

COUNCIL MEETING – 29TH JULY 2021

AGENDA ITEM NO. 4 (2)

**REGENERATING RUSHMOOR PROGRAMME – UNION YARD
REGENERATION SCHEME**

1. INTRODUCTION AND PROPOSALS

- 1.1 On 28th July the Cabinet will be considering a report setting out the further due diligence, financial modelling and risk update that has been undertaken since the Cabinet decision in April (RP2103) to proceed with the interim stage of the Union Yard development.
- 1.2 The [Cabinet report](#) is attached (Appendix 1), and Members have also been invited to a briefing on the 22nd July with the Council's advisors. In the report, the Cabinet is being requested to:
1. Note the outcomes of the further due diligence set out in this report and in the reports by Grant Thornton UK LLP (GT) and Lambert Smith Hampton Investment Management (LSHIM) in respect of development viability and financial modelling;
 2. Agree to proceed with the Union Yard scheme on the basis of a fixed price contract with the proposed project budget set out at exempt Appendix E comprising the direct and indirect costs and recommend to Council to amend the capital programme accordingly;
 3. Agree to enter into contract with Hill Partnerships Limited by means of a JCT Design and Build contract for the delivery of the scheme;
 4. Consider the proposals and cost implications relating to energy efficiency improvements that can be achieved from further changes to the scheme design and agree any variations;
 5. Agrees to the establishment of a Union Yard Project Board for the next stage of the project. The Board to include the Major Property and Projects Portfolio Holder, the Corporate Services Portfolio Holder and the Leader of the Labour Group to work alongside officers in providing oversight on the delivery of the consented scheme;
 6. Recommended the Council to delegate authority to the Executive Head of Finance to amend the Treasury Management Strategy and associated prudential indicators in accordance with Council's decision regarding the scheme.
 7. Note the next steps.

- 1.3 The Cabinet decision will be reported at the Council meeting but if the Cabinet agree the report as recommended, the role of the Council in the Union Street decision is to agree to make the funding available through agreeing changes to the Capital Programme. These changes will then require an update to the Council's Treasury Management Strategy and associated prudential indicators.

2. **RECOMMENDATION**

Subject to the Cabinet decision on 28th July, the Council is **RECOMMENDED to:**

- i) Amend the Council's Capital Programme to put in place a budget to enable the Council to proceed with the Union Yard Scheme. The budget to be set in line with the project costs set out in Exempt Appendix E of the Cabinet report attached.
- ii) Delegate authority to the Executive Head of Finance to amend the Treasury Management Strategy and associated prudential indicators in accordance with Council's decision regarding the scheme.

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