

Brighton & Hove City Council

Cabinet

Agenda Item 134

Subject: Moulsecoomb Hub and Housing Project

Date of meeting: 23 January 2025

Report of: Cabinet Member for Housing & New Homes

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Ward(s) affected: Moulsecoomb and Bevendean

Key Decision: Yes

Reason(s) Key: Expenditure which is, or the making of savings which are, significant having regard to the expenditure of the City Council's budget, namely above £1,000,000 and is significant in terms of its effects on communities living or working in an area comprising two or more electoral divisions (wards).

For general release

1. Purpose of the report and policy context

- 1.1 The Moulsecoomb Hub and Housing project is an exciting, flagship scheme which represents a significant regeneration opportunity for Moulsecoomb and Bevendean, and for the city of Brighton & Hove.
- 1.2 The proposed scheme was granted Planning Approval in June 2023. This project has placemaking at its heart, providing extensive public realm and a skatepark alongside 212 new Affordable Homes, and a Community Hub comprising Youth services, GP surgery, pharmacy, community café, and library.
- 1.3 The Hub budget was approved by Policy and Resources Committee in April 2020. This report seeks a full construction budget for the residential scheme, and approval to enter into relevant contracts subject to project costs clearing the Council's financial hurdles. Additionally, this report seeks to increase the Hub budget by £800,000 as costs have risen in the time since budget approval was originally received.
- 1.4 The proposal in this report aligns with the Council Plan 2023-2027. In particular Priority 2 *A fair and inclusive city* and Outcome 3 *'Homes for everyone'*, which sets out a commitment to *'increase the number of new affordable homes delivered by the council and other registered providers'*. It will be funded by a mixture of council borrowing, Homes England grant and Brownfield Land Release Fund grant.

2. Recommendations

That Cabinet

- 2.1 agrees a full construction budget for the Moulsecoomb Housing project, as set out in the Part 2 Report
- 2.2 delegates authority to the Interim Corporate Director- City Operations to enter into relevant contracts for the construction of the Moulsecoomb Hub and Housing Project, in consultation with the Cabinet Member for Housing & New Homes
- 2.3 in the event of a successful application for funding, delegates authority to the Interim Corporate Director- City Operations to enter into a Grant Funding Agreement for Brownfield Infrastructure and Land (BIL) fund
- 2.4 delegates authority to the Interim Corporate Director- City Operations to enter into any Contracts required to access Homes England Grant Funding for the residential development

3. Context and background information

- 3.1 Building new homes on council land is a council priority. It is essential if City Plan housing targets are to be met and the city's housing crisis tackled. The New Homes for Neighbourhoods (NHfN) programme aims to proactively respond to the acute housing need in the city, and to build much-needed new rented homes on Council-owned land making best use of Council assets.
- 3.2 The Moulsecoomb Hub and Housing project is one of the largest and most ambitious initiatives to be undertaken by the Council. It forms a significant part of the New Homes for Neighbourhoods programme and delivers against numerous corporate objectives. The inclusion of the Community Hub and extensive public realm including a skatepark and 7-a-side 3G pitch puts placemaking at the heart of this proposal, and offers a significant regeneration opportunity.
- 3.3 The proposals have been shaped by extensive consultation over a number of years, and seeks to deliver significant local benefit, informed by the views of the local community.
- 3.4 A report approved by the then Strategy, Finance, and City Regeneration (SFCR) Committee in March 2024 provided an update to the project and gave approval to procure a contractor to deliver this scheme through a Design and Build route.
- 3.5 The Procurement Strategy split the tender into Lots, allowing appropriately sized contractors to bid for the Hub and Residential elements of the scheme. The procurement strategy also allowed for larger contractors to bid for the entire project.

4. Analysis of options

- 4.1 Tenders were received on 25 November 2025 and were evaluated by Officers from the Council, supported by consultants MGAC. The results of the Procurement process are outlined in Part 2 of this report
- 4.2 The preferred supplier is a large contractor with extensive experience of delivering construction projects in the private and public sectors, including Local Authority projects. They successfully bid for both Lots and will therefore be responsible for the Community Hub, the Residential element, and all public realm. The whole project will therefore sit under one contract, reducing risk to the Council, and allowing streamlined client-side project management.
- 4.3 The preferred supplier's tendered price was the lowest received. It is within the range of the pre-tender estimate and with the inclusion of mitigations passes the Council's financial hurdles. There is scope for significant Value Engineering that could be explored with the preferred supplier to reduce the tendered price. It is anticipated that significant savings can be made without impacting on the overall quality of the development.
- 4.4 The preferred supplier also scored highest on the quality element and gave confidence in their ability to deliver this project within programme and budget. Additionally, the bid committed to significant investment in the local community through a tangible, measurable Social Value framework which will form part of the contract.
- 4.5 In June 2021, Brighton and Hove City Council successfully applied for Brownfield Land Release Fund (BLRF) for grant funding and is in receipt of an allocation of £1.694m. This grant funding is intended to facilitate the development through paying for the enabling and site preparation works to release the land for development. The demolition of Hubs North and South, financed by BLRF commenced in 2024.
- 4.6 Given the complexity of the site and the need for new infrastructure, an application for Homes England Brownfield Infrastructure and Land (BIL) funding has been made. The application will be assessed in January 2025 and, should it be successful, the Council will be expected to enter into a Grant Funding Agreement with Homes England.
- 4.7 The application includes the costs associated with works necessary to unlock the site for housing, including a contribution towards the provision of the new Community Hub, linked to the delivery of the residential scheme by Planning Conditions. The shortfall in Hub budget will be addressed through this grant funding application.
- 4.8 It is anticipated that the residential scheme will be funded in part by Homes England funding. Separate funding applications will be made for each of the two phases, with phase one coming forward as social rented units, and phase two being made up of affordable rented units.

5. Community engagement and consultation

- 5.1 Extensive community consultation was undertaken for all sites during the design process. Statutory planning consultation was undertaken as part of the planning application process for each scheme. Further community engagement, including 'Meet the Contractor' events will be held as the projects progress.
- 5.2 The preferred supplier demonstrated their commitment to provide positive and pro-active stakeholder communications throughout the build programme, focused on bringing the community along with them and engaging them in the programme of social value.
- 5.3 They have already engaged with many of the important project stakeholders, and have committed to ensure all stakeholders are kept informed and involved at every stage. A local Community Liaison Officer (CLO), who will be the primary liaison between the site team and all stakeholders, including local businesses, residents, schools, and community organisations will be appointed. The role of the CLO will be to ensure clear and consistent communication and engagement about the build, and the social value to be delivered.
- 5.4 In order to ensure that the Moulsecoomb community continue to be involved in the decision-making process, a monthly meeting group will be established. This group will comprise key local influencers, representatives from diverse sections of the community, as well as members from the project team. Meetings will be held locally, and will revolve around structured agendas that facilitate discussion around the project's progress, social value delivery, upcoming construction activities, traffic movements, and to gather any feedback from the local community.

6. Financial implications

- 6.1 The detailed financial implications are included in the part 2 report, due to the commercial sensitivity associated with the proposal.

Name of finance officer consulted: Craig Garoghan
Date consulted : 23/12/2024

7. Legal implications

- 7.1 The Council has a statutory duty under Section 8 of the Housing Act 1985 to consider housing conditions and the needs of the district with respect to the provision of further housing accommodation. The Council also has the general power of competence under section 1 of the Localism Act 2011 to do anything an individual may generally do subject to any statutory limitations. Further the Council has powers under Section 111 of the Local Government Act 1972 which, permits the Council to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any

of its functions. The recommendations in this report are in keeping with these powers.

- 7.2 The Council is required to comply with the Public Contract Regulations 2015 in relation to the procurement and award of contracts above the relevant financial thresholds for services, supplies and works. A compliant procurement has taken place in which a JCT D&B 2016 contract, together with the Council's Schedule of Amendments for this project, was published. This type of contract and those Schedule of Amendments will be used as the terms to contract with the winning bidder.

- 7.3 The Council's Contract Standing Orders (CSOs) will also apply.

Name of lawyer consulted: Eleanor Richards
Date consulted (19/12/24):

8. Equalities implications

- 8.1 An increase in housing supply will extend opportunities to provide new, well designed homes to accommodate local households on the Housing Register and who are in housing need.

9. Sustainability implications

- 9.1 The New Homes for Neighbourhoods programme develops homes that are cost effective to live in and meet high standards of environmental sustainability to respond to the Climate Change and Bio-diversity Emergencies. Significant high quality landscaping proposals have been integrated into the scheme, and sustainable measures such as solar panels and Air Source Heat Pumps have been incorporated.
- 9.2 The Hub building will be built to BREEAM 'Excellent' standard. BREEAM (Building Research Establishment Environmental Assessment Method) provides a holistic sustainability assessment framework for buildings and is used to specify and measure the sustainability performance of buildings, ensuring that projects meet sustainability goals and continue to perform optimally over time.
- 9.3 The preferred supplier will carry out a Circular Economy Opportunities Assessment to help us understand the real impact products have over the lifetime of a building including demolition and reuse of materials. Circular economy principles will be applied to meet the targets of 20% recycled content, 50% reusable content at end-of-life, and 50% EPD target, as set out in BHCC's New Build Housing Sustainability Policy. They will divert 99% of waste from landfill by implementing stringent waste management protocols through their approved Site Waste Management Plan.

10. Health and Wellbeing Implications:

- 10.1 There are strong links between improving housing, providing new affordable homes and leisure facilities and reducing health inequalities. Energy efficient

homes which are easier and cheaper to heat are likely to have a positive influence on the health of occupants of the new homes.

- 10.2 The proposals include provision of GP surgery and Pharmacy within the new Hub building, bringing these services to the heart of Moulsecoomb.

11. Procurement implications

- 11.1 The procurement exercises outlined above have been carried out in consultation with the council's procurement team and are fully compliant with public procurement regulations.

12. Crime & disorder implications:

- 12.1 The project provides an opportunity to develop new, well-designed housing which has been shown to positively influence the rate of crime and disorder as well as the quality of life for future occupants.

13. Conclusion:

- 13.1 The Moulsecoomb Hub and Housing project is an exciting, flagship scheme with the potential to make a significant contribution towards meeting City Plan housing targets, tackling the city's housing crisis, and realising meaningful regeneration opportunities for the local community. The tender received from the preferred supplier represents excellent value for money, and a full construction budget should therefore be approved. The construction budget and BIL application are outlined in Part 2 of this report.