

**STROUD DISTRICT COUNCIL**  
**STRATEGY AND RESOURCES**

**AGENDA  
ITEM NO**

**12 OCTOBER 2017**

**7**

<b>Report Title</b>	<b>CAPITAL PROJECT MONITORING</b>
<b>Purpose of Report</b>	To inform Committee of progress on capital projects within its remit. 1. Littlecombe Business Units 2. Brimscombe Port Development 3. Homes for Rent 4. ICT Investment
<b>Decision(s)</b>	<b>The Committee RESOLVES to note the report</b>
<b>Consultation and Feedback</b>	Details are contained within the body of the report.
<b>Financial Implications and Risk Assessment</b>	This report is consistent with approved Council budgets. There are no direct financial implications as this report is for information only. Any additional expenditure outside of the agreed budget must be reported separately. Lucy Clothier Tel: 01453 754343 Email <a href="mailto:lucy.clothier@stroud.gov.uk">lucy.clothier@stroud.gov.uk</a>  Risk assessments are undertaken for individual projects and set out in the Council's performance management system.
<b>Legal Implications</b>	This report should be considered with reference to the strategic risks which are regularly reviewed by Corporate Team. Each individual capital project will have its own separate legal implications which will be dealt with in their individual reports as and when they come to committee.  Karen Trickey, Legal Services Manager Tel: 01453 754369 Email: <a href="mailto:karen.trickey@stroud.gov.uk">karen.trickey@stroud.gov.uk</a>

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<b>Options</b>	This report is for information only
<b>Performance Management Follow Up</b>	Update reports are to be brought to Committee on a regular basis
<b>Background Papers/ Appendices</b>	None

## 1. Littlecombe Business Units – Dursley

- 1.1 The objective of this project is to bring forward 18,350sqft of new commercial buildings for use by small-medium businesses on the Littlecombe development site. The decision is based on a business case estimate which shows pay-back on full build cost between 0 years (for an onward freehold sale) and 15 years (for letting units) depending on pre-let, pre-sale and other contract terms.
- 2.2 The pre-commencement planning conditions have been discharged, the contractors have started on site and the project programme is on track. Commercial agents (Ash & Co.) have been appointed and are actively marketing the units. The construction of the units is due to complete in April 2018.

## 2. Brimscombe Port Redevelopment

- 2.1 Atkins presented their draft proposed solution for the infrastructure (new bridge/ river/canal crossing) to SDC and SVCC on the 29<sup>th</sup> August and this was also discussed at a South West Design Review (a condition of the HCA funding agreement) on the 8<sup>th</sup> September. Whilst the proposed design is felt to be a clever solution to some significant challenges (in

terms of addressing flood risk, utilities under the site, ground and canal water levels, as well as how the river/canal and highway cross each other) it creates some others, particularly in relation to the canal.

- 2.2 As a result of feedback on the design and ongoing work to check various details, Atkins are undertaking further work. This may mean the programme shifting back until this key piece of work is completed as officers had already anticipated. We await Atkins updated programme. Any scheme still remains subject to planning permission and in particular the Environment Agency validating and approving Atkins' work. Topographical surveys of the site have been completed and ground investigations will start shortly.
- 2.3 Many of the next steps and decisions that need to be taken are very much dependent upon the outcome of the design work.
- 2.4 Progress is being made on the terms of the freehold transfer of the site from SVCC and the HCA has been approached with regard to amending the Funding Agreement and milestones to reflect the current position and allow more flexibility for delivering this site.
- 2.5 An internal audit has recently been completed; the scope of the audit was to provide assurance that the project management of the site preparation of the Brimscombe Port Re-development meets the requirements of the Council's project management guidance and expectations. This has confirmed that 'satisfactory' assurance can be provided.
- 2.6 The Council has been invited to resubmit the LEP bid in November this year and also to submit a bid to the HCA's Housing Infrastructure Fund (bids due in by Sept 26<sup>th</sup>)

### **3. Homes for Rent**

The capital project is based on;

#### **3.1 Purchase of a property(ies) for use as temporary accommodation for homeless families**

This project is being progressed by the Policy Implementation Manager and the Housing Advice Manager. Discussions are taking place with Gloucester City Homes, a registered provider, about the purchase and conversion of a suitable property using Council resources. Gloucester City Homes would manage the property(ies).

#### **3.2 Development of homes for affordable rent**

The Homes and Communities Agency focus continues to be on delivery of affordable homes, including affordable rented and shared ownership properties. However, funding allocations can only be attached to specific schemes, and only when there is a clear timetable for delivery. The HCA is still in funds for the 2016 to 2021 programme and so it is likely that financial support will be available for affordable housing sites coming forward under the Homes for Rent scheme.

- 3.3 Meetings with registered providers have led to the establishment of a strategic partnership by which they will collaborate and seek to expand their build for rent programmes in Stroud District. A key issue for them is their ability to compete with private developers in acquiring land. It has been agreed that the Council will notify registered providers of its property sales e.g. Queens Court and Dryleaze Court in advance of them being marketed.
- 3.4 It is unlikely that the Council can repeat the highly successful 'Minchinhampton' scheme under the Homes for Rent programme. This was an HRA scheme with no land acquisition costs. Any 'Homes for Rent' schemes using General Fund resources will involve land acquisition costs, VAT and interest on borrowing (to avoid State Aid). Financial modelling is being undertaken to demonstrate the mix of tenures that would be required i.e. including market sales and market rent, but social and affordable rent alone are not viable because of these factors.
- 3.5 Officers are investigating whether Homes for Rent funding could be used to enable sites from the HRA to be brought forward by registered providers.
- 3.6 **Support for Community Land Trusts and Rural Exception Sites**  
This element of the Homes to Rent programme is unlikely to involve significant capital expenditure.
- 3.7 The Council is using revenue resources received from DCLG to fund the Gloucestershire Rural Community Council to provide a Community Housing Enabler dedicated to Stroud District. The Community Housing Enabler is working with local communities, landowners and parish councils to bring forward schemes that will include affordable rent properties.
- 3.8 Officer support is being provided to Eastington Community Land Trust.

#### **4. ICT Investment**

- 4.1 The report to committee on 13 June 2017 stated our commitment to invest in the development of ICT to support greater efficiencies in our operations by supporting the ability for customers to 'channel shift' to the use of self serve systems, for example.
- 4.2 Since this report we have focussed very much on how we might integrate ICT investment within a corporate change and efficiency programme. This is so that ICT changes both support and are supported by, other change projects to improve our efficiency. These include: the way we work, our office accommodation and a review of staffing structures and roles. As a result, investment plans have been delayed in

order to ensure that they are correctly aligned to needs and are the right ones.

- 4.3 Reconciling these change projects will mean that the investment plan for the next three years is likely to change, with a higher level of investment taking place in year one than was originally anticipated. This will mean that our move towards a more flexible, customer accessible and efficient council is accelerated.
- 4.4 Investment priorities have been identified as follows:
- Supporting easier **customer access and service delivery** – we have prioritised an upgrade of our telephony system bringing many benefits which include the delivery of potential savings by integrating desk, mobile and home working handsets into a single device, the revision to our web site with greater automation of post enquiry handling, as well as the better tracking of enquiries to ensure efficient completion and customer notification.
  - **Upgrade of infrastructure** to support the changes and efficiencies – this will involve our servers, desk based computer equipment, the installation of a comprehensive wifi system supporting a move towards the use of wifi based lap tops or similar mobile devices.
  - We will also be upgrading **key software system** including: Agresso and MS Office
- 4.5 This project is now moving at pace as we review systems, investigate opportunities and develop plans. It is likely that we will need to bring forward investment from 2019/20 into the previous two years, but we also anticipate savings and efficiencies from an ICT perspective, as legacy systems cease to be required. A fully costed breakdown of plans is not currently possible, but this position will be clearer by early December 2017 which we anticipate will link into the budget setting for 2018/19. Early stage assessment suggests that some £150k programmed in 2019/20 should be brought forward. However, this is an indicative figure at this stage.
- 4.6 The June report also referred to the testing of 'Blackberry Works' as an effective way for members to access emails and documents: this system being used successfully by the County Council. This testing has gone well and we will be rolling out this system to all members during October 2017.