

One Public Estate and Land Release Fund

Purpose

This report updates the Board on recent funding announcements in relation to the One Public Estate (OPE) and Land Release Fund (LRF).

It also provides an update on interim findings from an external evaluation of the One Public Estate programme and work undertaken to secure new funding for the programme in 2018/19.

Recommendation

That the Improvement and Innovation Board note the funding awards made by the OPE and LRF programmes. Also the additional updates on work being undertaken to secure future funding and the programme evaluation.

Action

Officers to continue to work with both Cabinet Office and the Ministry of Housing, Communities and Local Government to secure funding for 2018/19.

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One Public Estate and Land Release Fund

Background

1. OPE is an established national programme delivered in partnership by the Cabinet Office Government Property Unit (GPU) and the LGA. It provides practical and technical support and funding to councils to deliver ambitious property-focused programmes in collaboration with central government and other public sector partners.
2. At its heart, the programme is about getting more from our collective assets. This could be catalysing major service transformation, such as health and social care integration or benefits reform, unlocking land for new homes and commercial space, or creating new opportunities to save on running costs and generate income.
3. One Public Estate:
 - 3.1 creates economic growth (new homes and jobs)
 - 3.2 delivers more integrated, customer-focused services
 - 3.3 generates efficiencies through capital receipts and reduced running costs.
4. Starting in 2013 with just twelve areas, OPE is now working with 319 councils, who work in 75 partnerships, on projects that are transforming local communities and public services across the country. Together, these 75 local OPE partnerships have shown that, with the right expertise and support, a small investment can unlock significant service transformation, local growth and efficiency saving benefits. Expectations are that by 2019/20 these partnerships will have generated 44,000 jobs, released land for 25,000 homes, raised £615 million in capital receipts, and cut running costs by £158 million. Since its inception the programme has provided over £40 million revenue funding to over 450 projects across England.
5. In the Budget 2016 the Chancellor announced that councils would collaborate with central government on a local government land ambition, working with their partners to release surplus land with the capacity for at least 160,000 homes. 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.
6. In response to this ambition, in August 2017 OPE announced a new partnership with the Ministry of Housing, Communities and Local Government's (MHCLG) new Land Release Fund (LRF). LRF is a new £45 million capital fund supporting local authorities to bring forward surplus land for housing that would otherwise not be developed. Funding is to be used to support works, such as remediation and the provision of small scale infrastructure, to enable sites to be released for housing development.

LRF Funding Awards

7. On 16 February 2018 the Housing Minister, Dominic Raab announced the outcomes of applications to the LRF programme. The announcement confirmed that 79 projects from 40 council areas would receive a share of £45 million funding between 2017/18–

22 March 2018

2019/20. The funded projects are anticipated to release local authority land to support the building of up to 7,280 new homes.

8. Programme delivery and reporting will be managed by the OPE's joint LGA and Cabinet Office programme team via established local OPE partnerships. New governance arrangements for both OPE and LRF have been established involving LGA, Cabinet Office and MHCLG at senior officer level to provide oversight to the programme. As part of programme management closer working relationships to Homes England are in the process of being established.
9. Funding awards for areas that will receive funding in 2017/18 will be made throughout March 2018. A full breakdown of the funding awards is provided in **Annex A**.

Additional OPE Funding Awards

10. As Members will be aware in December 2017 the One Public Estate programme announced the outcome of its sixth funding round. The announcement saw £8.7 million awarded to new and existing OPE partnerships. The funding round was heavily oversubscribed with requests totalling over 3.5 times the available £8.7 million budget, meaning many strong projects were unable to receive funding.
11. Given this, LGA and Cabinet Office OPE leads successfully lobbied for additional funds. In March 2018 OPE received an additional £4.7 million funding for 2017/18. £4.2 million of this funding will be distributed to OPE partnerships to deliver new OPE projects which would have received funding through phase 6 but didn't due to initial funding limitations. The remaining £0.5 million has been provided to establish a new Homes for NHS Staff Pilot with the Department for Health and Social Care. A full breakdown of funding awards is provided in **Annex B**.

Homes for NHS Staff pilot programme

12. In October 2017, the Secretary of State for Health and Social Care (SofS) announced a national expectation that, when local NHS estate owners are disposing of surplus land, NHS staff will be given a right of first refusal to buy or rent affordable homes built on that land. The government has an ambition of providing 3,000 staff homes via the Homes for NHS Staff policy.
13. To support the delivery of the policy, the LGA and the Cabinet Office has developed a London pilot focusing on early win exemplar sites that can be brought forward to deliver new affordable homes for NHS staff. We will be working with the London Estate Delivery Unit, which is hosted by the Greater London Authority, to manage the pilot with the London Boroughs of Barnet, Bexley, Croydon, Lewisham and Kingston. The total OPE funding awarded is £500,000.

OPE Programme Evaluation

14. In December 2017 the OPE programme commissioned an external evaluation of the programme to review its performance since inception in 2013. A consortium of Steer Davies Gleave (SDG) Development, CBRE and Newcastle University Centre for Urban and Regional Development (CURDS) were commissioned to undertake the works.

15. The evaluation consists of three core elements:

- 15.1 A review of performance and progress against objectives of the programme to date.
- 15.2 A forward looking scoping exercise, providing recommendations to guide a future operational model. This would consider future funding opportunities for the programme including attracting private sector/institutional capital investment.
- 15.3 A best practice review of public sector land and property initiatives outside of OPE. Done with the aim of identifying good practice to share with the wider public sector and to support shaping our future programme offer.

16. In March 2018 the external evaluators reported interim findings on elements 1 and 3 of the evaluation. The interim findings are overall positive:

- 16.1 The performance review has indicated that the programme demonstrates robust programme management and performance management processes.
- 16.2 It recognises that the programme offer of revenue funding to establish projects, provide local project management resource and support through OPE regional teams is a model welcomed by the sector, with no one element standing out as more important.
- 16.3 Local feedback has advised that the programme has helped raising games by filling gaps in expertise and increasing levels of ambition.
- 16.4 Also, that the programme is seen as a stamp of credibility – in garnering local political support and elevating the profile of an initiative with project partners.
- 16.5 A review of best practice from land and property experts such as RICS and Centre for Cities has also shown that OPEs model of assisting public sector collaboration, developing strong data and cross organisational strategies is the right one to maximise the use of public land and property.

17. A final evaluation report is due in spring 2018. The report will build on interim findings after further consultation with local and central government property leads. The report will also include recommendations for how the programme could attract private sector investment and expertise to help the long term delivery of OPE projects.

Future OPE funding for 2018/19

18. The 6 phase of OPE saw the programme issue councils the remaining £8.7 million funding available from the funding allocation of £31 million announced in the Autumn Statement 2015. Work is currently ongoing to secure additional funding to enable further expansion of the OPE programme.

22 March 2018

19. Cabinet Office have reached an agreement with HM Treasury to secure central programme management costs for the joint LGA and Cabinet Office team. This agreement will cover the team running costs for the national programme until March 2019/2020.

20. In addition to the central team resource, OPE leads are in advanced discussions with MHCLG over an additional £15m revenue funding to be issued to councils in 2018/19. The terms of the agreement are still to be finalised and a verbal update will be provided at the meeting.

Annex A: LRF Funding Awards

Local Authority	Project	LRF Funding 2017/18	LRF Funding 2018/19	LRF Funding 2019/20
Blackburn with Darwen Borough Council	Newfield Dev Area	£32,000		
	Fishmoor Drive	£35,000		
	Blackburn with Darwen - Griffin	£670,000		
Blackpool Council	Blackpool - Bispham Road	£1,050,000		
	Blackpool Rd - Poulton	£300,000	£790,000	£610,000
	Blackpool - Ryscar Way	£250,000	£100,000	£50,000
Breckland Council	Shipdham	£300,000		
Brighton & Hove City Council	Kensington Street	£36,000	£108,000	
	Victoria Road	£144,000	£226,000	
	Selsfield Drive	£80,000	£255,000	
Bristol City Council	Haldon Close Bristol, BS3 5LW	£220,000		
	2-20 Filwood Broadway, Bristol	£390,000		
	Kingswear, Knowle West.	£250,000		
	Bath Rd, Totterdown	£270,000		
	Whitehouse Centre, Fulford Rd	£2,680,000		
Broadland District Council	Rosebery Road, Great Plumstead	£160,000		
Durham County Council	Former Stanley School of Technology Housing Develop		£50,000	£1,200,000
	Self-Build Housing Development	£810,000		
Essex County Council	Moulsham (Chelmsford)	£125,757		
	St Peters (Chelmsford)	£925,000		
	Friary (Maldon)	£70,000	£185,735	
	Rocheway/Millview (Rochford)	£422,110		
Hampshire County Council	Mill Chase Academy	£1,200,000		
Hartlepool Borough Council	Seaton Lane Sites		£112,000	£93,000
Herefordshire Council	Bromyard Depot	£225,000		
London Borough of Barnet	Pinkham Way	£250,000	£1,250,000	
London Borough of Bexley	West Street			£142,093
	Walnut tree depot	£250,753		
	Bridge Street Road	£117,018		
	Nags Head Lane - Bexley			£91,943
London Borough of Lambeth	Fenwick South	£825,000		
Luton Council	Taylor Street	£855,545		
Maidstone Borough Council	Brunswick St / Union St	£658,000		
Mendip District Council	Easthill, Frome			£420,000
	Cemetery lane, Street	£210,000		
	Norbins Road, Glastonbury			£84,000

	North Parade, Frome			£112,000
Newcastle on Tyne City Council	NCC Package of sites (Losh Terrace, Manor Park, Wansford Avenue, Newburn Road)	£525,000		
North Devon Council	Seven Brethren, Barnstaple	£200,000	£1,000,000	£1,000,000
Norwich City Council	Mile Cross depot enabling works	£980,000		
Nottinghamshire County Council	Residential Development Eastwood	£1,000,000		
Plymouth City Council	Colin Campbell House/Colin Campbell Court	£1,000,000		
	Bath Street West	£1,000,000	£500,000	
	Stirling House, Honicknowle	£250,000		
	Corporate Asset Release Programme		£407,500	
	Land at Prince Maurice Road, Lipson Allotments		£275,000	£250,000
	Efford Health and Wellbeing Hub			£250,000
Rochford District Council	Freight House and RDC Offices (Rochford)	£204,125		
Rotherham Metropolitan Borough Council	Project One: Housing Delivery - Rothwell Grange & Copewell Lodge	£300,000		
	Project Two: Place Based Transformation	£150,000		
Rushcliffe Borough Council	Depot- Housing Development - West Bridgford	£300,000		
Salford City Council	Salford Development Site, Astley Road			£500,000
	Swinton Transformation, Salford		£110,000	
	Little Hulton Residential Development, Longshaw Drive, Salford	£90,000		
Scarborough Borough Council	Depot Rationalisation, Scarborough	£50,000		
Shropshire Council	Ellesmere Remediation	£20,000	£524,507	
South Gloucestershire Council	Emersons Green Lane, Bristol			£150,000
	Station Road, Yate	£230,000		
	Land at Savages Wood Road, Bradley Stoke			£200,000
	Land at Woodlands, Tytherington			£100,000
	32 Gloucester Road/Castle 6th form, Thornbury	£720,000		
	Charborough Road, Filton	£500,000		
	Woodend Road, Frampton Cotterell	£15,000	£160,000	
	Lower Stone Close, Frampton			£20,000

	Cotterell			
	Eastbury Close, Thornbury			£30,000
South Ribble Borough Council	South Ribble - Bamber Bridge and Lockstock Hall	£126,000	£236,000	
St Edmundsbury Borough Council	St Olaves Road, Bury St Edmunds	£670,000		
Stevenage Borough Council	Kenilworth Close / Burwell Road and Gresley Way	£900,000		
Swindon Borough Council	John Street Car Park redevelopment	£50,000	£350,000	
Teignbridge District Council	Newton Abbot, Bradley Lane	£1,000,000	£1,500,000	
Torbay Council	Victoria Square, Paignton		£450,000	£450,000
	Preston Down Road, Paignton			£1,100,000
	Collaton St Mary, Paignton			£1,976,000
West Yorkshire Combined Authority	Phase 1 Small Housing Sites			£662,125
Wiltshire Council	Land Assembly Next Phase	£80,000	£620,000	
Worcester	Sansome Walk	£750,000	£150,000	£600,000
Worcestershire County Council	The Pines	£36,000	£144,000	
	Kingsfield		£30,000	£120,000
Wycombe District Council	Bassetsbury Allotments	£40,000	£460,000	

Annex B: Additional OPE Funding Awards

Partnership	Lead Council	Local Authorities in Partnership	Total Allocation
N/A – Homes for NHS Staff Pilot Programme	N/A	London Borough of Croydon	£70,000
		London Borough of Barnet	£70,000
		Royal Borough of Kingston upon Thames	£70,000
		London Borough of Lewisham	£70,000
		London Borough of Bexley	£70,000
Buckinghamshire Public Estates Partnership	Buckinghamshire County Council	Buckinghamshire County Council Aylesbury Vale District Council Wycombe District Council Chiltern District Council South Bucks Council	£75,000
Cornwall	Cornwall Council	Cornwall Council	£100,000
Devon and Torbay OPE Partnership	Devon County Council	Devon County Council Torbay Council East Devon District Council East Devon District Council Exeter City Council Mid Devon District Council North Devon District Council South Hams District Council Teignbridge District Council West Devon District Council	£175,000
Essex	Essex County Council	Essex County Council Braintree District Council Epping Forest District Council Maldon District Council Rochford District Council Tendring District Council Uttlesford District Council	£193,500
One Gloucestershire	Gloucestershire County Council	Gloucestershire County Council Cheltenham Borough Council Cotswold District Council Forest of Dean District Council Gloucester City Council Stroud District Council Tewkesbury Borough Council	£25,000
Greater Brighton Partnership	Brighton and Hove City Council	Brighton and Hove City Council Worthing Borough Council Adur District Council Mid Sussex District Council Lewes District Council	£180,000
Greater Lincolnshire One		West Lindsey District Council East Lindsey District Council	£87,271

Public Estate		City of Lincoln Council South Holland District Council Boston Borough Council North Kesteven District Council South Kesteven District Council North East Lincolnshire Council North Lincolnshire Council Lincolnshire County Council	
Greater Manchester Combined Authority	Greater Manchester Combined Authority	Oldham Metropolitan Borough Council Rochdale Metropolitan Borough Council Bolton Metropolitan Borough Council Trafford Metropolitan Borough Council Wigan Metropolitan Borough Council Manchester City Council Salford City Council Stockport Metropolitan Borough Council Bury Metropolitan Borough Council	£66,670
Kent Estates Partnership	Kent County Council	Kent County Council Tunbridge Wells Borough Council Swale Borough Council Shepway District Council Ashford Borough Council Medway Council* Thanet District Council Canterbury City Council Dartford Borough Council Dover District Council Gravesham Borough Council Maidstone Borough Council Sevenoaks Borough Council Tonbridge & Malling Borough Council	£145,000
Lancashire Combined Authority	Blackburn with Darwen Borough Council	Blackburn with Darwen Borough Council Blackpool Council Burnley Borough Council Chorley Council Fylde Borough Council Lancashire County Council Lancaster City Council Pendle Borough Council Preston City Council Rossendale Borough Council South Ribble Borough Council	£186,000

		West Lancashire Borough Council	
London Borough of Barnet	London Borough of Barnet	London Borough of Barnet London Borough of Brent* London Borough of Harrow	£60,000
London Borough of Bexley	London Borough of Bexley	London Borough of Bexley London Borough of Lewisham*	£50,000
London Borough of Brent	London Borough of Brent	London Borough of Brent*	£60,000
London Borough of Lewisham	London Borough of Lewisham	London Borough of Lewisham	£80,000
London Borough of Richmond upon Thames	London Borough of Richmond upon Thames	London Borough of Richmond upon Thames	£130,000
London Borough of Waltham Forest	London Borough of Waltham Forest	London Borough of Waltham Forest	£200,000
Leicestershire Partnership	Leicester City Council	Leicester City Council Oadby and Wigston Borough Council North West Leicestershire Council Hinckley & Bosworth Council Harborough District Council Charnwood Borough Council	£50,000
Liverpool City Region	Liverpool City Council	Liverpool City Council Halton Borough Council Knowsley Borough Council St Helens Borough Council Sefton Borough Council Wirral Borough Council	£85,000
Luton One Public Estate Partnership	Luton Borough Council	Luton Borough Council	£50,000
Medway Partnership	Medway Council	Medway Council Kent County Council*	£50,000
Norfolk Partnership	Norfolk County Council	Breckland District Council Broadland District Council Great Yarmouth Borough Council King's Lynn and West Norfolk Borough Council Norfolk County Council North Norfolk District Council Norwich City Council South Norfolk District Council	£160,000
North East One Public Estate Partnership	Newcastle City Council	Newcastle City Council Gateshead Council Northumberland County Council North Tyneside Council Durham County Council	£96,000

		South Tyneside Council	
North Midlands	Derbyshire County Council	Derbyshire County Council Derby County Council Amber Valley Borough Council Erewash Borough Council Bolsover District Council Chesterfield Borough Council North East Derbyshire Council High Peak Borough Council Derbyshire Dales District Council High Peak Borough Council South Derbyshire District Council Nottinghamshire County Council Nottingham City Council Rushcliffe Borough Council Mansfield District Council Ashfield District Council Broxtowe Borough Council Newark and Sherwood District Council Gedling Borough Council Bassetlaw District Council	£125,000
North Yorkshire Authorities Property Partnership	North Yorkshire County Council	Ryedale District Council Richmondshire District Council Scarborough Borough Council North Yorkshire County Council Hambleton Borough Council Harrogate Borough Council Craven District Council Selby District Council	£105,000
Oxfordshire	Oxfordshire County Council	Oxfordshire County Council Cherwell District Council Oxford City Council South Oxfordshire District Council Vale of White Horse District Council West Oxfordshire District Council	£105,000
Portsmouth Harbour Partnership	Portsmouth City Council	Portsmouth City Council Gosport Borough Council	£127,500
Royal Borough of Kensington and Chelsea	Royal Borough of Kensington and Chelsea	Royal Borough of Kensington and Chelsea	£100,000
Rutland One Public Estate (ROPE)	Rutland County/Unitary Council	Rutland County/Unitary Council	£75,000
Sheffield City Region	Sheffield City Council	Sheffield City Council Rotherham Metropolitan Borough Council	£80,000

		Doncaster Metropolitan Borough Council Barnsley Metropolitan Borough Council Bolsover District Council Bassetlaw District Council Derbyshire Dales District North East Derbyshire District Council	
Southampton One Public Estate Board	Southampton City Council	Southampton City Council	£150,000
SPACES – East Sussex	East Sussex County Council	East Sussex County Council Brighton & Hove City Council Eastbourne and Lewes Council Hastings Borough Council Rother District Council Wealdon District Council	£75,000
Surrey Public Estate Partnership	Surrey Heath Borough Council	Surrey County Council Surrey Heath Borough Council Tandridge District Council Waverley Borough Council Elmbridge Borough Council Spelthorne Borough Council Woking Borough Council Runneymede Borough Council Mole Valley Borough Council Guildford Borough Council Epsom & Ewell Borough Council Reigate and Banstead Borough Council	£79,000
Tees Valley Community health and wellbeing integration	Tees Valley Combined Authority	Hartlepool Borough Council Middlesbrough Borough Council Darlington Borough Council Stockton Borough Council Redcar and Cleveland Borough Council	£60,000
Connecting Warwickshire	Warwickshire County Council	Warwickshire County Council North Warwickshire Borough Council Nuneaton & Bedworth Borough Council Rugby Borough Council Stratford Upon Avon District Council Warwick District Council	£100,000
West London OPE Partnership	London Borough of Harrow	London Borough of Harrow* London Borough of Ealing London Borough of Hammersmith & Fulham London Borough of Hounslow	£364,778

		London Borough of Barnet* London Borough of Brent*	
West Midlands Combined Authority	Sandwell Metropolitan Borough Council	Birmingham City Council Cannock Chase District Council* Coventry City Council Dudley Metropolitan Borough Council Sandwell Metropolitan Borough Council Solihull Metropolitan Borough Council Walsall Council City of Wolverhampton Council	£57,000
West of England OPE Partnership	Bath & North East Somerset Council	Bath & North East Somerset Council North Somerset Council South Gloucestershire Council Bristol City Council	£225,000
West Sussex One Public Estate Partnership	West Sussex County Council	West Sussex County Council Chichester District Council Adur District Council Arun District Council Mid Sussex District Council Horsham District Council Worthing Borough Council Crawley Borough Council	£140,000
West Yorkshire Combined Authority	Calderdale and Kirklees	City of Bradford Metropolitan District Council Calderdale Metropolitan Borough Council Craven District Council Harrogate Borough Council Kirklees Council Leeds City Council Selby District Council City of Wakefield Metropolitan District Council	£130,000
Worcestershire One Public Estate Partnership	Worcestershire County Council	Worcestershire County Council Wyre Forest District Council Bromsgrove & Redditch Councils Wychavon District Council Malvern Hills District Council Worcester City Council	£120,000