

Report of the Director

PROPERTY MATTERS

1 Purpose of report

To provide an update to members on the report submitted to the committee on 5 February 2020.

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 to

4.1 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.

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 is in place to better enable future monitoring. This is also assisting communication with regard to progress and the reporting, by exception, of changes and issues that require a steer or a decision. Officers have 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 enhances this transparency and gives 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. Section 123 of the Local Government Act 1972 requires councils to obtain 'best consideration' for any interest in land disposed of exceeding a term of 7 years. 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 programme, to increase potential revenue income streams. An investment strategy for the acquisition of additional commercial investment property has 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. The Heritage Lottery Fund has agreed that the scheme will now be extended until July 2020.
- 8.6 The sale of 40 Acres of land to the north of Niort Way, Wellingborough for residential development 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

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	Minor/Major project	Summary	Project Manager/s	Project start date	Original Project/stage end date	Revised Project/stage end date	Project status (R/A/G)	Latest update January 2020
PP010	Croyland Road development site (former swimming pool)	Expedite	Minor	Disposal of site with planning permission.	Adrian Piper, Assistant Director & Underwoods	Mar-18	Dec-19	Jul-20	G	12.02.2020 - The site remediation and S106 costs are currently being reviewed with a view to agreeing the land price with the purchaser. The purchaser is preparing to submit a planning application.
PP012	Drill Hall - disposal	Expedite	Major	Disposal of site.	Adrian Piper, Assistant Director & Underwoods	Mar-18	Dec-19	Oct-20	G	03.02.2020 - Heads of terms have been agreed with the purchaser. A planning application for 8a High St has been approved and the application for the Drill Hall is being prepared. It is proposed to retain and extend the existing buildings.
PP018	43/44 High Street	Expedite	Minor	Bringing back upper floors into use.	Dewa Hopson, Estates Officer	Mar-18	Sep-19	Mar-20	G	20.02.2020 - Further discussions regarding housing needs to allow lease to be finalised.
PP021	20 Sheep Street - disposal	Expedite	Minor	Disposal of site with planning permission or for re-use as offices.	Adrian Piper, Assistant Director and Underwoods	Mar-18	Dec-19	Mar-20	G	16.01.2020 - Offer has been accepted subject to contract and due diligence checks.
PP024	Retail improvements - shop fronts	Expedite	Minor	Providing grants for shop fronts.	James Murray, Economic Development and Delivery Officer	May-19	Mar-21		G	16.01.2020 - A number of applications have been received and are being assessed.
PP026	Street Lighting replacement	Expedite	Minor	Replacement of bulbs in BCW owned street lights.	Adam Bracewell, Project Officer	Feb-19	Mar-20	Jul-20	A	02.03.2020 - Specification and procurement plan are being developed to confirm estimated costs and timescales.
PP033	Crematorium Green Infrastructure	Expedite	Major	Design and delivery of pathways and gardens as the Crematorium.	Victoria Phillipson, Property and Projects Manager	Sep-19	Sep-21		A	02.03.2020 - Standpipes have been installed and footpaths around the Scattering Lawn delayed to Spring due to cold weather. Project Scope agreed and further detailed work to allow procurement is moving forward.
PP001 J037	Redhill Farm - Roads & Sewers	High	Major	Get unadopted roads, sewers and cycle ways adopted.	Victoria Phillipson, Property and Projects Manager	2012	Jun-19	Mar-20	A	13.02.2020 - Sewers have been adopted by Anglian Water, plans and S38 agreed with NCC and commuted sum paid. Awaiting finalisation of legal documents and certificate of final adoption.
PP002 (J100 & J151)	Wellingborough Townscape Heritage Initiative (THI)	High	Major	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	2012	Oct-19	Jul-20	A	02.03.2020 - The Hind Hotel is progressing well with a short delay of 3-4 weeks due to the main contractors going into administration.
PP007	High Street Developer Procurement	High	Major	To procure a developer for the High Street/Jacksons Lane site.	Victoria Phillipson, Property and Projects Manager	2012	Jul-19	Jul-20	A	17.01.2020 - 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.
PP015	Multi-storey car park	High	Major	Work to refurbish car park.	Errol Browne, Programme Manager	Mar-20	Sep-20	Dec-20	A	03.02.2020 - Press release to go out shortly. Project launch meeting held with Morgan Sindall and BCW. Start on site current planned for w/c 16 March 2020 .
PP027	Greatwell Homes land rationalisation	High	Minor	Agreement to sell land	Adrian Piper, Assistant Director and Underwoods	2017	Sep-19	Mar-20	G	12.02.2020 - The project team are having weekly meetings to progress the draft legal documentation for the land transfer.
PP034 E692	Castle Theatre Carpark	Medium	Minor	To resurface damaged sections and refurbish other areas of the car park.	Adam Bracewell, Project Officer	2020	May-20	May-20	G	03.02.2020 - Minor improvements to surfacing and lining etc to be undertaken in the car park shortly current estimated start date is 27 April. Other improvements are being considered.
PP006 (J153 & J143)	Bassett's Park Skate Park and Bassett's Close S106	Medium	Minor	Skate park facilities and other related facilities.	Raj Gill, Project Co-ordinator	2012	Mar-20	Dec-20	G	13.02.2020 - Meet with the local skaters and discussed the design for the skate park and possibilities of them setting up a community group
PP008	Tithe Barn - Public Realm	Medium	Minor	Open Space outside the Tithe Barn - Phase 1	Denise York, Project Co-ordinator	Nov-18	Nov-19	May-20	G	20.02.2020 - Phase 1 Works to start on site shortly and phase 2 and 3 plan to be progressed following agreement at Development Committee on 17 February.
PP011	Doddington Road development site	Medium	Minor	Disposal and redevelopment	Adrian Piper, Assistant Director, and Underwoods	Mar-18	Dec-18	May-20	G	12.02.2020 - Outline planning consent has been granted for residential development. It has been agreed in principle to transfer this site to Greatwell Homes subject to detailed terms being agreed.
PP019	BCW owned properties - flats over shops	Medium	Minor	Bringing flats back into use.	Dewa Hopson, Estates Officer	May-18	Dec-19	Sep-20	G	20.02.2020 - Pre-App advice has been received and is being considered.
PP020	Digital High Street	Medium	Minor	Identifying and implementing the options for the WDYT campaign and other schemes to improve the digital presence in the town centre.	TBC	Feb-19	TBC		G	22.01.2020 - No change - project plan to be produced
PP028	Stanton Cross Community Centre	Medium	Minor	Consider options to deliver a community centre on Stanton Cross.	Victoria Phillipson, Property and Projects Manager	Sep-18	Ongoing		G	02.03.2020 - Further meeting to be held with Vistry/Bovis to look at a possible scheme for the Community Centre.
PP029	Croyland Gardens	Medium	Minor	Improvements to the public realm - connecting green space to the town centre. Croyland Gardens landscaping.	Raj Gill, Project Co-ordinator	May-19	Nov-20		G	02.03.2020 - Detailed design is being developed.
PP030	Office space review	Medium	Minor	Consider options for building use for staff.	Denise York, Project Co-ordinator	Jun-19	TBC		G	22.01.2020 - Project Plan has been developed. Report and plan being drafted for SMT to consider.
PP031	Park Improvements	Medium	Minor	Improve the parks and provide better facilities	Raj Gill, Project Co-ordinator	May-19	Apr-20	May-20	G	02.03.2020 - Pre start meeting held with contractors and potential start date at Redhill Grange is the end of April tbc. Ward Councillors are being updated on the work that is to be undertaken.
PP035	Castlefields	Medium	Minor	To improve the park.	Caroline Ridge, Project Co-ordinator	2012		Jul-20	G	13.02.2020 - Funding was allocated to Castlefields Park Pavilion which has not been taken forward therefore other improvements are being considered including a new play area. Some short term items will be implemented as quickly as possible.
PP036	Tithe Barn Office Block	Expedite	Major	To refurbish the Tithe Barn Office Block	Errol Browne, Programme Manager	Mar-20	Apr-21		G	02.03.2020 - Capital bid approved at Resources Committee for the funds to refurbish the Tithe Barn Office Block. Project Plan to be developed.
WN002	Swanspool House extension roof	High	Minor	Replacement roof on Swanspool House extension.	Adam Bracewell	Apr-19	Mar-20	Sep-20	G	02.03.2020 - Following further survey work and approval of additional funding at Resources Committee work is being planned for the Summer 2020.
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									