

STROUD DISTRICT COUNCIL
STRATEGY AND RESOURCES COMMITTEE

**AGENDA
ITEM NO**

18 JANUARY 2018

7

Report Title	CAPITAL PROJECT MONITORING
Purpose of Report	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
Decision(s)	The Committee RESOLVES to note the report
Consultation and Feedback	Details are contained within the body of the report.
Financial Implications	There are no direct financial implications as this report is for information only. The General Fund Budget 2018/19, Capital Programme and Medium Term Financial Plan report to the committee proposes an updated Capital Programme. This report should be read in conjunction with section 6 and Appendices C and D of the budget report. David Stanley – Accountancy Manager (Section 151 Officer) Tel: 01453 754100 Email: david.stanley@stroud.gov.uk
Legal Implications	The report is provided for information only; legal implications will be considered when the particular projects require decisions of the committee. The committee (via its Performance Monitoring Champions and responsible Corporate Team members) may wish to review implications for the strategic risks (e.g. CCR7, CCR13, CCR14, CCR4) as part of this update. (Ref:r5118/c8118/d4118) Karen Trickey, Head of Legal Services Tel: 01453 754369 Email: karen.trickey@stroud.gov.uk

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

1. Littlecombe Business Units – Dursley

- 1.1. Construction is well underway and the project programme is on track. Commercial agents, ASH Chartered Surveyors, have been appointed and are actively marketing the units. Several enquiries are being received each week, with most interest in the smaller units. There is also still interest in purchasing long leasehold interests in the units as well. We will continue to liaise closely with the agents and adjust the marketing strategy accordingly.
- 1.2. The construction of the units is due to complete in April 2018.

2. Brimscombe Port Redevelopment

- 2.1. The design engineers, Atkin's, have now developed further their proposed solution for the infrastructure (new bridge, river/canal crossing, new access road into the site, canal and basin), which is supported by the Project Board and SVCC. Consultation with the Parish Council has been arranged to share the proposal with them.
- 2.2. The Highways Authority is in receipt of the proposed plans for their approval and the Environment Agency has commenced its modelling to validate the work that Atkins has done. The current programme is for these approvals to be received, the detailed drawings prepared and budget costings provided by the end of January. This will then enable the planning application to be prepared for the infrastructure for the whole site with the submission of the application due to be made in April 2018. This is subject to third parties providing their approvals within the agreed timescales.

- 2.3. There are still a couple of options for the route of the canal beyond the basin and the architects are considering how each of these options will affect the developable area, service runs and hence the viability of the site.
- 2.4. Ground investigations have now been completed, an ecological survey of the whole site carried out and an archaeological report provided, which all aid with the de-risking of the site.
- 2.5. The Council has submitted a bid to the HCA's Housing Infrastructure Fund and to the GFirst LEP for their Growth Deal Funding. The outcome of these bids is due to be announced early in the New Year.
- 2.6. The procedure for the procurement of a development partner is now being considered and advice being sought. Commencing the formal OJEU process needs to wait until we know the outcome of the bids and so this may cause a delay to the programme depending upon when the announcements are made.
- 2.7. Many of the next steps and decisions that need to be taken are still very much dependent upon the outcome of the design work and also the outcome of these funding bids
- 2.8. The agreed terms for the freehold transfer of the site from SVCC are now with SVCC's solicitors and valuer.

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 continue to take 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). Consideration is also being given to HRA properties being made available to the General Fund for these purposes.
- 3.2 Financial modelling has established that the Council cannot repeat the highly successful 'Minchinhampton' scheme under the General Fund. The Minchinhampton development was an HRA scheme with no land acquisition costs. Any 'Homes for Rent' schemes using General Fund resources would involve land acquisition costs, VAT and interest on borrowing.
- 3.3 Officers are investigating whether Homes for Rent funding could be used to enable sites acquired from the HRA to be brought forward by registered providers. Disappointingly, the Homes and Communities Agency do not appear willing to fund affordable rent elements.
- 3.4 Support for Community Land Trusts and Rural Exception Sites
This element of the Homes for Rent programme is unlikely to involve significant capital expenditure. 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. Officer support is being provided to Eastington Community Land Trust.

4. ICT Investment

- 4.1. A strategic review of our ICT is currently being undertaken by SOCITM (the society of IT managers). They are reviewing our current systems, infrastructure, service needs and the likely future use and demands on our ICT service by the wider council service areas, including associated risks. This report will be available by the end of January, although key recommendations will be available before this time.
- 4.2. This review is being undertaken alongside a wider review which seeks to identify, assess and design even more efficient ways of working including: office provision, systems processes and structures and to address issues related to organisational culture. The outcome from which will be to identify how we can work in a more efficient, flexible and outcome focussed manner; for example: by using ICT to support greater mobile working, automation of processes and customer self-service.
- 4.3. As a result of this and the possibility that investment priorities may change, we have reduced the predicted capital spending for 2017/18, to a level which will support only essential investment, with the remainder carried forward into 2018/19, whereupon, we will be ready to implement the findings of the review and will have a focussed investment plan to meet future priorities, challenges and risks.
- 4.4. We anticipate that the current capital programme will change, possibly significantly, as a result of this wide ranging review and that implementation of it. It is also anticipated that the budget currently set for ICT investment £600K over three years (2017-2020) will need to increase; however, this is expected to partly support an element of invest to save spending. There is an identified need to develop a continuous ICT capital investment programme linked to projected ICT product life cycles.
- 4.5. We should also note that in order to ensure the implementation of our revised ICT investment strategy that we draw upon the best sector based learning and experience. We have worked with the LGA on a project to share information supporting councils to lever the highest levels of productivity from their use of ICT. Through this we have been awarded funding from the LGA to support the employment of an ICT productivity expert, with previous experience in other Local Authorities, who can support us in planning and implementing the delivery of the right ICT infrastructure and systems, drawing on past lessons and the SOCITM review. These projects will be managed so that one leads straight into the other through quarter 4 of the financial year.