



**REPORT of  
DIRECTOR OF STRATEGY, PERFORMANCE AND GOVERNANCE**

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to  
**COUNCIL**  
**27 JUNE 2019**

**COMMERCIAL PROJECT OPPORTUNITIES – FEASIBILITY FUND**

**1. PURPOSE OF THE REPORT**

1.1 The Maldon District Council Future Council Transformation, and the emerging Commercial Strategy, highlight the need to develop commercial projects to provide a contribution to the Council funding over future years. This report seeks the Councils approval for the allocation of a budget of £100,000 to be taken from New Homes Bonus income, to be utilised for feasibility studies for potential commercial projects.

**2. RECOMMENDATIONS**

- (i) That the Council approves the establishment of a budget of £100,000 to be utilised for the development of commercial opportunities.
- (ii) That the Director of Strategy, Performance and Governance be authorised, in consultation with the Commercial Projects Board to approve any spend up to £10,000;
- (iii) That decisions on spend of over £10,000 be delegated to the Finance and Corporate Services Committee.

**3. SUMMARY OF KEY ISSUES**

- 3.1 As part of the new direction under the Future Model and the new Maldon District Council Corporate Plan the Council is taking a more commercial approach and investigating potential projects to generate income.
- 3.2 The Council has established a Commercial Projects Board, chaired by the Director of Strategy, Performance and Governance to analyse and progress potential commercial projects.
- 3.3 This Board meets monthly and consists of the Corporate Leadership Team (CLT), the Commercial Manager and the Strategy, Policy and Communications Manager. It is chaired by the Director of Strategy, Performance and Governance.

- 3.4 Pre-feasibility reports are presented to the Commercial Projects Board and those considered viable, then progress to full feasibility study.
- 3.5 In developing potential projects, it is often necessary to commission professional assessments, plans, reports, etc. in order to fully understand a potential project's viability.
- 3.6 Therefore, it is requested that a fund of £100,000 be made available to procure these professional services to progress projects. It is proposed that funding requests under £10,000 be referred to the Commercial Projects Board, and requests for over £10,000 be referred to the Finance and Corporate Services Committee.
- 3.7 To ensure Member overview of the allocations of the feasibility fund, a quarterly report will be submitted to the Finance and Corporate Services Committee, (Strategy and Resources Committee from October 2019) summarising all allocations of the fund.
- 3.8 The outcomes of feasibility studies, and associated business cases will be taken through the Member Corporate Projects Working Group for consideration, before going to Strategy and Resources Committee to allocate funds for the delivery of commercial projects. The process flow chart is shown in **APPENDIX 1**.

#### **4. CONCLUSION**

- 4.1 That the Council approve the establishment of a budget of £100,000 to be held as a funding reserve to be drawn down as set out above to enable the Council to conduct appropriate feasibility and due diligence on potential commercial projects.

#### **5. IMPACT ON STRATEGIC THEMES**

- 5.1 These proposals meet a number of strategic themes as stated above.

#### **6. IMPLICATIONS**

- (i) **Impact on Customers** – Delivery of Corporate outcome ‘Increased income through commercialisation’.
- (ii) **Impact on Equalities** An Equality Impact Assessment will be undertaken for individual projects.
- (iii) **Impact on Risk** – This funding will enable a full feasibility study and risk assessment for each project.
- (iv) **Impact on Resources (financial)** – £100,000 be transferred to earmarked reserve. Maximum of £10,000 delegated expenditure to officers.
- (v) **Impact on Resources (human)** – Time from Lead Specialist – Place, Commercial Manager, Housing Specialist, Commercial Projects Board.

- (vi) **Impact on the Environment** – Environmental impact will be considered for each project.

Background Papers: None.

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