Finance and Resources Overview and Scrutiny Committee

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Report for:	Finance and Resources Overview and Scrutiny Committee
Title of report:	Proposals to Establish a Dacorum Investment Partnership
Date:	8th October 2024
Report on behalf of:	Councillor Adrian England, Leader of the Council
Part:	I
If Part II, reason:	N/A
Appendices:	
Background papers:	
Glossary of acronyms and any other abbreviations used in this report:	DeVO – Delivery Vehicle Options Review (D)IP – (Dacorum) Investment Partnership HOTs – Heads of Terms JV – Joint Venture SPV – Special Purpose Vehicle LLP – Limited Liability Partnership SLT – Senior Leadership Team

Responsible Officer

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Corporate Priorities	A clean, safe and enjoyable environment Building strong and vibrant communities Ensuring economic growth and prosperity Providing good quality affordable homes, in particular for those most in need Ensuring efficient, effective and modern service delivery

	Climate and ecological emergency
Wards affected	All - with anticipated significant focus in Hemel Hempstead wards
Purpose of the report:	1. To update Cabinet on the findings of the completed Delivery Vehicle Options Review (DeVO) plus subsequent market engagement work to understand the opportunity to work in partnership to deliver on the Council's strategic development priorities. 2. To recommend the establishment of a Dacorum Investment Partnership under the outline structure highlighted, subject to further detailed Legal and Commercial advice and the outcome of a competitive exercise.
Recommendation (s) to the decision maker (s):	That Cabinet: 1. Delegates approval to the Strategic Director (Corporate & Commercial), supported by Statutory Officers, in consultation with the Portfolio Holder for Corporate and Commercial Services, to design and undertake a competitive selection process to select a suitable Partner(s) to work in conjunction with the Council in an Investment Partnership model. 2. Approves the commissioning of suitable independent advice on the financial, tax, legal, procurement and governance arrangements to ratify the approach. 3. Recommends to Council approval of a one-off drawdown of £230,000 from Council development reserves to undertake work related to creating and entering into the Investment Partnership(s)
Period for post policy/project review:	The project team will revert to Cabinet at the end of the selection process; estimated to be in June 2025.

1 Introduction/Background:

1.1 In June 2023, Cabinet approved a programme of work to undertake a Strategic Asset Review (SAR) to support the Council's ambitions to deliver housing growth and regeneration throughout Dacorum. This review is in progress and will ensure that the Council makes best use of its assets to address place-related issues, support housing growth and shape new development to support residents' wellbeing and the Borough's, longer term economic growth.

1.2 As part of the overall SAR, a budget of £30k to carry out a Delivery Vehicle Options Review (DeVO) was approved. This workstream of the overall SAR programme is now complete. The key objective was to support the Council in determining, at a strategic and holistic level, an appropriate delivery framework that could support its new development, regeneration and place making objectives of:

- Increasing housing supply across affordable housing and other appropriate tenures to meet increasing local need.
- Delivering wider regeneration and place-making, including the regeneration of key strategic town centre and neighbourhood sites.
- Securing long-term income streams to the Council

1.3 In essence, other SAR workstreams will enable the Council to understand 'what' could be delivered in terms of types and quantum of new development and regeneration. The DeVO workstream's purpose was to determine an appropriate framework of 'how' it might deliver future plans – which involve a significant scaling up and diversification on what has largely to date been delivered 'in house' by the Housing Development Delivery Team. It involved a critical assessment of potential delivery routes, a range of case study examples for various routes and recommendations for a potential framework for delivery.

1.4 A key conclusion of this review is that a form of partnership working could allow the Council to utilise external expertise and capacity to help develop plans and deliver housing and regeneration across a programme of sites. A partnership arrangement was identified as likely to be some form of Investment Partnership specifically tailored to the Dacorum context.

1.5 As the Council aims to shift to a more strategic and holistic approach to new development, regeneration and placemaking activities, a long-term partnership approach could align to this desired shift and would access capacity and expertise; as opposed to the Council looking to deliver individual sites directly on a project-by-project basis. Collaborating with an experienced private developer has the potential to bring benefits such as the sharing of skills, experience, risk and a ready-made supply chain. A programme approach could support development of more complex, resource intensive sites as well as smaller sites, potentially allowing cross-subsidy across sites, to support delivery of affordable housing. The ability to access external expertise and capacity is also one of the key reasons why other local authorities have opted for forms of partnership working.

2 Investment Partnership Overview

2.1 The term 'Investment Partnership' (IP) is becoming more commonly used to describe medium to long-term partnership working between local authorities (and some Registered Providers) and private sector developers. These mirror traditional Joint Venture (JV) arrangements in that they both work on the premise of a council and a private developer coming together to share in the risk and reward of development; with the public sector partner, in most instances, initially providing the land (and potentially funding) and the private sector partner providing development expertise and potentially access to alternative finance sources and more efficient supply chains. More mature partnerships have evolved to acquire land for development as well.

2.2 A key difference between the developing IP approach and a traditional JV is that their establishment is focused on the formation of the Partnership itself, rather than including prescribed projects at formation. There are no specific 'red-line' projects at inception – rather the Partnership strategy and associated development programme and business plans are worked up in partnership, often with the private partner's feasibility work being undertaken at risk. There is, therefore, no requirement for a procurement for goods, works and services (as is the case for a traditional JV arrangement). Local Authorities do not have to undertake a full Procurement Regulations 2024 compliant procurement process to appoint a partner – although it should be noted that all local authorities that have established an IP have still followed a form of competitive selection process to provide transparency and to help demonstrate best value.

2.3 As IPs can choose to take a programme approach to sites, less financially viable sites could be delivered as long as they can be subsidised by other more valuable sites, and the overall programme of work is financially sustainable and deliverable.

Structure & Commercial Arrangements

2.4 IPs, like JVs, are typically 50:50 partnerships with risk and reward equally shared. The precise structure and operational parameters of the Dacorum Investment Partnership (DIP) will need to be proposed and agreed as part of the partner selection process and will need to have some flexibility to benefit from best practice established by potential partners.

2.5 In the IP model, there are no sites specifically included from the outset, and hence no definitive agreed deliverables or timescales. There is also no exclusivity between the partners. Plans are jointly developed once the partnership is set up; leveraging the private sector partner's capacity and expertise in the joint development of a sequenced programme that would enable delivery of the Council's strategic objectives, (housing, place/ regeneration, potential new income streams), within a financially sustainable envelope that meets both partners' financial requirements.

2.6 Specifically tailored financial, (including VAT/SDLT liability), and legal advice will be required prior to establishment of the IP, but in broad terms the IP would be formed by the Council and the partner as a commercial venture. The IP could have a similar corporate structure to a JV with partners ring-fencing their liability within a limited liability partnership (LLP) and creating the appropriate governance structures within the Partnership. Specific projects are likely to be dealt with through project-specific SPVs within the overall IP (see Fig. 1 below). This allows for different funding mechanisms for each specific project.

2.7 The LLP Agreement would be the main partnership agreement regulating the relationship between the partners and the operation of the partnership.

2.8 Partner Loan Notes would provide the security for each partner's investment, including planning costs and Council land value.

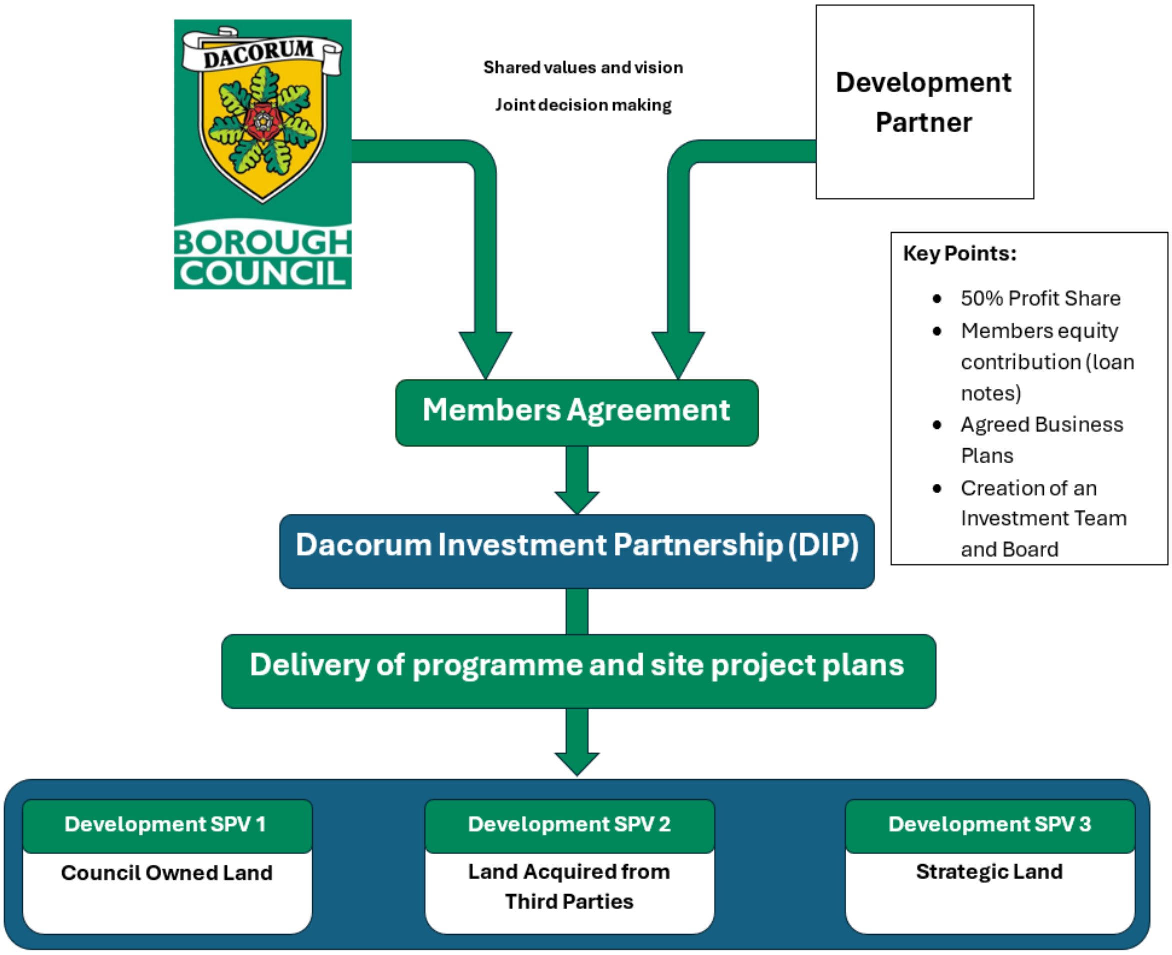

Fig. 1 – Proposed high-level structure of the Dacorum Investment Partnership (DIP)

2.9 The DIP would be overseen by a Board comprising representation from both the Council and the Partner(s). Each organisation would have an even share of voting rights. Decision making would be by consensus, meaning that if there is not agreement between the parties, then no decision is made. All major decisions are to be made by the Board. The Board could typically include one or two senior officers from the Council as well as senior appointed members from the private partner.

2.10 In order to ensure that the DIP can operate efficiently and maximise commercial opportunities, a scheme of delegation will be developed and presented to Cabinet and Council at the end of the IP selection process, to allow the DIP Board to make strategic development decisions (such as agreeing and delivering the business plan) within agreed financial limits. At the point there is a deliverable scheme, approval to transfer Council land into the Partnership would still be subject to separate, existing Council governance processes and financial regulations.

2.11 There would also be an operational team consisting of representatives from the Council and private sector partner. Full proposals for governance will be presented at the end of the selection process.

2.12 Feasibility work would be jointly undertaken and funded by the partners, the costs of which are wrapped into the project business plan (therefore undertaken “at risk” by the partner/s).

2.13 An initial business plan would be developed which would consider which individual projects be taken forward initially, with an estimated timeframe, and further feasibility planning identified for the wider programme. This would need to be approved by the DIP Board. The business plan would consist of schemes identified within the pipeline which will need to be appraised and agreed. This will include an independent valuation of any Council land going into the SPV. Either party can veto whether a scheme proceeds or not, once feasibility activities have been undertaken, it has been financially appraised and independent cost advice on the scheme has been given.

2.14 If both parties are in agreement, at the appropriate time, (and following internal approval as per existing Council scheme of approval), the Council would transfer land to the SPV to enable schemes to be taken forward; on the basis that the value of that land will be repaid by recovery of sums due under a “loan note” on completion of the scheme.

2.15 The inherent flexibility of an IP means that a programme approach to sites can be taken to support overall viability. Less financially viable sites can be delivered where they are cross-subsidised by other more valuable sites in the programme, and overall strategic aims and project metrics can be met. Any financial returns from the IP are split in accordance with the original funding strategy.

Soft Market Testing

2.16 The Council has undertaken a soft market testing exercise to sense check the attractiveness of the IP offer (e.g. the size and nature of the potential pipeline of sites) and to benchmark what the market considers to be the most appropriate partnership working arrangement(s) for the Dacorum context.

2.17 The information ascertained from the soft market testing has been used to inform the proposals and this report.

2.18 From both the number of expressions of interest, and from the informal interviews that followed, it is clear that there is market interest in the opportunity to work in partnership with the Council in the type of arrangement proposed.

2.19 It is also clear that there is a larger overall existing market for the more traditional contractual type of JV model, with growing interest in the more strategic Investment Partnership model that allows for joint partner development of specific business plans across a programme of opportunity sites.

2.20 The Council now needs to commission independent commercial and legal advice, ahead of finalising the details of the selection process. The full and final details of the IP structure will then be confirmed as part of this selection process and will come back to Cabinet for final approval before the Partnership is entered into.

Competitive Selection Process

2.21 The selection process will be concerned with finding the right fit for a strategic partner with aligned vision and objectives.

2.22 The selection process will now be developed with the appointed consultant advisor. It is likely to ask interested parties to introduce their organisation and its history of working in partnership, propose heads of terms and demonstrate alignment to the Council’s strategic objectives. The selection process may also ask for details on the level of upfront risk the IP is prepared to take, design approach, approach to value optimisation, expediting delivery and on delivering social value.

2.23 Whilst further legal advice on the proposed route to market will now be procured, it is officers’ understanding, (from all advice and examples of IPs set up), that the type of investment partnership proposed by the Council would not mandate a Public Procurement selection process. The selection process will be critical for the Council in choosing a partner who understands, shares and is committed to delivering the Council's strategic objectives.

Costs

2.24 The table below provides an estimate of costs associated with setting up the Investment Partnership. There will be costs associated with selection process, with set up of the IP after Cabinet decision at the end of the selection process, and then following IP set up and formal launch.

2.25 All of this cost incurred prior to the IP entity creation will be at the Council's liability. The estimated amount (£230k) is based on the assumption it would not be a formal procurement route – which would likely involve more costs.

Work stream	**Detail**	**October Cabinet Request**
Legal Fees	To provide assurance and advice on the proposed structure and route to market. To produce all legal documents and negotiate with preferred partner.	£70,000
Strategic advisory and competitive exercise support	To support with producing the brief / ITT, marketing and running the competitive selection process. Project Management, governance and advisory support for the process	£75,000
Financial / tax advice	Feed into assessments and partnership structure	£55,000
Other/ contingency	Other associated costs	£30,000
	Total	**£230,000**

2.26 Once the LLP is established, there will be further costs to undertake a programme review of opportunity sites, make decisions on first sequencing of development sites and to develop the detailed appraisals plans for those first sites.

2.27 It is not possible to fully set these costs out until the IP is set up and the initial sites are chosen but typical costs that the Partnership might incur are within a range of £200k - £400k, depending on the number/ complexity of sites and the upfront risk that an IP partner is prepared to take.

2.28 These costs are at risk until a site moves forward – although the private sector partner may agree to bear the costs of the development of site-specific plans, which would then be paid back as part of the agreed debt repayment for that project, and covered by the partners if the project were to turn out to not be viable.

Indicative Timeline

2.29 The table below shows the current working assumptions on timeline:

Task/Milestone	**Date/Timeframe**
Cabinet Approval to proceed to invite proposals for Dacorum Investment Partnership	14th October 2024
Appoint consultants for strategic, legal and financial advice	November 2024

Prepare competitive exercise and prepare documentation in line with advice	December 2024 – February 2025
Competitive exercise	March – April 2025
Recommendation to proceed with Partner approved at SAR Steering Group & SLT	May 2025
Recommendation to PH, SLT-PH and Cabinet	June 2025

3 Options and alternatives considered

Comparing an IP with a contractual JV

3.1 There are many examples of contractual JVs where Councils partner with the market to deliver on specific objectives. However, they are specific and limited in their scope and require the Council to clearly define their site-specific objectives from the outset – as opposed to utilising the expertise of the development partner in jointly formulating the most appropriate pipeline to meet strategic objectives.

3.2 As Investment Partner selection involves pricing or design work on specific projects later on in the process, it tends to be lighter and easier to administer and respond to than for a JV - and therefore less expensive for all parties (selection and set-up). However, with that does come a risk that in making the selection process light in terms of bidder investment, bidders may not have to be quite as stringent in their due diligence pre-bid review process.

3.3 The selection process itself is likely to be quicker on an IP. The feasibility and business planning work is still required, but with the IP there is the ability for the Council to participate in the discussions about development of the programme and sequencing.

3.4 The table below summarises key differences between the traditional JV and the IP approach recommended.

Category	JV	IP
Procurement / selection method	Detailed competitive flexible procedure with pricing of ‘opportunity sites’ – Generally Public Procurement Regulations compliant	Not required to be compliant with Public Procurement Regulations. Does not include pricing of sites within tender returns. Generally based upon qualitative returns only. Form of tender process usually undertaken to demonstrate best value.
Procurement / selection speed	Longer process – to speed this up, likely to focus on a pre-existing framework. More than 12 months is typical.	Can be as quick at the client wants however preparing a detailed market pack for a competitive selection process is recommended to ensure

		provision of the right partner.
Selection Process cost - DBC	Higher - The more investment undertaken by the Council (e.g. surveys, supporting site information) the more likely the chance of better quality bidders' priced responses (i.e. less risk allowances).	Lower - Will require a high-quality brief, but this can be a vision statement with questions based around principles. Some of this will need to be incurred post appointment of partner, however.
Procurement cost - bidders	Will likely include pricing and time investment – initial design work is likely.	Lower. Will not require pricing of 'opportunity sites' and therefore time required reduces.
Time to project delivery phase from establishment of partnership	Once appointed, can be fairly quick as an amount of feasibility work by the contractor will have been undertaken during procurement. Inclusion of specific named sites provides more clarity	Once appointed, business plan will need to be developed and project feasibility work will need to be carried out as a partnership – a longer process. If factoring in longer up front with traditional procurement, the overall time between the two is likely similar – the difference is where the time is incurred.
Bidder appetite	Will depend on the size and scale of opportunities included. However, the market is generally moving towards a 'partnership' model to reduce risk in the current economic climate.	Will depend on the size and scale of opportunities included, but the "lighter" competitive selection, along with being the Council's long-term partner for new opportunities are likely to be attractive
Brief	Will include "red-lined" sites and project details for pricing.	Includes project details but can be higher-level as no specific pricing. The Council already has a relatively well-developed Market Information Pack with opportunity sites information from the Soft Market Testing.

Project feasibility	Undertaken as part of procurement process and then built on post incorporation	Undertaken within the IP structure post incorporation.
Delivery strategy	Set by Council prior to procurement process.	High level is set by Council prior to selection process, but detail worked through as partnership.
Legal complexity	Standard legal agreement – many precedents.	Standard legal agreement – fewer precedents, but examples do exist with existing local authority IPs.

Framework Approach – other delivery routes

3.5 Whilst seeking a partner to create a Dacorum Investment Partnership is the priority, and immediate next step, it is acknowledged that the approach adopted to future delivery should and will be more nuanced and flexible, with a framework approach to delivery. The Investment Partnership will not have exclusivity to Dacorum's future development sites, and IP partners may not wish to proceed on certain sites.

3.6 Other delivery routes considered within this framework approach include:

- Direct Delivery
  - There could be benefits of continuing in-house direct delivery for appropriate projects if these are not of interest to the potential partnership or considered to be more appropriate for direct delivery.
  - Can be considered on an ad hoc basis, responding to opportunities that arise.
  - Further work to be done to consider timing & implications of gap in housing provision following conclusion of current Council delivery projects.
  - It is acknowledged, however, that HRA financial challenges mean there are significant constraints on the Council's ability to continue to subsidise the cost and delivery of new build activities, even net of any external grant funding. Hence the investigation of alternative viable models for delivery, such as exploration of an Investment Partnership. This will be kept under regular review through the development of the HRA Business Plan in the light of changes to the national policy landscape.

- Land Disposal
  - This may be an appropriate option in certain limited circumstances and the capital receipts generated could be reinvested into future new development and regeneration projects.
  - However, straight forward disposal does not allow for shaping development and/ or generating ongoing income streams

- Wholly Owned Company (WOC)
  - Reviews carried out into a potential Dacorum Housing WOC showed development viability to be challenging in current market conditions.

- Various examples exist of Local Authority partnerships working in conjunction with a WOC to approach development, delivery and management of assets.
- A WOC could potentially acquire developed homes (and commercial development) from an Investment Partnership.
- Retaining homes through a Council WOC structure could:
  - Allow for greater flexibility in terms of the types of tenures that could be delivered.
  - Allow for specific Council intervention in the local housing market (e.g. private rent).
  - Generate General Fund surpluses over the longer term which could be fed back to support wider Council services.
  - Delivery via a WOC is not without risk, and a WOC has substantial set-up resource & cost implications.Careful consideration of an appropriate strategy and business model will be needed, to ensure there is a viable business plan.
  - The business case for a WOC will be kept under review and revisited at a later time; in light of evolving market conditions, and developing plans for an Investment Partnership.This could allow a clearer picture to develop of a viable strategy and business model for a future WOC, potentially aligned with a future partnership for development and delivery

4 Consultation

Portfolio Holders and other key stakeholders have been consulted as appropriate in the development of these proposals. Consultation with other Local Authorities and the wider market (through a soft market testing process) has also been carried out and will continue.

5 Financial and value for money implications:

5.1 The Council has a range of legal powers contained in the Local Government Act 2003, and the Localism Act 2011, which would enable it to enter into an Investment Partnership and trade for a commercial purpose.

5.2 This paper seeks approval to proceed with the competitive selection process to identify, and recommend, a development partner/s to create a Dacorum Investment Partnership. It is estimated, at present, that the initial finance, legal and consultancy support to achieve this stage in the process will be circa £230k.

5.3 Following the selection of an IP partner/s, the creation of the relevant structures, delivery vehicles and initial development plans/proposals is estimated to cost the Partnership an additional £200 - £400k depending on the complexity of the initial proposals and risk sharing proposals formed in the IP.

5.4 Investment Partnerships do not set out definitive agreed contractual deliverables or timescales, whilst also providing no exclusivity between the partners, so there is no initial defined outcome from the Partnership but also no legislation preventing delivery through other partners and vehicles identified in the DeVO review.

5.5 This structure means that there is a risk that the Council could invest an initial £230k in the creation and setting up of an investment partnership that has no contractual direct deliverables, but the potential is that the Council invests circa £230k to set up the opportunity to develop an effective partnership arrangement that supports the Council's ambitious strategic plans for Place Shaping/Regeneration, housing delivery and increased revenue streams.

6 Legal Implications

6.1 The Council has a range of legal powers contained in the Local Government Act 2003, and the Localism Act 2011, which would enable it to enter into an Investment Partnership and trade for a commercial purpose.

6.2 As stated in the report, there is no requirement for a formal procurement for goods, works and services and therefore local authorities do not have to undertake a full Procurement Regulations 2024 compliant procurement process to appoint a partner, however, it is recommended that the Council runs a competitive process to provide transparency and to demonstrate best value.

6.3 External specialist legal advice will be procured through the next stage of feasibility to confirm the required powers exist for the final structure and external lawyers will help to develop the required legal documentation with the preferred partner.

7 Risk implications:

7.1 This section outlines the key risks associated with the core recommendation i.e. to undertake a competitive exercise to establish a Dacorum Investment Partnership.

7.2 As the selection process for IPs is focussed on the formation of the partnership it tends to avoid scheme-specific feasibility work and pricing. This approach offers some obvious benefits to both parties in terms of ease of set up which is likely to be quicker and less expensive, as well as development of a partnership vehicle that can jointly build a long-term programme approach and leverage private sector capacity and expertise to jointly develop and agree plans that will deliver strategic and financial objectives. However, there are also risks. The lack of detailed site-specific work required from prospective partners could lead to a more limited understanding around project constraints and therefore deliverability.

7.3 The IP would be exposed to - and would therefore need to properly understand and plan for - corporation tax liabilities, VAT and stamp duty land tax (SDLT) requirements. Specialist tax advice will therefore need to be sought.

Dacorum Investment Partnership Risk Log:

Type	**Risk**	**Mitigation**
Resource	• Significant staff time would need to be invested in order to create the IP (finance, legal, procurement, project management) • Potential abortive work if projects didn't progress within the IP for any reason.	Any work carried out on projects would still hold a value, even if this was to establish that the suggested route wasn't appropriate at this time.
Set-up Costs	• External expertise would be required to form the DIP • If the DIP wasn't established for any reason, there is an estimated total abortive budget of circa £530k, in addition to substantial officer resource.	Costs would be incurred on a cumulative basis and project costs would only be agreed as part of Gateway review process so the total abortive budget would not be realised until the IP and SPV were both set up.
Partner	• Not obtaining the right partner, the right team, and strong partner representation.	Need to ensure suitable and appropriate levels of partner resourcing at operational and Board level. The bidding documentation should be very clear about non-commercial / financial objectives and undertake facilitated

		partnering workshops prior to engagement to create the right culture of cooperation. The “Delivery Framework” approach allows testing of projects within the IP but quickly moves onto other approaches if not suitable for whatever reason – the partnership would not be exclusive for future projects
Partner	• Not being able to attract the right partner. • Insufficient competition with experience in the IP model envisaged	A range of potential partners have been consulted with over the course of this project work, who have confirmed, at a high level, that they would be interested in bidding for a pipeline of the suggested size in Dacorum
Resource (suitability of)	• Ensuring the right team is in place within both the investment team and the Board to be able to make appropriate decisions (within the established remit of these groups). • The risk would be that there may be a lack of progress within these teams that impacts delivery. It should be noted that this risk also applies to the Partner.	There should be workshop sessions to clearly set the culture for the partnership at an early stage and this should be carefully monitored moving forward. In essence the team members ought to be thinking like a partnership and not like a partner
Objectives	• Not having clear and focussed objectives.	A good deal of assessment work has already been undertaken by the Council and shared with the market through soft market testing. There would more internal workshops whilst developing the selection process and documentation to ensure the Council’s strategic objectives for the IP are very clear and it is also clear what is sought in an Investment Partner.
Business Plan Viability	• The current delivery climate is extremely challenging and partnership working will not eradicate this risk. Risks include sales values, build costs, planning etc. • There are challenges to development projects in a climate where costs have risen at an unprecedented rate and property values have remained flat or even lowered.	The DIP would provide delivery expertise within the reach of the Council – whether this is technical support for project feasibility work, access to alternative funding arrangements, or benefitting from established relationships with key stakeholders such as Homes England. The Partnership can help to bring efficiencies and best practice to project

		viability matters, rather than remove the risk altogether.
Timescale (delayed delivery)	• Set up of partnership will take time and this may be longer than envisaged if there are particular legal complexities. • This may effect confidence from stakeholders, particularly members who have supported the programme and have election timeframes to consider.	During the planning phase, tangible "quick wins" for the partnership need to be considered, and the messaging to stakeholders needs to be carefully controlled. Approval processes should be as clear as possible about potential timeframes and risks to this, so expectations are managed.
Stakeholder Engagement	• Lack of coherent communication leads to incorrect outcomes being expected from the DIP. • Political messaging needs to be carefully managed – It wouldn't be helpful for delivery pressure to be immediately applied to the DIP, effecting decision making.	Thorough and regular briefings with stakeholders, in particular locally elected members to ensure understanding of remit and purpose of the partnership and its long-term nature.
Partner Performance	• Partner performance not meeting the requirements of the DIP.	Careful legal drafting should be given to ensure there are appropriate break clauses in relation to non-performance of either partner.
Relationship Management	• Breakdown in relationship with Partner. • This applies to all partnerships in any form and cannot be removed.	Clear and concise brief to bidding partners. Ensure alignment of partner objectives, values and expectations.
Procurement challenge	• Risk that non-Public Procurement route to selection is challenged in the future.	Further legal advice to be procured. There are however various examples of IPs already set up without procurement and no challenges or issues have arisen.

8 Equalities, Community Impact and Human Rights:

8.1 Community Impact Assessment reviewed/carried out and annexed. This is a strategic piece of work and at this stage is deemed to be a neutral impact to all protected groups. The CIA will be updated as more detail emerges though the process and in the proposals.

8.2 Human Rights – there are no Human Rights Implications arising from this report.

9 Sustainability implications (including climate change, health and wellbeing, community safety)

The proposal will bring forward new placemaking opportunities that will be designed with climate change in mind and improve the lives and wellbeing of residents

10 Council infrastructure (including Health and Safety, HR/OD, assets and other resources)

N/A

11 Statutory Comments

Monitoring Officer:

The Monitoring Officer's comments are included in section 6 of the report under 'Legal Implications'.

S151:

The S151 Officer's comments are included in section 5 of the report under Financial and value for money implications. The financial recommendation requests £230k of one off funding to support the selection of a Investment partner/s, the Dacorum Development reserve has funds to support this request, and this proposal is line with the rationale for this reserve.

12 Conclusions:

12.1 The Delivery Vehicle Options review recommended that a form of Partnership working, tailored to the Dacorum context, should be explored as part of a framework approach to deliver the Council's strategic objectives.

12.2 Following a soft market testing exercise, the report seeks approval to begin the process to select an appropriate partner to establish a Dacorum Investment Partnership.

Next Steps:

Task/Milestone	**Date/Timeframe**
Cabinet Approval to proceed to invite proposals for Dacorum Investment Partnership	14th October 2024
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