

Project Initiation Document

(Corporate & Service Projects)

Project Title: The Burys Project - Development

Date: July 2020



Document History

Revision	Date	Originator	Comments	Approved
1.0	July 2020	Vicki Basley and Caroline Wallis	First draft of development project PID following request from Exec Briefing to split project into two	

About This Document

Project Name: The Burys Project

Project Ref. No: N/A

Project Sponsor: Peter Vickers – Head of Finance and Property

Project Manager: [Vicki Basley]

Project Board: Property Investment Advisory Board

Project Team:

- *Annie Righton
- *David Allum
- Debbie Smith
- Vicky Basley
- Beth Howland-Smith
- Caroline Wallis
- Finance lead required
- Legal lead required
- Comms lead required
- HR lead required
- *Wendy Cooper

* For Business Transformation (Council Offices element)

Approval Date:

Approval Status:

Start Date: October 2019

Finish Date: tbc

Project Type / Reporting Structure:

Project Priorities:

Priority	C/Q/T	Why?
1	C	Opportunity to maximise value for money from Council owned assets, generate revenue income and obtain savings thus supporting the Corporate Strategy and protecting services.
2	Q	Quality of design and build are considered key to enhance the surrounding area and bring economic development to the town.
3	T	Project is a long term venture with significant cost and stakeholder, tenant and user implications. It is important to manage the timescales but time is not the driving force for the project.

Project Definition

This project is being undertaken under the Property Investment Strategy which considers property investment through development of Council owned assets to achieve maximisation of the financial benefit to support corporate objectives.

The project is seeking to achieve:

- A residential rental property development scheme on the three key council owned sites in Godalming that makes a positive contribution to the town as a place for work, leisure and to live. The three sites comprise:
 1. The Burys
 2. The Wharf Car Park
 3. Crown Court Car Park (with consideration for increasing parking provision)
- Retention of the Council's office presence in Godalming as part of the development scheme that supports the Office Accommodation Strategy under Business Transformation to offer a positive working environment.
- A scheme that provides mutually agreeable replacement or alternative accommodation for the Council's other existing tenants.
- Neutral impact on car parking and other community amenities in the immediate area.
- A positive contribution to the Medium Term Financial Plan.
- Development that supports the Climate Change Emergency declared in 2019.

Project Background

The Council owns three adjacent prime sites in Godalming.

The Council offices are no longer fit for purpose and incur high maintenance costs. This, along with the need to adopt new ways of working impacting on office accommodation requirements, makes it an appropriate time to consider the use of the Burys site.

Together with two other adjacent Council owned sites, the Wharf car park and Crown Court car park, there is a prima face opportunity for determining best use of these Council assets whilst also bringing economic development to the town.

In November 2018 Lambert Smith Hampton (LSH) were commissioned to undertake a Strategy and Options Evaluation of office accommodation for the Council which was funded by a Government grant. While this evaluation considered liquidating assets to fund the office redevelopment, LSH concluded that such a development was financially viable and a number of options were presented. These contemplated the development of residential units as part of the outcome.

The first part of this project is to refocus on the residential development potential for the revenue benefit of the Council by commissioning a further report to assess the potential of the key sites for development whilst incorporating office accommodation needs.

Project Objectives

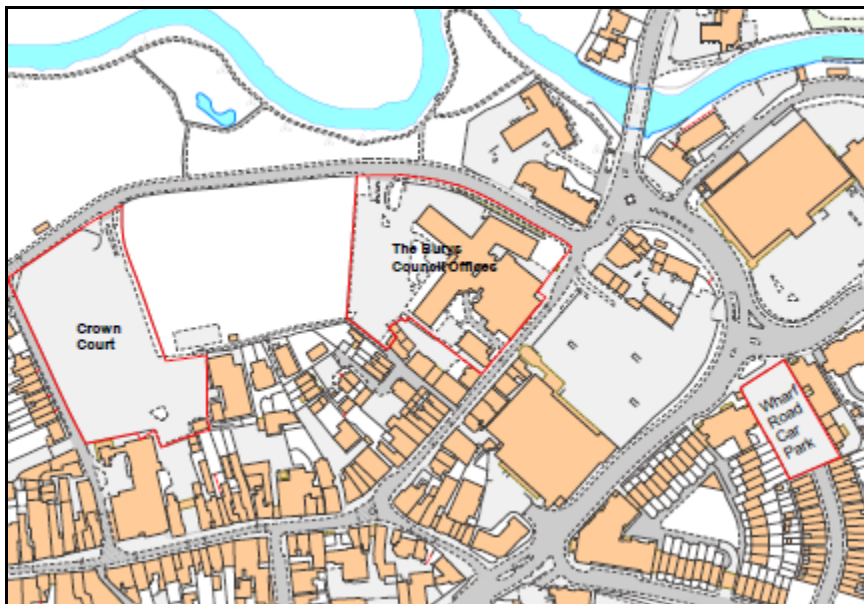
The key deliverables are:

1. Best use of Council owned assets
2. Meeting the requirements of the Office Accommodation Strategy (detailed in a separate project) to include:
 - Office space for Waverley Borough Council (including flexible Council Chamber space, committee rooms, meeting rooms, customer front door space)
 - Cost reduction savings
 - Reduction in Council office carbon emissions
 - Agile ways of working (employment contract and policies, technology and mobility considerations)
3. Financial benefit to support corporate objectives
4. Housing delivery for market rent housing and social housing
5. A zero carbon/carbon neutral development.
6. Support for local economies

The project will also consider:

7. Retention of the Crown Court car park but consideration of increasing capacity.
8. Retention of the Godalming Town Council/Borough Hall façade.

Project Scope and Exclusions



The following land/property assets are considered in-scope for The Burys Project

1. The Burys complex (including The Burys office block, Borough Hall, community centre for over 55s, Citizens Advice Bureau etc)
2. The Wharf Car park
3. Crown Court car park (with consideration for increasing parking provision)

Project Deliverables and / or Desired Outcomes

The project will deliver a development scheme that:

- supports the project objectives
- makes a positive contribution to Godalming by enhancing the key sites as a place for work, leisure and to live
- is sympathetic to the surrounding area, the conservation area and nearby listed buildings
- delivers policy compliant social housing

Constraints and Assumptions

Constraints:

- Time – the project will impact on the Council's Medium Term Financial Plan. The existing Council office requires significant annual maintenance.
- Budget – funding will be needed to deliver a scheme and this will be achieved through a range of funding including:
 - Reserves
 - Borrowing (expected to be the default source)
 - Government or other publicly accessible funding bodies eg Lottery
- Scope – the project is limited to the three key sites and requires the continued presence of the Council office within Godalming
- Risk – consideration is needed of Council's appetite for risk as documented in the Risk Appetite Statement
- Resources – the use of external expertise will be required to supplement in house resources to bring in experience and skills needed to manage a project of this size
- Organisational processes/structures – the proposals must support the governance requirements of the Council
- Stakeholder satisfaction
- The development will need to meet planning requirements
- There are long term lease arrangements at The Burys site which may impact on development considerations
- The declaration of a Climate Change Emergency by the Council will influence option considerations and decisions
- Consideration of ongoing working space requirement during the lifecycle of this project

Assumptions:

- The project will be overseen by the Property Investment Advisory Board supported by the Asset Management team. Other in house resources will be consulted as appropriate including, but not limited to, Planning, Housing and Development.
- The use of the external expertise will be commissioned as required to support internal resources
- Funding for the options appraisal for the project will come from the £40k agreed at Executive 7/1/2020
- On agreement of a scheme work will commence on:
 - Tender for a strategic design partner
 - Generating support from stakeholders
 - A detailed project plan
 - A full financial appraisal which will consider funding of the development
 - Communication strategy

- Consideration of development detail options
 - Agreeing a preferred way forward in delivery
 - Tying in Office Accommodation Strategy
 - Logistics of project delivery
- Any procurement will be undertaken in compliance with the Council's Financial Regulations and Contract Procurement Rules
 - A Project Manager will be appointed to undertake the management of the scheme
 - Accessibility for staff, councillors, public and visitors will be provided in line with the equality act
 - An equality impact assessment will be carried out as part of the options appraisal

Users and Stakeholders

The stakeholders comprise the following and are detailed in a separate stakeholder analysis:

- Waverley Borough Council Leader and Deputy Leader
- Portfolio Lead - Finance, Assets and Commercial
- Investment Advisory Board
- Customer Services and Value for Money Overview and Scrutiny Committee
- Waverley Borough Council Management Board (Chief Executive, 2 Strategic Director)
- Senior Management Team
- All staff
- Leaseholders
- Regular Borough Hall activity leaders
- Casual Borough Hall activity leaders
- Borough Hall activity users
- Residents and business of Godalming

Interfaces

This project will interface with the:

- Office Accommodation Strategy under Business Transformation - to ensure the project accommodates the requirements identified
- Housing – to ensure the social housing element of the project meets the Council's standards
- Planning
- Climate change emergency action plan –the project will honour the commitments within the plan as per the Property Investment Strategy

Project Approach

The Council will work with the Council's external property advisors to deliver the project.

The phases of the project are:

Phase 1 - base line, buy-in and developing brief for a strategic partner

- Generate overall support for the project from key members
- Communication strategy planned and implemented
- Consider development detail options and agree a preferred way forward
- Tender for a strategic design partner

Phase 2 - developing design and business case requirements

- Development of design
- Assess the design options (Full Council decision required)
- Develop business case / Investment Advisory Board approval requirements
- Assessment of further project team inputs required
- Soft market testing – market appetite and funding / development options
- Communication strategy revisited
- Detailed consultation with stakeholders and user groups

Phase 3 - Development

- Detailed design and build of scheme – broken down into RIBA stages
- Management of staff and site users during the build
- Continuation of Comms plan

Business Case

This project will bring value from maximising the potential of Council owned assets. It will deliver a significant General Fund revenue stream. It will also address the requirements of the Office Accommodation Strategy and deliver cost savings. Together these will support service delivery, the Council's Medium Term Financial Plan and the Council's Corporate Strategy.

The project will benefit:

- The local economy, supporting local businesses and employment
- Those wishing to live in Godalming through delivering housing to rent for all income levels
- Planning and development, supporting place-shaping and local engagement in planning policy
- The surrounding area through sympathetic development
- The Corporate Strategy by supporting the vision to sustain 'a financially sound Waverley, with infrastructure and services fit for the future'
- The environment through the commitment to the Climate Change Emergency

Options

The options stated below are high level options and will need to be updated once a detailed option appraisal has been considered and a preferred option is recommended.

Do nothing

If no action is taken to achieve the outcomes of this project:

- The potential of the key sites is not being fulfilled
- The council offices will incur increasing costs of maintenance
- The need for flexible working arrangements as set out in the Office Accommodation Strategy will not be achieved
- Efficiency savings and income generation will not be achieved to support the Medium Term Financial Plan

Therefore, this option is not recommended.

Alternative option 1 – Consider development of the three key sites separately

- This does not take advantage of the development potential using all three sites to deliver a scheme
- Does not allow the Council to modernise effectively and address new ways of working

Therefore, this option is not recommended.

Costs and dis-benefits

The financial implications of this project will be fully appraised as part of Phase 2 detailed Design Options Appraisal.

Funding for the commissioning of a report into the development of the key sites was approved at Executive on 7/1/2020.

Project Governance

The Project Initiation Document and Project Plan will be agreed by the Project Sponsor and the Property Investment Advisory Board.

The project governance will be through the Property Investment Advisory Board and will follow the governance arrangements set out in the Property Investment Strategy.

Key decisions will be proposed to Executive as required.

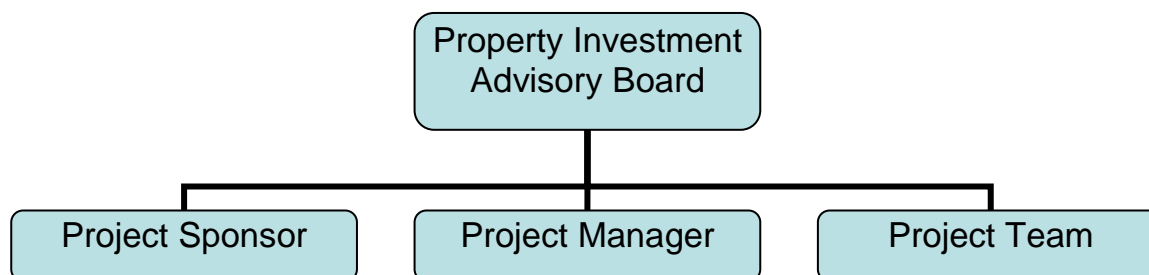
The Project Board will review the project at each Property Investment Advisory Board. Other Board meetings will be called as required.

The Project Team will meet monthly and will provide project updates to the Property Investment Advisory Board, the Executive and Management Board as appropriate.

Project Team:

Role	Name	Position in the organisation
Project Sponsor	Peter Vickers	Head of Finance and Property
Project Manager	Caroline Wallis/ Vicki Basley	Asset Investment Manager/ Corporate Asset Manager

Team structure



Project Plan

A high level plan is set out below:

Year	Month	Activity
2020-21		• PID sign off by....
2021-22		•
2022-23		•
2023-24		•
2024-25		•

Project Reporting

Project reporting schedule:

- Property Investment Advisory Board
- Customer Service and Value for Money Overview and Scrutiny Committee
- Executive

Quality Management Strategy

Quality management approach

External expertise will be procured to deliver a scheme that is sympathetic to the surrounding area, enhances the town and complies with planning regulations.

The agreed scheme must deliver efficiencies to the Council's running costs and support the achievement of the Medium Term Financial Plan.

Given the potential income generation and ongoing revenue costs associated with any build, project quality of design and build will be critical to the ongoing project and therefore is identified as being recorded as second out of the cost, quality and time prioritisation.

Quality will be a feature in procurement evaluations, project performance management and payment profiles.

Configuration Management Strategy

Configuration Management

Information in relation to this project will be stored in the confidential sharepoint folder of the Corporate Asset Team.

Information will be distributed as appropriate through the Communications Strategy and project monitoring.

The project manager will be responsible for managing the following key documents:

- Project plan
- Change control log
- Action log
- Risk and issue log
- Stakeholder analysis
- Lessons learnt

Risk Management strategy

Risk Approach

Risks will be managed in accordance with the Council Risk Management Framework with consideration of the Council's Risk Appetite Statement and the requirements of the Property Investment Strategy.

A Risk Register will be kept of the risks to the achievement of the project.

Communication Management strategy

Approach

A Communications Strategy will be developed in phase 1 of the project in collaboration with the Council's Communications Team.

PID Authorisation by Management Board

Authorised by	
Date	
Signature	