

Report to: Council
Date of meeting: 14 October 2015
Report of: Managing Director
Title: Addition to Capital Programme – Watford Business Park

1.0 SUMMARY

- 1.1 This report seeks approval for an addition to the capital investment programme of £800k for the next phase of implementing the Watford Business Park redevelopment.

2.0 RECOMMENDATIONS

- 2.1 That Council approves an addition of £800k to the capital investment programme for 2015/16 subject to business cases being made for each lease acquisition.

Contact Officer:

For further information on this report please contact: Manny Lewis, Managing Director. Ext 8186

3.0 DETAILED PROPOSAL

- 3.1 Cabinet at its meeting of 1 September 2014 approved the overall masterplan and redevelopment strategy for WBP and a progress report was set out to Cabinet on 13 July 2015 with the initial steps required to achieve vacant possession.

Budget Council at its meeting of 29 January 2015 had approved the three year capital investment programme attached as Appendix 1. The three year programme retains a carry forward balance of £2.5m at the end of 2017/18 and provision can therefore be made to fund leasehold acquisitions in WBP in accordance with the masterplan and vacant possession strategy. Council is asked to approve an addition to the capital programme of £800k for acquisition costs in 2015/16. Business cases for each acquisition will be considered by Cabinet and/or the Property Investment Board in advance of any purchases.

A full report setting how the vacant possession strategy will be achieved and funded as well as the delivery structure and returns to the Council on the scheme is planned for November Cabinet.

4.0 **IMPLICATIONS**

4.1 **Financial**

- 4.1.1 The Shared Director of Finance comments that earmarking £800k for WBP acquisitions can be accommodated within the existing capital programme funding, subject to individual business cases being approved for each proposed purchase.

A review of the long term capital investment options for the Council as its major schemes move into the delivery is being undertaken by Finance and conclusions and recommendations will follow as part of the overall budget setting process for 16/17 onwards.

4.2 **Legal Issues** (Monitoring Officer)

- 4.2.1 The Head of Democracy and Governance comments that there are no direct legal implications arising from the report.

4.3 **Potential Risks**

A full risk assessment will be part of each business case review.

Background Papers:

Cabinet reports of 1 September 2014 and 13 July 2015.
Budget Council report 29 January 2015.