

# PLYMOUTH COMMUNITY DIAGNOSTIC CENTRE

## Briefing Paper Part I



### 1. EXECUTIVE SUMMARY

- 1.1. This Briefing Paper provides the background and rationale for a recommendation to sell Council owned land at Colin Campbell Court to the University Hospitals Plymouth NHS Trust (NHS Trust) for the delivery of a new Community Diagnostic Centre (CDC), providing scanning and diagnostic services in the heart of the City Centre.
- 1.2. In addition, it is recommended that the Council re-allocates £534,400 from an existing allocation within the Capital Programme for a project on the same site which is no longer proceeding. This funding will be used to deliver a package of Service Diversion and Enabling works to support the delivery of the CDC.

### 2. BACKGROUND

- 2.1. The NHS Trust in Plymouth, with support from Plymouth City Council, submitted a bid to government for funding for a new CDC to provide significant additional diagnostic capacity with the aim of improving health outcomes in Plymouth.
- 2.2. In June 2023 a government announcement confirmed that funding would be made available to deliver the Plymouth CDC. The CDC will be located on Council owned land at Colin Campbell Court.
- 2.3. In October 2023, the NHS Trust, supported by the Council opened a temporary scanning facility on Colin Campbell Court to provide these important services in the area, ahead of the opening of the main CDC facility in 2025.

### 3. PROPOSED CHANGES AND REASONS

- 3.1. Without the significant preparatory work undertaken by the Council over the last few years to assemble the land and clear the site, the CDC would not have been able to meet the timetable required to secure the funding. This preparatory work has been supported by the Council's strategic partners Homes England and the One Public Estate Programme, as well as local stakeholders.
- 3.2. The delivery of the CDC is strongly aligned with the Council's Corporate Plan which includes a priority to work with the NHS Trust to provide better access to health, care and dentistry. The delivery of the CDC also marks an important first step in the regeneration of Colin Campbell Court which is one of six major regeneration sites within the City Centre identified in the Joint Local Plan. As such, the Council has agreed to support the delivery of this important project by selling the land to the NHS Trust for one pound.
- 3.3. A package of enabling works, including the relocation of an existing sewer is required to meet the Local Planning Authority requirements for the management of surface water in what is a Critical Drainage Area. It is proposed that the Council completes these works in parallel with the delivery of the CDC by the NHS Trust. These works will also benefit future development on land in and around the CDC which is in the ownership of the Council.
- 3.4. A Red Line plan showing the land to be transferred to the NHS Trust is attached as Appendix I to this briefing paper.

### 4. ALTERNATIVE OPTIONS

- 4.1. Other locations for the CDC in the area were considered but the selected site was chosen due to its accessibility, prominence and the relative lack of constraints.
- 4.2. The Council could have elected to sell the site to the NHS Trust at Market Value. However, the sale of the land for £1 demonstrates the Council's commitment to supporting the project.
- 4.3. Alternative options which would not require the relocation of the sewer have been considered but have been ruled out due to various site constraints.

## 5. FINANCIAL IMPLICATIONS AND RISK

- 5.1. There is a general statutory duty on local authorities to obtain the best price reasonably obtainable when selling land (section 123 of the Local Government Act 1972).
- 5.2. The “best price” needs to be quantifiable in monetary terms.
- 5.3. The value of the land to be transferred to the NHS Trust has been independently assessed by JLL at £270,000 (January 2024). Therefore, by selling the land to the NHS for £1 the Council is making a contribution in kind to the delivery of the CDC of £269,999.
- 5.4. By virtue of the Local Government Act 1972 General Disposal Consent England 2003 a local authority can sell at an undervalue of up to £2.0m without having to seek the consent of the Secretary of State where the land sale will help to secure the improvement of the economic, social or environmental wellbeing of the local area.
- 5.5. The sale of the site to the NHS Trust for £1 ensures that the funding secured by the NHS Trust goes towards the delivery of this important project which will deliver a step change in access to high quality health care and facilities for the people of Plymouth in a highly accessible location and near some of Plymouth’s most deprived communities. In addition, the project supports the Council’s ambition to regenerate the West End and wider City Centre in line with the aims and objectives of the Joint Local Plan.
- 5.6. Cabinet members can agree the disposal of property for less than best consideration when between £200,000 and £500,000 less than best consideration has been offered. In this instance the difference is within the Portfolio Holder delegation limit.
- 5.7. Before the project can commence the NHS Trust must secure planning permission for the CDC and successfully appoint a contractor to deliver the project within budget and on time. A Full Planning Application was submitted by the NHS Trust in December 2023, planning reference 23/01767/FUL.
- 5.8. To mitigate the risk that the project does not proceed for any reason the agreement to sell the land is in the form of an Option which will be conditional on the NHS Trust providing evidence that the project is in a position to proceed.
- 5.9. The costs of the enabling works and associated fees is not expected to exceed £534,400. A previous Executive Decision, related to the delivery of the Cavell Centre, allocated funding to service diversions, highways works and public realm. Whilst the service diversions are still required, highways and public realm are not integral to the delivery of the CDC and therefore the surplus (£2,594,679.47) can be removed from the Capital Programme.

## 6. Timescales

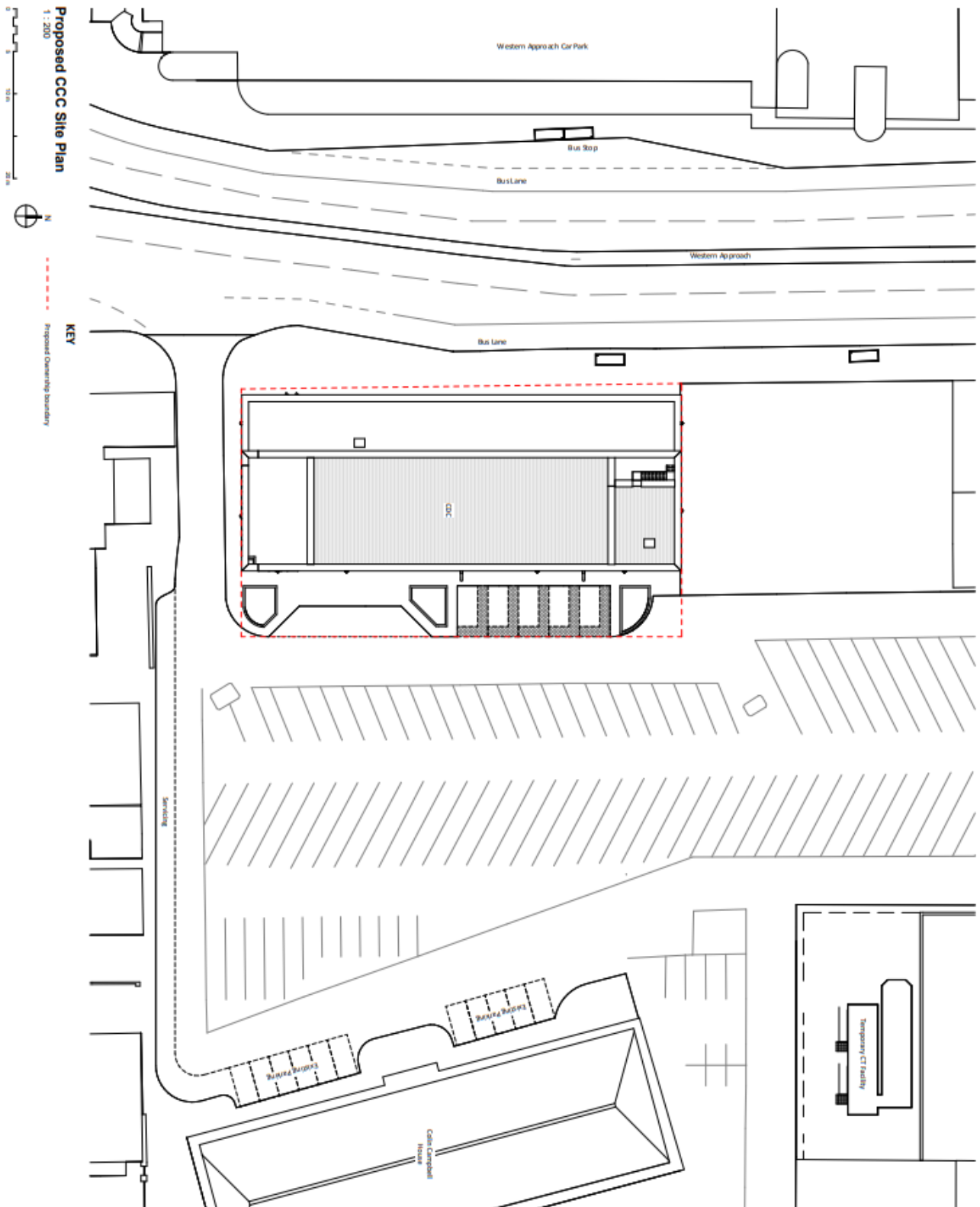
- 6.1. The NHS Trust expect to commence work on the CDC in April 2024 with the project completing in the summer of 2025.
- 6.2. The enabling works to be undertaken by the Council are expected to commence in the Autumn 2024 and take approximately three months to complete.

## 7. Recommendations

- 7.1. It is recommended that the Leader:
  - 7.1.1. Approves the sale of Council owned land at Colin Campbell Court to the NHS Trust for £1 to enable the delivery of the CDC.
  - 7.1.2. Approves the Capital Business Case to deliver enabling works to support the delivery of the CDC.
  - 7.1.3. Authorises the procurement process for the enabling works.
  - 7.1.4. Approves the virement of £534,400 Corporate Borrowing, from a project on the same site which is not now proceeding to the CDC project.
  - 7.1.5. Approves the removal of £2,594,679.47 Corporate Borrowing from the Capital Programme allocated to a project on the same site which is not now proceeding.

- 7.1.6. Grants authority to the Service Director for Economic Development to award all contracts and complete any agreements associated with the sale of the land and completion of the Council's enabling works.

**Appendix I. CDC Red Line**



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