



Rutland County Council

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Meeting: CABINET

Date and Time: Tuesday, 21 August 2018 at 10.00 am

Venue: COUNCIL CHAMBER, CATMOSE

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- 6) **ADDENDUM: PROGRESS UPDATE ON ST GEORGES BARRACKS**
Report No. 138/2018
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CABINET

21 August 2018

ADDENDUM - PROGRESS UPDATE ON ST GEORGE'S BARRACKS

Report of the Chief Executive

Strategic Aim:	All	
Key Decision: Yes	Forward Plan Reference: FP19/0718	
Exempt Information	Yes. Appendix A is marked as “Not For Publication” because they contain exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, namely information relating to the financial or business affairs of any particular person (including the authority holding that information).	
Cabinet Member(s) Responsible:	Mr O Hemsley, Leader and Portfolio Holder for Rutland One Public Estate & Growth, Tourism & Economic Development, Resources (other than Finance and Communications)	
Contact Officer(s):	Helen Briggs, Chief Executive Phillip Horsfield, Deputy Director: Corporate Governance	01572 758201 hbriggs@rutland.gov.uk 01572 758154 phorsfield@rutland.gov.uk
Ward Councillors	Normanton - Mr K Bool and Miss G Waller	

DECISION RECOMMENDATIONS

That Cabinet:

Authorises the Chief Executive in consultation with the Leader and Director of Resources to allocate funding received from the Ministry of Defence for the St George’s project to the relevant budget to defray the cost of work undertaken by RegenCo.

1. Approves the Schedule of Outcomes set out in the supporting document
2. Delegates authority to the Chief Executive in consultation with the Leader and Portfolio Holder for Rutland One Public Estate & Growth, Tourism, & Economic Development and Resources (other than Finance and Communications), the Ministry of Defence Lead and the Director of Resources to agree costs with Regenco subject to these not exceeding the budget allocated.

3. Delegates authority to the Chief Executive in consultation with the Leader and Portfolio Holder for Rutland One Public Estate & Growth, Tourism, & Economic Development and Resources (other than Finance and Communications), the Ministry of Defence Lead and the Director of Resources to agree changes to the Schedule of Outcomes subject to such costs remaining within the budget allocated.

1 PURPOSE OF THE REPORT

- 1.1 This report is an addendum to the main report on the agenda and deals with the allocation of resources provided from the Ministry of Defence (MOD) and the partnership working between the Ministry of Defence, Rutland County Council and Regenco.

2 BACKGROUND AND MAIN CONSIDERATIONS

- 2.1 The MOD working with the Council have released significant initial funding in order to ensure that proposals can be developed in relation to the St Georges site. The County Council continues to work with them and be a conduit for the funding to ensure that the strongest possible local voice is heard in shaping the final outcome and the best use is made of the mix of project funding including grant funding via the One Public Estate programme.
- 2.2 The County Council and MOD have also partnered with East Hampshire District Council through Regenco in order to ensure that the best possible public sector expertise is brought to bear in this project.
- 2.3 The MOD have now committed to provide additional funding detailed in the Schedule of works This will ensure that further work can be done in relation to the feasibility, viability and sustainability of the project.
- 2.4 The MOD and the County Council are proposing to use the funds allocated in order to recompense Regenco (East Hampshire District Council) for the time that they spend assisting us on the project. It is recognised that there is a need to ensure that public money is being used in a way that achieves value for money and as a consequence the proposals from Regenco will be checked by the MOD against similar projects that they have undertaken as a part of their estates reorganisation.
- 2.5 The Partners will also produce a schedule of expected outcomes to ensure that members, through the Project Group, will be able to hold the partners to account and monitor progress.

3 ALTERNATIVE OPTIONS

- 3.1 The Council could choose to run an external procurement process to recruit private sector advisors. This is not felt to be necessary at this stage as additional costs would be incurred in private advisors 'reading in' to the project and in the meetings necessary to bring new advisors up to date with work already completed. It is also felt that owing to the fact that the MOD are able to perform a value for money exercise against previous similar projects we are able to ensure that good value is being received for public funds.

4 FINANCIAL IMPLICATIONS

- 4.1 There are no direct financial implications arising from this report.
- 4.2 Expenditure to date on the St George's project has been fully funded (other than Officer time) by the One Public Estate Programme or contributions from the MOD

5 LEGAL AND GOVERNANCE CONSIDERATIONS

- 5.1 Regulation 12(7) of the Public Contracts Regulation 2015 states that:

“a contract concluded exclusively between two or more contracting authorities shall fall outside the scope of Part 2 of the PCR 2015 where all of the following conditions are fulfilled:

a. The contract establishes or implements a co-operation between the participating contracting authorities with the aim of ensuring that public services they have to perform are provided with a view to achieving objectives they have in common.

b. The implementation of that co-operation is governed solely by considerations relating to the public interest.

c. The participating contracting authorities perform on the open market less than 20% of the activities concerned by the co-operation.”

- 5.2 Regenco is the name used for a section of East Hampshire District Council. The purpose of the unit is to share its expertise in delivering projects such as this one that including housing development and securing funding to assist in this delivery. This is based on the public duty that all authorities have to engage positively in the planning process that is set out in the NPPF together with the requirement to deliver homes.
- 5.3 There were a number of options for delivery including potential secondments agreements for key staff etc. It was felt that this mechanism would provide the best access to the skills required in order to move the project forward while ensuring that East Hampshire were in a position where they could share their skills without having a negative impact on their organisation.
- 5.4 Finally it is very clear that this project would not be capable of failing the final test. The scale of the Housing market is such even with the involvement of the Ministry of Defence there is no possibility that we will account for 20% of the market.
- 5.5 As a consequence the contract falls outside of the scope of part 2 of the PCR 2015 and therefore is not required to follow the processes set out therein.

6 EQUALITY IMPACT ASSESSMENT

- 6.1 Not relevant for a progress report.

7 COMMUNITY SAFETY IMPLICATIONS

7.1 None

8 HEALTH AND WELLBEING IMPLICATIONS

8.1 None

9 CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

9.1 Progress on the project is in line with the programme.

10 BACKGROUND PAPERS

10.1 None

11 APPENDICES

11.1 Appendix A: Schedule

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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