## BODY: CABINET

DATE: 12<sup>th</sup> July 2017

SUBJECT: Joint Venture on Energy & Sustainability

## **REPORT OF:** Nazeya Hussain, Director of Regeneration and Planning

Ward(s) All

PurposeTo set up a structure with a private sector partner that will<br/>deliver a range of projects to meet environmental ambitions<br/>whilst also ensuring resilience against future energy,<br/>sustainability and climate change challenges.

Decision Type: Key decision

**Recommendation:** i. Appoint the Robertson Aecom Consortium as the Preferred Bidder for the Energy & Sustainability Joint Venture and award it a contract to work with Eastbourne Borough Council and Lewes District Council as the private sector partner subject to satisfactory finalisation and completion of the contractual agreements.

- ii. Approve the setting up of a new Joint Board for Energy & Sustainability comprising Eastbourne Borough Council and Lewes District Council Members as nominated by the group leaders on a politically proportionate basis. Such Board will be advisory only and substitute Members may be drawn from any political group.
- iii. Delegate authority to the Director of Regeneration and Planning to take all necessary operational decisions to implement the Joint Venture in consultation with the Portfolio Holder for Place Services and where appropriate the Chief Finance Officer and Assistant Director – Legal and Democratic Services.
- iv. Delegate authority to the Director of Regeneration and Planning to agree the inclusion in the Joint Venture structure of other participants in consultation with the Portfolio Holder for Place Services and where appropriate the Chief Finance Officer and Assistant Director – Legal and Democratic Services.
- v. Delegate authority to the Director of Regeneration and Planning in consultation with the Portfolio Holder for Place Services and where appropriate the Assistant Director – Legal and Democratic Services to agree the terms of an inter-authority agreement to govern the relationship between Eastbourne Borough Council and Lewes District Council as founding participants under the arrangement.

## 1.0 Background

- 1.1 Eastbourne Borough Council has made a commitment to providing a Quality Environment in its Corporate Plan 2016 – 2020, with this being one of four key themes. Likewise, Lewes District Council has made a similar commitment in its Council Plan 2016 – 2020, to having a Clean and Green District. Specifically, by 2020, the Councils intend to be moving towards becoming low carbon areas, with a wide range of locally derived environmentally friendly initiatives. Both Councils have ambitious plans to improve their respective areas and deliver significant projects, along with high quality operational services, and so have made a commitment to deliver a shared service.
- 1.2 Both Councils have already given consideration to the Joint Venture, and approved the public procurement process for a private sector partner, with reports going to Eastbourne's Cabinet on 25<sup>th</sup> May 2016, and Lewes's Cabinet on 4<sup>th</sup> January 2017. At Lewes District Council's Cabinet on 26<sup>th</sup> June 2017, the recommendations above were approved.
- 1.3 Within the energy sector there is a combination of increasing prices, future shortage of supply, and the need to reduce carbon emissions. The food chain faces similar future uncertainty with population growth and major global food regions are under threat from extreme weather patterns. There will also be future sustainability issues with transport, waste and water.
- 1.4 Eastbourne Borough and Lewes District Councils have good track records of investing and delivering in sustainability, and both have invested in solar panels on social housing, reduced their own carbon footprints, invested in green spaces, supported local community groups, and increased the amount of recycling collected. However in the context of future needs, a more ambitious approach to achieve large scale change is required, and a step change in investment, and working alongside commercial organisations for their specialist skills and experience, is required.
- 1.5 This report sets out how the Councils will be taking a leading role to develop projects that both tackle the issues in paragraph 1.3 above, and in addition, provide an income for the Councils. Whilst a key focus of the Joint Venture is to deliver potentially innovative Energy & Sustainability projects, it is of course possible that many capital projects could be delivered through the Joint Venture, provided that they come within the wide scope of the procurement and there is a sufficient element of energy and sustainability.
- 1.6 The Joint Venture is in effect a partnering relationship between the two Councils and the private sector partner, and offers significant advantages to accelerate the delivery of projects, which will be completed to a high standard and will achieve Members' ambitions for their respective areas. There would be no requirement for forthcoming projects to be procured,

which takes time and can have cost implications, however a request can be made to the private sector partner to run a mini-competition. Another benefit is the facility to bundle up smaller projects, some of which will be of community benefit. Finally, Robertson Aecom will need to build a local supply chain for sub-contractors, and they have made a commitment to holding open days for local suppliers, with a view to setting up the local supply chain.

- 1.7 Given that Eastbourne Borough Council and Lewes District Council are in the process of sharing services, the procurement process has been undertaken on behalf of both Councils, as founding partners. The Invitation to Submit Final Tender stage has now concluded, completing the procurement process. The Robertson Aecom Consortium are recommended as the preferred bidder and subject to the approval of both Eastbourne Borough Council's Cabinet, and Lewes District Council's Cabinet at its meeting on 26<sup>th</sup> June 2017, and satisfactory finalisation of the contractual agreements it is recommended that they are appointed as the Joint Venture partner for a period of 20 years, to provide a long term arrangement for a framework for the right strategic planning and investment to take place. There will also need to be an inter-authority agreement between the two Councils to govern the occasions when they must make decisions jointly e.g. at the Steering Board where they will have one collective vote.
- 1.8 Officers from the Department for Business, Energy and Industrial Strategy (BEIS) have approved the approach taken by both Councils, and the long-term thinking. They have also been regularly briefed on the procurement process.

# 2.0 Robertson Aecom

- 2.1 The term "Robertson Aecom Consortium" is used in this report to refer to:
  - Robertson Capital Projects Limited; and
    - Aecom Limited

who will jointly and severally enter the Strategic Partnering Agreement with the Councils.

- 2.2 Robertson Aecom have been working with the hub programme, which operates across five geographical territories in Scotland. In each, the participating public bodies have teamed up with a private sector partner to form a joint venture company known as a hubCo, to develop and deliver a diverse pipeline of community infrastructure projects. Robertson and AECOM were each appointed to establish and operate one of the hubCo areas. They have over five years of experience and success, helping multiple council areas to deliver a wide range of project types. Particular points to note are:
  - The total project value of each hub is just under £500m, which is a combination of schemes that have been delivered, are in development or are under construction;
  - A significant proportion of SMEs are involved in delivering contracts;
  - New jobs and apprenticeships have been created (in excess of 500);
  - There are high satisfaction scores on completed schemes;
  - Ability to reinvest any surpluses into developing a new pipeline of projects.
- 2.3 Robertson's Hub East Central Scotland projects have included early years,

primary schools, secondary schools, health centres, mental health facilities, pharmaceutical manufacturing facilities, community facilities, museums, libraries, leisure facilities, cultural attractions, offices, customer facing facilities, depots, vehicle maintenance facilities, affordable housing and care homes.

2.4 AECOM deliver a full range of technical and management services for construction and infrastructure projects to public and private sector bodies throughout the UK. Two local and relevant projects to the Energy & Sustainability Joint Venture and the delivery of early projects in Eastbourne ad Lewes are the Sussex Coast College in Hastings, where AECOM have provided full development management for the relocation of the college campus, and the Splashpoint Leisure Centre in Worthing , where AECOM have contributed both Structural and MEP design services in parallel with the development Cost Management services.

# **3.0 Operation of the Joint Venture**

- 3.1 The objectives of the Joint Venture are to:
  - Strategically identify, develop and deliver a diverse range of projects and services embedding energy and sustainability;
  - Provide an opportunity for public, private and third party organisations to strategically collaborate, plan and deliver improved aggregated outcomes;
  - Provide a tool that will deliver major capital projects to budget and to a high standard;
  - Support local businesses and the community through long-term needs review and investment planning;
  - Create low carbon sustainable communities.
- 3.2 There are a number of background documents that support this report, that help to explain how the Joint Venture might work operationally and the different processes that are involved, including how other public bodies and organisations can access the Joint Venture. These are listed below along with a short summary about each one:
  - i. **Joint Venture Toolkit** a guide to the key processes and how projects can be delivered;
  - ii. **Q&A Briefing Document** answers key questions on Scope, Governance, Finance, and Delivery;
  - iii. **Governance Method Statement** further detail on how the Council and private sector partners will operate the Joint Venture;
  - iv. **Stage 0 Method Statement** how sites can be taken from concept and vision to workable or 'qualifying projects';
  - v. **Project Development Method Statement** how qualifying projects can be taken forward to delivery;
  - vi. **Engagement Method Statement** how the community and other stakeholders will be engaged.

#### 4.0 Governance

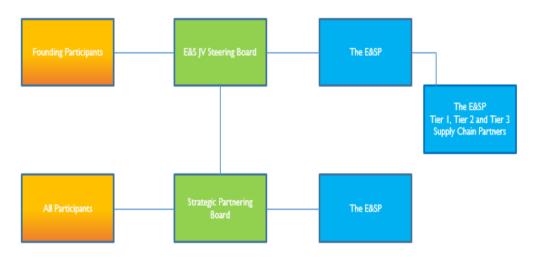
4.1 The governance arrangements are explained in detail in the Governance

Method Statement, but in summary, the Councils as founding partners will be able to:

- Recommend which of their own projects to develop and will, alongside the joint venture partner, approve the project delivery plan, which may include projects put forward by other public sector bodies;
- With the joint venture partner, decide to allow access to other participants (other local authorities and public bodies) to use the joint venture, and agree the terms on which they do so;
- Cancel or reject a project proposal at various gateways (although it should be noted that cancellation or rejection for certain reasons can result in liability for aborted costs, and where a final approval has been given to a project, potentially loss of profits);
- Invest in projects which generate a financial return.

A Carbon Reduction Board has operated in Eastbourne for some years, attended by relevant Portfolio Holders and senior officers. It is proposed to extend this and create an Eastbourne/Lewes Joint Board for Energy and Sustainability to scrutinise and review all projects prior to Cabinet consideration. All projects will be reviewed by this Board prior to any Cabinet decisions to proceed, so Members will be involved at each stage of the project gateway process. The community will be consulted (as appropriate) before any project is approved and funding given.

4.2 A diagram showing the Project Governance mechanism is shown below.



The Joint Venture consists of 3 parts as shown by the coloured boxes above:

# Yellow area (public sector)

The founding participants are Eastbourne and Lewes Councils.

All participants will be Lewes and Eastbourne Councils and any other public sector body that joins the Joint Venture.

### Green area (public and private sector)

The role of the Energy & Sustainability Joint Venture (E & S JV) Steering Board is oversight and accountability review, strategic leadership, strategic planning and Stage 0 Overview.

The Strategic Partnering Board oversees the work of the E & SP (see below).

Its role is guidance, performance review, scrutiny, strategic engagement and alignment of priorities.

# Blue area (private sector)

The E & SP is the Energy and Sustainability Partner and comprises Robertson Aecom, and their supply chain partners.

Tier 1 Supply Chain Partners - Contractor or Service Provider Tier 2 Supply Chain Partners - Consultant or Single service provider Tier 3 Supply Chain Partners - SME or service specialist

## 5.0 Identifying the pipeline

- 5.1 Once appointed, the private sector partner will work with the two Councils to examine our investment pipeline. Once established the private sector partner will commence a `100 day plan' which will scope out in more detail the potential pipeline for the next five to ten years.
- 5.2 Within the 100-day plan, all the key themes (energy, food, transport, water waste, and climate resilience) will be mapped onto the Geographic Information System (GIS), which will allow the Councils to take a holistic master-view of regeneration. All sites would be ranked and prioritised and aligned with the JV Project Approval Process, which closely follows the RIBA stages. This process will build in the appropriate Cabinet approvals, and will involve workshops with a wider set of stakeholders.
- 5.3 The Councils can choose which projects are included in the Joint Venture, and may not want to use the Joint Venture for schemes that are already underway, or for future projects. If it looks like the initial potential pipeline is small in the Eastbourne/Lewes Joint Venture Area, then the private sector partner will work with other Participants in the Joint Venture Core Area of Kent, Surrey, Brighton & Hove, East Sussex and West Sussex, and their supply chain of contractors, to develop a larger project pipeline. To ensure all costs are recovered a notional first 5 year minimum pipeline scenario would be in the region of £175m - £185m, approximately £35m a year.
- 5.4 When either Council wants to consider a project, a project approval process will be followed, with six steps outlined below.

| E&S JV<br>Stage | Summary                 | Key Outputs                                                                                       |  |
|-----------------|-------------------------|---------------------------------------------------------------------------------------------------|--|
| Pre-Stage 0     | Site Listing            | <ul> <li>Internally the Council agrees<br/>which sites can be considered by<br/>the JV</li> </ul> |  |
|                 |                         | Part 1 list created, which will require Cabinet approval                                          |  |
| Stage 0         | Strategic<br>Definition | Scope out all of the Part 1 sites                                                                 |  |
|                 |                         | <ul> <li>Prioritisation and classification of<br/>potential projects</li> </ul>                   |  |
| Stage 1         | Preparation<br>& Brief  | Develop scope of potential     projects including outline delivery                                |  |

|                          |                                         | <ul> <li>programme, project requirements,<br/>planning requirements and<br/>affordability cap</li> <li>Agree which sites can be taken<br/>forward as Qualifying Projects<br/>(Part 2 projects) which will require<br/>Cabinet approval</li> <li>Submit new project requests</li> </ul> |  |
|--------------------------|-----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| Stage 2                  | Concept<br>Design                       | <ul> <li>Agree affordability cap,<br/>comparators, and benchmarks</li> <li>Price cap adjustments</li> <li>Options appraisal</li> <li>Initial design and feasibility</li> <li>Develop preferred option</li> <li>VfM assessment</li> <li>Guaranteed maximum price</li> </ul>             |  |
| Stage 3 & 4              | Developed<br>and<br>Technical<br>Design | Develop Design<br>Pre-planning consultation<br>Confirm VfM<br>Market test construction packages<br>Finalisation of price                                                                                                                                                               |  |
| Contract<br>Finalisation | Completion<br>of contract               | <ul><li>Resolve residual risks</li><li>Technical Project Agreement</li><li>Financial Close</li></ul>                                                                                                                                                                                   |  |

At each stage the level of work increases and will be paid for through the Ongoing Partnering Services (OPS) and Transformational Partnering Services (TPS) fees (see paragraph 6.3 of this report for definitions of these fees). Prior to each stage commencing, the criteria for the next stage is agreed and if these criteria are delivered, it is expected that the costs will be paid through the OPS & TPS fees. If the Council decides to withdraw at any stage and the criteria have been met, then the Council will be expected to pay the costs, and the amount will depend on the type and size of the project. At the start of the Joint Venture, the private sector partners will be carrying out Stage 0 work at risk, with a view to delivering a Qualifying Project. Their costs will be repaid (with interest) once a Qualifying Project has been delivered.

5.5 Cabinets will be required to give approval to projects being listed in Part 1 of the Joint Venture Delivery Plan as well as Part 2.

Part 1 projects are a shortlist of potential projects which may require further development and feasibility studies to be undertaken.

Part 2 projects are "Qualifying Projects" to which the exclusivity provisions apply.

Approval will also be required before a new project request is made to take forward a Qualifying Project and during the project approval process at the Stage 1 decision and at the Stage 2 decision, (unless a particular decision is delegated to officers), so Members will always be in the position of deciding which projects are progressed.

A diagram of the Gateway Approval Process is shown at Appendix A.

The 'Stage 0' and 'Project Development' Method Statements explain in detail how projects will be taken from concept to delivery.

An initial Part 1 list of projects is shown below:

### Eastbourne Borough Council

New Sovereign Leisure Centre Bedfordwell Road Wish Tower Restaurant

#### **Lewes District Council**

North Street Quarter: Springman House New Community Fire Station North Street Quarter: Energy Services Company Newhaven Enterprise Zone: Railway Quay Newhaven Enterprise Zone: Town Centre

### 6.0 Strategic Partnering Agreement

- 6.1 The Joint Venture will be overseen at its top level through a 'Strategic Partnering Agreement' (SPA) which gives the greatest flexibility for the long term aims. The SPA will act as an enabling agreement through which individual projects will be delivered.
- 6.2 The SPA has been procured by both Councils through the Competitive Procedure with Negotiation. Key elements of the SPA are:
  - Flexible governance arrangements, providing the Councils with the capability to take forward projects with the private sector partner;
  - Other public sector bodies can have a direct relationship with the private sector partner;
  - The Joint Venture Business plans are jointly developed between all parties, with final approval by the Founding Participants (Eastbourne and Lewes Councils) and the private sector partner;
  - There will be no need for further procurement as the private sector partner can choose its own supply chain of contractors and subcontractors in conjunction with Eastbourne and Lewes Councils (subject to usual best value tests);
  - Internal and external capital can be raised as and when required;
  - Contracts for additional joint ventures and regeneration projects will be drawn up to suit the project, templates will be available, and over time these will be developed for repeating projects.

The SPA is of necessity a detailed legal document.

6.3 The private sector partner has the sole and exclusive right and obligation for a period of 10 years from the commencement date of the SPA to provide:

- (i) On-going Partnering Services; and
- (ii) Transformational Partnering Services in respect of Qualifying Projects.

Definitions of these terms are provided below.

<u>On-going Partnering Services</u>: are constant or recurring services which include:

- Partnering and Collaborative Working, supporting participants to develop the Joint Venture Delivery Plan, to establish and develop the Strategic Partnering Board;
- Supply Chain Management to establish, manage and refresh a supply chain of contractors that can deliver and demonstrate continuous improvement;
- Value for Money to the participants during the term of the SPA.

The private sector partner has no obligation to provide On-going Partnering Services if there are no Qualifying Projects.

<u>Transformational Partnering Services</u>: are services in connection with the development of new projects and include:

- New Project Development and Delivery;
- Selection from Supply Chain for each New Project;
- Funding;
- Value for Money.
- 6.4 With regard to exclusivity, there are a few points worth emphasising:
  - The private sector partner will have conditional exclusivity rights over Qualifying Projects (the Part 2 list);
  - There is no obligation on the Councils to use the Joint Venture to deliver projects unless they choose to make them Qualifying Projects, however if there are no Qualifying Projects over a continuous three year period either party may terminate the arrangements;
  - Exclusivity can be suspended if the private sector partner fails to meet certain Key Performance Indicators;
  - With regard to Qualifying Projects, exclusivity operates by the project being offered to the private sector partner through the submission of a New Project Request (NPR). This does not oblige a Council to take forward a project. The private sector partner can reject the NPR and then, depending on the circumstances for the rejection, the Council is free to take the project forwards through a different means;
  - If other public bodies join the Joint Venture, the E & S JV Steering Board will have the ability if it wishes, to consider projects in their areas, and if appropriate take the decision that they cannot be delivered if they are in conflict with the values and visions of Eastbourne and Lewes Councils in their roles as Founding Participants.
- 6.5 The procurement process required the tenderer to provide example business cases to test their potential to deliver, and their competiveness.
- 6.6 Once Eastbourne Borough Council and Lewes District Council approve the appointment of the Joint Venture private sector partner, it is anticipated that the SPA will be in place by July/August 2017.

- 6.7 The SPA contains detailed termination provisions. Each new project will be governed by its own set of contractual documents which will contain separate provisions. Compensation is payable on termination in some situations.
- 6.8 The intention is that only Eastbourne Borough and Lewes District Councils as the Founding Participants will be able to terminate the overall arrangements, although individual participants may terminate their own involvement. Participants are liable on a several (not a joint) basis, and compensation is payable on termination in some situations by either party depending on fault. Further detail on these arrangements can be found in the SPA.

# 7.0 Legal implications

7.1 Legal Services have been closely involved with the project from inception, and in particular with the procurement process.

The Joint Venture on Energy & Sustainability involves both the selection of a joint venture partner and the award of contracts/concessions. The process undertaken has therefore covered both of these elements to create a long term incremental partnership arrangement. The nature of this arrangement may entail contracts covered by the Utilities Contracts Regulations 2016 and the Concessions Contract Regulations 2016 as well as the Public Contract Regulations 2015 (PCR 2015).

A compliant competitive procedure with negotiation has been undertaken under the PCR 2015 in order to select the proposed Preferred Bidder.

Previous reports have set out the relevant powers. When considering a complex or multi layered arrangement, a number of powers will be used to cover all aspects of the arrangements. It is considered that there are sufficient powers to enable the Councils to procure and participate in the proposed arrangements. Key powers include:

• Section 1 Localism Act 2010: general power of competence

• Section 11 of the Local Government (Miscellaneous Provisions) Act 1976 (as amended by the Electricity Act 1989) which provides that a local authority may generate and sell heat and electricity, and may also purchase and supply heat.

It is considered that the proposed arrangements are compliant with State Aid rules. This element will be monitored throughout the life of the arrangement and in relation to individual projects.

### 8.0 Resource Implications

### 7.1 Staffing

Staff time will be required for both the development of the 100 day plan, and for on-going project development. Each project that is delivered through the Joint Venture will be charged an Ongoing Partnering Service Fee. This will be used to pay both the public and private sector's set up costs. Following that,

0.25% will be payable to the Council. Over time, this should enable the Council to recover its costs of participation.

# 7.2 **Financial**

# 7.2 i) Start-up costs

The total start-up costs are up to £300,000, which comprises:

- £100,000 for both Councils' set up costs (£50,000 from Eastbourne Borough Council and £50,000 from Lewes District Council);
- £100,000 for Robertson/AECOM's set-up costs;
- Up to £100,000 to cover Robertson AECOM's costs for the initial scoping and potentially the 100-day plan.

The Councils' set up costs have been met by an existing budget and Robertson/AECOM will be doing work at risk. The £300,000 will be recovered through the fees that will be applied to new projects.

Eastbourne Borough Council will contribute the Government's Heat Networks Delivery funding of  $\pounds$ 32,500 which is matched by  $\pounds$ 32,500 of its own funds.

#### 7.2ii) **On-going costs**

As mentioned in 7.1 the Councils will be required to invest staff time in project development (approx. 181 days) and these costs are recoverable through the income generated by the management fee that is applied.

### 7.2iii) Capital

A business case will be developed for each individual project that sits beneath the SPA, to include fees, and capital allocations will be requested for each project. Both the business case and capital allocation for each project will require Cabinet approval.

### 7.2.iv) **Fees**

There are two types of fees:

### On-going Partnering Services (OPS) fee

An Ongoing Partnering Services (OPS) fee of 1.75% will be charged against the total contract value of capital and services projects. This fee is effectively a project management charge, received by the partners, which is broken down as follows:

| • | Founding Participants | 0.25% |
|---|-----------------------|-------|
| • | E&SP                  | 1.20% |
| • | Surplus Fund          | 0.30% |

A brief explanation of each follows:

Founding Participants (FP) - a Management Fee will be taken by EBC/LDC that reflects the Participants' involvement in delivering OPS and recognises their ongoing stewardship of the E&S JV procurement mechanism;

Energy & Sustainability Partner (E&SP) - an OPS Fee will be taken by the Robertson/AECOM JV that reflects it is the primary deliverer of OPS and this necessitates the commitment to a range of fixed annual as well as periodic

scalable costs;

Surplus Fund - a contribution to the E&S JV surplus fund will be made to generate cash balances that can be used to fund Stage 0 activities and in turn support the development of an ongoing pipeline of projects and services.

The Business Plan modelling shows that a surplus is likely to start arising once a stated threshold of income is received, most likely towards the end of year 3 or the beginning of year 4. Accordingly, the FP and E&SP have agreed that from a cash flow perspective they will have first call on income received ahead of the surplus fund.

All OPS costs incurred by the FP and the E&SP are incurred at risk, and are only recoverable (with interest) when enough OPS income is generated from the E & S JV's pipeline of projects and services. No party has any obligation to the other to make OPS payments in the absence of sufficient OPS income being received to cover the costs of service provision.

# **Transformational Partnering Services fee**

In addition to the OPS fee of 1.75%, a Transformational Partnering Services (TPS) fee of 2.75% will be charged against the capital value of all projects that are delivered as Qualifying Projects. This fee effectively covers any technical input that is required. The TPS for Services & Supplies projects will be calculated on a project by project basis.

Projects generating lower returns but which hold strategic importance will be considered as part of a blended approach.

The OPS and TPS rates will be reviewed every 5 years.

### 7.2v) **Income generation**

The main route for income generation is the returns on investments for particular projects. In addition to the Council obtaining a Management Fee income of 0.25% on all projects to cover its costs, it can also invest in projects as a shareholder or investor and generate an income.

Robertson AECOM intend to invest in projects, and the Councils and other Participants can invest where appropriate. Robertson AECOM are comfortable with 100% public sector investment for particular projects, but the SPA provides for the option of up to 50% equal footing.

#### 8.0 Other Implications, Environmental, Community Safety, Youth, Antipoverty, Equality and Fairness analysis

### 8.1 **Environmental:**

The projects that sit beneath the SPA will assist the reduction of carbon emissions throughout the towns and deliver long-term sustainability aims.

### 8.2 **Community benefits**

There will be significant engagement with the community on relevant projects, and the Joint Venture can be used to deliver projects of community benefit.

## 8.3 Equality and Fairness

An Equality and Fairness Analysis has been carried out.

# 9.0 Summary

- 9.1 Setting up a Strategic Partnering Agreement (SPA) Joint Venture, is a low cost, low risk option for Eastbourne Borough Council, putting the Council in a strong position alongside Lewes District Council to deliver sustainability ambitions, and invest in significant capital projects with the potential for financial return.
- 9.2 The Joint Venture can be used to accelerate the delivery of projects, which will be completed to agreed timescales, and to a high standard, achieving Members' ambitions for their respective areas. Use of a private sector Joint Venture partner will mean that other contractors can be brought into projects without the requirement for a procurement exercise, which can take time and have cost implications, so it will have a positive impact on the Councils' budgets.
- 9.3 A local supply chain will be developed and projects with community benefit can be delivered.
- 9.4 As the SPA forms and grows, it will be a platform for advice and capacity building to other local authorities, something the Department for Business, Energy and Industrial Strategy (BEIS) formerly the Department for Energy and Climate Change (DECC) is keen to encourage and see develop.

# Appendices:

Appendix A – Gateway Approval Process

The Background Papers used in compiling this report were as follows:

Eastbourne Borough Council Cabinet report 25th May 2016

Lewes District Council Cabinet report 4th January 2017

Lewes District Council Cabinet report 26th June 2017

Joint Venture Toolkit

Q&A Briefing Document

Governance Method Statement

Stage 0 Method Statement

Project Development Method Statement

Engagement Method Statement

Equality and Fairness Analysis

To inspect or obtain copies of background papers please refer to the contact officer listed above.