

<b>Subject:</b>	<b>Greater Brighton One Public Estate Update</b>		
<b>Date of Meeting:</b>	<b>16 October 2018</b>		
<b>Report of:</b>	<b>Chair, Greater Brighton Officer Programme Board</b>		
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<b>LA's(s) affected:</b>	<b>All</b>		

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

- 1.1 The purpose of this report is to provide the Greater Brighton Economic Board ('the Board') with an update on the Greater Brighton One Public Estate (OPE) Programme ('the Programme').

**2. RECOMMENDATIONS:**

- 2.1 That the Board note the progress made by the Programme, as outlined in Sections 4 and 5.
- 2.2 That the Board endorse the development of a bid to the Phase 7 funding call, as detailed in Section 6, and devolve sign-off of this bid to the Chair of the Greater Brighton Strategic Property Board.

**3. CONTEXT/ BACKGROUND INFORMATION**

- 3.1 The National OPE Programme ('the National Programme') is a pioneering initiative funded by the Cabinet Office and delivered in partnership with the Local Government Association and, following a recent expansion, the Ministry of Housing, Communities & Local Government (MHCLG). The National Programme is designed to facilitate and enable local authorities to work successfully with Government and local agencies on public property and land initiatives through sharing and collaboration.
- 3.2 The aim of OPE is to get more from the collective public sector estate. The objectives are to:
- Support economic growth by unlocking land and surplus sites for new housing and jobs;
  - Deliver more joined-up public services for local communities with property as an enabler, and;
  - Create further opportunities for local authorities and public sector partners to generate efficiencies through reduced running costs, income and capital receipts to deliver savings for the taxpayer.
- 3.3 The National Programme began in 2013, when it involved just twelve partnership areas. It has grown significantly and now supports 319 councils (90%) in 76

partnership areas working on projects to transform places and public services right across England.

- 3.4 Greater Brighton is one of these partnership areas and, whilst still in its infancy, the benefits in terms of both unlocking blocked development sites and in facilitating closer co-ordination and partnership working between public sector partners and stakeholders across the City Region are already being seen.
- 3.5 Partnership areas that gain membership to the National Programme receive wide-ranging support to develop cross-sector property projects that deliver one or more of the OPE objectives. This includes:
- Funding – potential revenue grant or repayable grant (i.e. loan) funding of up to £500,000 (per partnership area, per funding call);
  - Access to a Pool of Experts framework – providing specialist expertise and negating the need for lengthy local procurement exercises, and;
  - Practical and technical support – including routes in to Government.
- 3.6 The Greater Brighton partnership area ('the Partnership') was welcomed onto the National Programme in November 2016 following a successful application to the Phase 4 funding call, in the form of a Services & Assets Delivery Plan. To date, the Partnership has secured £1,653,500 in funding from the National Programme as follows:

	No. of Projects	Allocated Funding
Phase 4 OPE Programme (November 2016)	7	£409,500
OPE Programme Delivery (November 2016)	-	£120,000
Phase 6 OPE Programme (January 2018)	2	£125,000
Phase 6 OPE Top-Up (March 2018)	1	£180,000
Land Release Fund (February 2018)	3	£819,000
<b>Totals</b>	<b>13</b>	<b>£1,653,500</b>

- 3.7 All OPE funding to date has been in the form of a revenue grant. It has been awarded to support the development of ten projects located across the City Region, covering a range of activities – including feasibility, viability, master planning, business case development and project management support – to provide the evidence base needed to make robust asset management decisions. It has also funded a dedicated programme management resource, responsible for the day to day management of the Programme.
- 3.8 **It is currently expected that up to 2030 these ten projects will deliver over: 1,450 new homes; £18.3m in capital receipts; £7.8m in reduced running costs; £250m of inward investment and; 3,680 new jobs (including construction).** These projects are at relatively early stages of development and

so it should be noted that the forecast outputs may change as business cases are completed and schemes are developed and approved. A summary of project progress is provided in Section 4 below.

- 3.9 **The Programme's Land Release Fund (LRF) allocation enables the delivery of three projects that will create 79 new affordable rented homes by 31 March 2020.** This capital grant is funding activities such as land assembly, site demolition, groundworks and infrastructure service improvements to enable scheme viability. The three projects form part of Brighton & Hove City Council's (BHCC) [New Homes for Neighbourhood's Programme](#) that aims to deliver 500 new council homes. A summary of project progress is provided in Section 4 below.

#### 4. PROJECT UPDATES

##### Integrated Multi-Disciplinary Primary & Community Team (IMPACT) Hub, Worthing (Phase 4)

- 4.1 This project sees Worthing Borough Council (WBC) leading the redevelopment of its existing Civic Centre car park, to provide the opportunity for a number of medical facilities currently dispersed throughout the town to co-locate into a single, new fit for purpose facility.
- 4.2 The scheme is being taken forward in managed phases as follows:
- Stage 1: scheme feasibility
  - Stage 2: proof of viability, develop scheme designs, detailed scope and development agreement
  - Stage 3: prepare outline business case approvals
  - Stage 4: scheme design to planning application and approval
  - Stage 5: prepare detailed business case for NHS approvals
  - Stage 6: building contract award to completion and occupation
- 4.3 The scheme has now advanced through to the business case and design and planning stages (3 and 4 respectively). The project team is currently working on the various commercial aspects of the proposal to ensure that letting agreements, head lease issues and commercial issues surrounding NHS notional rents are resolved for certain stakeholders.
- 4.4 The intention is to submit the planning application by December 2018, with the objective of starting work on-site in summer 2019 for the IMPACT Hub to open in spring 2021.

##### Preston Circus Fire Station, Brighton (Phase 4)

- 4.5 This project sees East Sussex Fire & Rescue Service (ESFRS) reviewing the space and layout of its under-utilised Preston Circus Fire Station, built in 1938, to create modern service facilities and shared space with public, third sector or commercial partners.
- 4.6 The initial design feasibility and RIBA stage one cost report, as well as the accompanying site surveys and investigations, were completed in spring 2017. This identified two options; staying within the existing footprint or creating more

space by adding a floor over the roof level. Further design stages were then paused, to allow ESFRS to create a Design Guide for use across its estate to ensure that the accommodation and facilities being provided meet the future needs of a modern service.

- 4.7 Following completion of the Design Guide in April 2018, ESFRS recommissioned the professional team consisting of design consultants Mackellar Shwerdt Architects and cost consultants Faithful & Gould. The updated concept designs were completed in June 2018. In line with RIBA Stage 2, the intention was to develop a concept design that allows for a cost plan to be produced for the purpose of developing the business case. Therefore, the objective was to achieve 80% design certainty at this stage, with later detailed and final design to achieve 95% certainty on cost prior to any contract award.
- 4.8 Under the new scheme, ESFRS accommodation is predominantly laid out over the ground and first floor, with some accommodation also being located on the second floor. A shared entrance with a common/separate access route is orientated to the far right-hand side of the building and also includes a passenger lift. This would facilitate access to other users of the remaining space on the second and potentially third floor, if an additional floor is constructed.
- 4.9 Faithful & Gould delivered both the draft stage two cost plan (informed by certain surveys and investigations such as structural surveys and 'opening up' as well as refurbishment and demolition asbestos improve cost certainty) and commercial appraisal at end July 2018. The consultants were asked to consider the following options for the vacant space:
- Remodel/Conversion into Shared Office Space – with other public partners
  - Remodel/Conversion into Shared Office Space – for commercial lease/leasehold arrangement
  - Remodel/Conversion into residential space – for sale
- 4.10 ESFRS ran local user engagement sessions in July and August 2018 to enable feedback on the proposed scheme. There were no fundamental changes to the design that may affect the costs and the proposals were generally well received by all those that took part in the engagement process.
- 4.11 It is currently estimated that there would be circa 240sqm of available shared space, with a further 260sqm if an additional floor is constructed. Expressions of interest to utilise the shared space will be circulated to all public-sector partners in late September 2018 and the Service is currently planning an open day for interested parties to visit the Station and view the plans for the proposed layout.
- 4.12 The target date for County Fire Authority approval of the business case is September 2018. The first stage will be to obtain approvals for the operational space and the second stage, likely to be in December 2018, will focus on the proposals for alternative use in the unoccupied areas of the building. Works are expected to commence in the summer of 2019.

#### Preston Barracks Primary Care Centre, Brighton (Phase 4)

- 4.13 Working with BHCC, the University of Brighton (UoB) and the developer U+I, this project sees Brighton & Hove Clinical Commissioning Group (BHCCG) leading the development of a place-based Primary Care Centre for incorporation into the wider Preston Barracks regeneration scheme to meet the current and future health needs of the local community.
- 4.14 BHCC's Planning Committee approved the plans for the comprehensive regeneration of Preston Barracks and UoB's Moulsecoomb campus on 27 September 2017. It was agreed as a condition of the planning consent that the developer would use best endeavours to reach an agreement with a medical provider to incorporate a medical centre as part of the redevelopment. Through close working between BHCCG, BHCC, the developers and the GP practices, considerable progress has been made towards realising this.
- 4.15 Related legal constraints were in danger of jeopardising the scheme, as general practices cannot enter into formal lease agreements until their NHS recurrent reimbursements for rent and rates have been formally agreed by the NHS (thus avoiding their financial risk in relation to their liability for rental costs throughout the lease term). In addition, clinical commissioning groups are not permitted to take on leases other than for their own offices.
- 4.16 Therefore, to provide the commercial certainty required by the developer to move the surgery premises on to detailed design and submit a planning application for alterations to the original layout of the site, it was agreed by BHCC's Policy, Resources & Growth Committee on 14 June 2018 that the Council will – subject to securing an indemnity from BHCCG to cover all related costs to be incurred by them – enter into an agreement for lease for the surgery premises prior to completion of the construction. BHCC will then either assign the lease or sublet the premises to the two GP practices at the most appropriate time. The proposal and approach was agreed by BHCCG's Primary Care Commissioning Committee on 12 June 2018 and funding to support the recurring and non-recurring costs in respect of the relocation of the two practices has been identified in the correct financial years according to the current timetable and build schedule.
- 4.17 Negotiations are now underway in relation to the agreement for lease and the deed of indemnity. Discussions between the developer and the district valuer are on-going regarding the scheme meeting the NHS's value for money requirements.
- 4.18 In May 2018 both general practices – the Allied Medical Practice (currently on two sites) and the Cockcroft University Practice (a branch of Stanford Medical Centre) – gave in principle commitment to relocating to the Preston Barracks Primary Care Centre, as fully as they are able to at this point in the NHS premises approvals process.
- 4.19 The developer intends to submit revised plans to the Local Planning Authority in October 2018 (delayed due to requirement to undertake air quality assessments as part of the application). Work on the detailed design of the Primary Care Centre is also moving towards finalisation involving all stakeholders and parties.

- 4.20 Under the current programme, construction of the Primary Care Centre is due to start on-site in summer 2019, with completion anticipated in summer 2021.

Moulsecoomb Neighbourhood Hub, Brighton (Phase 4)

- 4.21 This project sees BHCC leading the review and consolidation of the Moulsecoomb property portfolio to release existing buildings that are no longer fit-for-purpose and, by using the capital receipts raised, develop a new Neighbourhood Hub to house a range of new and existing services for the local community. The intention is to utilise any redundant sites for the delivery of new affordable housing.
- 4.22 The services comprising the proposed Neighbourhood Hub have been identified to include library services, youth services, an adult learning centre, sports and leisure, primary and community health provision, an Ambulance Community Response Post (ACRP) and community space. In spring 2018, design briefs and a series of design workshops led to the development of an outline scheme for the Neighbourhood Hub on the preferred location (adjacent to the sports centre on Hodshrove Lane). Initial high-level costings were also produced through a feasibility study and QS report.
- 4.23 Since the completion of this work, the project has grown in scope at the request of the Leader of the Council and Ward Councillors. This change will enable the delivery of additional homes and create the potential for a new social work facility, facilitating closer joint-working between health and social care. The project team continues to fully explore this new option, which has resulted in the need to revisit the feasibility study and expand the business case (previously scheduled for April 2018). The change in scope is substantial and will consequentially delay the project and increase costs. The precise impact on timescales and budget is still being worked through but the current intention is to produce the outline business case by autumn 2018.
- 4.24 Following the closure of the preferred adult education provider for the proposed Neighbourhood Hub, further research has been undertaken to explore alternative providers and the sustainability of a new model. This has included on-going engagement with the stakeholders, alongside a variety of community, volunteer-led, development and charitable organisations to discover potential new opportunities for adult education, explore ideas for a community café and to ensure that the project continues to adhere to the Neighbourhood Action Plan, which outlines the needs of the community.
- 4.25 The OPE funding awarded to the project as part of the Phase 4 call has been spent on developing feasibility studies and designs for the original project brief. New funding sources are now being identified and will include bids to both the Big Lottery Fund, which holds a budget for developing projects that strengthen communities, and the National Programme's upcoming Phase 7 funding call. Section 6 provides a summary of the Phase 7 funding call.

Brighton General Hospital, Brighton (Phase 4)

- 4.26 This project sees the Sussex Community NHS Foundation Trust (SCFT) determining the most appropriate long-term future for its historic Brighton

General Hospital site, which dates back to the 1850s. The site covers 4.06ha, has a total building footprint of over 26,000sqm gross internal area and is approximately 50% underutilised. It faces increasing lifecycle costs and is organised in an incoherent and fragmented way that does not afford the best patient care environments. This project provides the opportunity to reshape the provision of local health and care services; the intention is to consolidate a range of services into a new state-of-the-art Community Health Hub and thereby release land for new housing.

- 4.27 Work continues apace. SCFT now has an overall brief for the Community Health Hub and several site options that can establish how it would be developed on the Brighton General Hospital site. The Trust carried out its second phase of project specific engagement between May and July 2018. This allowed the Trust to hold a public engagement event and also meet with other local community and stakeholder groups. In total over 700 people responded to the survey (approximately 200 staff and 500 patients, carers and members of community groups). A public engagement event was held in June 2018 and a series of meetings with other community groups (22 in total) took place during this period. This work has demonstrated that there is overwhelming support for the project, has informed the selection of the preferred option and has highlighted other stakeholder priorities that will inform the development of the scheme between the outline and full case.
- 4.28 The outline business case is now nearing completion and is due for submission to the SCFT Board in October 2018. Approval is also required by the Trust's Regulators, NHS Improvement, as well as potentially the Department of Health and Treasury. Active work on the full business case will need to follow full regulatory approval, but is expected to be fully underway by early 2019.
- 4.29 On 27 June 2018, the proposals were presented to BHCC's Health Overview & Scrutiny Committee – responsible for scrutinising public health, joint working with NHS trusts and NHS operations in the local area. It was agreed that formal consultation will be required on service reconfigurations but that this will be limited in scope as the only clinical service identified for potential relocation was the sub-regional Sussex Rehabilitation Centre (SCR). Since this meeting, the preferred option has been developed that will see the SRC being retained on-site. The SCFT is, therefore, now no longer proposing any relocation of patient services from the Brighton General Hospital site where it is the provider. Nevertheless, SCFT is committed to continued widespread engagement, and consultation where necessary, throughout the life of the project.
- 4.30 The Trust has also begun work with the Local Planning Authority on a Planning Performance Agreement to manage the complex and interplaying planning issues, particularly in respect of housing and the need to reconcile the requirements for affordable housing, conservation issues, planning density for new build and the need to harness social value whilst delivering a self-funding Community Health Hub.
- 4.31 The current aim is for the full business case to be approved in 2019, with off-site relocations and enabling works taking place from 2020 and a final target completion for 2023.

#### Quebec Barracks, Brighton (Phase 4)

- 4.32 This project saw the Ministry of Defence (MoD), the land-owner, working jointly with BHCC to explore the potential redevelopment options for the 1.5ha Quebec Barracks site. The aspiration was to consolidate Defence uses into new and improved facilities and thereby unlock the remainder of the site for new housing.
- 4.33 The project has been closed-down. Following a wider regional review of requirements, the MoD decided to expand operations on the Dyke Road site resulting in no available space for housing redevelopment.
- 4.34 The project received a Phase 4 funding allocation of £45,000, of which £6,665 was spent (topographical survey, space study and design feasibility and costings). A formal change request and project proposal was submitted to the National Programme on 26 June 2018, seeking approval to redirect the remaining £38,335 to a new project located on Eastern Road in Haywards Heath. Confirmation is awaited.
- 4.35 The new Eastern Road, Haywards Heath project sees Mid Sussex District Council working jointly with the Reserve Forces & Cadets Association for the South East (SERFCA), part of the MOD, to explore the feasibility of consolidating existing defence uses (Army Cadet Force and Air Training Corps (Air Cadets)) into new facilities on a smaller footprint, thereby releasing a proportion of the 0.36ha site for new housing.

#### Springman House, Lewes (Phase 4)

- 4.36 This project sees Lewes District Council (LDC) leading the redevelopment of Springman House, a former NHS administration building. Working with the range of public sector partners, the intention is to relocate the Lewes Community Fire Station on to the site. This will bring the emergency services – fire and rescue, ambulance response and police – together into a single location as a new “Blue Light Hub” for the town and unlock the wider North Street Quarter (NSQ) regeneration scheme.
- 4.37 LDC completed the purchase of Springman House from the NHS and the South East Coast Ambulance Service NHS Foundation Trust (SECamb) in March 2017. On 26 June 2017 Cabinet also gave formal approval to commence the design and development of the new Community Fire Station and ACRP, including procurement of the design team to draw-up a detailed scheme for the site. An allocation of £3.5m for the delivery of the project within the capital programme was also agreed.
- 4.38 Corstorphine & Wright architects were appointed in January 2018 to undertake site masterplanning and design of the new Blue Light Hub. Since their appointment the architects have been progressing the design and layout in consultation with the key stakeholders; Sussex Police, SECamb and East Sussex Fire & Rescue Service (ESFRS). The draft site masterplan and building layout concepts are approaching completion, with only a few minor details still to be agreed upon with the operational stakeholders.

- 4.39 The process for appointing contractors for the pre-construction stage has begun with expressions of interest issued in June 2018 and a target for appointing a contractor by end September 2018.
- 4.40 The project remains on schedule. The aim is to secure planning permission in early 2019, to allow for works to start on-site in May 2019 for completion in summer 2020.

#### Conway Street Industrial Area, Brighton (Phase 6)

- 4.41 This project sees BHCC working with the various landowners and community groups to develop a masterplan and delivery programme for the Conway Street Industrial Estate, a strategic allocation in the City Plan (2016) that is expected to deliver a minimum of 12,000sqm of office and business floor space and 200 residential units.
- 4.42 The project has been mobilised. A project manager has been allocated and an officer steering group has been established to help guide the project.
- 4.43 Officers have undertaken a range of introductory meetings with landowners and other key stakeholders, including with Network Rail and the Hove Station Neighbourhood Forum (HSNF) within and around the proposed masterplanning area, in order to explain the purpose of the project, identify and discuss issues and gather information on plans and aspirations. Similar meetings have been held within the Council itself.
- 4.44 The project was presented to local residents at the 07 July 2018 “Have Your Say Day”, hosted by the HSNF.
- 4.45 A brief has been prepared that will form part of an invitation to tender for suitably-experienced consultant teams to undertake the masterplanning work. Commissioning will take place in autumn 2018 for consultants to undertake stakeholder workshops in winter 2018 to examine the issues and options that will inform the masterplan.
- 4.46 The masterplan will form a draft Supplementary Planning Document (SPD) that will be the subject of a public consultation in autumn 2019. As an SPD, the masterplan will need to follow statutory consultation stages and procedures. This will extend the project timeline but is necessary to give the masterplan significant weight as a material consideration in the planning process, to ensure that its objectives are realised and to provide the necessary certainty to attract interest and investment from the development industry.

#### Patcham Court Farm, Brighton (Phase 6)

- 4.47 This project sees BHCC working with public and private sector bodies to develop a credible scheme for the 1.4ha Patcham Court Farm site. Despite numerous attempts, the site not been developed since it became physically divided from its associated farmland in the late 1980s following the development of the A27 bypass. A key focus is on exploring ways in which the site can support the local health and care agenda.

- 4.48 The project has been mobilised. A project manager has been allocated and an officer steering group has been established to help guide the project.
- 4.49 Officers have undertaken discussions with a range of potential private and NHS occupiers to determine their interest in the site. These were reviewed by the officer steering group at its inaugural meeting on 13 June 2018, to help to ascertain which uses would be both planning compliant and practical on the site. A further meeting with the Local Planning Authority has taken place to discuss the various planning routes for the future project.
- 4.50 Site master planning and high-level design feasibility has been commissioned to commence in mid-September 2018 and the preferred occupiers' requirements have been mapped to inform this. A detailed topographical survey has been undertaken for the site and further site surveys and investigations will be commissioned shortly. A professional consultant has been appointed to undertake a market engagement assessment, covering planning, rental rates and viability.

#### North Street Quarter Health Hub, Lewes (Phase 6)

- 4.51 This project sees LDC leading the development of the NSQ Health Hub to serve 26,000 patients and house a range of integrated health and social care services, alongside a pharmacy and dental practice, extra care housing, community space, nursery and commercial office accommodation. It will bring together primary care, social services, mental health and third sector services to form a coherent offering for the local community. Many of the services that will relocate to the Health Hub currently operate out of premises that are no longer fit-for-purpose and that have insufficient capacity to respond to rising healthcare demands. In addition, their relocation will release several town centre premises that could become available for housing or other employment-generating uses.
- 4.52 Murphy Philipps were appointed in January 2018 to complete the detailed design and layouts for the Health Hub. They have been in discussion with key stakeholders and potential tenants over the last few months and have recently finished the designs and layouts.
- 4.53 At its Cabinet meeting on 02 July 2018, LDC agreed to acquire the Health Hub from the NSQ scheme, subject to certain conditions. The Council is now working to secure pre-lets with key tenants.
- 4.54 The Council, along with prospective tenants and other local stakeholders, will now start to look at how the Health Hub will be managed. This will be crucial to ensuring that the new facility delivers a model of fully integrated health care.
- 4.55 Full planning permission for the new Health Hub has been granted as part of Phase 1 of the wider NSQ regeneration scheme.

#### Land Release Fund Schemes (Phase 6)

- 4.56 The Programme's LRF allocation will support the delivery of three affordable rented housing schemes, each led by BHCC's New Homes for Neighbourhoods Programme:

- 4.57 Kensington Street, Brighton (12 units). Ground works are complete and the construction of the new buildings is progressing ahead of programme, with the construction of walls and first floor slab complete. The project is on-target for completion in May 2019.
- 4.58 Victoria Road Former Housing Office Site, Portslade (37 units). A project brief has been issued to the Architect that clarifies the Council's requirements, enabling the development of more detailed designs for both the Housing Scheme and the Sports Pavilion. Once completed, the designs will be costed and run through the Council's financial model. The brief incorporates the requirements of the Bowls Club but also provides facilities for the football clubs that currently use the Recreation Ground. The project is targeting Housing & New Homes Committee and Policy, Resources and Growth Committee on 14 November 2018 and 06 December 2018 respectively to obtain consent for the preferred option and any associated appropriation of land (internal transfer). This will give the project the necessary "green light" to progress the designs and submit both planning applications, which is scheduled for March 2019.
- 4.59 Selsfield Drive Housing Scheme, Brighton (30 units). The planning application for 30 flats on the site of the former Housing Office at Selsfield Drive was approved on 12 September 2018. The site has been hoarded and enabling works are now underway. The disconnection of services and demolition of the garages, former Housing Office and store was completed on 05 July 2018. The project is now progressing applications with the various utility companies for permission to undertake the sewer diversion and the re-location and upgrade of the sub-station. The works to the Highways to facilitate resident parking throughout the construction programme will commence as soon as planning permission has been granted to ease parking pressures on the wider estate.
- 4.60 Programme and project progress is reported to the National Programme and on a quarterly basis, through which any reprofiling of project spend and milestones are agreed.

## **5. PRE-QUALIFICATION CRITERIA**

- 5.1 Membership to the National Programme is dependent on the Partnership meeting a number of pre-qualification criteria.
- 5.2 As reported to the Board on 18 July 2017, the Partnership successfully completed all of the Phase 4 pre-qualification criteria ahead of the 31 December 2016 deadline.
- 5.3 At Budget 2016 the Chancellor announced that councils would collaborate with central government on a local government land ambition to release surplus land with the capacity for at least 160,000 homes between 2015 and 2020. This local authority land ambition, for which the LGA has pledged its support, sits alongside the central government target to dispose of land for 160,000 homes. Phase 6 introduced a new pre-qualification criterion to enable progress against this commitment to be monitored; for local authorities to provide:

- Data on all local authority land released between 01 March 2015 and 31 April 2018 and assumed housing capacity;
- Information on all local authority land planned for release between 01 May 2018 and 31 March 2020 and assumed housing capacity, and;
- Disposals and future disposal strategy on a bi-annual basis.

5.4 The National Programme released the associated Local Authority Land Ambition data capture forms on 13 July 2018, with a submission deadline of 14 September 2018. The Programme made its submission on 13 September 2018.

## **6 PHASE 7 FUNDING CALL**

6.1 On 28 September 2018 the National Programme launched the Phase 7 funding call. Applications for existing partnerships are in the form of an Appendix to the Services & Assets Delivery Plan. The submission deadline is 30 November 2018 and an announcement on funding awards is expected in February 2019.

6.2 The Phase 7 funding call comprises a national pot of circa £15m to support the delivery of public sector land and property projects that are partnership focused. All projects must involve collaboration between two or more public bodies.

6.3 The Phase 7 funding call will continue to support the core OPE objectives, as outlined in Section 3.2. However, it is placing particular focus on increasing housing supply with a further emphasis on schemes using innovative technologies and delivery solutions such as Modern Methods of Construction to deliver quality housing at pace. Whilst applications can include some project proposals that are not focused on the delivery of new homes, the National Programme has made clear that those without a substantial element of housing delivery are unlikely to be successful.

6.4 The Phase 7 funding call includes a new “targeted sites pilot” to encourage all partnership areas to support both local and national priorities. Government departments have announced a number of major estate transformation and infrastructure programmes that will represent opportunities for collaboration in partnership areas across England. In particular, the National Programme is seeking projects that will release sites from the MoD and NHS Property Services (as willing partners) and the call will give additional weighting to the four sites that form this pilot. These are not located in the Greater Brighton area and at present no additional surplus MoD or NHS Property Services sites have been identified by the Partnership.

6.5 Partnerships are able to apply for up to £500,000 in revenue funding towards programme management and delivery. However, the funding call will be highly competitive as there will likely be interest from the 37 partnership areas and potentially 34 ‘non-OPE’ local councils.

6.6 The National Programme intends to allocate funding to partnership areas as a combination of grants and repayable grants (i.e. loan funding) and the pot comprises £12m in grant funding and £3m in repayable grant funding. The National Programme has called these repayable grants “sustainable grants”, as they are one of the ways in which they are striving to place themselves on a more sustainable footing. The aim is to provide recyclable funding that will be returned

to the National Programme over a 3 year term and reinvested into new OPE projects. “Sustainable grants” are particularly suited to projects that will unlock substantial receipts and/or savings and will be provided on an interest free basis. All existing partnership areas are expected to include a request for “sustainable grant” funding as part of their application.

- 6.7 Applications will be jointly assessed by the Cabinet Office, LGA and MHCLG. Higher scores will be given to ambitious but credible applications and proposals that demonstrate innovative delivery solutions and support the delivery of targeted sites. The weighting is as follows:

Weight	Criteria
Mandatory	<ul style="list-style-type: none"> <li>Meeting pre-qualification criteria</li> </ul> <p><i>Note, the funding call includes no new pre-qualification criteria</i></p>
25%	<ul style="list-style-type: none"> <li>Strength of partnership arrangements</li> <li>Track record of delivery</li> </ul>
50%	<ul style="list-style-type: none"> <li>Project plans and deliverability</li> <li>Innovation and delivery of targeted sites</li> </ul>
25%	<ul style="list-style-type: none"> <li>Value for money, including schedule of costs and benefits</li> </ul>

- 6.8 The Programme is now working with its partnership members and wider stakeholders to identify and develop project proposals that will form the basis of its application. As the submission deadline does not align with the meeting schedule for the Greater Brighton Strategic Property Board, the Board is asked to devolve sign-off of the bid to its Chair (Geoff Raw, Chief Executive of Brighton & Hove City Council).

## 7. CONCLUSION

- 7.1 The Partnership brings together public bodies from across the City Region to use their property and land assets to both improve how public sector services are delivered and to act as a catalyst to boost economic growth, delivering new homes, employment floorspace and jobs.
- 7.2 In so doing, the Programme is supporting the Board to deliver its:
- Housing target of 49,754 new homes by 2030 (*based on local plan numbers*).
  - Identified employment floor space need of circa 600,000sqm of office, industrial and warehouse floor space (*2013 data, excluding Crawley Borough Council*).
  - Public service reform agenda, supporting service transformation and improvement with property as an enabler.
- 7.3 While still in its infancy, this report demonstrates that the benefits of the Programme – in terms of both unlocking blocked development sites and in facilitating closer coordination and partnership working between public sector stakeholders – are already being seen.

## 8. FINANCIAL & OTHER IMPLICATIONS:

### Financial Implications:

- 8.1 The Greater Brighton Partnership has secured revenue and capital funding of £1.653m from the National Programme to support thirteen projects across the

City Region as detailed in paragraph 3.6. This investment will support the delivery of reduced running costs for assets and the realisation of capital receipts for future investment across the region. There will also be new housing and jobs to support the economic development of the region.

The National Programme has launched the Phase 7 funding call with an announcement due in February 2019. This will release national funding of up to £15m and partnerships are able to bid for sums up to £0.5m to support further delivery of public land and property projects. The national funding takes the form of revenue grants and repayable grants (loan funding), the latter called “sustainable grants” by the National Programme. These sustainable grants will require reinvestment back to the National Programme when either revenue savings or capital receipts are delivered.

*Finance Officer Consulted: Rob Allen*

*Date: 18/09/18*

Legal Implications:

- 8.2 There are no legal implications arising directly from this report. The legal implications will be addressed on a project-by-project basis by the public sector bodies involved.

*Lawyer Consulted: Alice Rowland*

*Date: 20/09/18*

Equalities Implications:

- 8.3 There are no equalities implications arising directly from this report. The equalities implications will be addressed on a project-by-project basis.

Sustainability Implications:

- 8.4 The Programme is aimed at supporting the Partnership to take a strategic approach to asset management. This will help to enable public sector partners to get the most from their collective assets, creating opportunities to reduce running costs, generate capital receipts, create more integrated and customer-focused services and to grow the economy by unlocking surplus sites for new homes, employment floorspace and jobs. In so doing, the Programme will create more sustainable services, public sector bodies and economies.

Any Other Significant Implications:

- 8.5 None.

## **SUPPORTING DOCUMENTATION**

### **Appendices**

None