

## **APPENDIX 2**

### **INVESTMENT OBJECTIVES**

As the discussions between the Partners evolves into a binding commitment to support the Fund, it is essential that there are clear, agreed Investment Objectives. It is evident that there has been a time gap, between the initial concept idea and the point the Partners find themselves in now. As discussion take place and clarity is brought to certain specific points, we would recommend that having a very clear common agreement on a short list of Objectives is essential. It will also highlight if there are any divergences of objective developing. In addition, based on the nature of the four Partners, we feel it would be helpful to have 6 or 7 (max) objectives to ensure key directions of travel on focused workstreams align with these primary objectives. At a point where clarity of purpose is essential, to enable momentum to be created, we believe that this will reduce risk around abortive efforts yet keeping a focus on delivering.

The Partners have considerable experience in negotiating and entering into Joint Ventures, Collaboration Agreements and Partnerships Agreements etc and this is of great value to the strength of the Fund. Likewise, Montagu Evans regularly engage in these discussions, before and after contractual close, and it is our experience that although Objectives change, it is good practice and in the interest of successful delivery, that there is a common purpose behind the goals of any Partnership, otherwise there is a risk that these strategic aims will be forgotten about and the focus will turn to more tactical, project by project issues, which can slow the process down and consume a significant amount of time. There are going to be many, many smaller project by project decisions to be made on a project of this nature, however, we would urge these decisions to be made in a clear governance environment that does not impact on the strong relationships that the Partners have developed. In addition, we believe that this will help at both at a Political/Board level and in relation to securing a high-quality private sector Fund Management Partner.

Since the inception of the Fund, it has been intended that the investment vehicle engages in bringing forward sites to deliver mixed use, residential led schemes and create improved new open spaces and public realm. It has been envisaged that this is achieved through the following activities:

- Strategic land assembly;
- Undertaking or funding remediation of landholdings;
- Installing infrastructure, supporting improvement and creation of new infrastructure projects including transport, environmental street scene, civic, public and community uses;
- Undertaking place making activities;
- Facilitating and potentially developing out direct development sites within the town centre to catalyse development of the wider area'
- Delivering housing outputs, as part of the wider development and regeneration.

On basis of the above, and in the interests of establishing a working set of measurable and quantifiable metrics upon which a commercial manager may report against the proposed activities, the agreement of a set of clear and common Investment Objectives is necessary.

This process began with Montagu Evans undertaking individual, 1-on-1 dialogues with each Party, aiming to establish the driving motive behind each Partner's involvement in the Fund. The outcomes of these conversations fed in to the creation of a list of 12 high level objectives, many of which had significant parallels with the original list of Objectives:

This list was then circulated to each Partner; once again, with the instructions to 'rank' their top 6 objectives in order of their priority, as well as to add any objective they feel may have been overlooked. The results of this feedback were purposefully kept anonymous, and each answer was fed in to a scoring matrix to assess points of commonality and difference. A process of review was then undertaken, from which the most important objectives were refined, adjusted and drawn out. These agreed-upon objectives break down in to a macro & micro perspective, as illustrated in the below graphics:

