



# EXECUTIVE BOARD DECISION

**REPORT OF:** Executive Member for Resources

**LEAD OFFICERS:** Deputy Chief Executive

**DATE:** 12 April 2018

**PORTFOLIO/S AFFECTED:** Resources Regeneration

**WARD/S AFFECTED:** All

**KEY DECISION:** YES  NO

**SUBJECT:** Lancashire One Public Estate (OPE) Programme

## 1. EXECUTIVE SUMMARY

1.1 The purpose of this paper is to provide Members with an update on the Lancashire One Public Estate (OPE) Programme and the Council's responsibilities as Accountable Body for the programme.

## 2. RECOMMENDATIONS

That the Executive Board:

2.1 Notes the current update on the Lancashire OPE Programme.

2.2 Supports the ambitions of OPE Programme and the Lancashire Partnership through continued collaborative working with public sector partners.

## 3. BACKGROUND

3.1 The shadow Lancashire Combined Authority was established in July 2016 following a request submitted to the Government to form a Combined Authority, signalling a shift to working more collaboratively across the county to deliver better outcomes for residents and businesses, creating higher growth and productivity, raising attainment and importantly, aspirations and playing a key role in the Northern Powerhouse.

3.2 The Lancashire partnership joined the OPE Programme in 2016. OPE is a national programme delivered in partnership by the Local Government Association (LGA) and the Cabinet Office Government Property Unit (GPU) to achieve service efficiencies and create new homes and jobs through estate transformation, utilising land and property assets across the public sector. Since joining the programme, the Lancashire OPE programme has been successful in a number of areas:

**OPE project delivery:** There are five Lancashire wide projects progressing under OPE Phases 4&5, and two which have completed. A summary of these projects is provided below and further details can be found within the supporting documents.

Lead Authority	Project Title	Project Partners
Blackburn with Darwen Borough Council	Blackburn Town Centre Public Sector Accommodation Review.	Blackburn College; Ministry of Justice/HMCTS; Royal Blackburn Hospital (ELHT); Capita.
Blackburn with Darwen Borough Council	Pennine Courts and Multi Services Hub. <i>*As this project did not progress as initially envisaged given changes in partner requirements, the funding has been re-allocated within the programme to Preston City Council to undertake a review of the HM Courts and Tribunal Service (HMCTS) estate and facilities within the Preston area.</i>	
Chorley Council	Public Service Co-location and Integration.	Lancashire County Council (LCC); Age UK Lancs; Chorley Community Housing; DWP; Lancashire Care Foundation Trust (LCFT).
South Ribble Borough Council	Leyland Health and Community Campus (West Paddock).	DWP; Lancashire County Council; South Ribble Partnership; Local education providers; South Ribble Leisure Partner. Health providers incl. LCFT.
Lancashire County Council	Lancashire Neighbourhood Centre Implementation.	All district Councils; CCGs; Colleges and Skills providers; Fire, Police and Ambulance.
Blackpool Council	Blackpool CLQ - Relocation of MoJ Courts Facilities.	Wyre Council; Ministry of Justice/HMCTS; Blackpool, Fylde & Wyre EDC.
Burnley Borough Council	Burnley Town Centre Joint Accommodation Review and Masterplan.	Ministry of Justice; DWP; Probation Service; Lancs Constabulary; LCC; East Lancs Health Trust; Burnley College; UCLan.

**Governance:** Formation of an effective Lancashire Property Board and Public Services Board with clear terms of reference and good partner representation, including the majority of Lancashire Local Authorities, Health Sector, Police & Crime Commissioners and HM Courts and Tribunal Service.

The Property Board is chaired by BwD's Deputy Chief Exec. Also, a network of 5 Strategic Estate Groups (SEGs) are in place across the county providing a structure for partner participation in developing OPE and health initiatives under the Lancashire and South Cumbria STP.

**Partner engagement:** The Lancashire partnership has established good working arrangements with HM Courts and Tribunal Service with a structure of regular meetings that focus on supporting OPE project delivery involving court services. Close working arrangements are also in place with the Lancs and South Cumbria STP (Strategic Transformation Plan) estates leads, with attendance at SEGs, the STP Motor Group and Lancs and South Cumbria Programme Board.

**Housing delivery:** Links to the Lancs Better Homes Group with regular meetings and workplan (housing delivery, funding and investment programmes) and completion of the Housing Growth Analysis Study – which provides a clear focus for improving housing delivery in Lancashire.

3.3 The Lancashire Partnership submitted a bid for OPE Phase 6 funding on 3<sup>rd</sup> Nov 2017. This included business cases for six Lancashire projects for OPE revenue funding and nine projects under the Land Release Fund (a new funding stream via MHCLG to enable capital works which will release Council owned sites for housing).

3.4 The Lancashire Partnership has secured funds for 2 of the OPE Phase 6 Revenue projects, totalling £186,000, together with an allocation of £50,000 capacity funding awarded for continued OPE Programme Management up to the end of 2018/19.

3.5 The Lancashire Partnership has also received positive feedback from the LGA in terms of the excellent progress being made by the Partnership through effective governance arrangements and programme management to sustain the momentum of collaborative working and a strategic approach to OPE. While the OPE Board were supportive of Lancashire projects put forward for revenue

funding, there was an unprecedented level of competition nationally and, given the competitive nature, the OPE Programme Board were unable to award the Partnership funding for all revenue projects. The OPE Programme Team will continue to work with the LGA and project leads to look at other funding opportunities to progress projects and to further develop business cases for potential future bidding rounds.

3.6 The Lancashire Partnership also had great success in Land Release Funding (LRF) bids, securing a total of £4.25 million to undertake works to a number of housing sites in Blackburn with Darwen, South Ribble and Blackpool. A breakdown of the LRF award is shown within section 6 of the report.

3.7 For BwDBC, this will mean that site preparation works to brownfield sites in the borough can be undertaken, including the Newfield development area, Fishmoor Drive site and the Griffin regeneration area. The Griffin area has been identified for major intervention under the Housing Market Renewal (HMR) Programme through extensive local consultation and masterplanning. Two phases of development are planned for the Griffin development site: phase 1 is planned to provide around 90 new homes for sale along with a new highway access and phase 2 is intended to provide around 50 new affordable homes for rent and shared ownership. Funding of £670,000 will be used to create the new highways access into the site with associated infrastructure works. Remediation works will be carried out to prepare the site for new housing development, dealing with poor ground conditions and removing contamination from the site. The two other sites, in the South East Blackburn Housing Zone area, have received a total of £67,000 funding for site investigations and surveys.

#### 4. KEY ISSUES & RISKS

4.1 The OPE Programme in Lancashire is governed by the Shadow Lancashire Combined Authority through the Public Services Board and Property Board. Blackburn with Darwen Borough Council is the Accountable Body with responsibility for administering the programme.

#### 5. POLICY IMPLICATIONS

5.1 The OPE Programme supports the delivery of the Council's priorities in the 2030 vision and the Corporate Plan to create more jobs and homes, improve town centres and encourage business growth.

5.2 The programme also supports ambitions under the Lancashire Plan – to have integrated public services, better homes and prosperous town centres.

#### 6. FINANCIAL IMPLICATIONS

6.1 As the OPE Programme is externally funded, there are no direct financial implications to Blackburn with Darwen Borough Council. A funding breakdown is included below for information:

Allocation	Description
OPE Phase 4 Award (Nov-16)	
£20,000	Leyland Health and Community Campus – Co-location health, civic and community service provision
£40,000	Blackburn Town Centre Public Sector Accommodation Review – Engagement with DWP, MoJ, HMRC and Capita
£40,000	Pennine Courts and Multi Services Hub – Site review and feasibility Study.

£30,000	Public Service Co-location and Integration – Chorley
£50,000	Lancashire Neighbourhood Centre Implementation
£80,000	Programme Resource – Programme Manager
£80,000	Programme Resource – Programme Manager (Earmarked for 2017/18)
<b>£340,000</b>	<b>Sub-total</b>
OPE Phase 5 Award (Apr-17)	
£15,000	Blackpool (CLQ) Relocation of MoJ Courts Facilities – Feasibility Study
£60,000	Programme Management – Coordinator Role
£55,000	Blackpool (CLQ) Relocation of MoJ Courts Facilities – Feasibility Study (Earmarked for 2017/18)
£40,000	Integrated Services Burnley Town Centre – Strategic Review / Masterplanning (Earmarked for 2017/18)
<b>£170,000</b>	<b>Sub-total</b>
OPE Phase 6 Award, Revenue Funding (announced Dec-17)	
£50,000	Capacity funding for OPE Programme Management
£36,000	West Lancs – Transforming Ormskirk
£150,000	Chorley & Preston – Central Lancs Community Health hubs
<b>£236,000</b>	<b>Sub-Total</b>
OPE Phase 6 Award, Land Release Fund (announced Feb-18)	
£32,000	Blackburn with Darwen – Newfield Development Area
£35,000	Blackburn with Darwen – Fishmoor Drive Site
£670,000	Blackburn with Darwen – Griffin Site
£400,000	Blackpool – Ryscar Way Site
£1,700,000	Blackpool Rd – Poulton Site
£1,050,000	Blackpool – Bispham Rd Site
£362,000	South Ribble – Bamber Bridge and Lockstock Hall Sites
<b>£4,249,000</b>	<b>Sub-Total</b>
<b>£4,995,000</b>	<b>TOTAL</b>

6.2 In addition, the Lancashire Partnership was awarded £50,000 for initial development funding prior to being accepted onto the OPE programme.

6.3 As Accountable Body, Blackburn with Darwen Borough Council is responsible for the administration of funding received through the OPE programme.

6.4 We are not aware of any clawback implications.

## **7. LEGAL IMPLICATIONS**

7.1 There is a Memorandum of Understanding between the Lancashire Partnership, the Local Government Association (LGA) and the Cabinet Office Government Property Unit (GPU). Although not legally binding, the MoU describes the agreement between the named organisations and the conditions of funding.

7.2 MoU arrangements are also in place between Blackburn with Darwen Borough Council and district authorities that have secured OPE funding, setting out arrangements for grant payments, benefit realisation and reporting.

7.3 As lead authority, Blackburn with Darwen Borough Council is responsible for delivery of the OPE programme in Lancashire, which includes the following activities (as set out within the MoU):

- Meet all programme pre-selection criteria to an agreed timetable: Including recording all land and property assets owned by partnership authorities (except social housing stock) and public sector partners on the ePIMS Lite system.
- Provide details of current surplus land and land which is expected to become surplus or redeveloped as part of this.
- Provide information on the estimated value of all local authority owned land and buildings within the partnership area.
- Make details of all land and property owned by the partnership publically accessible, including in authorities' statutory annual reports.
- Have in place an effective board, bringing together partnership members and wider public sector partners who will help to drive plans.
- Deliver the programme plan and ensure that any changes to plans and project outputs are agreed by both the LGA and GPU.
- Spend funding as per the agreement set out in the programme plan. Any changes to this funding plan will need to be agreed by both the LGA and GPU.
- Adhere to the quarterly reporting process administered by the LGA and produce a year-end report.
- Identify a nominated contact and deputy representing the lead partner, who will ensure that projects are delivered within agreed timescales and manage the activities, allocating the necessary time to the project.
- Identify nominated contacts in other partner councils to coordinate engagement in the programme across their council.
- Work with the LGA and GPU to determine support requirements including any assistance to identify and procure specialist resources.
- Actively encourage appropriate officers and councillors, from public bodies across the Lancs Partnership to participate in the programme.
- Proactively work and share information about projects with the LGA, GPU and other local authorities.
- Support work to promote achievements and learning across the programme, including developing case studies of work locally.
- Undertake to provide the OPE team and evaluators with all relevant information to assist their understanding of forecast and actual benefits across your projects.

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## 8. RESOURCE IMPLICATIONS

8.1 Staffing resource employed by Blackburn with Darwen to manage the OPE Programme is externally funded.

8.2 OPE capacity funding is for two posts; an OPE Programme Manager has been in post since January 2017, and an OPE Programme Coordinator. Capacity funding for these posts is secured to March 2019.

8.3 Resource is required to maintain the Council's property information to the ePIMS Lite System, to comply with OPE pre-selection criteria. It is expected that the Councils Corporate Property Team will continue to maintain records as part of property management duties.

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## 9. EQUALITY AND HEALTH IMPLICATIONS

**Please select one of the options below. Where appropriate please include the hyperlink to the EIA.**

Option 1  Equality Impact Assessment (EIA) not required – the EIA checklist has been completed.

Option 2  In determining this matter the Executive Member needs to consider the EIA associated with this item in advance of making the decision. *(insert EIA link here)*

Option 3  In determining this matter the Executive Board Members need to consider the EIA associated with this item in advance of making the decision. *(insert EIA attachment)*

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## 10. CONSULTATIONS

Not relevant to the Council's role as Accountable Body. The local authorities delivering individual OPE funded projects will be responsible for complying with their own project approval and governance arrangements, and for carrying out any consultations needed to assess the impact of projects on service users and the public.

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## 11. STATEMENT OF COMPLIANCE

The recommendations are made further to advice from the Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation and an equality analysis and impact assessment has been considered. The recommendations reflect the core principles of good governance set out in the Council's Code of Corporate Governance.

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## 12. DECLARATION OF INTEREST

All Declarations of Interest of any Executive Member consulted and note of any dispensation granted by the Chief Executive will be recorded in the Summary of Decisions published on the day following the meeting.

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<b>VERSION:</b>	<b>0.02</b>
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<b>CONTACT OFFICER:</b>	Andrew Bond Lancs OPE Programme Manager
<b>DATE:</b>	29 <sup>th</sup> March 2018
<b>BACKGROUND PAPER:</b>	<ul style="list-style-type: none"><li>• OPE 6 Prospectus</li><li>• OPE Progress Report</li><li>• OPE Governance / Structure Chart</li></ul>