

REPORT TO: WEST OF ENGLAND JOINT COMMITTEE

DATE: 27TH JULY 2018

REPORT TITLE: PROPOSED WEST OF ENGLAND JOINT ASSETS BOARD / ONE PUBLIC ESTATE

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Purpose of Report

- 1 The purpose of this paper is twofold:
 - 1.1 To update the Joint Committee members on the current position with the One Public Estate (OPE) and in particular the wave 6 bidding round (OPE6).
 - 1.2 To seek the views of the Joint Committee and secure their endorsement to move forward, at pace, with the shaping of the proposed Joint Assets Board (JAB), as detailed below at section 2.5-2.9.

Issues for Consideration

2 Update on the current position of One Public Estate and the Wave 6 bidding round

2.1 It is a Combined Authority responsibility to deliver the devolution deal and to establish joint assets boards as part of this. Through ongoing conversations with government colleagues, it has been reinforced that there is an expectation that a West of England Joint Assets Board is established. The Devolution Agreement (March 2016) states central government's commitment to support the operation of a West of England Joint Assets Board, with the aims of:

- Developing a joint programme of public sector asset disposals
- Identify barriers and solutions to the delivery of this programme
- Enabling housing targets
- Unlocking more land for employment use

2.2 All four of the West of England local authorities are now members of the central government One Public Estate Programme (OPE). Bristol (BCC) and North Somerset (NS) gained entry through the wave four bidding round (OPE4 – October 2016), South Gloucestershire (SG) through OPE5 and Bath & North East Somerset (B&NES) through OPE6 (December 2017), via a joint West of England bid from the 4 UAs. Details of the joint bid are appended at Annex 1 to this report.

2.3 There are four primary objectives of the national OPE programme, which is jointly managed by the Local Government Association (LGA) and Cabinet Office:

- Creating economic growth – new homes & jobs
- Having more integrated, customer-focused services
- Generating capital receipts
- Reducing running costs

2.4 There are existing local OPE governance arrangements in place – i.e. partnership boards. Bristol has the Bristol Property Board, which brings together representatives from across the public and private sector and is chaired by the Deputy Mayor. It was referenced as an example of best practice in an OPE case study.

Proposed West of England Joint Assets Board

2.5 The bid included a proposal to establish the JAB and the award letter welcomed this and recommend that we proceed. Now that the OPE6 bid work is complete the Joint Assets Board (JAB) discussions should recommence at pace.

2.6 The proposal is to create a task and finish group, with representatives from the four LAs and WECA, to develop the thinking on what may be required from a JAB and how it could be shaped and initiated. This group could quickly be morphed into the JAB.

2.7 OPE6 Capacity Funding will be used to support the development of the proposed JAB, so is well placed to coordinate this activity.

2.8 It is suggested that the next stage with the discussion is to clarify the opportunities/benefits that could be derived from a WoE JAB, that couldn't be achieved by the local OPE governance – i.e. the existing partnership boards. These benefits might include:

- i. It would have more senior and wider representation from central government. With a higher profile board, with the potential to deliver higher levels of benefit, it might be possible to secure Director General or Deputy Director General level central government representation (e.g. from DoH). This could positively increase central government's influence over local partners (e.g. to release land for housing) and the WoE's influence with central government (e.g. influencing national policy, securing grant funding, etc).
- ii. It may provide an opportunity to share property resource (people) and generate efficiencies by doing so. There are degrees to which this could be done. At a fairly modest level, this could simply involve combining existing OPE resource, so that, for example, there is one resource producing the quarterly OPE progress reports, rather than four.
- iii. There is currently a fair amount of overlapping and duplicating governance in this area (Property), involving individual local authority OPE partnerships, STP partnerships, etc. Having a JAB would provide an opportunity to rationalise this governance.
- iv. There is some potential to share services across the WoE and a JAB could provide accommodation solutions for this – e.g. by identifying co-location opportunities. Much of this potential is in 'back-office' services, but some front line services have also been identified – e.g. Waste.
- v. Better enable the identification, development and delivery of West of England wide initiatives, such as the Small Sites Programme and potentially, in the future, ideas like a joint Depot Strategy and/or a West of England Asset Management Plan (AMP).

2.9 Whist the shape and function of the proposed JAB hasn't yet been fully worked up, there is some emerging thinking on how it could operate, including:

- vi. It should meet quarterly.
- vii. It could link with the existing West of England governance and provide updates to the Joint Committee.
- viii. The JAB will be kept under review to ensure its effectiveness.
- ix. WECA will lead and Chair the JAB and will front the relationship with Central Government, on behalf of WoE partners.
- x. BCC will provide project management from the One Public Estate project manager and coordination to support the JAB.

Consultation:

- 3 This paper has been produced with input from all four local authorities, West of England Combined Authority (WECA), Cabinet Office and the Local Government Association (LGA). The lead officers from each of these, with the main interest in this subject, have agreed the paper.
- 4 The JAB proposal was discussed at the Infrastructure Advisory Board on 29th June. Members were in full agreement and highly supportive of this proposed approach.

Other Options Considered:

- 5 The option to not explore establishing a JAB has been considered. However, given that the devolution agreement with Government outlines support for a JAB and the potential opportunities a JAB could offer this option is not recommended. Options to establish a JAB are set out at 2.8-2.9 of this report.

Risk Management/Assessment:

- 6 There is a risk that if the West of England do not proceed with a JAB that opportunities to secure and maximise further OPE funding and land opportunities with other public sector partners could be lost.

Public Sector Equality Duties:

- 7 There are no direct equalities implications arising in relation to this report.

Economic Impact Assessment:

- 8 Economic impacts of the options for developing a Joint Assets Board will be considered as part of the work to be undertaken.

Finance Implications:

- 9 The One Public Estate funding (including the Capacity Funding) is paid directly to the relevant unitary authority by Government. This funding would therefore be subject to the financial management and governance processes within that authority.

The WECA will support the Joint Assets Board as set out in this report and this will be done within existing capacity and resources, there are therefore no direct financial implications. This position will be subject to further review in April 2019.

Advice given by: Tim Richens, Interim S151 Officer

Legal Implications:

- 10 There are no additional legal implications arising directly from this report.

Advice given by: John McCormack
Monitoring Officer & Head of Legal, Governance and Democratic Services

Land/Property Implications;

- 11 There are no land/ property implications arising directly from this report.

Human Resources Implications:

- 12 Bristol have secured capacity funding to assist in coordinating this work. The project team to support developing the options have been identified in each UA from within existing resources.

Advice given by: Alex Holly, Head of Human Resources and Organisational Development

Recommendation:

- 13 The Committee is asked to:

Give their views and endorse to move forward, at pace, with the shaping of the proposed Joint Assets Board (JAB), as detailed at section 2.5-2.9.

Report Author: David Carter, West of England Combined Authority

West of England Combined Authority Contact:

Any person seeking background information relating to this item should seek the assistance of the Contact Officer for the meeting who is **Mark Halligan, Bristol City Council** and who is available by telephoning Joanna Greenwood on 0117 426210; writing to West of England Combined Authority, 3 Rivergate, Temple Way, Bristol BS1 6ER; email: democratic.services@westofengland-ca.gov.uk

Annex 1: Background OPE Joint Bid

OPE6 Process and outcome

1. The OPE6 offer was launched on 1 August 2017 with the publication of the OPE6 [prospectus](#).
2. Competition for funding had increased significantly since the earlier waves of OPE bidding. It had been suggested that only very ambitious proposals, which deliver at scale, would be likely to attract funding through OPE6. On the basis of this clear steer the four LAs agreed, at a meeting on 31 August 2017, to develop a combined West of England (WoE) OPE6 bid. WECA, LGA and Cabinet Office were present at this meeting.
3. A number of workshops were held over the 4th and 5th October 2017, to help establish what to include in the bid. The workshops were attended by all four LAs, WoE partners (including Avon & Somerset Police, Avon Fire, Homes England, Government Property Unit), LGA and Cabinet Office.
4. A bid was developed and agreed by all four LAs decisions making processes, and submitted on 3 November 2017. BCC were the lead organisation and made the formal submission on behalf of the 4 LAs. The principal bid document is embedded below.



West of England
OPE6 SADP

5. The revenue element of the funding request (Capacity Funding) consisted of the following:
 - £250k – Small Sites initiative – to support the release of c80 sites with the potential to deliver over 2,000 new houses across the West of England.
 - £100k – West of England Joint Assets Board – dedicated resource to help form the proposed Board and take forward the early initiatives that it's tasked with.
 - £75k – Pipeline Development – to further develop the ideas considered at the workshops (e.g. depots), so that, for example, they could be included in any subsequent OPE bids.
 - £250k – Local Projects – B&NES & SG.
6. There was also a capital element to the funding request against a DCLG Land Release Fund. The bid included a £3.8m ask for BCC (5 sites) and £4.9m for SG (10 sites), which in total had the aim to release land for approximately 830 new housing units.
7. The bid was successful. The outcome of the bid and funding allocations were clarified in March 2018, as follows:
 - OPE6 Capacity Funding (Revenue) – held by BCC
 - £235k – West of England Small Sites Programme – to fund the development of a delivery strategy
 - £60k – West of England OPE Programme Manager
 - £145k – Local Projects (B&NES and SG)
 - Land Release Fund (Capital) – issued separately to BCC and SG as follows:
 - £3.81m – BCC
 - £4.9m - SG

8. An MoU has been agreed for the OPE6 Capacity Funding (embedded below). It is between BCC and central government, but all four of the S151 Officers formally supported the agreement. The grant has been issued to BCC, who will be monitoring and reporting progress on delivery.



West of England
OPE6 MoU



Appendix 1a

West of England Small Sites Strategy

9. £235k OPE6 Capacity Funding has been awarded to develop a strategy for delivering this programme. The funding has been issued to BCC who will coordinate this work on behalf of WoE partners, drawing down as necessary on the funding.
10. A number of initial conversations have taken place between the four LAs, who have agreed, in very high-level terms, the steps necessary to work up the strategy, as follows
- Data validation
 - Clarify sites to be added or removed
 - Establish the possible delivery routes that will form part of the delivery strategy, together with the risks and issues associated with them. The possible routes may include:
 - Community-led
 - Self-build
 - LA housing companies
 - SMEs
 - Registered providers
 - Homes England
 - Evaluate the sites within the proposed programme and determine the most appropriate delivery route for each. Set out the rationale for the proposed mix of delivery.
 - Develop a funding strategy
 - Develop a delivery plan for the programme, including proposed governance arrangements
11. There are quite a number of organisations that will have an interest in this (including WECA). It was therefore agreed that the next step should be to hold an event, involving the wide range of interested parties, to raise awareness of this opportunity, to generate the input necessary to map out the plan in greater detail. A proposal is being worked up for this event.
12. Given that this is a WoE initiative, the initiation and operation of it, may provide an opportunity to test arrangements that may inform how the proposed JAB is shaped and run.