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Dear Member

CABINET - TUESDAY, 1 OCTOBER 2019

I am now able to enclose, for consideration at the Tuesday, 1 October 2019 meeting of the Cabinet, the following reports that were unavailable when the agenda was printed.

Agenda No	Item	Page
7.	Land Release Fund Report of the Overview and Scrutiny Board	(Pages 68 - 119)

Yours sincerely

Teresa Buckley
Clerk



Land Release Fund

Report of the Torbay Overview and Scrutiny Board

At its meeting on 19 September 2019, Torbay Council's Overview and Scrutiny Board considered a report prepared by the Interim Director of Place, the purpose of which was to remind and advise the Overview and Scrutiny Board of the background to and progress on the use of the Land Release Fund (LRF) money awarded to the Council. The Overview and Scrutiny Board was also in receipt of a report compiled by fellow Board Member, Councillor Kennedy.

At the meeting, the Board received representations from the Cabinet Member for Economic Regeneration, Tourism and Housing and the Interim Director of Place. The Interim Director of Place set out the contract management arrangements between the Council and the funder, confirming that the Council was delivering on what the funder's were expecting and performing in accordance with the award. The Interim Director of Place advised that LRF was overseen by the One Public Estate (OPE)/LRF Programme Board, which includes officials from the Local Government Association, Cabinet Office and Ministry of Housing, Communities and Local Government (MHCLG). The Council was required to submit quarterly progress reports to the OPE, information which the Interim Director of Place acknowledged had only recently been provided to Councillor Kennedy, a situation that would be rectified.

The Chairman of the Board invited Councillor Kennedy to present her report, which set out a number of questions. The Interim Director of Place, provided responses to the questions and referred to email correspondence from the officers monitoring the fund. The Board was concerned at the level of discretion being applied to the award, giving the impression that the contract wasn't being complied with. This was further compounded by what Members considered to be a lack of communication and delays in the provision of information relating to the award of LRF funding. The Board was advised that the funders, MHCLG, were fully aware that LRF projects can experience unexpected hurdles and that officers in Torbay were in regular contact with the monitoring officials to ensure that the Council remained compliant with the funding conditions. All issues of concern are recorded in a risk register and shared with the funders by way of the submitted monitoring reports. The Interim Director of Place confirmed that the funding body was content with the Council's progress in respect of the LRF funding and they had not raised any concerns with him.

The Board therefore made the following recommendations to Cabinet:

- (i) that Council Directors ensure that all bids submitted for their portfolio are checked by them for accuracy;

- (ii) significant decisions made by Officers, such as the acceptance of the Land Release Fund (LRF) Grant, should have formal Record of Decisions, irrespective of whether or not the legal test for their preparation is met;
- (iii) meetings such as the one where the Mayor and Group Leaders were consulted on the LRF, should be minuted in the future;
- (iv) any information requested by Councillors for consideration by committees must be produced as requested and in a timely manner;
- (v) there is a need for clear and transparent reports. All reports must include background information and context to items for which there is a need for a decision by either Cabinet or Full Council;
- (vi) all future bids for Government money must be made and submitted in accordance with the Constitution; and
- (vii) that Officers ensure that the submission of all future bids are in accordance with Council Policies.

The Board made a further recommendation to the Interim Director of Place:

That before the next meeting of this Board, the Interim Director of Place, meet with the Vice-Chairman of Overview and Scrutiny Board, to discuss specific issues as set out in the submitted report, in relation to the Land Release Fund and that a further report be brought back to the Board, if the Vice-Chairman feels appropriate, following consultation with the Chairman of the Overview and Scrutiny Board.



Meeting: Overview and Scrutiny Board

Date: 19 September 2018

Wards Affected: All

Report Title: Land Release Fund

Report Author and Councillor Contact Details: Karen Kennedy, 07464 201149, karen.kennedy@torbay.gov.uk

1. Purpose

To consider where Torbay Council currently stands regarding the Land Release Fund, whether there are any current risks, and what we have learned from this process.

As this report considers the whole process of the bid, recommendations are made throughout the body of the report and summarised again for ease under section 11. Where appropriate this report will mirror the headings as set out in the Officer report.

The Land Release Fund (LRF) is funding granted by the Ministry of Housing, Communities and Local Government (MHCLG) secured to prepare three sites in Torbay ready for development by the end of March 2020 at the latest. These three sites are Preston Down Road, Collaton St Mary and Victoria Square.

By completing a bid for Land Release Funding the Council committed to completing the project work within the bid within financial years 2017/18 and 2019/20 so that projects can move into delivery stage after this. There is also a commitment to adhere to quarterly reporting arrangements (page 25 & 26 Land Release Fund Appendix).

The Fund is specifically for infrastructure works necessary for, and prior to, the commencement of any development. The terms and conditions contain time limits for steps within the contract which Torbay Council need to evidence compliance by way of monitoring reports.

2. Background

The application for LRF was submitted in November 2017, an offer letter including the terms and conditions of funding was received by Torbay Council on 8 March 2018, and Torbay Council accepted these terms on 14 March 2018.

The Council's scheme of delegation, delegates to the Chief Finance Officer the acceptance of grants. The Chief Finance Officer consulted with the Elected Mayor and Group Leaders prior to his decision. There is no report upon which the Elected Mayor and Group Leaders were consulted on. There are no minutes of the meeting between Officers and the Elected Mayor and Group Leaders which was held on 13 March 2018 which would have demonstrated the level of political agreement, and no Officer record of decision for acceptance of the LRF was published.

The Monitoring Officer has advised that a record of decision for the acceptance of the Grant was not legally necessary because the Chief Finance Officer was exercising a general delegation, not a specific delegation, and because at the point of acceptance of the grant, it was not known that there would be a significant financial implication for the Council.

When Full Council considered the issue of land at Preston Down Road and Collaton St Mary, the audio of the Council meeting on 18 October 2018 indicates an apparent lack of understanding for some Councillors as to what the LRF monies were to be spent on.

Recommendation:

- (i) There is a need for clear and transparent reports,
- (ii) Meetings such as the one where the Mayor and Group Leaders were consulted on the LRF, should be minuted in the future,
- (iii) Significant decisions made by Officers, such as the acceptance of the LRF Grant, should have Records of Decision, irrespective of whether or not the legal test for their preparation is met.

3. Governance

The LGA announcement referred to in the officer report states that local councils can use the LRF money to combat barriers which would otherwise make land unusable for development. It goes on to specifically mention that Torbay Council has been awarded £1.9m for “a new 350m sewer, drainage upgrades and two new roads to help unlock up to 200 homes.”

Request to Officers for clarification : what were the issues surrounding the three sites which made the sites unusable for development without the LRF?

Request to Officers for clarification : what is the current position with regard to delivering all the items as contracted prior to seeking development partners?

The LRF contract between Torbay Council and MHCLG contains within the terms and conditions certain milestones to be achieved by Torbay Council and a requirement to submit monitoring reports to evidence these achievements. Six reports should have been submitted to MHCLG to date but none have been produced to the author prior to the submission of this report. These quarterly reports are imperative to, and provide key information for the understanding of the Council’s current position with regard to the LRF contract.

Recommendation: Any information requested by Councillors for consideration by committees must be produced as requested and in a timely manner.

4. The Bid

In accordance with the Officer Scheme of delegation, the Chief Finance Officer should have approved the submission of the Grant bid. This did not happen, although the Director of Place had supported the submission of the bid. Whilst the Monitoring Officer believes that in respect of the LRF this error was remedied by the acceptance of the Bid by the Chief Finance Officer, it is important that this error is not repeated in the future.

Recommendation:

- (i) All future bids for Government money must be made and submitted in accordance with the Constitution,
- (ii) That Council Directors ensure that all bids that are submitted for their portfolio are approved by them for accuracy.

The Government press release in August 2017 stated that the purpose of the LRF is to enable Councils to “release some of their unused or surplus land for housing”. Given that neither Preston Down Road nor Collaton St Mary were allocated sites within the Local Plan (as evidenced by page 117 Appendix 3 CSM and PDR planning statement at 18 July 2019 Council meeting) is not clear why Officers believed it was appropriate to submit a bid for these sites.

Collaton St Mary is deemed to be a Future Growth Area. Both the Local Plan and the Collaton St Mary Masterplan set out development there towards the end of the Local Plan 20 year period, on the basis that it provides a more sustainable community and enhances the character of the village. However the Plan acknowledges both the sewerage system and the A385 are both at, or beyond, capacity and cannot sustain further development in their current state, which need to be addressed prior to any development. Preston Down Road is identified within the Local Plan for potential future housing allocation but is not a currently allocated site. The bid document states in the project summary that there is an intention to build 150 houses here which is contrary to the maximum of 100 shown in the Local Plan.

Request to Officers for clarification: provide the reasoning behind the decision to include these two sites in the bid, including

- I) how the Local Plan and Collaton St Mary Masterplan were considered in the decision to include these sites in the bid, and
- II) Why they were given preference over town centre brownfield sites?

Recommendation: that Officers ensure that the submission of all future bids are in accordance with Council Policies.

It would appear that the Bid document listed both Preston Down Road and Collaton St Mary as allocated sites within the Local Plan. However if the report to Council of 18 July 2019 is correct (Page 117 Appendix 3), the bid document is not correct.

The bid document references 150 houses at Preston Down Road, however the Local Plan appears to limit this to 100.

Request to Officers for clarification : whether the bid document was accurate in these respects?

There was no mention within the bid document that the land at Collaton St Mary and Preston Down Road, whilst owned by Torbay Council were leased to Torbay Coast and Countryside Trust and negotiations had to be carried out to obtain vacant possession. The terms and conditions of the LRF state that the land must be wholly owned by the Council.

Request to Officers for clarification : why was it believed that it was correct to confirm that the land was wholly owned by the Council? What advice was sought in this respect?

5. Funding/Criteria

Land to which the bid relates must be wholly owned by the local authority.

Funding must not be available from any other source.

The works for which funding is sought are deliverable, and within a time frame that will enable the land to be released in time.

Evidence that the proposals can be taken forward at pace.

Timelines agreed within the contract:

Victoria Square – planning application submission October 2018 with the expectation permission would be granted January 2019 and work to commence July 2019.

Preston Down Road – site surveys to be carried out during the summer of 2018 and design and community engagement in the autumn 2018. Planning application January 2019 with permission expected in April 2019. Work to commence autumn 2019.

Collaton St Mary –

surveys (summer 2018)

Back to Back agreement with adjoining landowners

Access Planning applications – autumn 2018

Planning Decision – March 2019

Tender for works – March 2019 – June 2019

Start off site drainage / flood risk works – autumn 2019

Start on site access works – Jan 2020

Fund is specifically for the following:

Victoria Square – IT/Comms equipment relocation and flood risk mitigation

Preston Down Road – Off site highways and drainage works

Collaton St Mary – 350m new sewage pipe, flood risk and drainage upgrade, 2x access points

Torbay Council to act as master builder and master developer with the opportunity to seek developer partners for the house building projects.

6. Land Designations

See comments under the Bid heading at 4 above.

7. Five Year Housing Land Supply

On 12 December 2016 the Planning Minister, Gavin Barwell, issued a written statement on Neighbourhood Plans in which he stated that where the neighbourhood plan allocates sites for housing the requirement on the local authority to demonstrate a 5 year land supply falls away and the requirement is only for a 3 year supply.

The Brixham Peninsula and Torquay Neighbourhood Plans clearly allocate sites for housing. However, Torbay Council's position on the Paignton Neighbourhood Plan is that it does not. The rationale here is unclear as, according to the LRF bid the PNP does allocate sites.

Request to Officers for clarification : which of these two statements does the Council hold to be correct?

The comments in the Officer report about sites being imposed through Government intervention which are locally unpalatable are incomplete. The current Local Plan housing need figures are based upon a balanced delivery of jobs and housing. However, the job figures have not increased despite the expansion in house building.

Giving priority to the disposal of the green field sites is not in accordance with achieving sustainable development because the provision of affordable housing in either of the two green field locations would not be supported by appropriate facilities.

There are high priority brownfield sites across the Bay, including those unequivocally allocated in development plans, which would make an identical contribution to housing delivery but which also face infrastructure issues.

The comments in the Officer report regarding a risk to the 5 year housing land supply are not accurate, on the basis that Preston Down Road was not included in the published figures.

8. Progress on Delivery

a) Victoria Centre (Garfield Road)

According to the timetable all surveys should have been completed, planning permission granted and work started in July this year. It is understood that there is ongoing discussion with the OPE and LGA team to agree an extension to the date.

Request to Officers for clarification:

- (i) explain how the proposals for the site have evolved (if at all) since the submission of the bid,**
- (ii) explain the timetable relating to the progress made in the last 18 months,**
- (iii) Why the planning application has not yet been submitted,**
- (iv) provide all of the relevant correspondence with regard to any variation to the original contract along with the 6 monitoring reports.**

b) Collaton St Mary and c) Preston Down Road

The LRF grant was obtained in order to carry out specific enabling works to unlock these sites. Torbay Council is contracted to carry out the enabling works prior to any development works. However there appears to be some inconsistencies between what is currently being proposed in the officer report and what has been agreed by MHCLG.

Request to Officers for clarification:

- (i) explain how the proposals for these sites have evolved (if at all) since the submission of the bid,**
- (ii) the timetable relating to the progress made in the last 18 months,**

- (iii) **the current position in respect of delivery of the works, together with evidence of written agreement with MHCLG for any variation to the original contract.**

9. Risks

The risks will need to be re-evaluated once all of the matters upon which this report seeks clarification are known.

Recommendation : that the risks are further evaluated once all outstanding matters are clarified.

10. Liaison with OPE/LGA

See comments in respect of the monitoring reports under section 3, Governance.

11. Recommendations

- (i) Significant decisions made by Officers, such as the acceptance of the LRG Grant, should have formal Records of Decision, irrespective of whether or not the legal test for their preparation is met.
- (ii) Meetings such as the one where the Mayor and Group Leaders were consulted on the LRF, should be minuted in the future.
- (iii) Any information requested by Councillors for consideration by committees must be produced as requested and in a timely manner.
- (iv) There is a need for clear and transparent reports. All reports must include background information and context to items for which there is a need for a decision by either Cabinet or Full Council.
- (v) All future bids for Government money must be made and submitted in accordance with the Constitution.
- (vi) That Officers ensure that the submission of all future bids are in accordance with Council Policies.
- (vii) That Council Directors ensure that all bids are submitted for their portfolio are checked by them for accuracy.

Overview & Scrutiny Board

18 September 2019

Land Release Fund

1. Purpose

The purpose of this report is to remind and advise the Overview & Scrutiny Board of the background to and progress on the use of the Land Release Fund (LRF) money awarded to the Council.

The report also raises awareness of the key work areas, risks and anticipated Council decision timeline.

The report also headlines the Council's proposed approach for the next round of funding (One Public Estate Round 8).

2. Background

Government press release – August 2017

"DCLG's £45 million 'Land Release Fund', launched in partnership with the Cabinet Office and Local Government Association's One Public Estate Programme, will ensure local councils release some of their unused or surplus land for housing. This will help to meet the ambition to unlock enough council-owned land for at least 160,000 homes by 2020.

Councils can now bid for funding for land remediation and small-scale infrastructure, which will help bring sites forward for housing that would not have otherwise been developed."

In March 2018 Torbay Council secured the highest award of LRF (£3,976,000) in the Country. The disposal of land at Little Blagdon Farm, Collaton St Mary and Land at Preston Down Road, Paignton was discussed at the full Council meeting on 18 July 2019. At this time approval was sought to dispose of the Council's freehold interest in land at Little Blagdon Farm, Collaton St Mary (CSM) and at Preston Down Road, Paignton (PDR) by way of entering into a development agreement with a private sector housing delivery partner in order to deliver a fully planning policy compliant scheme for the provision of new housing at both CSM and PDR.

Also, in August 2019 the Council received confirmation that the Expression of Interest (EoI) for Future High Streets Funding had been successful. This will result, initially, in £150,000 of revenue funding to develop business cases for the projects included in the EoI – including the delivery of homes at Victoria Centre (Garfield Road). It will also allow Torbay a share of £1 billion Future High Streets capital funding. The business cases need to be submitted in April 2020 and include close liaison with MHCLG. If those business cases are successful (announcement in autumn 2020) it could unlock £15M of Future High Streets Funding for Paignton Town Centre and lever in around £25M of 3rd party investment. In the meantime, the award will help generate confidence, investment and momentum in Paignton.

3. Governance

LRF is overseen by the One Public Estate team, within the Local Government Association. It has very close links with Cabinet Office and Ministry of Housing, Community and Local Government. Land Release Funding is one of the One Public Estate funding streams. It forms part of the Government's agenda to speed up the delivery of new homes. See <https://www.local.gov.uk/topics/housing-and-planning/one-public-estate/land-release-fund-announcement>

The One Public Estate team works with county / area based partnerships. In Torbay's case that is the Devon & Torbay Partnership. The partnership is led by Devon County Council, which provides the administrative function, and spans 10 local authorities, serving a population of almost 1 million people. It includes partners from the National Health Service, and the Blue Light Fire Services, and it works closely with a number of central government departments, as indicated above. The partnership Board, and the proposals it submits under the One Public Estate agenda, aims to maximise the potential of the area's publicly-owned estate in order to drive economic growth, improve public service delivery and unlock greater efficiencies.

Torbay Council has an LRF Project Board, made up of senior officers and project leads. The Project Board meets on a monthly basis. At present there is no Member representation on the Board, but it is suggested that Swithin Long, given his Cabinet role, joins the Board.

3. Bid

The bid was made under One Public Estate Round 6 (OPE6). A copy of the Devon wide bid is attached as Appendix 1.

Torbay Council's element of that bid included 7 projects for LRF funding, namely:

- Five town centre regeneration sites: Victoria Centre, Brixham Town Centre Car Park, Torquay Town Hall Car Park, Temperance St, South Quay,
- Two greenfield sites: Collaton St Mary and Preston Down Road.

It also includes a OPE project, the health and well-being hub to the rear of Paignton Library.

The bid was submitted on 3 Nov 2017, for a total LRF package of around £6m to unlock the above sites (but not to deliver homes on those sites). The estimated number of homes unlocked by LRF was shown as 686 in Torbay (1101 across Devon).

4. Award

The award of LRF was confirmed in early March 2018.

Funding was allocated over 2 year period, the majority of which is to be spent this financial year (2019/20).

A total of £3,976,000 was awarded, for just three of the projects identified in the bid, as per the table below. Funding has been provided at two key points: March 2018 and March 2019.

Funding	Description	17/18 Funding	18/19 Funding	19/20 Funding
MHCLG Land Release Fund – £3,976,000				
£900,000	Victoria Square, Paignton	£0	£450,000	£450,000
£1,976,000	Collaton St Mary, Paignton	£0	£0	£1,976,000
£1,100,000	Preston Down Road, Paignton	£0	£0	£1,100,000
Total	£3,976,000			

Upon receipt of the LRF award, the Council considered whether to accept the award - and by doing so - considered whether the release of land was deliverable by March 2020.

The award was accepted by the Council on 14 March 2018, following the agreement of the Elected Mayor and Group Leaders.

5. Funding / Criteria

The key LRF funding criteria are:

- The land to which the bid relates is fully owned by the local authority. For schemes of mixed land ownership funding would only be available to land owned by the local authority.
- Funding will enable the release of land for housing by 2020 or earlier, and is not available from any other source.
- The works for which funding is sought are deliverable within a time frame that will enable land to be realised by 2020, or earlier.
- All other OPE and LRF conditions of funding set out in the prospectus are met or agreed to.

6. Land Designations

All town centre sites are identified in the Council's Town Centre Masterplans, which were adopted by the Council as Supplementary Planning Documents (June 2015).

See <https://www.torbay.gov.uk/media/6894/ttcmasterplan.pdf> and <https://www.torbay.gov.uk/media/6895/ptcmasterplan.pdf>

Those town centre masterplans support and were supported by the Torbay Local Plan (adopted in December 2015). The masterplans have informed and are reflected in Neighbourhood Plans.

a) Victoria Centre (Garfield Road)

The site, subject of LRF funding, at Victoria Centre is the site of the older multi-storey car park which fronts onto Garfield Road. It does not include the multi-storey car to the rear of Lidl.



The Victoria Centre is included in the Local Plan, as a housing site.

Table 12 SDP1: Estimated source of housing within Paignton

Estimated delivery period (years)	1-5	6-10	11-15	16-18		
Policy / site name	Commitments and other deliverable sites	Commitments (continued delivery), Neighbourhood Plan sites and Future Growth Area			Total	Notes and key infrastructure requirements
SDP2 Paignton Town Centre and seafront	68	165	43	314	590	Investment in flood defence/resilience infrastructure +60 Victoria Square, +30 Station Lane / Great Western Car Park, +40 Paignton Harbour (130 total) Subject to sufficient car parking being retained.

The site is part of the larger Victoria Centre. The Council has identified, in its Transformation Strategy for Torbay's Town Centres (see <https://www.torbay.gov.uk/media/10450/transformation-project-town-centre-regeneration.pdf>), dated April 2017, that various options are being considered for Victoria Centre, including re-use of the site of the older of the two car parks and demolition of the older car park, to be replaced by residential development.

b. Collaton St Mary (CSM)

The following advice is as reported to Council in July 2019.

This site lies within an area which is allocated within the Torbay Local Plan to be brought forward for development, as specified in Policy SS2 (Future Growth Areas) and SDP3.3 (Totnes Road/Collaton St Mary). This area is also subject of an adopted Supplementary Planning Document, which supports the delivery of this policy, the Collaton St. Mary Masterplan (adopted 2016). There is a clear policy expectation in the Torbay Local Plan, augmented by the Collaton St Mary Masterplan that this site will come forward for development.

The Paignton Neighbourhood Plan was approved at referendum on 2 May 2019 and subsequently "made" (i.e. adopted) by full Council on June 19th 2019. Whilst the Neighbourhood Plan does not allocate the Collaton St Mary Future Growth Area, (which is done by the Local Plan), it contains several policies that are relevant to the area. These include a range of overarching policies on design and similar matter in Policy PNP1, and Policy PNP24 "Collaton St Mary Village". Policy PNP24 requires that future development should be in accordance with the Collaton St. Mary Masterplan Supplementary Planning Document (SPD) – a plan which sets out a strategy for the delivery of approximately 460 homes within the Collaton St. Mary Future Growth Area.

c. Preston Down Road (PDR)

The following advice is as reported to Council in July 2019.

This site lies within an area identified in the Local Plan for a potential housing allocation. It is not part of an allocated housing site but does lie within a wider general area of Paignton agreed to be suitable for such growth. As part of the preparation of the Torbay Local Plan, the site was considered as being suitable for development as a result of a Strategic Housing Land Availability Assessment (SHLAA). A Sustainability Appraisal, which considered growth in this wider area of Paignton, also considered that the proposal would be consistent with planning for sustainable development. The Torbay Local Plan provides for the site to be considered for allocation as a housing site either within the Paignton Neighbourhood Plan or future site allocation documents, in order to contribute to the required level of growth needed in Paignton. The Adopted Paignton Neighbourhood Plan does not allocate this site for development, nor indeed any other sites for housing development in Paignton. Notwithstanding this, the findings of the Independent Examiner who assessed the Paignton Neighbourhood Plan are that this does not

detract from the housing need required by the Torbay Local Plan – the target for housing in Paignton as set out in the Local Plan remains at 4,285.

7. 5 year Housing Land Supply

The Government has repeatedly stated that increasing housing supply is a high priority.

The National Planning Policy Framework (paragraph 73) requires the Council to maintain a supply of specific, deliverable sites sufficient to provide 5 years' worth of housing to meet housing requirements set out in Local Plans. The Council may well have less than 5 years' identified housing land, which includes Victoria Centre. If Victoria Centre is not brought forward for development this would reduce projected housing land supply, thereby putting the Council at risk of Government intervention to force the allocation of sites within the Torbay area.

Without a 5 year housing land supply, the Council is subject to increased risk of development occurring in locations which might not be locally palatable or being of a lower quality than that which might have otherwise been required through local policies.

8. Progress on delivery

a) Victoria Centre (Garfield Road)

The LRF Board has ensured there is a firm basis to work from in relation to unlocking the site e.g. achieving vacant possession. LRF funding has been, or is being, used to:

- Secure legal advice to map out, timetable and action plan what is needed, with existing tenants for example.
- Complete all necessary site investigation and survey work (ecology, contaminations, asbestos, ground conditions, tree, topographical and flood risk etc.)
- Preparation of a development brief which will be given teeth as a Supplementary Planning Document, to guide development and improve value. The emerging development brief, which community leaders have already been involved in, will be subject of public engagement in autumn and thereafter presented to Council for adoption.
- A parking capacity and needs study has been commissioned, focused on Paignton Town Centre, on a range of regeneration sites, and the impact of their loss / development on current and future parking provision.
- Consider development options and secure valuation advice, so that the Council is better informed about whether to develop, sell or lease the land.

The LRF Board has secured Council approval (as landlord) for the demolition of the old car park and has quotes from contractors for that demolition work.

The Garfield Road site has eight tenants, all of who the Council and TDA are working with to move them or their space / equipment with the support of LRF funds.

a) Shop mobility

After many months of looking at options and sites the TDA has managed to find them alternative premises, on the seafront. They are agreeing heads of terms and looking to move before end 2019.

b) CCTV

A capital programme is now being implemented, and making good progress, to ensure removal of all existing CCTV in the older of the car park by November.

c) TOR2 - Local Waste Collection Operator

We have agreed the removal of the existing structure, and relocation to a new home off-site. Quotations for the new premises have been received, with a relocation expected by end 2019.

d) Car Park Cabin

This contains PCs etc. The TDA and Council has found an alternative location, on another Council car park, to relocate the cabin.

e) Coach Operators

A few operators currently occupy space within the ground floor area. The Board has agreed to relocate these out of Paignton town centre, providing drop off / pick facilities in the town centre.

f) BAE Systems

BAE Systems lease the Vue Cinema building on the seafront. Customers have a right, under lease, to park anywhere in the Victoria Centre, including the old car park. A deed of variation has been prepared, and approval and change of use is being requested from BAE.

g) Telecoms Operators (x 2)

There are two telecoms operators on the site (Arqiva and O2). Notice has been served on both of them, but further work to achieve vacant possession is proving to be slower than expected. (Note: further commercially sensitive information is set out in Exempt Appendix 2.)

The next lease review date is 6 Sept, when the Council could decide – if there is insufficient progress – to proceed to Court. If the Council (or one of the operators) proceeds to Court the Council will need to be able to demonstrate it meets four legal tests:

- 1) It has passed all the necessary resolutions to demolish (i.e. there is a record of decision). This has already been achieved.
- 2) It has the funding in place. The LRF covers this.

- 3) It has planning permission for demolition (which will follow a resolution) – This can be achieved within 2 – 3 months, with Council support, and can be progressed quickly thereafter.
- 4) It has a demolition contract in place (which will follow planning permission). As above, quotes are in place for this work.

Of the £900,000 allocated to Garfield Road site, £100,580 was spent in financial year 2018/19, with circa £799,000 available/estimated for the current financial year (2019/20).

2018/19					
	Q1	Q2	Q3	Q4	Annual Total
Budget					
Actuals	16,113	22,385	29,644	32,438	100,580
Total	16,113	22,385	29,644	32,438	100,580

2019/20					
	Q1	Q2	Q3	Q4	Annual Total
Budget	-	16,105	355,546	355,000	726,651
Actuals	68,324	3,648	-	-	71,972
Total	68,324	19,753	355,546	355,000	798,623

£46,000 for a new and enhanced CCTV system has been spent / transferred for implementation (Q1, 2019/20).

Key areas of 2019/20 spend is forecast as below;

- £300,000 contractor / demolition.
- £21,000 to relocate Shop Mobility.
- £200,000 for potential legal challenge from telecom operators.
- £46,000 for other professional fees including valuation and design work.
- £55,000 for compensation claims.
- £15,000 for other Rights to Lights and other survey work.

- £55,000 flood alleviation contribution.

The Board has explored and continues to explore development options for Garfield Road.

It had been hoped to provide 120 student beds on site, with associated facilities, which would have been excellent for the town centre. But South Devon College are now going through a procurement process, taking it outside the LRF timeframe.

The development brief shows that 15 town houses or between 75 and 100 apartments could be delivered on site.

There is ongoing work to assess site suitability for a 65+ bed care home. This option could also deliver significant efficiencies for the Council. If that option is chosen, the Council will demonstrate those efficiencies and endeavour to show what housing is unlocked by the redevelopment of smaller care home sites.

The Board considers that the Council has at least three disposal/delivery options available to it in relation to the site at Garfield Road. These are:

- a) Sell the site to a developer which would be a relatively straight forward process by offering a speedy disposal route - avoiding any lengthy design/planning process – and providing a small but important capital receipt to the Council.

Vacant possession, a development brief, demolition of the older car park and the offer of the Council's Housing Company taking the affordable housing element, coupled with the wider development potential of the site, will all make the site more attractive.

A sale would also include 'pace' requirements relating to planning application submission, start-on-site and completion within specific timeframes.

If this option is chosen, the Board considers that it could be difficult to have a contract in place by end March 2020, especially given telecoms operator issues and in turn delayed VP / demolition, but sufficient progress may have been made by end March 2020 to satisfy the OPE / LGA team.

- b) An alternative option would be to hand over the site directly to the Council's Housing Company, for delivery of open market and affordable homes, or conceivably extra care.

The Board considers that there is every reason that, with successful registration provider status which is expected over the next few months, this could all be in place by end March 2020.

- c) The Council could fund, design and deliver a residential-led development on the basis of a pre-let to an operator e.g. of a care home.

This would ensure that the Council works closely with the selected operator whilst gaining full control over the contract to satisfy its design, quality and delivery ambitions, whilst also providing ongoing revenue potential to the Council.

If this option is chosen then we would expect to have, at least, heads of terms or a contract with an operator completed by end March 2020.

b) Collaton St Mary

The Disposal of Land at Little Blagdon Farm, Collaton St Mary was discussed at the full Council meeting on 18 July 2019.

Approval was sought to dispose of the Council's freehold interest in land at Little Blagdon Farm, Collaton St Mary (CSM) by way of entering into a development agreement with a private sector housing delivery partner via an OJEU compliant process.

The intended outcome of disposal via the development partner route is to deliver a fully planning policy compliant scheme for the provision of new housing at Collaton St Mary. The proposed disposal route shall:

- (a) Ensure that the Council's strategic policies are fully adhered to.
- (b) Ensure that the Council's statutory requirements are fully adhered to.
- (c) Provide the Council with an opportunity to shape scheme outputs.
- (d) Enable the Council to influence affordable housing split.
- (e) Provide the Council with a capital receipt to contribute towards the capital programme.

Another tangible benefit of progressing via the development partner route is that the Council will be able to influence the scheme to be delivered to a greater extent than if the sites were just sold on the open market. It is possible that any straight forward land disposal could see the developer apply to reduce their planning contributions and affordable housing obligations as part of their planning application.

At its meeting on 18 July 2019 the Council resolved:

- (i) that the disposal of the freehold interest at Collaton St Mary and Preston Down Road (identified in Appendices 1 and 2 to the submitted report), be approved and the Chief Executive be given delegated authority to agree and finalise any Heads of Terms in consultation with the Cabinet, Group Leaders and the Section 151 Officer. Any future capital receipts from the disposals will in the first instance be used to offset the £2.4 million cost for acquiring the sites, with any surplus being used to support capital projects linked to priorities around employment, town centre regeneration and heritage assets;
- (ii) that delegated authority be given to the Chief Executive, in consultation with

the Cabinet and Group Leaders, to select and then enter into a development agreement with a development partner for the effective delivery of the Scheme;

- (iii) that in furtherance of (i) above, the Chief Executive be given delegated authority, in consultation with the Cabinet and Group Leaders, to negotiate and agree terms for the acquisition by agreement of any land, interests or rights as may be required for delivery of the Scheme; and
- (iv) that the Chief Executive invite the Torbay Community Partnership Company to appoint a community representative to assist in identifying the selection criteria of the procurement of a development partner and to sit on the selection panel for the development partner.

In accordance with (iv) above, a Cabinet meeting was held on 3 September 2019, with a nominated community representative present, to discuss and agree the Selection Criteria for the procurement of a development partner.

The Council has obtained detailed legal, commercial and procurement advice and is on target to procure a development partner via an OJEU compliant procurement route in accordance with agreed LRF timescales.

A full planning application (ref: P/2019/0478 entitled Little Blagdon Farm Highway Junction/Demolition, Little Blagdon Farm, Totnes Road, Paignton) was submitted to Torbay Council on 2 May 2019. This application was approved on 9 September 2019.

In direct accordance with LRF grant conditions the LRF Board has commissioned the following enabling works:

- a) Undertaking site surveys and investigations including topographical surveys; tree surveys; ecology surveys; asbestos surveys and desktop due diligence.
- b) Undertaking a Traffic Impact Assessment to support a planning application (submitted 2 May 2019) for creation of a new highways junction off Totnes Road.
- c) Undertaking a drainage strategy review for the site.
- d) Agreeing methodology for demolition of the vacant former farm buildings to the north of the site.
- e) Undertaking detailed legal due diligence to cleanse the title including advice on encroachments and unauthorised use and occupation of the land.
- f) Obtaining strategic development, legal, contract procurement and commercial advice to support the Council in procuring a private sector partner via a Competitive Dialogue OJEU process.
- g) Preparation of a Business Plan for submission to the Environment Agency, and working up the detailed specification to support the delivery of a comprehensive drainage strategy, to include installation of new flood attenuation tanks, to benefit the wider Collaton St Mary area.
- h) Analysis of development options and securing valuation advice to enable the Council to determine the best route to achieve its strategic objectives.

Next steps comprise completing site surveys and investigations, concluding ecology surveys and implementing their recommendations in direct liaison with statutory bodies, demolition of the vacant buildings and progressing the procurement of a development partner.

c) Preston Down Road

The Disposal of Land at Preston Down Road, Paignton was discussed at the full Council meeting on 18 July 2019.

Approval was sought to dispose of the Council's freehold interest in land at Preston Down Road by way of entering into a development agreement with a private sector housing delivery partner via an OJEU compliant process.

The intended outcome of disposal via the development partner route is to deliver a fully planning policy compliant scheme for the provision of new housing at Preston Down Road. The proposed disposal route shall:

- (a) Ensure that the Council's strategic policies are fully adhered to.
- (b) Ensure that the Council's statutory requirements are fully adhered to.
- (c) Provide the Council with an opportunity to shape scheme outputs.
- (d) Enable the Council to influence affordable housing split.
- (e) Provide the Council with a capital receipt to contribute towards the capital programme.

Another tangible benefit of progressing via the development partner route is that the Council will be able to influence the scheme to be delivered to a greater extent than if the sites were just sold on the open market. It is possible that any straight forward land disposal could see the developer apply to reduce their planning contributions and affordable housing obligations as part of their planning application.

At its meeting on 18 July 2019 the Council resolved:

- (i) that the disposal of the freehold interest at Collaton St Mary and Preston Down Road (identified in Appendices 1 and 2 to the submitted report), be approved and the Chief Executive be given delegated authority to agree and finalise any Heads of Terms in consultation with the Cabinet, Group Leaders and the Section 151 Officer. Any future capital receipts from the disposals will in the first instance be used to offset the £2.4 million cost for acquiring the sites, with any surplus being used to support capital projects linked to priorities around employment, town centre regeneration and heritage assets;
- (ii) that delegated authority be given to the Chief Executive, in consultation with the Cabinet and Group Leaders, to select and then enter into a development agreement with a development partner for the effective delivery of the Scheme;
- (iii) that in furtherance of (i) above, the Chief Executive be given delegated

authority, in consultation with the Cabinet and Group Leaders, to negotiate and agree terms for the acquisition by agreement of any land, interests or rights as may be required for delivery of the Scheme; and

- (iv) that the Chief Executive invite the Torbay Community Partnership Company to appoint a community representative to assist in identifying the selection criteria of the procurement of a development partner and to sit on the selection panel for the development partner.

In accordance with (iv) above, a Cabinet meeting was held on 3 September 2019, with a nominated community representative present, to discuss and agree the Selection Criteria for the procurement of a development partner.

The Council has obtained detailed legal, commercial and procurement advice and is on target to procure a development partner via an OJEU compliant procurement route in accordance with agreed LRF timescales.

In direct accordance with LRF grant conditions the LRF Board has commissioned the following enabling works:

- a) Undertaking site surveys and investigations including topographical surveys; tree surveys; ecology surveys; and desktop due diligence.
- b) Undertaking a drainage strategy review for the site.
- c) Undertaking detailed legal due diligence to cleanse the title including advice on encroachments and unauthorised use and occupation of the land.
- d) Obtaining strategic development, legal, contract procurement and commercial advice to support the Council in procuring a private sector partner via a Competitive Dialogue OJEU process.
- e) Analysis of development options and securing valuation advice to enable the Council to determine the best route to achieve its strategic objectives.

Next steps comprise completing site surveys and investigations, concluding ecology surveys and implementing their recommendations in direct liaison with statutory bodies, and progressing the procurement of a development partner.

9. Key Risks

If there is not ongoing support for the actions required to dispose of or develop the sites then the following risks apply:

- (a) The Council may have to repay LRF monies received.
- (b) There will be a reputational risk for the Council which may impact upon the Council's ability to access future funding, such as Future High Streets capital funding.
- (c) Future grant income streams may be adversely affected.

- (d) In the absence of LRF grant aid, the Council would need to fund all of the exploratory works required to bring the sites forward for development.
- (e) If the sites are not brought forward for development they will not be able to contribute towards the Council's 5-year housing land supply. Consequently this increases the risk to the Council of unwelcome planning applications from sites not identified in the local plan.
- (f) If the Council is not in contract with a development partner by March 2020 there is a risk that unspent monies may have to be repaid to MHCLG. However, open dialogue has been maintained with MHCLG throughout the development process whom are supportive of the Council's aspirations and its progress achieved to date.

All risks are reported to and discussed by the LRF Board on a monthly basis.

10. Liaison with OPE / LGA and OPE8

The Council is required to submit quarterly progress reports to the OPE / LGA team. The TDA does this on the Council's behalf.

Attendance by the Council (Kevin Mowat) of Devon & Torbay Partnership Board meetings helps ensure the Council is engaged with the wider partnership and the OPE / LGA team.

The next round of OPE funding (OPE8) is due to be open in autumn 2019. The OPE / LGA team has advised that the Council / TDA submission for OPE / British Property Federation funding, which focused on the upper end of Torquay's High Street, provides a good basis for a OPE8 bid. Advice from the OPE / LGA team suggests a need to better promote:

- the Council's 'big picture' ambitions, for growth and change;
- the big issues for the Council, specifically in relation to town centres, children's services and adult social care;
- the role of public sector organisations, resources and assets in resolving those issues;
- integrated solutions, that deliver on 'big picture' ambitions.



Cabinet Office



Local Government Association



Department for Communities and Local Government

One Public Estate Phase 6

DEVON & TORBAY OPE PARTNERSHIP



West Devon Borough Council



South Western Ambulance Service NHS Foundation Trust



Devon & Cornwall Police
Building safer communities together



Services and Assets Delivery Plan

3 November 2017

Foreword

Integrating services in our communities. Driving place-based regeneration. Delivering public sector efficiency

We are delighted to endorse this Devon & Torbay Services and Assets Delivery Plan submission under Phase 6 of the One Public Estate programme.

The Devon & Torbay One Public Estate partnership spans 10 local authorities and serves a population of almost 1 million people. It includes partners from the National Health Service, and the Blue Light Fire Services, and it will seek to work closely with a number of central government departments. Together we have formulated a transformative plan to maximise the potential of the area's publicly-owned estate in order to drive economic growth, improve public service delivery and unlock greater efficiencies.

Devon and Torbay is a very large geographical area. Although much of its population is centred around its 30 market and coastal towns, and the city of Exeter, it has a large rural population which creates significant challenges for the delivery of public services. As a partnership area, productivity and living standards lag behind the national average. While there are areas of strong economic performance, such as Exeter and East Devon, other places are amongst the most deprived in the UK. Yet land for development in key parts of Devon & Torbay is expensive and housing affordability represents a particular challenge, with average price-to-earnings ratios in some areas on a par with parts of London. Housing delivery is difficult due to the high quality of the natural environment with 50% of our land area covered by some form of environmental protection, including two national parks, five Areas of Outstanding Natural Beauty and numerous Sites of Special Scientific Interest. Protecting the quality of this environment requires imaginative approaches to development even in urban areas. Healthcare will be a key focus of a number of these projects, and the Partnership will adopt Public Health England's principle of "Health in all Policies" as being a key consideration when making decisions about the public estate.

At the same time, the public sector plays a significant role in the local economy, contributing a higher-than-average share of GDP. In many towns the public sector owns prime central sites, many of which are underutilised or not designed for modern service delivery. One Public Estate represents a significant opportunity to better manage publicly owned assets in those places, which could help to realise significant social and economic benefits. This application proposes funding studies in 5 places to establish the opportunities for collaboration and regeneration that exist in those locations.

A unique opportunity also exists with regards to Royal Marines Base (RMB) Chivenor in North Devon, which the Ministry of Defence has proposed to close by 2027. Given the importance of the base to the local economy it is critical that options are developed to deliver a sustainable future for the local community. The site is unique and its potential is considerable.

We believe that this programme is both credible and ambitious. The Partnership is committed to its success and will devote significant effort to delivering it. A relatively modest investment from the OPE programme could unlock transformational benefits for the Devon & Torbay economy.

Dr Phil Norrey, Chief Executive, Devon County Council

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Devon OPE Board OPE6 Services & Assets Delivery Plan – Summary Programme and Outputs

We are seeking **£750,000 capacity funding** to drive forward an ambitious programme of OPE and LRF projects which can potentially achieve the core outputs listed below.

Our OPE Outputs –

New Homes	New Jobs	Running Cost Savings (£m pa)	Capital Receipts (£m)	Private Inward Investment (£m)
2300	2300	0.9	100	536

Our Land Release Fund outputs –

Total LRF Funding applied for	Number of projects	Housing units enabled
£11m	9	1100

Devon is a new OPE Partnership covering an extensive geography and a diverse public asset base. We have included a wide range of locations representing the scale and public service needs of our urban, rural and coastal communities which will act as the test-bed enabling us to roll good practice out across the county and with multiple public agencies. Our partners are enthusiastic about the joining the programme but we require significant capacity funding and government support to get the best from OPE and unite it with our existing economic growth and housing strategies. We have prepared an integrated programme which brings the management of our OPE programme and our LRF programme under the Devon and Torbay OPE Board. We believe this brings benefits because we can take a strategic view across the region about how OPE and LRF are jointly contributing to economic growth, housing release and service efficiencies. In many cases we expect our OPE and LRF projects to be working alongside each other to maximize impact.

We are committed to meeting the OPE core criteria and we have a tailored and balanced programme which will be–

- Releasing significant sites for housing, economic growth and regeneration
- Achieving capital receipts for central government and local government partners
- Designing collaborative projects which will achieve efficiency savings for partners and improved and integrated service improvements

The two core streams of our programme are:

RMB Chivenor – The Ministry of Defence has said that it might close RMB Chivenor before 2027. At circa 250 ha in size RMB Chivenor occupies a level and accessible site directly on the attractive North Devon coast, 5 miles north west of Barnstaple, northern Devon’s sub regional centre.

Whilst the local community does not wish to see the base close, there is a desire to be at the forefront of any discussions regarding future uses of the so that we are able to mitigate the economic impact if the MoD confirms the base's closure. The site could deliver a transformational project – a new community comprising a large quantity of housing, possibly several thousand units, alongside high quality employment spaces plus leisure and community space in a unique coastal setting. There would also be significant potential to co-locate local public services on the site.

Thriving Towns - Towns are a key part of the economic fabric of Devon & Torbay. They are central to successful local economies, offering jobs and a base for both small and large businesses. They also play a key social role and are at the core of community life. A large number of public organisations operate in these towns and cities, including local and central government, NHS, police, fire, ambulances and others. More often than not, these organisations operate across separate sites in under-utilised properties. There is therefore significant potential to co-locate partners and free up valuable town centre brownfield sites for economic development (e.g. employment space or housing). In doing so, this programme of work could act as a catalyst to reinvigorate local town economies and support vibrant and sustainable communities. Healthcare will also be a key focus in some of these places

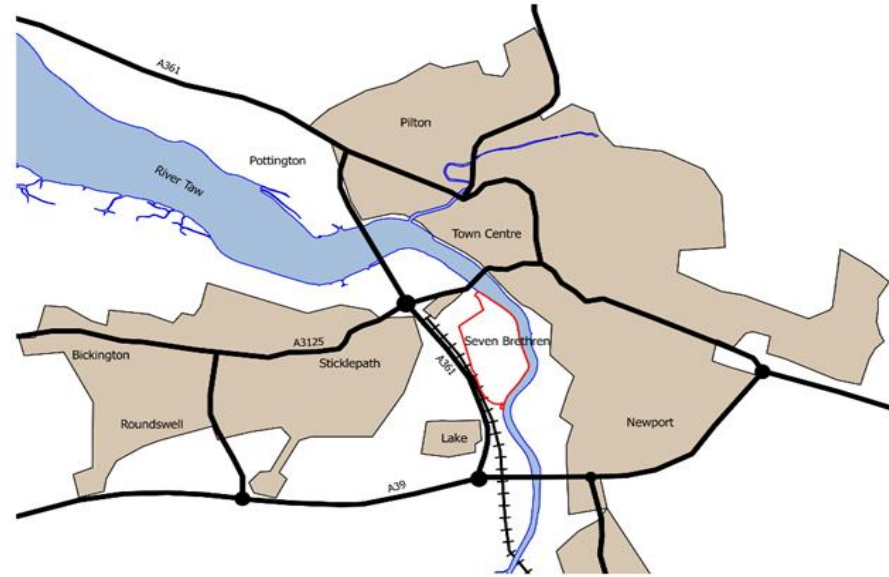
The table below summarises the components of our OPE6 programme:

OPE Project	What will it achieve?
Devon and Torbay OPE and LRF Programme Management	Capacity funding to manage the Devon and Torbay Programme and coordinate project delivery for our OPE programme and LRF programme
Royal Marines Base, Chivenor	While we await the Ministry of Defence's final decision on the closure of the site, we want to develop options for the economic regeneration of this major asset in a unique environment on the Taw Estuary. If the base is closed this could be a transformational project for the region's economy.
Thriving Towns Programme	
Barnstaple-Ilfracombe	A comprehensive assessment of the public asset base in these north Devon towns to unlock housing and regeneration schemes and improve service offers including health

Paignton Health Hub	A collaboration scheme between the local authority and NHS to create a new health hub, library and other public services contributing to the wider town centre regeneration
Okehampton	An asset review with a health and local authority focus which will develop collaborative proposals to improve service delivery in a more remote rural area
Axminster	An asset review seeking to meet local aspirations for improved services and new housing in this small market town
Exmouth	An asset review which will be used to reinforce delivery of the seaside town's ambitious regeneration and economy plans
Land Release Fund	
Torbay Council. 7 Town Centre Strategy sites	Bringing forward key sites to boost town centre regeneration and housing in Torquay, Paignton and Brixham
North Devon Council. Seven Brethren site, Barnstaple	The major brownfield site in Barnstaple occupying a prominent riverside site
Teignbridge Council. Bradley Lane, Newton Abbot	Redevelopment of a run- down industrial estate in the town centre of Newton Abbot



Paignton Health Hub



Seven Brethren LRF site, Barnstaple

OPE6 Services & Assets Delivery Plan – Capacity Funding Summary

Our request for **£750,000 capacity funding** will be invested in the following core areas during Years 1 and 2 of the Programme

ACTIVITY	total	Yr 1 2017/18	Yr 2 2018/19
Devon OPE programme and project management & LRF programme and project management	£250k	£50k	£200k
RMB Chivenor Visioning and masterplanning	£150k	£50k	£100k
Thriving Towns Asset Reviews Exmouth £75k Okehampton £50k North Devon £75k Axminster £50k	£250k	£50k	£200k
Paignton Health Hub £100k	£100k	£20k	£80k
TOTAL CAPACITY FUNDING	£750k	£170k	£580k

Responding to new agendas in Devon and Torbay

Devon is the third largest county in the UK, with a total area of 2,500 square miles. The distance from Ilfracombe in the north to Dartmouth in the south is around 80 miles, and from Tavistock in the west to Axminster in the East is 70 miles. While Torbay is relatively compact (350 square miles) and more urbanised, Devon is the seventh most sparsely populated county in the UK, with few large settlements and a dispersed rural population.

The rural nature of the area makes the planning and delivery of public services a complex issue. Rurality can create problems of accessibility, both physically and digitally, which makes it harder to ensure that services are available to those who need them most. However, models of service delivery are adapting to this challenge and technological changes are enabling new approaches. For example, the Local Authorities are investing heavily to extend the rollout of superfast broadband to rural areas which will open up more online services to those far from population centres. In some cases, agencies have collaborated to better integrate their services. For example, Devon County Council led a project to integrate social care with health services in 26 market towns across the County, in part with a view to improving the accessibility of services to users. But in many cases, it remains the case that the public estate is not well configured to modern models of service delivery. This presents significant opportunities for reform.

As a partnership area, productivity and living standards lag behind the national average. While there are areas of strong economic performance, such as Exeter and East Devon, other places are amongst the most deprived in the UK – which is reflected in Devon's EU Assisted Area status. Yet land for development in key parts of Devon & Torbay is both scarce and expensive. Housing affordability represents a particular challenge, with average price-to-earnings ratios on a par with parts of London. Housing delivery is difficult due to the high quality of the natural environment and extensive areas of green field sites. Public opinion does not embrace new housing development and development costs can be higher than other parts of the UK.

At the same time, the public sector plays a significant role in the local economy, contributing a higher-than-average share of GDP. The NHS and Devon County Council, for example, are the largest employers by some distance and also some of the largest individual landowners. This One Public Estate initiative could not have come at a better time for Devon & Torbay. Over the past decade, public sector organisations across Devon and Torbay have been working in partnership to identify opportunities for improved use of public assets. These range from shared accommodation projects, to joint commissioning of services and integrated teams.

Key examples include the co-location of Community Health & Social Care Teams, which are focussed on dealing with long term complex conditions in older people, in 26 different market and coastal towns across Devon. This 2 year programme of work contributed to the rationalisation of several leasehold and freehold properties. A further example of joint working is Devon's Multi Agency Safeguarding Hub (MASH). The MASH is a Hub focussed on child protection, which is hosted by Devon County Council at County Hall in Exeter and provides accommodation for staff from the Council, the NHS and the Police.

These innovative projects have led to demonstrable improvements for service users, reduced unnecessary costs and unlocked land for more productive uses, including housing and mixed business use. Devon County Council alone has disposed of 77 properties over the last five years, generating over £30m in receipts and reducing running costs by £1.5m p.a.

One Public Estate has the potential to greatly accelerate and expand this work, bringing in new partners and identifying and unlocking wider economic opportunities. The programme has the potential to be transformative for many parts of the Devon & Torbay economy and for the delivery of services in key locations, including in rural areas.

One Public Estate also fits well with local economic priorities, as articulated in the Heart of the South West draft Productivity Strategy which is out for public consultation until 30 November. The Heart of the South West LEP strongly endorses this application. Housing affordability in particular is one of the biggest challenges in Devon & Torbay, with a lack of affordable housing acting as a constraint on economic growth in many places. Local Authorities in the area are stepping up their efforts to unlock sites for development through the adoption of Local Plans. One Public Estate will help to further this work and develop innovative ways of supporting local economies through the better management of public assets.

It is worth noting the recent demographic forecasts the Joint Strategic Needs Assessment has developed – they show that by 2037 the population profile will further exacerbate the issues above – not just the significant increase in over 70's but also the shrinkage of the working age population and the impacts that will have on our economy.

Our Partnership Area – the geographies served



Demographics, economy and housing and Local Priorities/Strategic context

The Devon & Torbay population is diverse in its needs. Devon and Torbay has an older population profile than England with a higher proportion in older age groups. All Devon districts have a higher proportion of those aged 85 and over than England, with particularly high concentrations in coastal and market towns. This trend is continuing with a projected increase in population of over 100,000 in the next 20 years which is concentrated in older age groups. Internal migration movements within the UK have a more significant impact than international migration, with a strong net flow from the South East of England. All of these factors create challenges around an increased demand for public services and how those services are accessed, housing viability and affordability and the supply of working-age labour for local employers.

The Devon economy produces over £15billion of output per year, which is nearly £2billion more than Bristol. It has been performing strongly in recent years and is now close to full employment, with only 0.9% of residents claiming Job Seekers Allowance or Universal Credit unemployment benefit and average wages rising faster than the national average. However, productivity and income levels remain low by national standards. For example, UK GVA per head is £25,601, but just £20,503 in Devon. Indeed, the productivity gap between Devon and the rest of the UK as actually widened in the last decade: GVA per hour in is now just 85% of the UK average. This low level of productivity impacts on housing affordability – which in parts of Devon & Torbay is on a par with some London boroughs - and on relative poverty.

Moreover, the averages mask significant differences in economic performance within Devon & Torbay. Exeter is the best performing district with a GVA per head of £32,000, which has been growing strongly in recent years. This growth has been shared in parts of East Devon, Teignbridge and Mid-Devon. But in Torrington, in the North of Devon, GVA per head stands at less than half (£15.3k), putting it in the bottom 10% of districts nationally. These disparities are reflected in educational, health, and social outcomes. For example the local authorities with the highest proportion of people with no qualifications are North Devon and West Devon and the lowest is Exeter. There is variation in the proportion of people claiming health-related benefits (Employment and Support Allowance and Incapacity Benefit) in Devon with the highest levels in North Devon and Torrington. Food poverty (the inability to afford or have reasonable access to food which provides a healthy diet) is a significant issue and is increasingly affecting people in low paid employment.

Torbay comprises three towns: Torquay, Paignton, and Brixham. It has 22 miles of coastline and 48% of its land area is countryside or has an important landscape designation. It is one of the country's top 10 visitor destinations, welcoming 4.5m visitors every year. Torbay has significant budget pressures, as a small unitary authority area (24 sq miles), with a population of 133,500 (which is projected to grow by 10% over the next 20 years) and responsibilities for adult and children's services for example. This drives the need for budget savings, income generation, efficient working with partners and productive use of a limited land supply.

Torbay has embarked on ambitious growth and regeneration plans. All the building blocks, such as up to date plans and strategies, are in place for growth and regeneration. The Council is moving with pace and at scale to deliver:

- Regeneration of its three town centres, with the Council using its own land and finance to lead that delivery;
- Significant new business space, to meet strong demand and the needs of a strong entrepreneurial culture;

- Major infrastructure improvements, including road, rail and sea defences;
- Major urban extensions which, coupled with town centre regeneration sites, provide space for housing growth.

Torbay's ambition has helped secure recent investment and further investment is planned. As such Torbay has seen or expects to see: over £75m of investment from overseas, specifically in business growth and the hospitality industry; about £50m in investment from within the UK, specifically to support hi-tech growth, business expansion, the hospitality industry and place making; and over £60m by the Council itself, in economic development and regeneration.

Addressing these challenges will require innovative and creative solutions, to unlock barriers to growth including development viability, particularly in the context of reduced government funding for regional economic development. Optimising the public estate can offer a win-win by enabling the transformation of public service delivery while at the same time unlocking sites for new economic uses. This in turn can help to drive improvements in economic, social and health outcomes in key locations. Accordingly, this application has been endorsed by the Heart of the South West LEP as being fully consistent with their objectives for local economic development.

Why OPE?

We have a transformative plan to maximise the potential of the area's publicly-owned estate in order to drive economic growth, improve public service delivery and unlock efficiencies. Recent collaborative projects have led to demonstrable improvements for service users, reduced unnecessary costs and unlocked land for more productive uses, including housing and mixed business use. Devon County Council alone has disposed of 77 properties over the last five years, generating over £30m in receipts and reducing running costs by £1.5m p.a.

One Public Estate has the potential to greatly accelerate and expand this work, bringing in new partners and identifying and unlocking wider economic opportunities. The programme has the potential to be transformative for many parts of the Devon & Torbay economy and for the delivery of services in key locations, including in rural areas.

This OPE partnership will work closely with other geographical groupings across the region. For example, we are working closely with our Local Enterprise Partnership to drive economic growth and to reduce inequality. In addition to our 10 local authorities we have partnered with Devon Shaping Future Care STP representing the health partners across Devon and Torbay, the blue light services and the HCA to develop this bid. Further partners will be added from central government (DWP, MoJ, MoD) once the programme is up and running and the OPE Board is meeting.

This programme is both credible and ambitious. The Partnership is committed to its success and will devote significant effort to delivering it. This would be supported immeasurably by the expert support and convening power of the OPE programme. Moreover, with resources tight for most partners, a small amount of external investment can help to unlock benefits much faster than might otherwise be possible.

The Regional MOD context –

The Ministry of Defence is rationalising its estate nationally, which is likely to impact across the Heart of the South West area. For example, the MoD has proposed the closure of both RMB Chivenor in North Devon and RMB Norton Manor Camp near Taunton, while other areas such as a Plymouth could see a transfer in of functions as part of the redeployment. These changes are likely to have a significant impact on the local economies and communities in which those bases are located. Should these changes be implemented, they may also present an opportunity to help to address some of the long-term economic challenges facing the region, for example a lack of housing supply or good quality employment opportunities. An application has been submitted to the Local Enterprise Partnership to support an analysis of the economic impacts of those bases and the long-term challenges faced by those local economies. We are keen to use the OPE Programme to maximise the opportunities presented by MoD rationalisation to boost the economy and housing development and we will look how other OPE groups are managing this such as Wiltshire Council's Military Civilian Integration Partnership

Transforming the Healthcare estate –

By joining our OPE Programme with the work of Devon's NHS STP area we can exploit efficiencies in this large and diverse estate. The healthcare estate in the Devon STP covers 640,000 m2 including a communities hospitals estate of 83,000m2. The OPE Programme will support NHS reform and there are significant opportunities for collaboration with other public sector organisations to share space, utilise spare capacity and potentially to release surplus land for other economic uses. This will help to enable a configuration of community buildings that is fit for purpose to deliver integrated health and social care services of the future. Potential projects could include collocating community health services with local authority services, central government services, libraries, educational facilities or voluntary organisations. These hubs would reinvigorate the areas they serve and improve experiences for patients. Surplus land could also be released for more productive economic uses, including housing.

Our OPE 6 Programme

We have refined the themes in our EOI and have now merged the Thriving Towns and Transformative Healthcare themes into a single strand. We want to pursue opportunities from the whole public asset base in these towns including - but not limited to - the NHS. The Partnership has

identified a number of places where OPE can support a programme of work to analyse the wider public estate in those localities to identify the potential for mutually beneficial collaborations. The decision about how health assets are managed would remain with the NHS, but this process will help to ensure that all possibilities for the sharing of estates have been explored before such decisions are taken.

A summary of our OPE programme is shown below and we have included detailed project templates in our **Appendix Document** which detail the individual funding, project benefits, delivery milestones and risk management–

1. OPE Programme Management capacity

Funding to manage our OPE Programme at Devon and Torbay level and co-ordinating delivery of the OPE projects with the local partners

We are therefore requesting £250,000 OPE programme management funding over a two year period to invest in dedicated resource to assume day to day responsibility for our progress and our partnership activity. As a new partnership we need to build up capacity and active engagement with our partner organisations and their delivery teams on the ground. The funding will be used to fund an OPE Programme Management Office with technical and administrative expertise backed up by consultancy resources where required to report to the OPE Board and coordinate the OPE projects by working with local delivery partners. The Programme Manager's activities will include -

A. Programme Management. Supporting the activities and reporting progress to the Devon and Torbay OPE Board

- Secretariat for the Devon and Torbay OPE Board
- GPU/LGA reporting
- Ensuring that the OPE and LRF Programme is on target to deliver through interaction with project delivery teams
- Accountable body function
- General administration

B. Project Support. Commissioning resources to support OPE projects and LRF projects and providing support and advice to the local delivery teams. Providing project management resources for the projects where this is lacking in local delivery teams.

- Supporting the delivery teams with central procurement for technical and feasibility studies on their projects via frameworks and tenders. This will streamline procurement and ensure we get consistent and high quality advice used across the programme

- Providing a project manager (temporary contract or consultancy) where projects do not have this capacity locally. As well as managing project delivery the PMs will be responsible for managing the project governance. For example on RMB Chivenor we anticipate setting up a stakeholder board led by a local business champion to oversee the visioning and masterplanning process.
- Funding additional feasibility and technical studies where projects proceed beyond the asset review and need additional budget to progress to the next stage of delivery eg site options studies, design and cost planning, technical assessments on land eg utilities information, contamination, flood defence, infrastructure, legal advice and planning applications, financial modelling of schemes, support with consultation and project communication.

2. Royal Marines Base (RMB) Chivenor

A transformational project which can deliver upwards of 2,000 houses plus a similar number of jobs. OPE funding will develop options for the future of the site and establish accurately its potential for economic and housing development. If the MOD confirm the closure of the base, we would want to establish a protocol with MOD for the phased release of the site and prepare a regeneration plan that can engage national and local stakeholders and create a sustainable new community and economic growth. We will undertake visioning and masterplanning studies, undertake market sector assessments, and investigate delivery options for the project.



RMB Chivenor, on Taw Estuary 5 miles from Barnstaple

3. Thriving Towns

- **Paignton Health Hub** – an NHS/local authority collaborative project co-locating health services with a library and other services to deliver improved services and release assets. Sits within the wider Paignton Civic Hub regeneration programme which is also seeking LRF for mixed used development sites.
- **North Devon Public Estate Review** - identifying opportunities for land release and public sector collaboration through carrying out an estate review of key sites in the North Devon region specifically within Barnstaple and Ilfracombe. The two towns contain significant assets particularly local authority and health sites.

- **Axminster Public Estate Review** – East Devon District Council is keen to work within the OPE initiative and with other public bodies to make best use of our assets to support our communities and local economies. We are interested in supporting new jobs and homes in Axminster. We look forward to OPE supporting public bodies in the town to assess their assets and services and explore with us how EDDC might participate and identify opportunities to release housing land and service efficiencies through improving utilization of assets and carrying out estate rationalization in this small rural town.
- **Exmouth Public Estate Review** – Much has already been achieved in the use of the public estate in Exmouth and EDDC has a committed regeneration focus in the town. Subject to detailed consideration and decision by EDDC members on this OPE proposal, the council is already leading an existing regeneration partnership that can be key to the delivery of an OPE scoping exercise in Exmouth. This review is proposed to take advantage of the considerable public asset base to support this larger seaside town's ongoing regeneration and economic growth strategy.
- **Okehampton Public Estate Review** – addressing the issue of poor condition, underutilized and underperforming public estate through identifying collaborative opportunities to co-locate and release land for housing development



Exmouth Police Station



Okehampton Hospital



Paignton Hospital

4. Support from Central Government

- Help to deliver the support of central government departments and unblock any potential co-ordination issues e.g. conflicting departmental priorities. Specifically, the programme team's assistance is sought to facilitate engagement with the MOD, DWP and MOJ.
- Provide access to learning from best-practice OPE partnerships elsewhere in the country
- Provide links to expert support such as master-planning, property, space utilisation, inward investment
- Dedicated workshop(s) and technical advice for local authorities for migration on to ePIMS lite system

Our Land Release Fund Programme

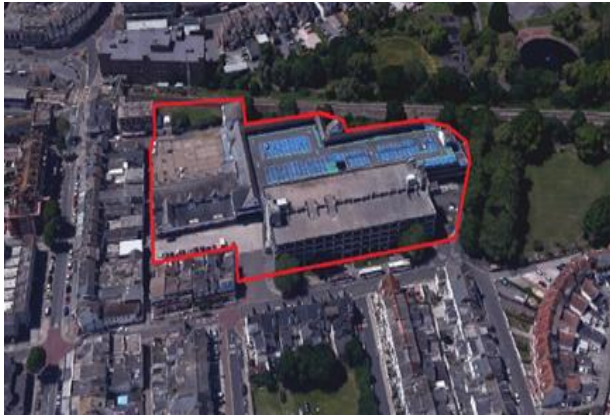
Our local authorities are enthusiastic about using the LRF both to contribute to housing supply in areas of pressing need and to help drive forward regeneration of key town centre sites. We have carefully assessed those sites which are in a position to deliver enabled housing sites on or before March 2020 through council-led joint ventures and more conventional disposals to housebuilders. Where we are not convinced that sites will be enabled by this date we have put them into our future LRF pipeline.

We believe we have an exciting blend of brownfield urban regeneration sites and greenfield urban extensions which will be significant contributors to Devon and Torbay's short terms housing needs. We consider that the sites offer good innovation in how they will be delivered and we have detailed this in the project proformas.

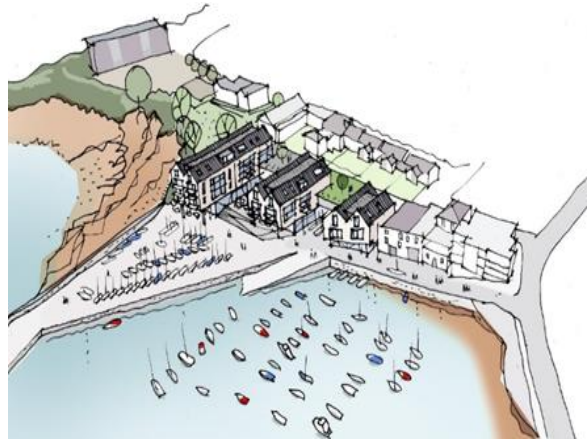
A summary list of the sites is shown below and the project proformas are included in the accompanying **Appendix Document** to be read alongside the LRF basic details spreadsheet and the technical assessments for each site.

Applicant & landowner	Site description	Housing units	LRF applied for (£m)
Torbay Council	Victoria Square , Paignton Mixed use town centre scheme with new Lidl store	100	0.9
Torbay Council	South Quay, Paignton Mixed use development of harbour including community and waterside commercial uses	52	0.59
Torbay Council	Upton Place car park, Torquay Prominent site next to the Town Hall	86	0.55
Torbay Council	Temperance Street, Torquay Car park off main shopping street	48	0.34
Torbay Council	Brixham town centre car park Mixed use scheme near harbour including small food store and replacement parking	50	0.75
Torbay Council	Preston Down Rd, Paignton Greenfield extension nr Torbay Ring Road	150	1.1
Torbay Council	Collaton St Mary urban extension Greenfield extension nr Torbay Ring Road	200	1.9

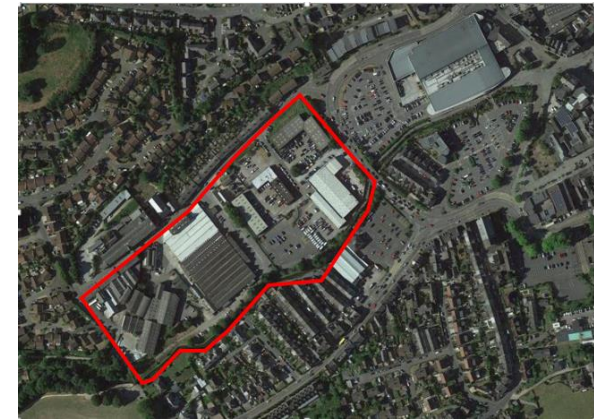
North Devon Council	Seven Brethren, Barnstaple Prominent brownfield riverside site adjacent to the town centre	245	2.2
Teignbridge Council	Bradley Lane, Newton Abbot Brownfield industrial estate in the town centre	170	2.5
Totals		1101	10.8



Victoria Square Paignton



South Quay Paignton



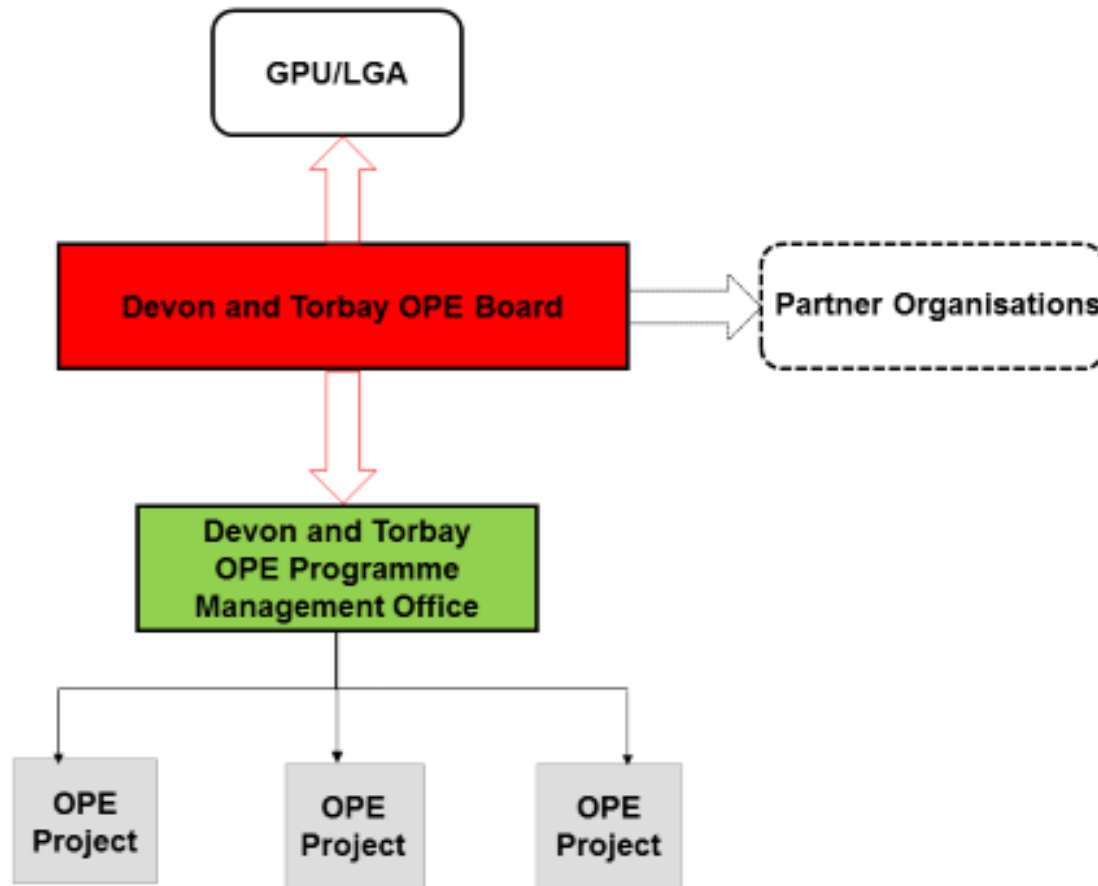
Bradley Lane Newton Abbot

Our Partnership Board & Governance

Leaders and Chief Executives of each of the Devon Councils, Torbay Council and all NHS organisations across Devon & Torbay have given their support to a One Public Estate application. Senior officials from the other organisations in the partnership have endorsed their participation.

The Devon & Torbay OPE programme will be governed by a senior officer Board, which will be chaired by the Chief Executive of Devon County Council as the lead authority and would include representatives from each partner organisation. This programme board will meet quarterly to oversee the successful delivery of the projects.

A Programme Management Office (PMO) will be established to oversee day to day progress and drive completion of the activities set out above. This team will report directly to the OPE Board. The PMO will comprise a programme manager, support officer, officers of the council, STP leads, partner representatives and appointed specialist advisors. The team will work closely with the community. The PMO will provide support and advice to the OPE project delivery teams established by the partners locally to manage the individual projects



Programme Milestones and Risk Management

The delivery milestones and risk management on the OPE and LRF projects are detailed in the project templates in the **Appendix document**.

At Programme level we are committed to completing the project work in this bid in 2017/18 and 2019/20 so that projects can move into the delivery stage after this.

There are some key risks at Programme level which will be the responsibility of the OPE Board and will be a core task for the Programme Manager to manage.

Key Risk	Management
Central government departments to not engage with the OPE Partnership	OPE Board develop a strategy which shows the added value government departments can achieve by joining in collaborative projects ; use GPU/LGA support
Maintaining full engagement by bid partners	The OPE Board has senior representatives from partner organisations who have collective responsibility to deliver and meet targets
Projects are delayed and lose momentum	OPE Board and PMO responsible for maintaining delivery milestones ; Board communicate benefits of collaborative projects to influencers in partner organisations
Tensions emerge between partners on key projects eg local authorities and NHS	Role of Board to broker solutions to get optimum collaborative benefits for all partners ; use LGA/GPU support

Pre-Selection Criteria

Devon County Council (as lead for the partnership) is taking responsibility for ensuring that all pre-selection criteria are met by 31 March 2018.

Pre Selection Criteria	Actions to date
<p>Record all land and property assets owned by partnership authorities (except social housing stock) and public sector partners on the ePIMS Lite system.</p>	<p>The local authorities are committed to starting to use the epims lite system but will require GPU/LGA support in the form of workshops/technical support and using capacity funding to help with data migration</p>
<p>Make details of all land and property owned by the partnership publically accessible including in authorities' statutory annual reports.</p>	<p>This has already being implemented by the local authorities</p>
<p>To provide data on:</p> <ul style="list-style-type: none"> • all local authority land released since 2015 and assumed housing capacity • information on all local authority land planned for release before March 2020 and assumed housing capacity • disposals and future disposal strategy on a bi-annual basis • estimated value of all local authority owned land and buildings within the partnership area. 	<p>Local authorities are happy to report on this basis</p>
<p>Put in place an effective board, bringing together partnership members and wider public sector partners.</p>	<p>Devon and Torbay OPE Board has been established</p>

Agree to adhere to quarterly reporting arrangements which provide progress on partnership activity, project delivery and data updates on Local Authority land released

The OPE Board is happy to meet this reporting commitment

Partnership Commitment

The submission of this Services & Assets Delivery Plan is supported by Senior Representatives of the following Partner organisations led by Devon County Council on behalf of the Devon OPE Board:

Devon County Council

Torbay Council

Exeter City Council

Teignbridge Council

East Devon District Council

Northern Devon Healthcare NHS Trust

Royal Devon and Exeter NHS Foundation Trust

Torbay and South Devon NHS Foundation Trust

Livewell South West

South Devon and Torbay Clinical Commissioning Group

Devon and Cornwall Police

South Western Ambulance Service NHS Foundation Trust

South Hams District Council

West Devon Borough Council

Torrige District Council

North Devon Council

Mid Devon District Council

Northern, Eastern and Western Devon Clinical Commissioning Group

Plymouth Hospitals NHS Trust

Devon Partnership NHS Trust

Homes and Communities Agency

Heart of South West LEP



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