
Report to Performance and Finance Scrutiny Committee

11 March 2021

Award of Contract: Joint Venture Partnership for County Council Property Development

Report by Director of Law and Assurance

Summary

At its May 2019 meeting, the Performance and Finance Scrutiny Committee received a paper on the proposal to set up a joint venture arrangement to carry out property development on selected Council sites across the county. The Committee supported the venture in principle and reviewed progress in establishing the partnership and the structure of the arrangement in January 2020.

The Cabinet Member for Finance took a Key Decision in June 2019 to set up an arm's length vehicle and to competitively procure a private sector enterprise to partner the County Council in the joint venture. The attached draft decision report by the Director of Property and Assets proposes to award the contract to the successful bidder from the procurement exercise.

The Committee will consider some elements of the proposal in public but will need to deal with the procurement process, its output and the consequent financial elements of the proposal as confidential business due to the position of the procurement.

Focus for scrutiny

The Committee is asked to consider the draft decision report attached. The key areas of focus for scrutiny are:

- that the principles of the joint venture partnership continue to meet the aims of the County Council in relation to its economic priorities;
- that the governance arrangements for the joint venture are clear and will enable democratically accountable decision-making;

As part of a confidential discussion:

- that the joint venture arrangement is designed so as to meet the aims of the Council's asset strategy;
- that the risks of the joint venture have been identified and are being actively managed.
- that the procurement exercise has achieved the intended outcome set out in the original decision;

The Chairman will summarise the output of the debate for consideration by the Committee.

Background and Context

- 1.1 The decision for the Award of Contract: Joint Venture Partnership for County Council Property Development is scheduled to be taken in March 2021 by the Executive Director Place Services. This follows the procurement process that has been undertaken following decision FR05 19-20 which was taken in June 2019 which recommended entering into a joint venture partnership agreement. This decision was further scrutinised by the committee in January 2020.
- 1.2 The successful bidder will provide property development resources and services to develop identified land in which the Council has an interest, subject to commercial viability and value in accordance with the p agreement. The attached decision report (Annex A) sets out the approach to and mechanisms for decisions of the partnership. A further report for members sets out the procurement process, its output and the expected outcomes and financial impact of the proposal.
- 1.3 The background and context to this item for scrutiny are set out in the attached draft decision report, including resource and risk implications, Equality, Human Rights, Social Value, Sustainability and Crime and Disorder Reduction Assessments. These are contained in two separate reports, one for open discussion and the other containing restricted information which cannot at this stage be put into the public domain.

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Appendices

Annex A Part I Draft decision report for Award of contract: Joint Venture Partnership for County Council Property Development (provided for Members of the committee only)

Appendix 1 Outline of governance for the Joint Venture

Additional Part II Restricted documents are provided (for Members of the committee only) under Item 13: Annex B – Award of contract: Joint Venture Partnership for County Council Property Development.

Background papers

None