

CABINET

15 DECEMBER 2020

BRITTON FARM – GETTING BUILDING FUND PROJECTS

Portfolio Holder: Councillor Alan Jarrett, Leader of the Council

Councillor Rodney Chambers, Portfolio Holder for Inward Investment, Strategic Regeneration and Partnerships

Councillor Adrian Gulvin, Portfolio Holder for Resources

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Summary

Following Cabinet approval in September 2020 to commission Medway Development Company Ltd to project manage the Getting Building Fund projects at Britton Farm, Gillingham, this report updates Cabinet on the progress of the three projects.

1. Budget and policy framework

1.1. The delivery of regeneration projects is a matter for Cabinet.

1.2. This report has been circulated separately to the main agenda. Therefore, the Cabinet is asked to accept this report as urgent to enable consideration of the matter at the earliest opportunity (the next scheduled Cabinet meeting is due to take place on 12 January 2021) to ensure compliance with the strict SELEP funding timescales.

2. Background

2.1. Medway Development Company (MDC) has been involved on behalf of the Council in the £850,000 conversion of the former Budgens supermarket at Britton Farm into new office accommodation for Kent & Medway NHS and Social Care Partnership Trust (KMPT). They are now in occupation. The initial feasibility funding for this project was secured by the Council through the “One Public Estate” initiative, which seeks to find collaborative solutions to public sector property requirements. The criteria for this funding included assisting KMPT to realise capital receipts for themselves and the NHS generally by the sale of two other surplus office buildings and providing the Council with a new

rental income. Planning permission is also in place for 44 units of affordable housing at the rear of the site, which MDC are in the process of delivering.

- 2.2. The South East Local Enterprise Partnership (SELEP) has recently awarded the Council £1.99 million from region's £85 million of the £900 million Getting Building Fund announced by the Government. The funding is to create a Learning, Skills & Employment Hub at Britton Farm, to enhance the public realm area and to support delivery of the 44 affordable homes at the site.
 - 2.3. The Cabinet considered a regular update report on the work of Medway Development Company Ltd at its meeting on 22 September 2020. The Cabinet agreed, amongst a number of things, to commission Medway Development Company Ltd to project manage the Getting Building Fund projects at Britton Farm, Gillingham (decision no. 117/2020 refers).
3. Update and advice and analysis
- 3.1. The Council is committed to delivering regeneration across Medway and this work will build on the initial office conversion at Britton Farm in Gillingham, including the local economic benefits of the introduction of a professional workforce into the area. The public realm interventions will enhance the locality and reduce the opportunity for anti-social behaviour in the mall area. The three proposed elements of the Getting Building Fund Project represent an overall invested by the Council of £7.19 million in Gillingham.
 - 3.2. Firstly, the Skills & Employment Hub will retrain, upskill, and support adults to access employment. State of the art digital facilities will improve digital skills and tackle digital exclusion, alongside providing the skills needed to access new high Gross Value Added (GVA) jobs, which are being created at sites such as the Innovation Park Medway.
 - 3.3. Secondly, the innovative education hub will be designed with flexible classroom space and state of the art digital equipment. A fully equipped training kitchen will help meet a variety of community needs, from supporting business start-ups to reducing food waste and teaching life skills. There will be a wide range of course areas available to help people reach their potential. Courses will also be designed to tackle social isolation and improve residents' mental health and wellbeing. Learners will also have the opportunity to use top of the range digital equipment that they would not otherwise have access to. There will be potential to run a device loaning scheme, enabling more residents to access learning and improved connectivity and a wider array of digital courses will be offered to residents, improving digital skills across Medway.
 - 3.4. Lastly, the residential units and Skills & Employment hub located in the heart of the town centre, will improve the local economy by increasing footfall to the High Street and acting as a catalyst to regenerate Gillingham Town Centre. In addition, the hub's focus on supporting people to retrain and re-enter the job market will further support the local economy.

- 3.5. The location of the site and proposed repurposing adds value to the existing offices for Kent and Medway NHS and Social Care Partnership Trust (KMPT), the nearby Gillingham Community Hub and Medway Park Sports Centre. This is part of the Council strategy to diversify the High Street offer, responding to reduced national retail and creating different attractors into the High Street for local people. Further details of the three schemes are set out in the Business Case which was presented to the SELEP and which is at Appendix 1.
- 3.6. Since Cabinet approval in September work has commenced to procure the refurbishment and building works needed to convert the redundant storage area earmarked for the education hub. This will be monitored through the Procurement Board with the works themselves reported through a Member led Project Board, chaired by Councillor Gulvin.
- 3.7. Additionally, a separate contractor has been engaged to start designing options for the public realm interventions. These designs will also be reported through the Project Board and are likely to be the first package of works to be completed. Close liaison is taking place with local businesses and the Council's tenant KMPT, given the proximity of the proposed works to these parties.
- 3.8. Finally, at their most recent Board Meeting, the Head of Operations for Medway Development Company reported that he has agreed in principle terms with a housing provider, to secure the acquisition of the affordable housing scheme, when complete. Heads of Terms will shortly be exchanged with a view to completing the necessary legal agreement early in 2021. Further updates on progress of this residential housing development will also be reported through the Project Board.

4. Risk management

- 4.1. Risk management is an integral part of good governance. The Council has a responsibility to identify and manage threats and risks to achieve its strategic objectives and enhance the value of services it provides to the community.

Risk	Description	Action to avoid or mitigate risk	Risk rating
The Skills Hub, the public realm works and the affordable housing scheme, are not completed within the SELEP funding window	The works are not completed on time and funding is lost	By commissioning MDC in September 2020, this will ensure that the budget and timescales are not exceeded. Use internal project management oversight to maintain pace and budgetary control	C3

Risk	Description	Action to avoid or mitigate risk	Risk rating
The works are disruptive to KMPT clients and teams and other local businesses.	The public realm and other internal works disrupt our key tenant and other stakeholders.	Continue to encourage MDC to use their good relationship with KMPT and local businesses to manage the works to minimise disruption	C3

5. Consultation

- 5.1. Any planning application for the Skills & Employment Hub will require appropriate community consultation. Consultation on the public realm works and housing development has already taken place.

6. Climate change implications

- 6.1. Designing a development that is sustainable and has low traffic movements will contribute to the Council's carbon reduction ambitions. The contractor selected for this project would be expected to produce a sustainable development policy.

7. Financial and Legal implications

- 7.1. The project is to be fully funded from the £1.99 million provided to the Council from the SELEP as part of the Getting Building Fund scheme. Medway Development Company will recover a project management fee for the delivery of the works.
- 7.2. There are no legal implications to this report.

8. Recommendations

- 8.1. The Cabinet is asked to note progress on the projects at Britton Farm, as set out in the report.

9. Suggested reasons for decisions

- 9.1. To ensure that the Cabinet is apprised of progress on the projects being undertaken by Medway Development Company Ltd at Britton Farm.

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Appendices

Appendix 1 – SELEP Business Case

Background papers

None.