



To:
All members of the
Cabinet

Please reply to:
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Date: 23 February 2021

Supplementary Agenda

Cabinet - Wednesday, 24 February 2021

Dear Councillor

I enclose the following items which were marked 'to follow' on the agenda for the Cabinet meeting to be held on Wednesday, 24 February 2021:

20. Establishing a Programme Board

3 - 6

To discuss the creation of a Programme Board, to review the progression of developments, as a sub-committee of Cabinet.

Yours sincerely

Michelle Beaumont
Committee Services

To the members of the Cabinet

Councillors:

J.R. Boughtflower
J. McIlroy
M.M. Attewell

R.O. Barratt
S. Buttar
R. Chandler

A.J. Mitchell
R.J. Noble

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DRAFT TERMS OF REFERENCE

For the period up to Annual Council Meeting (at which point it will be reviewed by the Corporate Policy and Resources Committee)

ASSETS PROGRAMME BOARD (INVESTMENT AND DEVELOPMENT)

Cabinet Sub-Committee

Membership

4 Members of Cabinet

Members: - Usually the Leader as Portfolio Holder for Strategic Assets, the Portfolio Holder for Finance, one of the Deputy Leaders and Portfolio Holder for Planning and Economic Development, or as selected by the Leader.

Members from across the Chamber are able to attend and observe (as is the case with Cabinet).

Substitutes: - In the case where any member of the Sub Committee gives apologies for a meeting or is otherwise indisposed, the Leader may substitute any other member of Cabinet to attend in place of that Member.

Attendance: - Members are not obliged to attend in person and may attend the meeting by electronic means via conference call or similar.

Quorum. Notwithstanding Council Standing Orders Part 4 Section (a), the quorum for this meeting is two Members.

Officers in attendance: - Chief Executive, Deputy Chief Executive (s 151), Group Head of Corporate Governance, Property and Development Manager and any other officer by invitation (including Development Project Officer and Head of Communications).

Responsibilities

Acquisitions

Where officer/member delegation financial limits are exceeded, to receive recommendations from officers with regards to potential new property acquisitions and give initial steer on whether to further investigate property investment opportunities. To approve and make recommendations when a new acquisition opportunity should be referred to Cabinet for decision.

Disposals

Where officer/member delegation financial limits are exceeded, to receive recommendations from officers with regards to potential freehold disposals of assets and give initial steer on whether to further investigate. To approve and make

recommendations when a disposal opportunity should be referred to Cabinet for decision.

Management of Strategic Investments

- 1) To approve leasehold disposals (lettings) in respect of the residential developments, Investment and retail properties which exceed the officer/member delegation financial limits.
- 2) To approve the transfer of residential assets to or from Knowle Green Estates Limited if deemed necessary for the appropriate and effective management of the asset.
- 3) To receive quarterly reports on the management of investment assets to include details on rental income, potential new letting opportunities, significant assignments and any other estates management issues officers consider necessary for discussion.
- 4) To receive reports at key stages on individual assets when tenancies are coming up for review.

Management of Municipal Portfolio

To approve leasehold disposals (lettings) in respect of municipal properties which exceed the officer/member delegation financial limits.

Development

- 1) To fully review the business case, scheme detail, build costs, risks and issues and financial performance (including viability) for all existing development projects
- 2) To oversee the budget and the effective implementation of the Councils development programme in line with an approved defined project management methodology.
- 3) To authorise the award of contracts over £100,000 in line with contract standing orders and to have and receive updates on the budget position
- 4) To receive reports from officers and make decisions and make recommendations to Cabinet as set out in the Development - Gateway stages at the end of the Terms of Reference
- 5) Notwithstanding the above, to receive a report at any point in the gateway process where there is any variance over and above the agreed budget (whether such budget was set via a specific Cabinet report or via the Capital Programme)
- 6) Receive bi-monthly RAG rating reports on all developments. This will include high-level finance projections, major risks and issues log, timeline for stages and expected decision points. There will be exception reporting only on variances

- 7) Receive bi-annual presentation of the longer-term expenditure plan across the portfolio. This should indicate the future funding streams and expectations. These should align with capital monitoring reports (to ensure consistency and minimise duplication)
- 8) Receive an annual report on progress and success
- 9) Report decisions as required up to Cabinet (should aim not to be confidential)

Frequency

Fortnightly meetings (dates agreed in advance in the Council's calendar of meetings). Where meetings are not necessary for lack of business they will be cancelled.

Decisions

Decisions of this Sub Committee are Executive decisions and are subject to the call-in procedure of the Overview and Scrutiny Committee

All councillors will have access to minutes which will remain confidential in accordance with the Access to Information Regulations.

Relevant decisions of the Board at the key gateway stages will be publicised

Development - Gateway stages

	Gateway	Documentation provided	Board decision
1	Initiation	Initiate a project brief, for any potential acquisition/development/lettings	Approval required
2	Acquisition	Report and present project brief, business plan/feasibility scheme/planning policy context and residual valuation	Approval required prior to agreement of terms
3	Purchase	Report and due diligence presentation	Approval prior to exchange/completion Acquisition to be formally agreed by Cabinet
4	Post Purchase or Feasibility stage	Report and present project brief and business plan (if the site has not been acquired) progressed feasibility options, build costs, programme/risk/financial performance	Approval to move to next stage Budget to be formally agreed by Cabinet (if not in Capital Programme)

5	Pre-Public Consultation	Report and present preferred feasibility option	Approval of preferred feasibility option
6	Pre-Planning Submission	Report and present iterations as a result of above stakeholder engagement and any cost/financial changes	Approval of any iterations
7	Planning Determination	Report and present any material changes required post submission	Approval of material changes
8	Construction Tenders	Report and present tender reports	Approval of works/costs and appointment of preferred bidder or recommendation to Cabinet or Council if not in capital programme
9	Construction works	Bi-monthly update reports on the basis of standard project reporting with a RAG rating –. (exception reporting)	Noting progress/risks/issues
10	Handover	Final report confirming practical completion Report on transfer of the asset (including valuation report)	Agree practical completion (PC) Agree transfer to KGE if appropriate

Notes:

Reports required to ensure an audit trail but should be tight (no more than 1 -2 sides max)

Project brief should define purpose and objectives of the project. The document should be strategic and made public subject to any commercially sensitive elements being removed.

Feasibility option should include outline design, including unit mix and purposes i.e. housing, offices

Business case should be updated and re-approved for each gateway stage, and should reflect in greater detail the key areas related to the phase for which approval is being sought. The business case should include the latest estimates (time and cost) for the complete project.

Where changes are requested by Members after the project brief and initial business case have been agreed, Officers will be expected to make the costs and other implications associated with any change explicit.

The most up to date estimate of total project cost is to be made explicit at each stage and agreed as affordable in principle when a stage budget is authorised