scoped.
PP018	43/44 High Street	Expedite	Bringing back upper floors into use.	Paul Burnett, Project Manager	Sep-19	Capital	G	18.10.2019 - Planning permission granted, lease heads of terms agreed with Amicus. Scheme redesign complete contractor procured. The lease terms are being discussed between solicitors.
PP021	20 Sheep Street - disposal	Expedite	Disposal of site with planning permission.	Paul Burnett, Project Manager	Dec-19	Both	G	18.10.2019 - As required prior to planning consent, the property was marketed again for commercial use. Offers for this purpose have been received.
PP024	Retail improvements - shop fronts	Expedite	Providing grants for shop fronts.	James Murray, Economic Development and Delivery Officer	Mar-21	Capital	G	14.10.19 - Grant fund has been launched, been promoted through flyers, social media and press release. Interest high and growing
PP026	Street Lighting replacement	Expedite	Replacement of bulbs in BCW owned street lights.	Project Officer	Mar-20	Capital	A	18.10.2019 - Project Officer in place shortly and will progress this project.
PP001 J037	Redhill Farm - Roads & Sewers	High	Get unadopted roads, sewers and cycle ways adopted.	Victoria Phillipson, Property and Projects Manager	Jun-19	Capital	A	18.10.2019 - No change - Certificate of adoptions awaited from Anglian Water to allow sewer adoptions. Further works are needed on the roads, prices to be provided by KierWSP and not yet provided, these are being chased, S38 agreement delayed for this reason.
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	Jul-20	Capital	A	11.10.2019 - The Hind Hotel scheme is progressing well, these works are estimated to continue to mid 2020 and are being monitored with HLF. Other works need to be completed by October 2019 or subject to HLF approval by July 2020 and work is progressing to confirm the priorities for the final projects and discuss these with the HLF.
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	Both	A	18.10.2019 - No change - Planning approved at Committee subject to completion of a S106. Keepmoat have undertaken site investigations, information has been provided to the council. Discussions progressing to allow a report to Council.
PP027	Greatwell Homes land rationalisation	High	Agreement to sell land	Paul Burnett, Project Manager	Sep-19	Capital	A	18.10.2019 - Development sites have been transferred. Further work progressing on the detail of the arrangement and a report is being submitted to this committee.
PP015	Multi-storey car park	High	Work to refurbish car park.	Brian Degruchy, Project Manager	Sep-20	Capital	G	18.10.2019 - Surveys being carried out and specifications being drafted.
PP032	Property & Project relocation	High	Relocation	Denise York, Project Co-ordinator	TBC		G	18.10.2019 - Complete
PP019	BCW owned properties - flats over shops	Medium	Bringing flats back into use.	Dewa Hopson, Estates Officer & Underwoods	Dec-19	Capital	G	18.10.2019 - Quotes on scheme design received and being reviewed.
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	Capital	G	18.10.2019 - Parks report has come back working through the recommendations to decide on next step.
PP008	Tithe Barn - Public Realm	Medium	Open Space outside the Tithe Barn	Denise York & Raj Gill, Project Co-ordinators	Nov-19	Both	G	18.10.2019 - Contract has been placed for phase 1 improvements to paving, ramp and planting. Further report to be brought to Committee on later phases.
PP028	Stanton Cross Community Centre	Medium	Consider options to deliver a community centre on Stanton Cross	Victoria Phillipson, Property and Projects Manager	Ongoing	Capital	G	18.10.2019 - Further meeting to be held with Bovis to discuss the Neighbourhood Centre.
PP011	Doddington Road development site	Medium	Consider options for the site.	Adrian Piper, Assistant Director	TBC	Capital	G	18.10.2019 - Outline planning consent has been granted for residential development. Initial discussions are taking place with a view to the site forward for development.
PP029	Croyland Gardens	Medium	Improvements to the public realm - connecting green space to the town centre. Croyland Gardens landscaping.	Raj Gill, Project Co-ordinator	Nov-20	Capital	G	18.10.2019 - Parks report has come back working through the recommendations
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	TBC	Both	G	14.10.2019 - No change - Moving forward with planning on Infrastructure to improve internet speeds, BCW ICT and WCC Member have met and discussed, group discussion to be had to shape action plan and establish project team and direction.
PP030	Office space review	Medium	Consider options for building use for staff.	Paul Burnett, Project Manager	TBC		G	18.10.2019 - Project start up drafted, further information needed so a project plan can be developed. Some staff have relocated to Tithe Barn offices to improve their working
PP031	Park Improvements	Medium	Improve the parks and provide better facilities	Raj Gill, Project Co-ordinator	TBC	Both	G	18.10.2019 - Wetpour at Newcomen and Redwell due to be undertaken in Nov. Works to be started on the fence repair/repaint at Eastfield Park asap.
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							

