

WRITTEN STATEMENT OF A KEY DECISION CABINET

ITEM:	JOINT PROPERTY VEHICLE (JPV)
Members Present:	Councillors: AW Johnson (Leader), H Bramer, J Millar, PM Morgan (Deputy Leader), GJ Powell, PD Price, P Rone.
Date of Decision:	22 January 2015
Exempt:	No -
Confidential	No
<p>This is a key decision because</p> <p>It is likely to result in the Council incurring expenditure which is, or the making of savings which are, significant having regard to the Council's budget for the service or function concerned. A threshold of £500,000 is regarded as significant.</p>	
<p>A notice was served in accordance with Part 3, Section 9 (Publicity in connection with key decisions) of The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.</p>	
Urgency/Special Urgency: (As defined in Constitution)	No
Purpose:	To consider the proposals for a joint property vehicle (JPV) with Worcestershire and the alternative options for commissioning of property services.
Decision:	<p>THAT:</p> <p>(a) Herefordshire Council does not join the proposed joint property vehicle as a founding member; and</p> <p>(b) the director of economy, communities, and corporate, produce a further report following completion of a review of the options for ensuring a sustainable property service for Herefordshire including consideration of joining or becoming a customer of the joint property vehicle once it has been established.</p>
Reasons for the Decision:	The recommended approach will allow the council to properly assess all its options for the future of property services without incurring the costs associated with the establishment of the proposed joint property vehicle. This would allow the council to retain the option of joining or becoming a customer of the joint property vehicle once it has been established and allow the exploration of other approaches to collaboration. This will ensure we take the best approach for Herefordshire Council.
Options Considered:	Become a founding member of the JPV – the target launch date for the joint venture (JV) is 1 April 2015. The decision whether to join from day one is, therefore, needed in January 2015. Seven potential partners have been identified in Worcestershire, Herefordshire, Shropshire and Warwickshire with most

	<p>headquartered in Worcestershire. It is currently proposed that the main office would be in Worcestershire with a satellite office in Herefordshire. Herefordshire’s contribution to total costs (£43.8m est.) would be approximately 20% (full business case estimates). Many of the benefits which are identified for the JPV have already been substantially delivered in Herefordshire. For example, significant progress has been made in the county towards the implementation of a single public estate and the consolidation of the council’s operational estate, contracts, and client team. Further benefits are possible but Herefordshire is significantly ahead of the other partners in most areas where benefits are expected. This option is therefore not recommended.</p> <p>Do minimum – the contracts put in place after the end of Herefordshire Council’s strategic partnership with Amey were intended to be interim arrangements. The intention was to allow time to develop a more sustainable approach to property services. The ‘do minimum’ option would be to re-let similar arrangements potentially for longer terms. However, this option does not address succession planning and the sustainability of the client side operation.</p> <p>Other collaborations – the council has started to investigate options for collaborations.</p>
<p>Conflict of Interest ■ (See below):</p>	
<p>Date the key decision is due to take effect:</p>	<p>29 January 2015</p>

<p>COUNCILLOR AW JOHNSONDate: 22 January 2015 LEADER OF THE COUNCIL</p>
--

■ a record of any conflict of interest declared by any executive member who is consulted by the member which relates to the decision;

And

■ in respect of any declared conflict of interest, a note of dispensation granted by the relevant local authority’s head of paid service.