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| Subject: | Update on One Public Estate Programme Application and Greater Brighton Strategic Property Board Proposals | | |
| Date of Meeting: | 18 October 2016 | | |
| Report of: | Chair, Greater Brighton Officer Programme Board | | |
| Contact Officer: | Name: | Nick Hibberd | Tel: 01273 293756 |
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| Ward(s) affected: | All | | |

FOR GENERAL RELEASE**1. PURPOSE OF REPORT AND POLICY CONTEXT:**

- 1.1 On 19 July 2016, the Greater Brighton Economic Board ('the Board') approved the development of a detailed Service and Assets Delivery Plan for the City Region, for submission to the National One Public Estate Programme ('the National Programme') by 29 July 2016.
- 1.2 Submission of the Services and Assets Delivery Plan entered the City Region into the second, and final, stage of the application process to the National Programme.
- 1.3 This report seeks to provide the Board with:
 1. An update on progress in relation to the City Region's application to the National Programme;
 2. A summary of the City Region's Services and Assets Delivery Plan, and;
 3. An overview of the proposed governance and delivery arrangements for the Greater Brighton OPE Programme ('the Programme').

2. RECOMMENDATIONS:

- 2.1 That the Board note both the progress made in developing the City Region's Services and Assets Delivery Plan and its contents.
- 2.2 That the Board approve the proposed governance and delivery arrangements for the Programme, encompassing the establishment of the Greater Brighton Strategic Property Board to provide direction, oversight and accountability and the Greater Brighton Public Sector Property Group, to deliver at an operational level.
- 2.3 That the Board approve the Terms of Reference for the Greater Brighton Strategic Property Board, attached as Appendix 1.
- 2.4 That the Board appoints Peter Davies of the Shoreham Port Authority, also a Coastal West Sussex Board member, as the independent business representative on the Greater Brighton Strategic Property Board.

3. CONTEXT/ BACKGROUND INFORMATION:

- 3.1 The National Programme is a pioneering initiative funded by the Cabinet Office Government Property Unit (GPU) and delivered in partnership with the Local Government Association (LGA). The programme is designed to facilitate and enable local authorities to work successfully with Government and local agencies on public property and land issues through sharing and collaboration. It has four main objectives, to:
1. Create economic growth (new homes, employment floorspace and jobs);
 2. Enable more integrated customer-focused services;
 3. Generate capital receipts, and;
 4. Reduce running costs.
- 3.2 Councils that are successful in gaining membership to the OPE programme will receive wide-ranging support to develop and deliver property initiatives with Government and public sector partners that meet these objectives. This includes funding of up to £500,000 (per funding round) to help build effective partnerships, fund project management expertise, unlock more complex or ambitious projects and optimise outputs where large Government sites are released.
- 3.3 In April 2016, the National Programme issued an Invitation to Apply. In response, the City Region submitted an Expression of Interest on 06 May 2016.
- 3.4 On 14 June 2016, the City Region received confirmation that its Expression of Interest was successful and that the City Region had progressed to the second – and final – stage of the application process.
- 3.5 On 19 July 2016, the Board gave retrospective approval to the Expression of Interest and agreed to the development of a detailed Service and Assets Delivery Plan for the City Region, for submission to the National Programme in line with the 29 July 2016 deadline.
- 3.6 Due to the challenging timetable, the Board approved the appointment of a consultant team to develop the Services and Assets Delivery Plan, in consultation with officers from the Board's constituent organisations and wider partners and stakeholders. It was agreed that £25,000 of the £50,000 capacity funding allocated to the City Region by the National Programme be used to fund this work. The appointment of Marshall Regen Ltd was subsequently confirmed.
- 3.7 Following extensive engagement and consultation, the Services and Assets Delivery Plan was developed and submitted to the National Programme on 29 July 2016. The Services and Assets Delivery Plan is attached as Appendix 2. Due to the commercially sensitive nature of the information contained within the Services and Assets Delivery Plan, it is not for publication.
- 3.8 The Services and Assets Delivery Plan was presented to the Greater Brighton Housing & Growth Sites Working Group for review on 21 July 2016 and it was issued to the Board for comment on 28 July 2016. A full list of the organisations consulted and/or engaged with as part of the development of the Services and Assets Delivery Plan is contained in Section 4 of this report.

- 3.9 At the time of writing, the outcome of the City Region's submission is unknown. The National Programme was expected to announce its decision on final applications on 23 September 2016 but, due to the volume of applications received, this has been delayed. Early feedback received from the National Programme has been very positive.
- 3.10 The Services and Assets Delivery Plan seeks £730,000 in funding over two years. Although this exceeds the values outlined in the Invitation to Apply, the bid was submitted in the belief that this level of funding support could make a significant difference to the delivery of the Programme ambitions and priorities, thereby creating more jobs, more homes, additional employment floor space and faster estate rationalisation and efficiency.
- 3.11 The Services and Assets Delivery Plan proposes that the funding be allocated to support the development of 9 priority projects, located across the City Region:
1. Worthing Civic Centre: development of a new Integrated Multi-Disciplinary Primary & Community Care Team hub, creating opportunities for new housing on the released sites.
 2. Hove Station Area Redevelopment: a mixed use redevelopment, delivering new homes and employment floorspace.
 3. Moulsecoomb Neighbourhood Hub, Brighton: the consolidation of siloed services into a new community hub, releasing some sites for affordable housing and student accommodation.
 4. Dyke Road Barracks, Brighton: potential redevelopment of the site to deliver a smaller territorial army barracks alongside mixed use development
 5. Preston Barracks, Brighton: development of a primary and community healthcare hub, allowing for the release and disposal of existing assets.
 6. Brighton General Hospital: redevelopment of the site to include a new health and care campus, new housing and a range of community uses.
 7. Madeira Terrace, Brighton: reconstruction of the Terrace, including the introduction of innovative commercial and leisure uses.
 8. Preston Circus Fire Station: optimising the layout to meet its operational uses and identifying alternative uses for the remaining areas.
 9. Springman House, Lewes: bringing together the key blue-light services into a single location, thereby unlocking the regeneration of the North Street Quarter to deliver new homes, employment floorspace, subsidised workspace for the creative industries, a new healthcare centre, an underground car park, completion of the flood defences for Lewes and a range of public realm improvements.
- 3.12 It is estimated that the total capital investment for the Programme for the period 2016-2021 would be £795m.
- 3.13 These projects could collectively deliver approximately 2,815 new homes, 24,830sqm employment floorspace and 2,047 new jobs. They would generate an estimated £227m of inward investment to the City Region and add a total gross value to the economy of £90.9m.
- 3.14 If successful, the funding will be used to provide robust evidence to support asset management decisions, in the form of detailed locality reviews and feasibility,

viability and master planning studies. It will also support the development of joint property ventures and fund dedicated project management resource to support the delivery of the Programme.

- 3.15 One on the National Programme, the City Region will be eligible to bid for further funding (responding to funding rounds as these open) to deliver additional benefits through its Programme.
- 3.16 On 22 August 2016, the National Programme asked the City Region to show how funding would be prioritised. As a result, a revised proposal seeking funding of £597,000 was submitted on 23 August 2016. This withdrew the Hove Station Area Redevelopment project for a future funding round and reduced the budget allocations for each of the remaining 8 projects by 10%. If successful, the project leads and partner organisations will be asked to find these savings from internal resources or alternative sources of funding.
- 3.17 The Services and Assets Delivery Plan commits the Programme members to:
 1. Record all land and property assets owned by the Programme's local authorities (except social housing stock) and public sector partners on the ePIMS Lite system by 31 December 2016;
 2. Complete GIS mapping of all public sector land and assets by 31 December 2016 (£15,000 capacity funding allocated);
 3. Provide and publish information on the estimated value of all local authority owned land by 31 December 2016;
 4. Establish the Greater Brighton Strategic Property Board to provide direction, oversight and accountability to the Programme, with an inaugural meeting in October 2016 and a further meeting in 2016/17 (£5,000 capacity funding allocated to the facilitation of these meetings, the second of which will focus on health and social care integration);
 5. Develop a robust plan for the identification of surplus assets and land, in the form of a project brief for presentation to the new Greater Brighton Strategic Property Board at its inaugural meeting, and;
 6. Develop a brief for a Marketing and Communications Strategy, to help promote and deliver the Programme, for presentation to the new Greater Brighton Strategic Property Board at its inaugural meeting (£5,000 capacity funding allocated).
- 3.18 The proposed Terms of Reference for the new Greater Brighton Strategic Property Board are attached as Appendix 1.
- 3.19 The Greater Brighton Strategic Property Board will bring together senior officer representatives from local, regional and national public sector partners to take a strategic approach to the City Region's combined public estate, to maximise its efficiency and effectiveness. Due to commercial sensitivities, all meetings of the Greater Brighton Strategic Property Board will be held in private.
- 3.20 It is not intended that organisations delegate ownership decisions on their existing assets to the Greater Brighton Strategic Property Board, rather it will be established as a local strategic assets forum. Formal decision making on specific property assets and transactions affecting them will remain with the party who owns the land interest in question.

- 3.21 To ensure the effective operation of the Greater Brighton Strategic Property Board, it will comprise a maximum of seventeen senior officer representatives from the Programme, plus one independent business representative appointed by the Board, one advisor from the National Programme and one advisor from the GPU. Officer representatives have been drawn from those organisations most impacted by the Services and Asset Delivery Plan work-plan. The scale of asset ownership has also had influence. On 19 July 2016, the Board nominated Brighton & Hove City Council (BHCC) to act as the accountable body for the Programme and the partnership and it is therefore proposed that the Greater Brighton Strategic Property Board be chaired by the Chief Executive BHCC.
- 3.22 The Greater Brighton Strategic Property Board will report to the Board bi-annually or more frequently if required (including the escalation of any risks to successful delivery). This will include the submission of an annual report at the close of each financial year. The Board will act as arbiter in situations where there are competing demands.
- 3.23 It is proposed that the existing Brighton & Hove Public Sector Property Group be expanded to become the Greater Brighton Public Sector Property Group, responsible for the delivery of the Programme at operational level. The Greater Brighton Strategic Property Board will direct and monitor the work-plan of the Greater Brighton Public Sector Property Group.

4. COMMUNITY ENGAGEMENT & CONSULTATION:

- 4.1 The following were engaged and/or consulted as part of the development of the Services and Assets Delivery Plan:
- Adur & Worthing Councils
 - Brighton & Hove
 - Brighton & Hove City Management Board
 - Brighton & Hove Clinical Commissioning Group
 - Brighton & Sussex University Hospitals
 - City College Brighton & Hove
 - Coast to Capital Local Enterprise Partnership
 - Department for Work & Pensions
 - East Sussex Fire & Rescue Service
 - Highways England
 - Homes & Communities Agency
 - Lewes District Council
 - Mid Sussex District Council
 - Ministry of Defence
 - Network Rail
 - NHS (Southern Regional Lead for NHS)
 - Northbrook College
 - Plumpton College
 - South East Coast Ambulance Service (SECAMBS)
 - SPACES (Strategic Property and Collaboration in East Sussex)
 - Sussex Community NHS Trust
 - Sussex Downs College

- Sussex Police
- University of Brighton
- University of Sussex
- West Sussex County Council
- West Sussex Fire & Rescue Service
- Worthing College

5. CONCLUSION:

- 5.1 The City Region's devolution bid commits to accelerating and surpassing planned supply; delivering 22,500 homes of mixed types and tenures and 455,000sqm employment floorspace over the next 10 years. The Programme and the establishment of the Greater Brighton Strategic Property Board will support the City Region to deliver these ambitions, as well as unlocking further benefits in relation to public service transformation and improvement and reductions in revenue costs across the combined public estate.

6. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 6.1 Membership to the One Public Estate programme will enable access to National Programme funding for partnerships to develop and deliver property initiatives. The Service & Asset Delivery Plan was submitted by the City Region to the National programme with a revised funding bid of £597,000 to deliver priority programmes as detailed in paragraph 3.11 above and as amended subsequently in paragraph 3.16. Any shortfall in funding between the National Programme funding and cost of the delivery of the priority programmes will need to be met from alternative resources to be identified by the project lead and partner organisations.
- 6.2 If successful, the funding will be used to support asset management decisions, in the form of detailed locality reviews and feasibility, viability and master planning studies. It will also support the development of joint property ventures and fund dedicated project management resource to support the delivery of the Programme. It is estimated that the total capital investment for the Programme would be circa £795m by 2021 and generate an estimated £227m of inward investment to the City Region as well as adding up to £90.9m value to the economy.
- 6.3 A total of £50,000 was awarded to assist the City Region with the delivery of the Services and Assets Delivery Plan. £25,000 of that has been used to appoint consultants to deliver the Greater Brighton Property Board and the Services and Assets Delivery Plan. The remaining £25,000 is to be allocated toward GIS mapping of public sector land and assets (£15,000), facilitation of Greater Brighton Strategic property Board meetings (£5,000) and developing and Marketing and Communications Strategy brief (£5,000). This is detailed in paragraph 3.17 above.

Finance Officer Consulted: Rob Allen, BHCC

Date: 27/09/16

Legal Implications:

- 6.4 Meetings of the Board will be confidential meetings of informed officers, which will generally consider property matters, which, subject to the timing of meetings, will be referred to it by the Property Group or directly by constituent members.

Lawyer Consulted: Bob Bruce, Deputy Head of Law BHCC

Date:20/09/16

Equalities Implications:

- 6.5 None

Sustainability Implications:

- 6.6 The Greater Brighton Strategic Property Board will enable the City Region to take a strategic approach to asset management; ensuring that partners get the most from their collective assets, creating opportunities to reduce running costs, generate capital receipts, create more integrated and customer-focused services and unlocking surplus sites for new homes, employment floorspace and jobs. In so doing, the Programme will create more sustainable services, councils and economies.

Any Other Significant Implications:

- 6.7 None

SUPPORTING DOCUMENTATION

Appendices:

1. Terms of Reference for the Greater Brighton Strategic Property Board
2. Greater Brighton Services and Assets Delivery Plan (Circulated to Board Members only)

Documents in Members' Rooms

None

Background Documents

None

