



Policy and Resources Committee

8 December 2020

Title	Proposed Hendon Hub Redevelopment Outline Business Case
Report of	Chairman of the Policy and Resources Committee
Wards	Hendon
Status	Public, with separate exempt report: Exempt from publication in accordance with paragraph 3 of Schedule 12A of the Local Government Act 1972 on account that it contains information relating to the financial or business affairs of any particular person including the authority holding the information
Urgent	No
Key	Yes
Enclosures	<ul style="list-style-type: none"> • Summary OBC Executive Summary • Appendix 2a – Initial Equality Impact Assessment • Appendix 2b – Full Equality Initial Impact Assessment • Appendix 2c - Equality Initial Impact Assessment: Scored Assessment
Officer Contact Details	<p>Stephen McDonald - Director of Growth Stephen.mcdonald@barnet.gov.uk</p> <p>Chris Smith – Assistant Director – Estates Chris.smith@barnet.gov.uk</p> <p>Suzi Carter – Programme Manager Suzi.carter@barnet.gov.uk</p>

Summary

This report seeks approval of the Outline Business Case (OBC) for the proposed regeneration of three main sites in Hendon, plus several ancillary sites, with a view to submitting a two-phased planning application, starting in Spring 2021. The option recommended is a redevelopment and regeneration scheme across all sites, to

dramatically improve the aesthetic of the locality, and to facilitate student accommodation and educational space for Middlesex University, together with many associated master planning and regeneration benefits. It is recommended that London Borough of Barnet (LBB) enter into an Agreement to Lease with Middlesex University (MU). It is further proposed that LBB will develop out the scheme, with appropriate and robust risk mitigation strategies in place. The 'base case', which is financially viable, assumes Public Works' Loans Board (PWLB) funding, but there are other potentially more beneficial private finance options available, which have been examined through a 'soft market testing' exercise. A more detailed and robust assessment of the risks and benefits of each option will be carried out post-OBC with recommendations to be brought back to this Committee for approval in due course. The scheme will provide a relocated, upsized and future-proofed new Hendon Library, for which approval is also sought.

Officers' Recommendations

- 1. That the Committee approves the Outline Business Case (OBC) for Hendon Hub regeneration, in order that a Full Business Case (FBC) can be developed.**
- 2. That the Committee notes that further testing of the options for funding the scheme, with regard to the principles stated in the exempt report, will take place, with a view to bringing a recommendation, supported by an FBC, to Policy and Resources Committee (P&R Committee) in due course.**
- 3. That the Committee, subject to consultation, approves Hendon Library moving to a temporary location, whilst construction works take place, and then on to the new proposed permanent location within the scheme.**
- 4. That Committee notes the potential inclusion of Compulsory Purchase Orders (CPO) in the programme and that further proposals will be brought back to P&R Committee or Housing & Growth Committee, if necessary.**
- 5. To note an additional budget of £0.782m to work up a planning application, do further due diligence on funding options and appoint a Programme Manager/ Employer's Agent. Also, to note further third-party acquisition fees, details of which are specified in the exempt paper**
- 6. That the Committee agrees to the following and delegates negotiation and completion of legal agreements to the Deputy Chief Executive, following consultation with the Chairman of P&R:**
 - a. The agreement for lease with Middlesex University**
 - b. The approval of third-party acquisitions, by private treaty**
 - c. The appointment of a Programme Manager / Employer's Agent**
 - d. The development of the procurement process, including negotiation and completion**
 - e. Procurement of Contractor(s), to be ready to develop the scheme**
 - f. The submission of planning applications in two phases:**
 - i. Phase 1 (Building 9, Meritage Centre and relocation sites) and**
 - ii. Phase 2 (Ravensfield and Fenella site and ancillary ownerships).**
- 7. That the Committee delegates decisions on opting to tax sites within the scheme, to the Section 151 Officer, following consultation with the Chairman of P&R.**
- 8. That the Committee delegates the progression of the appropriation of sites from the Housing Revenue Account (HRA) to General Fund, to the Deputy Chief**

Executive, following consultation with the Chairman of P&R, as detailed in the exempt paper.

1. WHY THIS REPORT IS NEEDED

- 1.1 To approve the OBC for the proposed Hendon Hub regeneration, which will provide substantial improvements to the look and feel of the locality and should also yield a substantial general fund benefit to the London Borough of Barnet. Added benefits include enhanced place-making in Hendon; a new and upgraded public library, strategic improvements to Middlesex University, improved community facilities and improved green spaces.
- 1.2 To seek key decisions from Committee and to highlight next steps and budget implications.
- 1.3 This report analyses the strategic context, the potential demand for the scheme, the market opportunity it seeks to exploit, and the investment opportunities which are available to LBB as a result.

Governance process

- 1.4 Internal reporting and management is via a Hendon Hub project board, which takes place on a monthly basis. The FBC and any further key decisions will be taken to a future Policy and Resources (P&R) Committee (or other appropriate committee) for final approval. This will include the preferred delivery option and the proposed funding strategy for the scheme. The FBC will also be presented to Housing and Growth (H&G) for noting and to seek further delegations within the remit of that committee.

The Proposal

- 1.5 Following approval of the Strategic Outline Case (SOC) by Committee in June 2019, London Borough of Barnet (LBB) has progressed the evolution of Hendon Hub, the proposed mixed-use regeneration development in Hendon. This has been done in conjunction with its key stakeholder Middlesex University (MU), to Outline Business Case (OBC), in alignment with HM Treasury Green Book requirements and LBB's Growth Strategy.
- 1.6 The option recommended in the OBC is a comprehensive development and regeneration across 3 major sites, and a series of smaller LBB-owned sites, in and around The Burroughs. The three major sites included are Ravensfield, Fenella and Town Hall Car Park site ("RFC"), Meritage Centre ("MC"), and Hendon Library/Building 9 ("B9"). The proposed development will provide academic offices and student accommodation for Middlesex University (MU), a relocated and improved Public Library, new fit-for-purpose community space, re-provisioned retail space and housing and will facilitate place making and design-led improvements to the area in and around The Burroughs.

- 1.7 The project aims to deliver against the following key objectives:
- Contribute towards regeneration and enhance place-making in the area
 - Support MU and LBB housing objectives
 - Minimise design, funding and construction risk
 - Maximise social returns
 - Maximise returns and the pace of returns
 - Support the development ambitions of Middlesex University
- 1.8 The preferred option is a redevelopment and regeneration scheme across all sites, to facilitate student accommodation and academic offices for Middlesex University. The Council is close to agreeing terms, subject to contract, with Middlesex University (MU) to take a long lease over the new redeveloped accommodation, as detailed below. MU currently have leases over the Hendon Town Hall, Hendon Library and Church Farm House but these will be surrendered and new long leases will also be granted over these properties.
- 1.9 The proposed sites are detailed below. Consultation on quantum, sizes, floor areas and heights are underway with the planning department, and the GLA.

Site	Deliverable	Location (Figure 1)
Library /B9 Site	Academic Offices and teaching space (leased to MU 40 years)	B9
	New Town Hall Lease (leased to MU 40 years) (LBB retaining existing occupation)	Town Hall
	New Hendon Library Lease (leased to MU 40 years)	B9 / Hendon Library
MC Site	301 student accommodation units (leased to MU 40+ years)	MC
	Church Farm House incorporated into 40-year lease to MU	Church Farm House
RFC Site	491 student accommodation units (leased to MU 40 years)	RFC
	3 retail units (replacing existing – lease to private occupiers, income retained by LBB)	RFC
	New Public Library (not in lease with MU; owned by LBB, rent free in perpetuity)	RFC
	Arts & Cultural Industries space, incl. student theatre (leased to MU 40 years)	RFC
	Academic Offices (leased to MU 40 years)	RFC
	Citizen's Advice Bureau	RFC
Offsite	Re-provision locally of community uses (all outside lease to MU):	
	<ul style="list-style-type: none"> • Mencap 	Off site

• African Cultural Association	Off site
• People's Dispensary for Sick Animals (PDSA)	Off site
• Chinese Mental Health (&Meritage Centre community space)	Off site
• Library SLRS	Off site
3 Town Houses	Burroughs car park; relocated car parking spaces
Landscaping improvements locally	

- 1.10 It is also proposed that the Hendon Library will be relocated from the current Library Building into the redevelopment on the RFC site. The re-provisioned library will be provided fully fitted and will be a new, rent free, fit-for-purpose facility. There will be a temporary library facility provided during the construction period, ensuring continuity of service. The Schools Library Service (SLRS) currently housed in the current Hendon Library, will be relocated separately, to other LBB owned assets. The archiving function is to be relocated off site temporarily, in another LBB owned asset, and then consolidated into the new Library. Approval is sought for the relocation and upgrading of the Hendon Library as part of this OBC.
- 1.11 There are several adjacent, third-party owned properties that will be purchased to facilitate the scheme. The project team have had initial conversations with most third parties and will attempt to purchase all interests via private treaty. The team will be working with all third-party owners and occupiers to find solutions that are acceptable to all parties. Should that not be possible, the Council will follow due legal process using statutory powers available under the Compulsory Purchase Act 1965, the Acquisition of Land Act 1981 and other relevant enactments conferring powers of compulsory acquisition on local authorities. In addition, there will be the requirement to appropriate 17 properties from the HRA to the General Fund. Liaison will continue with Barnet Homes on this matter.
- 1.12 There are several community uses, currently located in and around the Meritage Centre that will be relocated. All community uses will be relocated locally in Hendon, in purpose built and fit for purpose space, in recognition of the value they provide to the local community. Full consultation with the users and Service Directorates will continue to take place.
- 1.13 It is proposed that the car parking spaces provided within the existing Hendon Town Hall car park will be re-provisioned in MU's car park, within a short walking distance of the Town Hall. This will be discussed with Members before a final decision is made
- 1.14 Funding options investigated within the OBC were narrowed down to:
- (1) Council self-funding (via Public Works Loan Board (PWLB) monies) and;

(2) the Council entering into an agreement with a Funding Partner on an income strip or private placement arrangement.

Both options provide different benefits to LBB, with the Private option delivering a higher Net Present Value (NPV). Whilst it is not the option that produces the highest level of returns, the publicly funded option (PWLB) provides a significant positive NPV. The PWLB rate reduced on 25th November 2020, just before publication of this paper. This can only improve the PWLB case. When the preferred model is brought back to P&R Committee as part of the Full Business Case, this will be factored in.

- 1.15 There are risks and benefits with all funding options, and these will continue to be examined post OBC with senior officers and Councillors. Due to the current volatile market conditions in the light of COVID-19, the project team will continuously review the options post-OBC to ensure that the most beneficial funding offer to LBB is recommended in due course. A recommended funding option will be presented to P&R, as part of the FBC, after which it is intended that a preferred funding mechanism will be secured.
- 1.16 As the PWLB-funded route, which is the base case, is financially viable, it is recommended that design work continues and this paper requests approval to submit planning applications for the scheme in Spring 2021.
- 1.17 All property and sites involved within the scheme are within the jurisdiction of the London Borough of Barnet planning department.
- 1.18 Elements of the proposed scheme (RFC site) will be required to be reviewed by the GLA and pre application meetings have been arranged with them. Currently, the project team is undergoing a programme of pre application meetings with LBB planners and designs are being amended accordingly.
- 1.19 The development period spans 6 years. The projected start on site is Q3 2021 (for the relocation sites; Building 9 works start in June 2022), and project completion in Q2 2025.
- 1.20 The construction will involve two phases to minimise disruption to university and community services. During the development a temporary library facility will be constructed to ensure constant provision of this service across the development period. The phases are summarised as follows:

Phase 1:

- Planning submitted April 2021 (estimated) for the works to Library, B9, Hendon Town Hall annex, Meritage Centre and relocation sites; further planning subsequently submitted in May 2021 (estimated) for the RFC site
- MU relocate from the academic offices in B9
- Relocation of Hendon Library locally to temporary facilities on Burroughs Large Car Park and permanent relocation of the Schools Library Service (SLRS).
- Rebuild of Building 9 for MU, with handover expected in July 2023
- Osidge Lane (car park site adjacent to the Veterans Hall) - construction for relocation of PDSA
- Meritage Centre construction of student accommodation with expected completion March 2025

Phase 2:

- Demolition and construction of Arts and Cultural Industries (ACI) building and student accommodation on RFC site
- RFC library construction and relocation from temporary facilities (including relocation of Citizen's Advice Bureau from MC site to RFC) expected May 2024
- Removal of temporary library facilities on large car park and construction of African Cultural Association, Chinese Mental Health Association, and Mencap facilities expected completion and relocation March 2024.

1.20.1 The programme has been delayed, as a result of COVID 19, amongst other things, and further due diligence is also required to inform the decision on the funding options. In addition, relocation sites have now been also included, all of which means that project running costs have increased. This coupled with fees for a Programme Manager / Employer's Agent (EA) being brought forward in the programme (as discussed below) and some increased design fees, amounts to an increase of £782,000.

1.21 The scheme represents a significant level of investment and potential return. The estimated construction costs at this stage are approximately £90m. Construction projects typically carry risk that can often remain unquantifiable, and in some cases unidentifiable until late in the design development process and in some cases only identifiable once construction activity has commenced on site. While surveys have taken place to build an appropriate level of understanding for construction risk and the in-scope sites, it should be noted that the project remains at a relatively early stage. Due to the scale of the project, the values associated with construction risk could still dramatically vary the financial model within the business case.

1.22 For these reasons, it is an objective of the project to reduce risk and transfer residual risk where possible. As part of the risk management strategy the intention is to procure and engage a construction partner early in the process. The construction partner would take on design responsibility once they are appointed. This will enable the Council to transfer construction risk to the construction partner and obtain a robust cost plan and identification of any residual risk that may require allowance.

1.23 The construction risk needs to be balanced against the overall risk of delivery certainty and risks to benefits. It is therefore recommended, subject to further analysis and stakeholder engagement, that the scheme design be developed up to planning submission stage, in parallel with procurement of a construction partner. A planning submission would traditionally take place at RIBA Stage 3. However, the success of the project is obviously reliant on achieving planning consent and due to the scale of the scheme, the costs of developing the design fully to Stage 3 and beyond will be substantial. Taking this into account, it is therefore considered best to seek planning consent at the earliest possible point. This approach will reduce the exposure to abortive costs in the event that the project is unable to achieve planning consent. More importantly obtaining planning consent earlier in the process will put the Council in a stronger position should they wish to seek Private funding. The benefits of this are expected to outweigh any impact should the Council need to seek any variation to the planning consent once granted. In this case a planning application could be submitted in advance of RIBA Stage 3, as this will enable the project to confirm deliverability

1.24 In the procurement of the construction partner, the Council will first employ a suitably qualified team with relevant experience and a demonstratable track record in supporting

similar developments. The team will construct and coordinate the tender exercise for the construction partner with a focus on effectively mitigating the Council's exposure to construction risk. Once a construction partner has been established, the team will adopt a contract management role checking and challenging the contractors design development from a time, cost and quality perspective on behalf of the Council. The arrangement will continue through construction activity through to completion and the end of the defects' liability period. It is recommended that a Programme Manager / Employer's Agent is employed earlier in the programme, post OBC, in order to manage procurement of a construction partner.

- 1.25 Other risk mitigants include 10% cost contingencies and programme contingencies at this stage. Other risk mitigants will be analysed in the FBC, and will be brought back to P&R Committee in due course, and will consider the following:
- Splitting the construction works up into smaller packages to keep more control and retain flexibility, for example: Building 9; ACI Building, 4 individual contracts for the MC site etc
 - Splitting the construction works into shell and core and fit-out contracts
 - Investigating modular construction to reduce programme time and address COVID-19 issues such as social distancing
 - Appropriate building contract/s.
- 1.27 During the development of the OBC, COVID-19 has caused significant changes to the UK economy – including the university sector. The conclusions in this report have been revisited in this context, and specialist reports have been received from KPMG and CBRE on the university sector, in particular. The project team consider that the conclusions remain sound in the post-pandemic landscape given the information available to date.

2. REASONS FOR RECOMMENDATIONS

2.1 The Hendon Hub proposal is intended to achieve:

- Place-making and regeneration, significantly improving the appearance of the Burroughs, benefitting residents, workers and visitors to the area.
- Potential for capital receipts, with the Council having the ability to retain the assets in the long term under both financing options
- A revenue stream to the Council from the retail offer on the RFC site.
- Regeneration benefits including refurbished public open space and playgrounds, enhanced green space locally, enhanced design
- Brand new, futureproofed local community facilities
- Brand new, larger Hendon library
- Improved re-provided housing
- Highways benefits including a reduction in vehicle movements
- Potential to implement parking improvements for the benefit of residents
- Improvements to MU facilities to enhance the quality of education and the quality and location of student accommodation, and improving MU's ranking in the league tables with regards to student experience
- Stimulating further spending in Hendon, via the concentration of the resulting activity
- Improved sustainability through regenerated green spaces, the potential inclusion of more cycle parking and improved cycle lanes, as well as aiming for BREEAM Excellent
- Redevelopment of council buildings that are coming to the end of their useful lives.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 This preferred option has been determined through a rigorous series of optioneering and financial testing. Four streams of options testing were performed with the option having the most beneficial impact by virtue of the cost, benefits, risks, and impacts in each case being taken forward into the next stage. Other uses were considered within Stage 1 and Stage 2 of the SOC but values were deemed too low so were dismissed.
- 3.2 Other funding options for the scheme were also considered prior to OBC, such as a joint venture (JV) or sale to developer but were dismissed owing to viability and risk / return considerations.
- 3.3 Cancellation. Further work on the project could be halted but because the scheme is still extremely viable, this option has been disregarded.

4. POST DECISION IMPLEMENTATION

Post-OBC approval, the following will take place:

- Heads of Terms and Agreement for Lease with MU (planning applications will not be submitted until the Agreement for Lease is signed) subject to delegated approval by the Deputy Chief Executive in consultation with the Chairman of P&R;
- Examination of the public vs private funding options and determination of the preferred option to be brought back to P&R via an FBC, overseen by the s151 Officer;
- Discussions with third-party interests to continue
- Planning application for Phase 1 (B9, Town Hall, Library, MC and relocation sites)
- Planning application for Phase 2 (RFC site)
- Public Consultation for planning applications to commence post SPD consultation
- Constant and thorough reviews of the funding approach and the tenant risk profile in the light of the Covid-19 economic picture and regular re-valuations of the proposed scheme
- Agreed delivery method and construction risk mitigation (to be approved by FBC at P&R)
- To appoint Programme Manager / Employer's Agent, subject to delegated authority by Deputy Chief Executive in consultation with the Chairman of P&R
- Scoping for Environmental Impact Assessment to be prepared
- Further Site investigations
- RIBA Stage 2+ – start developed design
- Preparation of FBC to brought back to P&R Committee in due course

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.2 Barnet 2024 Corporate Plan has a strategic objective to encourage responsible Growth, Development and Success across the Borough.
- 5.3 The Council's Corporate Plan states that the Council, working with local, regional and national partners, will strive to ensure that Barnet is a place:

- of opportunity, where people can further their quality of life.
- where people are helped to help themselves, recognising that prevention is better than cure.
- where responsibility is shared, fairly.
- where services are delivered efficiently to get value for money for the taxpayer

5.4 The Corporate Plan also prioritises maximising opportunity, by taking a commercial approach to generating income, and looking for new opportunities to generate revenue from our estate, and capitalising on opportunities from responsible growth and development to boost the local economy

5.5 **Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability).**

5.5.1 **Finance and value for money**

The willingness of LBB to invest in Hendon Hub is subject to a test of value for money in relation to a preferred option. Accordingly, four streams of options testing were performed with the option having the most beneficial impact by virtue of the cost, benefits, risks, and impacts in each case being taken forward into the next stage.

5.5.2 The costs to gain planning consent and capital costs necessary to acquire 3rd party interests were approved at full Council in March 2020. Further approval for an additional £782,000 is sought in this paper, owing to programme delays and other factors, together with the appointment of a Programme Manager / Employer's Agent. Should the private finance route be pursued, a funding partner would most likely see the phased reimbursement of these costs to LBB at the end of each phase of the planning.

5.5.3 The financial modelling currently shows both the Public and Private finance routes options are financially viable to the general fund over the life of the project. The recommendation to proceed is based on the base case (PWLb) at this point but other options will still be investigated, in order to inform the final recommendations in the FBC.

5.5.4 There are additional costs requested to purchase third party interests to facilitate the development.

5.5.5 Treatment of SDLT and VAT are very significant factors in optimising the financial return of the project and considerable further work is required to ensure that an appropriate approach to all indirect taxes is followed.

5.6 **Staffing**

5.6.1 This project will be undertaken using the existing project team, with additional project resource bought in, as required, subject to affordability.

5.7 **Risk Management**

5.7.1 An extensive Orange-Book compliant risk register has been produced around the preferred scheme, outlining key risks and mitigating actions to be taken. Regular Gateway reviews are being undertaken in line with the LBB Project Management Toolkit and the risks are also reviewed monthly as part of the internal project board. The option that has been recommended balances risk with return and mitigates risks as far as possible.

5.7.2 The main risks are summarised in the table below. There are other risks that are captured in the detailed risk schedule, regularly updated by the project team.

Risk	Mitigant
Failure to acquire 3 rd party assets	Attempt to meet mutually satisfactory position with all owners. As a backstop, CPO expert advice sought and assumed within financial appraisals and project programme
Covid-19 uncertainty for the university sector	Constant communication with MU regarding university position; Regular testing taking place through third party reporting; Review of funding approach through an extensive exercise post OBC. KPMG and CBRE Reports on university sector and MU in particular; MU performs well against the Moody's Higher Education Framework with strong balance sheet and liquidity,
Construction risk from cost and programme overrun	<p>Being reviewed to mitigate through various options:</p> <ul style="list-style-type: none"> • Earlier appointment of EA and procurement of construction partner; • 10% contingency on construction costs • Splitting the construction works up into smaller packages to keep more control and retain flexibility; • Splitting the construction works into shell, core and fit-out contracts • Investigating modular construction to reduce programme time and address COVID-19 issues such as social distancing • Recommendations to be made as part of FBC
Covid-19 and programme delays	<ul style="list-style-type: none"> • The project team are following the latest government advice on the pandemic, with regular online meetings; teams doubled up to cover project team illness; regular correspondence with the senior team at MU; • Project team are functioning as normal in this second lockdown; • CBRE have provided a market report on the impact of Covid-19 on Hendon Hub and "do not expect significant disruption"

5.7.3 It should be noted that the project team have received support from a number of parties, including CBRE, 31-Ten and KPMG, who have reviewed the funding options and financials on behalf of LBB. Further due diligence has been evidenced through:

- CBRE preparing valuation and inputs to the appraisal in accordance with the Red Book
- CBRE preparing a report on the University sector in light of Covid-19 and its potential impact on the scheme

- KPMG conducting a soft market testing exercise for the private funding option
- KPMG preparing a report on the structure of the deal and funding options
- KPMG report on the student sector and MU in particular
- KPMG report on tax advice
- Legal due diligence and structuring advice from Pinsent Mason and HB Public Law
- Procurement advice from Pinsent Mason and HBP Public Law
- LBB Finance and 31-Ten overseeing the financial modelling
- Recommended early appointment of Programme Manager / Employer's Agent, prior to planning, to oversee the scheme and work with the LBB procurement department to appoint a construction partner to work up the scheme
- Monthly project boards with senior officers and the project team and overview by other internal boards
- Regular project management gateway reviews

5.7.4 Further it is considered there are large contingencies in the appraisal which are appropriate for this stage of the project

5.8 Property

5.8.1 The overarching aim of this programme is to achieve the best outcomes in relation the council's assets.

5.9 Social Value

5.9.1 The main source of job creation with regards to the Hendon Hub Scheme is in construction, where a net equivalent number of full-time employees will be 39. A significant number of the existing MU workforce will also be safeguarded by the development of the academic facilities and student accommodation. Other than construction, the number of full-time equivalent end-user jobs created by the scheme is 18, with the gross number of jobs safeguarded at 507.

5.9.2 The current community uses and library will be relocated in new, fit-for-purpose and future-proofed accommodation, meaning they will be better able to serve the local residents in Hendon.

5.10 Legal and Constitutional References

5.10.1 The Council's Constitution, Article 7 sets out the terms of reference of the Policy and Resources Committee including:

To be responsible for: strategic policy, finance and corporate risk management including recommending: Capital and Revenue Budget; Medium Term Financial Strategy and Corporate Plan to Full Council; Strategic Partnerships(2) (2) To be responsible for those matters not specifically allocated to any other committee affecting the affairs of the Council.

5.10.2 Article 7.5 of the Constitution states "If any report appears to come within the remit of more than one committee, to avoid the report being discussed at several committees, the report will be presented and determined at the most appropriate committee. If this is not clear, then the report will be discussed and determined by the Policy and Resources Committee."

- 5.10.3 The Constitution- Article 9.1 (b) - Chief Officers – Management Structure- Delegated Authority to Chief Executive and Chief Officers states (i) Chief Officers (Deputy Chief Executive, Assistant Chief Executive, Strategic Director for Adults Children and Environment, Director of Resources) have the delegated powers in respect of all matters which are not key decisions (as defined in Article 2) and not reserved for decision by the Council or by a Committee of the Council as set out therein.
- 5.10.4 The Council has a range of powers including the general power of competence under Section 1 of Chapter 1 of the Localism Act 2011 to do anything that individuals can do subject to any specific restrictions contained in legislation and Section 111 of the Local Government Act 1972 which provides that a local authority has power to do anything which is calculated to facilitate, or is conducive or is incidental to, the discharge of its functions.
- 5.10.6 Procurement of public works and services contracts over the relevant value thresholds must observe the requirements of the Public Contracts Regulations 2015, to include the placing of OJEU notices where such contracts are not drawn down from a compliant framework. The Public Services (Social Value) Act 2012 requires the Council to consider whether it can achieve an improvement to the economic, social and environmental well-being of an area as part of the procurement of these services. If so, the social value objectives identified must be written into the procurement process. All of this must be achieved with regard to value for money and in a way that is compliant with existing public procurement law. “Social value” objectives can include the creation of employment, apprenticeship and training opportunities for local people, trading opportunities for local businesses and the third sector through contract delivery.
- 5.10.7 The Council will need to consider, comply with and obtain any statutory and legal requirements /consents to give effect to the preferred option. Unless there is a general consent available which dispenses with the need to obtain express consent from the Secretary of State, the disposal and/or appropriation of the Sites may require ministerial consent under Section 123(2) of the Local Government Act 1972, section 233 of the Town & Country Planning Act 1990 or by virtue of sections 19 and/or 32 of the Housing Act 1985.

5.11 Equalities and Diversity

- 5.11.1 Under the 2010 Equality Act, the Council must have due regard to the need to: a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act: b) advance equality of opportunity between those with a protected characteristic and those without; c) promote good relations between those with a protected characteristic and those without. The ‘protected characteristics’ referred to are: age; disability; gender reassignment; pregnancy and maternity; race; religion and belief; sex; sexual orientation. It also covers marriage and civil partnership with regards to eliminating discrimination.
- 5.11.2 Two Equalities impact assessments have taken place, with key stakeholders included. During the Strategic Outline Case (SOC) a plan in relation to equalities was detailed. Since then, an initial equalities assessment (EQIA) was performed and, as the project reached OBC stage another impact assessment has been completed. Impacts were considered across each option.

5.11.2.1 The approach to equalities was a collaborative effort between key stakeholders, LBB members, LBB human resources department, MU, and external contractors (such as GL Hearn and Capita) through workshops. These identified the way people with protected characteristics may be affected by the scheme. The nature, type, and severity of these effects were considered and, where a negative impact was identified, a mitigating action was assigned to reduce its effect. There is deemed to be limited impact, and an improvement plan will be produced to mitigate these risks, and the officer responsible identified. This will reduce the severity, or alleviate the negative impact entirely, of the scheme on these individuals.

5.11.2.2 The equalities impact assessment and accompanying improvement plan will next be revisited prior to FBC submission, and any changes detailed. The council recognises that equality will require regular review to ensure that citizens are treated equally, with understanding and respect, and have equal access to quality services which provide value to the taxpayer. MU will also act as a responsible body in complying with equalities.

5.11.2.3 The equalities and impact assessments are attached as an appendix to this report.

5.11.3 Significant attention is being paid to the impact on equalities and vulnerable people, especially concerning the community uses within the scheme, which will be relocated to new, fit for purpose accommodation.

5.12 Corporate Parenting

5.12.1 None in the context of this report

5.13 Consultation and Engagement

5.13.1 Ward councillors, residents and communities local to each site will be consulted prior to any planning applications being submitted at future stages of this project. Public resident consultation meetings will be held and individual consultations will be undertaken with other residents as requested.

5.13.2 A statutory consultation exercise will also be undertaken as part of the planning process for each scheme.

5.13.3 There will be the scoping of an Environmental Impact Assessment. Consultation on this will commence post OBC.

5.14 Insight

5.14.1 None in the context of this report.