



Cabinet

Tuesday, 8 June 2021

Levelling Up Funding and Identification of Council Owned Land, East Leake

Report of the Chief Executive

Cabinet Portfolio Holder for Business and Economic Growth, Councillor A Edyvean

1. Purpose of report

- 1.1. In the Budget, Government committed to an initial £4 billion Levelling Up Fund (LUF) for the next four years (up to 2024/25). Local authorities can bid for projects in their area based on Parliamentary constituencies rather than local authority boundaries. The closing date for applications for the first round of funding is 18 June 2021.
- 1.2. With the support of the local MP, Rushcliffe Borough Council is intending to explore the opportunity for submitting a bid for funding for a new health centre including community facilities in East Leake. The health centre in East Leake is the oldest in the County and, due to the housing growth in the area, needs additional capacity. In addition, the funding bid could include the required improvements at the sports pavilion on Costock Road in East Leake.
- 1.3. The proposed site for the new community hub, including the health centre, is on land owned by Rushcliffe Borough Council. Therefore, approval is being sought for the inclusion of this piece of land, should a bid be developed for the LUF.

2. Recommendation

It is RECOMMENDED that Cabinet:

- a) supports the use of the Council-owned land shown in Appendix A for the delivery of a new community hub including a health centre in East Leake, subject to relevant permissions (including planning) and surveys;
- b) supports the preparation of the LUF application to Government for funding towards a community hub and improved sports pavilion on Costock Road in East Leake; and
- c) approves the inclusion of the value of the land shown in Appendix A as match funding to support a LUF application, with the appropriate safeguards included in the agreements with partners, to ensure that the land is only used for these purposes.

3. Reasons for Recommendation

- 3.1. East Leake has grown significantly over the past few years and will continue to grow over the coming years with more housing planned. Due to the nature of the development in East Leake, the infrastructure is having to catch up with the increase in population. This includes the sewerage system, education and health provision.
- 3.2. The Nottinghamshire Clinical Commissioning Group (CCG) has identified East Leake as the top priority in Nottinghamshire for investment. The existing health centre is not fit for purpose and additional capacity is required. In addition, there is the opportunity to bring some services together to create a community hub; this could include a library, pharmacy and the Parish Council.
- 3.3. The LUF provides the potential opportunity to part fund an ambitious project to deliver a new community hub in East Leake. This is being led by the Borough Council working with the CCG, East Leake Parish Council and Nottinghamshire County Council.

4. Supporting Information

- 4.1. The LUF announced by Government in the Budget allows local authorities to bid for up to £20m (£50m for transport projects) for projects in their area. This is based on MP Constituency areas rather than local authority boundaries. Bids are therefore encouraged to gain the endorsement of their MP, but an area can still apply without this endorsement. 10% match funding is encouraged but not mandatory. The project must fit into one of the following investment themes:
 - Transport
 - Town centre regeneration
 - Cultural investment
- 4.2. To assist with the assessment of bids, the Government has categorised areas on a scale of 1 to 3, with 1 being the highest priority for funding. Rushcliffe has been categorised as a priority level 3 area. This does not mean the Council cannot access funding, it simply means a stronger case for the funding is required. In addition, bids will be assessed against:
 - Deliverability – will be based on supplementary finance, management and commercial cases, with bids able to demonstrate investment, or which begin delivery on the ground in the 2021-22 financial year being prioritised in the first round of funding.
 - Strategic fit with local and Fund priorities – this should include support from stakeholders.
 - Value for money – an economic case to explain the benefits of the bid and how it represents value for money.
- 4.3. It is the intention of the Borough Council to further explore the opportunity to bid for a community hub in East Leake as well as the refurbishment of the sports

pavilion on Costock Road. The bid would be submitted under the town centre regeneration and cultural investment themes of the LUF.

- 4.4. In Rushcliffe Borough Council's Local Plan, published in 2014, a housing allocation of 400 homes was identified for East Leake. Since then; however, East Leake has seen housing growth (with permission and delivery) of 1,355. Due to the nature of this growth (unplanned and across a number of sites), much of the supporting infrastructure is having to catch up.
- 4.5. The health centre is a 1960's built modular building, which is no longer fit for purpose and does not allow the GP practice to develop or expand its services to meet the future and growing needs of the population. The site, along with the neighbouring library and on-site private dentist, is in the ownership of NHS Property Services. The latest condition survey gave the current health centre premises a low rating. The premises have significant issues with regard to Disability Discrimination Act compliance and it was noted to be overcrowded and of poor quality.
- 4.6. Based on the population growth, the health centre will need to be able to accommodate an additional 3,252 patients (based on 2.4 people per household in 1,355 new dwellings). The East Leake health centre is the top priority for Nottinghamshire CCG for replacement with modern high-quality accommodation, fit for delivery of services.
- 4.7. With the redevelopment of the health centre, there is an opportunity to explore co-location of services to deliver an improved service to the residents of East Leake and the surrounding area. This could include a library, pharmacy, dentist, social services and the Parish Council. If achieved, it could deliver the following benefits:
 - Improved access to primary care and wider out of hospital services with more services available closer to home.
 - Improved health outcomes, better access to services and reduced health inequalities.
 - A fit for purpose building that is accessible for all.
 - A better experience through more joined up services.
 - Recruitment and retention of workforce.
 - Freeing up land in the village centre (existing health centre site) for redevelopment to improve the offer in the village centre.
- 4.8. The CCG had already started work on a business case to secure Government investment into the new health centre. This included the identification of a preferred site following the business case process. The shortlisting process involved reviewing six options which were assessed against a series of investment objectives including:
 - Improved access to effective care.
 - Build capacity outside hospital care.
 - Flexibility.
 - Achievability.

- Value for money.
- 4.9. Following this review a short list of three options was identified. These were assessed against further qualitative benefits, which were weighted based on relative importance based on the investment objectives. These qualitative benefits included:
- Optimising the environmental quality of services.
 - Ease of access to the site.
 - Sustainable in the long term.
 - Providing flexibility for the future.
 - Practicality and timeliness of delivery.
- 4.10. Following this independent assessment process, the preferred location was identified as land owned by Rushcliffe Borough Council, the car park adjacent to the bowling green on Gotham Road. It was found that this option would create purpose-built accommodation to meet current health standards and create a more efficient way of working, including the use of generic / flexible accommodation with associated car parking (including replacement car parking). Due to the new build location on the site, there would be potential options for future expansion and the ability to provide 8am to 8pm services with minimal residential disruption. This option presents further opportunity if required for co-location of services and better partnership working.
- 4.11. Appendix A shows the land owned by Rushcliffe Borough Council; the exact space requirement of the health centre is not yet known but it is not proposed that the land in its entirety would be required. A map of the existing health centre site, the sports pavilion and the proposed site are included at Appendix B.
- 4.12. Subject to planning permission and all required due diligence including property searches, this report requests the approval of Cabinet for use of the site for this purpose. Agreements with partners will be drafted to ensure the land is only used for this agreed purpose. In addition, approval is sought for the value of the land to be included in any future LUF bid as a contribution of match funding. Previous land valuations have put the value at £257k, this will be updated with an independent valuation to support the bid.
- 4.13. There is approximately £1.02m S106 funding allocated for a new health centre in East Leake, just over half of this has been received and the remainder is subject to milestones contained within the S106 agreements. This would also be included as match funding within the LUF bid.
- 4.14. It has not been agreed, at this stage, who would own the community hub building once it is built. These discussions will be progressed with all partners to ensure there is an ownership model in place to support delivery if the project is successful in gaining funding.
- 4.15. The sports pavilion on Costock Road is a project that the Parish Council has been working on in support of the Playing Fields Charity who own the facility. The funding would provide an initial replacement building and the refurbishment

of the existing facility to enable greater use of the sports pitches by different groups. The Parish Council has submitted a bid to the Football Foundation, which could pay for the first phase of work, the outcome of this will not be known until September 2021.

- 4.16. There is approximately £280k S106 funding allocated for the sports pavilion, which again could count as match funding in the LUF application.
- 4.17. As the project will achieve a return on investment (through rent paid at the community hub) this will affect the amount of funding the Council is able to apply for. The Government will want to see what the gap in funding is and this is likely to mean that only a proportion of the total cost can be met from the LUF. This will be explored further as the application form is developed. It is therefore highly likely that other external funding is required to achieve the ambition of delivering a new community hub and improved sports pavilion in East Leake.
- 4.18. The project is at a very early stage and there are a number of details that need to be agreed and issues to be resolved before a bid can be submitted. It is therefore anticipated that this project could be included in a future round of LUF as the work will not be completed by the round one deadline of 18 June 2021.

5. Alternative options considered and reasons for rejection

- 5.1. The alternative option is to not bid for the Levelling Up Funding and look to fund the health centre and community hub from another source, there are not currently other sources available. Therefore, the work being done to apply for the LUF could be used to inform future funding bids.
- 5.2. The health centre in East Leake is already at capacity and is Nottinghamshire CCG's top priority for investment. It is, therefore, not an option to not provide a new health centre in East Leake. Without additional funding, this is likely to not include the other elements that would make up the community hub. This would have an impact on the offer for residents in East Leake.

6. Risks and Uncertainties

- 6.1. As Rushcliffe is a priority 3 area for the LUF there is a risk that the project does not receive funding. In addition, the project could be judged to be ineligible based on the criteria of the LUF. If this is the case, other opportunities for funding or investment will be explored.
- 6.2. There is a risk that the other match funding required is not found and therefore a LUF application cannot be submitted. In addition, there is a risk that agreements with partners on ownership, space requirements, rent levels etc are not reached in time for future LUF deadlines. We are already working proactively with all partners and due to the success achieved in Cotgrave it is hoped that this will not be an issue.
- 6.3. There is a risk that partners, including East Leake Parish Council or Nottinghamshire County Council, decide they do not want to be, or cannot

afford to be, included in the building. Both partners are actively involved in the project at the moment and so it is hoped that this would not be the case. If it was; however, the building would be reduced in size to reflect the reduced number of occupiers.

7. Implications

7.1. Financial Implications

It is proposed that the value of the land is included in the LUF application as match funding. This land is currently a car park which is owned by Rushcliffe Borough Council and managed by East Leake Parish Council. It would, therefore, not ordinarily be a piece of land that would be considered for sale/redevelopment by the Council. The value of land is to be confirmed and therefore ratify Rushcliffe Borough Council's contribution as well as an assessment of any tax implications. An allocation of £10k will be earmarked from the year-end budget efficiency position to support the bid development.

7.2. Legal Implications

This report is presented to the Cabinet based on the timeline for LUF applications. Land registry searches have therefore not been carried out and may impact on the proposed use of the land identified at Appendix A. The details of ownership of the community hub and agreements with tenants when complete will be subject to legal review.

7.3. Equalities Implications

Delivering a new community hub in East Leake will provide a purpose built fully accessible facility that will cater for the needs of all residents. The CCG will complete an Equality and Health Impact Assessment which will inform key stages of the project to ensure it promotes equality and positive health outcomes for all.

7.4. Section 17 of the Crime and Disorder Act 1998 Implications

There are no crime and disorder implications associated with this report.

8. Link to Corporate Priorities

Quality of Life	<p>Creating a new community hub in East Leake will provide a range of public services in one building to better meet the needs of local residents. The hub will be full accessible and fit for purpose.</p> <p>Improving the sports pavilion on Costock road will provide improved access to sports facilities in East Leake.</p>
Efficient Services	<p>The hub will be home to a number of different services including health centre, library and dentist. Having all these</p>

	services in one place provides the opportunity to deliver more efficient and effective services for the benefit of all.
Sustainable Growth	The hub and pavilion are required to support the housing growth that has happened and is planned in East Leake.
The Environment	The hub will include low carbon technology.

9. Recommendation

It is RECOMMENDED that Cabinet:

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- b) supports the preparation of the LUF application to Government for funding towards a community hub and improved sports pavilion on Costock Road in East Leake; and
- c) approves the inclusion of the value of the land shown in Appendix A as match funding to support a LUF application, with the appropriate safeguards included in the agreements with partners, to ensure that the land is only used for these purposes.

For more information contact:	Catherine Evans Service Manager Economic Growth and Property 0115 914 8552 cevens@rushcliffe.gov.uk
Background papers available for Inspection:	
List of appendices:	Appendix A – red line plan of land in RBC ownership Appendix B – map of sites in East Leake