



Ministry of Housing,
Communities &
Local Government

PUBLIC LAND FOR HOUSING PROGRAMME 2015 – 2020

Programme Handbook for Departments and Arm's Length Bodies

February 2020: Update



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February 2020

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1 Introduction

The Public Land for Housing Programme forms an important part of the Government's plans to reform the housing market and boost the supply of new homes. It is a key part of the Government's plans to deliver a million homes by the end of this Parliament and to ensure the Government estate is used efficiently.

It builds on the success of the 2011-15 Programme which released land for 109,000 homes, exceeding its 100,000 target.

This handbook provides comprehensive information to estates teams and practitioners managing the programme for their department and arm's length bodies (ALBs).

It confirms the roles and responsibilities of each stakeholder, the governance arrangements, the activity which counts towards the programme and the monitoring arrangements. The handbook sets out the support offered by Homes England and the Office of Government Property (OGP).

The handbook will be kept up-to-date throughout the life of the Programme. This handbook, updated in February 2020, replaces previous versions of the handbook.

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2 Background information and context

2.1 Programme aims, objectives and scope

The aim of the Public Land for Housing Programme 2015–20 is to identify and release surplus¹ central Government land in England for 160,000 new homes by the end of March 2020.

The programme also contributes to the Government’s aim to achieve £5bn in land and property receipts by 2020. This includes disposals of land and property where there is no housing potential.

All land-owning Government departments and their ALBs are within scope of the programme. For some departments, delivery of the target is largely dependent on the sale of land and buildings owned by their ALBs.

In 2015, the top five land-owning departments agreed a contribution towards the Public Land for Housing target of land with capacity for 160,000 homes by the end of March 2020, which they are responsible for delivering. The agreed contributions are:

Department	Agreed contribution (in housing units)
Ministry of Defence (MoD)	55,000
Department for Transport (DfT)	38,000
Ministry of Housing, Communities and Local Government/Homes England ² (MHCLG/HE)	36,000
Department of Health and Social Care (DHSC) ³	26,000
Ministry of Justice (MoJ)	5,000
Total	160,000

¹ For DfT and its arm’s length body Network Rail, this means that regulatory consents are granted under Licence Condition 7 and where applicable Station Change and/or Network Change to classify the land as surplus (additional clarification added August 2018).

² Homes England, formerly known as the Homes and Communities Agency.

³ Department of Health and Social Care, previously the Department of Health.

Other departments contributing to the Programme include the Department for the Environment, Food and Rural Affairs (DEFRA); Department for Education (DfE); Department for Business, Energy and Industrial Strategy (BEIS)⁴; and the Cabinet Office (CO). Their combined contribution is to dispose of land with capacity for 1,400 homes.

During the period between the end of the last programme, 31 March 2015, and the start of the current programme, on 8 May 2015, sites and units disposed by departments have been recorded but are not counted towards Departmental contributions.

2.2 The Government's Estate Strategy

MHCLG works in partnership with OGP to improve the Government's estate management by releasing surplus land and property in a way that delivers value for the taxpayer, boosts growth and creates new homes. The Government Estate Strategy 2014 sets this out in more detail. A revised Strategy is expected to be published in 2018.

Asset management must be achieved within the wider context of establishing an estate that will support the Government's future business needs of:

- Working in ways that minimise the need for office space
- Using the land and property that a department holds more efficiently
- Removing artificial boundaries between departments, local authorities and other public bodies

The Government's property information is held centrally on *e-PIMS (Electronic Property Information Mapping Service)*, which is administered by the OGP. Updating property information is mandatory for all:

- Government departments
- Non-Ministerial departments and their Executive Agencies
- ALBs
- Non-departmental public bodies
- Special health authorities

2.3 Strategic asset management

Each department has a *Strategic Asset Management Plan (SAMP)* as part of implementing the Government's Estate Strategy. This is set within the context of the department's business and transformation plans and cross-cutting Government policies and initiatives.

⁴ Department for Business, Energy and Industrial Strategy, formerly Department for Business, Innovation and Skills

The SAMP identifies the gap between the current property asset base and that which is needed to effectively and efficiently support the business in the future, and sets out a deliverable programme to close this gap. The way in which the department is organising and managing its people efficiently is detailed in *The Way We Work Programme* (TW3).

A SAMP covers all property and land within the department's estate and its ALBs and is signed off by the department's Chief Accounting Officer. Central Government (OGP and HM Treasury) will work with departments to challenge and review their SAMPs.

Summaries of departmental SAMPs published on 26 February 2018 can be found on the Government's website at:

www.gov.uk/government/publications/departmental-strategic-asset-management-plan-summaries.

2.4 Departmental Delivery Plans

Sitting beneath the SAMP for each of the main land-owning departments is a delivery plan to support the Public Land for Housing Programme. The plan details how departments will identify and dispose of their surplus land to meet their agreed contributions. It includes information on expected disposal trajectories to meet their delivery contribution and how this contribution will be project managed.

2.5 Value for money

All departments will need to demonstrate that robust decisions on value for money have been taken on each site disposal. Departments' delivery plans need to demonstrate how value for money is delivered and how assurance will be given to individual Accounting Officers.

The guidance in *Managing Public Money*⁵ published on 7 March 2018 gives Accounting Officers a clear framework for decisions on the disposal of land, provided they are satisfied that they are achieving value for money for the Exchequer as a whole.

Decisions on land disposal should be subject to comprehensive but proportionate assessment, wherever it is practicable, so as best to promote the public interest. The Green Book presents the techniques and issues that should be considered when carrying out assessments, to promote efficient policy development and resource allocation across Government. The guidance emphasises the need to take account of the wider social costs and benefits of proposals when considering value for money, and the need to ensure the proper use of public resources.

In some cases it may be justifiable to choose the option which does not generate the highest Exchequer receipt.

⁵ www.gov.uk/government/publications/managing-public-money

2.6 Property and land decision-making structures

Disposing of land and property assets is a complicated process involving a range of interests and it is important that all those involved – Estates Teams, Finance, Legal, Accounting Officer and others – understand their role in the process (which will be different in different departments). This will enable decisions to be taken at pace, consistent with the Government's aims for public sector land disposal.

3 Public land for housing programme definitions

Departments should make their planning and delivery assumptions, including scoring decisions, on the basis of the following definitions which have been agreed by Ministers.

3.1 When should a site score?

A site can count towards the overall commitment for housing⁶ once:

1. A conditional contract, development agreement or building licence with a private sector partner, housing association/registered provider or Local Authority (for the purpose of house building) is signed or freehold transfer takes place (whichever is sooner) and;
2. There is planning certainty that the site will be developed for housing. Evidence required for achieving planning certainty will be one of the following:
 - i. Formal, written and positive pre-application advice with housing in principle.
 - ii. Reference as suitable for housing in an adopted Supplementary Planning Document (SPD), Development Brief or Framework.
 - iii. Entry onto Part II of the Brownfield register; which should trigger a grant of permission in principle.
 - iv. Inclusion as an allocation in an adopted or submitted draft local plan [regulations 19 and 20 stage] or adopted neighbourhood plan.
 - v. A resolution to grant planning permission, a planning decision notice for receipt of outline or full planning permission.
 - vi. Receipt of permission in principle by other route⁷.

Departments should provide site boundaries plans of land disposed each quarter in order for those sites to score and allow effective monitoring.⁸

3.2 What should score?

An estimate of the number of homes that can be accommodated on the site should score for the programme. The number of homes scored is recorded. Once capacity as set out in paragraph 3.4 is assessed, any variances in the number of homes scored are taken into account during the quarterly validation process.

⁶ Annex 15 sets out how departments should report gross receipts and running cost savings from disposals of land and property and when a site will score for the Government's commitment to raise over £5 billion from the sale of land and property by 2020.

⁷ <https://www.gov.uk/guidance/permission-in-principle>

⁸ Additional advice on points i-vi was added August 2018 and took effect from quarter 2 2018/19.

3.3 What is a home?⁹

In the context of this Programme a home is:

- i. a new market home
- ii. a new affordable home¹⁰
- iii. new rental accommodation
- iv. new student accommodation
- v. new essential local worker accommodation (for example, health service staff, military service personnel and family accommodation, and prison officers' quarters) provided this adds to net housing supply
- vi. an Annington's home previously leased to the Ministry of Defence sold to the market
- vii. communal accommodation including care homes and sheltered housing
- viii. new park homes
- ix. new permanent gypsy and traveller pitches

In the context of the Public Land for Housing Programme, communal accommodation including care homes and sheltered housing is considered under the definition of a home. The National Planning Policy Framework makes it clear that plan-making authorities should set clear policies to address the housing needs of groups with particular needs. Within this context, the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies. This includes, but is not limited to housing for older people, students, service families, travellers and people with disabilities. It is therefore key that public sector land sites are disposed, where appropriate, for a wide range of tenures and housing types so that the specific housing needs of a particular area can be addressed and catered for. In particular, the need to provide specialist housing for certain groups is increasingly acute - the population of older people (people aged 85 or above), for example, is projected to double to 3.2 million by mid-2041.¹¹

3.4 How is housing capacity assessed?

In assessing housing capacity at site level, departments should use the figure provided through a planning allocation, permission or in the Local Plan, or use information provided through a valuation or other formal site assessment.

Once sites have been identified, but before any planning application is in place, departments should use their best judgement to estimate housing capacity and should take into account site constraints, the developable area, access and local housing densities. In the absence of other information a standard assumption of 40 dwellings per net developable hectare can be used (and clearly referenced).

⁹ Additional advice on points vii and ix was added August 2018 and took effect from quarter 2 2018/19.

¹⁰ See Annex 2, pg. 64 of the National Planning Policy Framework (2019) https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/810197/NPPF_Feb_2019_revised.pdf - advice added February 2020.

¹¹ Additional clarification added February 2020.

During the life of the programme, any uplift in the housing capacity of a site as it progresses through the planning process, up until planning permission is received for the site, should be added to departments' data. Any downward revision should also be reflected. Departments are responsible for highlighting both increases and decreases as part of the quarterly data validation process. This will apply to sites before and after scoring a site. Also see paragraph 5.2.

3.5 How do transfers affect delivery commitments?

In accepting transfers from other government departments for sites which are developable and viable, Homes England becomes responsible for delivery of the site and its associated housing capacity. The agreed housing capacity will be reflected in quarterly monitoring against the OGD target.

The size of the commitment transferred to Homes England will be based on the detailed independent and jointly commissioned Red Book valuation which will determine the housing capacity of a transferring site.

Sites transferred to Homes England will score housing capacity when Homes England meets the criteria for scoring set out in 3.1.¹²

3.6 What type of land disposal is included?

Direct Sales

These include freehold disposal, grant of long leases exceeding 99 years, other transfers of public land to the private sector, housing associations/registered providers or Local Authorities, for the purpose of house building. Direct sales may include the grant of building lease, conditional disposals or other contractual arrangements which require a developer to build homes on the public land transferred to it.

Direct Delivery

As for the previous Programme, Direct Delivery can count towards a department's contribution. Direct Delivery may include the building of homes on or alongside public assets, such as hospitals, car parks, stations or schools where the freehold of the land/asset is retained and the freehold of the homes built is disposed of or a lease of 99 years or more is agreed¹³. As this approach does not involve the disposal of land until the individual homes are sold, Direct Delivery of homes can only be claimed upon allocation for residential or grant of outline/full planning permission and once a:

¹² Additional clarification added in August 2018.

¹³ If the completed homes are to be leased for shorter periods than 99 years or let to, for instance, essential local workers through an 'Assured Shorthold Tenancy', they must meet equivalent criteria to SFA properties under New Service Family Accommodation (SFA) to score for the Programme.

- contractual commitment has been entered into to deliver the infrastructure (roads, utilities etc.) needed to service the homes to be claimed, or;
- contractual agreement has been entered into with a third party for the construction of the homes, or;
- joint venture agreement has been entered into to deliver the homes, or;
- master developer agreement has been entered into to deliver the homes.¹⁴

Joint Disposals/Linked Land

This is public land which is sold alongside land held by one or more parties as a single package for housing. This is distinct from Third Party Facilitation or ransom strips, as the land involved in joint disposals is included as part of the development and is used to deliver homes.

Sites that are disposed of by a department which is then incorporated to form part of a bigger development site can score to the programme on a proportional basis. For example, if a department disposes of land that forms 10% of a wider housing development that achieves planning permission for 200 units, the department can score 20 units for its contribution to the development. This proportional basis does not apply at the point of transfer of a site from the OGD to Homes England.

The same criteria for scoring, set out in 3.1, would apply to joint disposals/linked land.

Joint Ventures

This refers to a contractual vehicle between a land owning central government body and another organisation that enables homes to be built. For the purposes of the Programme, homes built on public land which has been placed into the vehicle as equity will count towards the Programme. Other public funding into the vehicle which facilitates housing will not count towards the Programme. Homes must relate to the public land – not the overall housing output from the vehicle. Sites that are disposed of by a department which is then incorporated to form part of a bigger development site can score to the programme on a proportional basis, as with joint disposals/linked land.¹⁵

Leasehold

This includes the sale or reassignment of a lease with 99 years or more remaining to the freeholder or a third party, for the purpose of redevelopment for housing. This also includes the surrender of a lease back to the freeholder, with 50 years or more remaining, for the purpose of redevelopment for housing.

3.7 How are different types of home scored?

¹⁴ Additional advice was added August 2018 and took effect from quarter 2 2018/19.

¹⁵ Ibid.

Student Accommodation

In accordance with Valuation Office Agency (VOA) classification for student accommodation, the Programme will adopt the cluster approach where a single dwelling comprises a number of bedrooms around shared kitchen and bathroom facilities. A 1:4 ratio of dwelling:bed-spaces will apply unless planning permission states a different ratio or number of units in which case the number of units cited in the planning permission will apply.

Other communal accommodation including care homes and sheltered housing¹⁶

In accordance with the Valuation Office Agency classification for communal accommodation, these are establishments providing managed residential accommodation including care homes and sheltered housing. Generally, developments (or 'schemes') provide independent, self-contained homes with their own front doors. The Programme will adopt the cluster approach where a single dwelling comprises a number of bedrooms around shared kitchen and bathroom facilities. A 1:4 ratio of dwelling:bed-spaces will apply unless planning permission states a different ratio or number of units in which case the number of units cited in the planning permission will apply.

New Single Living Accommodation (SLA)

This is new accommodation built on public sector land by MoD for single service personnel. On the advice of VOA and agreed by Ministers, the scoring of SLA will be calculated on a 1:4 ratio of dwelling:bed-spaces in the same way as student accommodation, where a single dwelling comprises a number of bedrooms around shared kitchen and bathroom facilities. Individual bed spaces will not count as single units.

The scoring of SLA new build in the programme will be triggered on the date of the handover/ acceptance certificate of the home. This is on the basis that the handover/ acceptance proceedings include obtaining a Developer Self Certification and Compliance Statement (or Dispensation Certificate if appropriate) from the Contractor (rather than Local Authority). These documents are provided to the MoD by the Contractor instead of the usual Local Authority completion certificate.

To evidence the new build, the MoD will be required to retain a copy of the completion certificate for each property in order for the units to be scored in the programme. This certificate should be available to Homes England on request, for audit purposes. A small sample will be required each quarter. Individual addresses will need to be supplied for scoring purposes.

New Service Family Accommodation (SFA)

This is new housing built exclusively on public sector land for use by service personnel and their families (SFA in particular may well be built by contractors/ developers rather

¹⁶ Additional advice was added August 2018 and took effect from quarter 2 2018/19.

than by the MoD, but is for MoD use). These are additional new homes that will free up houses elsewhere – so represent a net addition to the housing market.

The scoring of SFA new build in the programme will be triggered on the date of the handover/ acceptance certificate of the home. This is on the basis that the handover/ acceptance proceedings include obtaining a Developer Self Certification and Compliance Statement (or Dispensation Certificate if appropriate) from the Contractor (rather than Local Authority). These documents are provided to the MoD by the Contractor instead of the usual Local Authority completion certificate.

To evidence the new build, the MoD will be required to retain a copy of the completion certificate for each property in order for the units to be scored in the programme. This certificate should be available to Homes England on request, for audit purposes. A small sample will be required each quarter. Individual addresses will need to be supplied for scoring purposes. Since these are individual, self-contained homes, the 1:4 ratio of dwelling:bed-spaces does not apply. Each dwelling will score as one housing unit.

Existing Service Family Accommodation released: Annington Homes Ltd Freehold transfers – ('Annington hand backs')

The sites will score on the date of issue by MoD of a six month notice to Annington's to hand back the property back to them. Evidence that homes have been handed back – such as the release of the long lease – will need to be retained for audit purposes. Individual addresses will be provided by MoD to identify the properties. Individual copies of contracts will not be required on the understanding that MoD hold them in their records and they can be made available for audit purposes which may take place in the future. Homes England may ask for a sample over the life of the programme.

Service Family Accommodation released: Sub leases by the MOD to the market for two years or more

The sites will score on grant of a lease to a third party for two or more years on the understanding that the properties will not come back into MoD possession within the life time of the programme.

Where properties are on a rolling monthly tenancy, e.g. Assured Shorthold Tenancy, provided that the properties have been let for a continuous period of two years or more and are not brought back into MoD usage within the lifetime of the programme, the properties shall be eligible to score two years from the date shown on the lease granted.

Individual addresses will be provided by MoD to identify the properties. Individual copies of contracts will not be required on the understanding that MoD hold them in their records and they can be made available for an future audit which may be undertaken by Homes England or other parties.

Bulk lease hiring terminations such as those used by the MoD are not eligible to be scored to the programme.

4 Roles and responsibilities

4.1 What is expected from each department?

Departments are responsible for their land and property disposals and that of their agencies in meeting land release commitments to support the Programme. They are the owners of the information they supply which is subsequently used to assess progress and performance.

It is the responsibility of departments to ensure that their land and property disposals and transfers represent value for money and comply with all relevant Government rules and guidance including:

- *Managing Public Money*¹⁷
- *Protocol for Disposal of Surplus Public Land and Buildings*¹⁸

Departments are required to disclose all relevant information in an accurate and timely manner. The disposal details and site boundary maps allow for accurate monitoring of scoring and measure programme delivery.

Departmental responsibilities:

It is a Government priority to release land for housing at pace in order for homes to be built as quickly as possible.

Identifying and releasing land

Before land can be released for development there are several phases departments must work through. This is not always straightforward, and the process will vary depending on the ownership and the previous use of the site. Departments should feel free to consult Homes England for expert advice at any point – they are encouraged to do this as early as possible to maximise the chances of speedy delivery.

i. Phase 1 – site identification. The first task is for departments to identify land surplus to the operational needs of the department and other Government departments. This is often dependent on wider estate management planning and can involve the relocation of existing services and personnel to alternative sites, which may take time.

ii. Phases 2 and 3 – risk assessment and mitigation. Sites then need to be ‘de-risked’ and prepared for disposal. For example, it may be necessary to secure a change of planning use, or to undertake works to the site prior to disposal, such as demolition of buildings or site decontamination. Departments need to assess whether it is better to undertake this work prior to marketing and disposal or to let the purchaser

¹⁷ www.gov.uk/government/publications/managing-public-money

¹⁸ www.gov.uk/government/publications/disposal-of-surplus-public-sector-land-and-buildings-protocol-for-land-holding-departments

undertake the work as a condition of the sale. This is the stage at which outline planning permission must be secured.

iii. Phase 4 – disposal. Sites will be released for housing through an open sales process or transferred to Homes England for disposal. Departments will need to consider the most effective way sites can be disposed of to support swift development, for example by splitting larger sites into smaller ‘parcels’ to encourage Small and Medium-sized Enterprise (SME) builders into the market.

Departments will need to look strategically at their entire estate to see which sites can be identified for disposal. All sites will be assessed for risk against their likelihood of counting towards the programme. As many sites will still be in use at the point they are identified the programme’s outcomes are likely to be weighted towards site identification in its early years and towards disposal in its latter years.

4.2 Individual roles and responsibilities

MHCLG

- Oversee the programme
- Monitor progress of land disposed towards departments’ housing commitments via quarterly returns from departments
- Report to all levels of governance in the programme
- Support departments and ALBs with their delivery plans
- Seek to accelerate land disposal and overcome barriers (with OGP)
- Co-chair a Permanent Tri-lateral Meeting with Cabinet Office on an ad hoc basis to provide oversight and scrutiny of the Programme and resolve significant issues that cannot be dealt with by the Board
- Chair a Programme Board which will report to the Housing Implementation Taskforce, chaired by the Prime Minister or Secretary of State for MHCLG

Cabinet Office/OGP

- Lead Government's commitment to release £5 billion of surplus Government land in 2015 - 2020, and support MHCLG in leading Government's commitment to release land with capacity for 160,000 homes over the same period.
- Oversee implementation of the Government’s Estate Strategy – how Government will manage and transform its estate, and ensure it has the skills and capacity to deliver. This includes using the power of the Government's estate to help energise the housing market by releasing surplus land for housing and providing supportive infrastructure.
- Seek ways to accelerate land disposal, overcome barriers, identify opportunities and utilise creative commercial models through a London Major Disposals Forum and a Cross Government Support Group.
- Establish a strong evidence base through annual Departmental Strategic Asset Management Plans and collection of management information on Government’s landholdings that supports collaboration and decision-making.

- Manage the Government property database (e-PIMS) and bring together, for the first time, local and national property and socio-economic data in one place to create a Digital National Asset Register.
- Lead the Government Property Profession, ensuring we attract and retain talent and offer meaningful career pathways across Government.
- Provide incentives for Departments to rationalise the space they occupy and introduce a more commercially driven approach to estate management.
- Facilitate collaboration between central and local government on ambitious property-led projects, and early engagement with local authorities when central Government is planning to release surplus land, through the One Public Estate programme delivered in partnership with the Local Government Association.
- Increase transparency of Government's land sales by publishing annual Transparency Reports - the first [transparency report](#) being published in April 2018.
- Provide specialist support in asset disposals including publishing the [Guide for the Disposal of Surplus Land](#), which will be updated in 2018.

OGP support role

OGP works collaboratively across Government to support departments in delivering the Government's Estate Strategy. Through its central oversight of all Government land and property, OGP can help departments by providing support and advice on effective and efficient estate management. This includes rationalising space and using it more effectively, and disposing of surplus property in a way that maximises financial return and supports growth, in particular housing. For more specialist areas of the estate OGP can provide targeted support as needed.

HMT/No 10

Reflecting the personal interest of the Prime Minister and Chancellor in i) increasing housing supply, and ii) Government receipts, HMT and No. 10 will monitor delivery of the programme and challenge MHCLG, OGP and departments to deliver at pace.

Homes England as landowner¹⁹

Homes England is a major Government land owner releasing land with capacity to deliver 36,000 homes by 2020. Homes England brings together land, money, expertise, planning and compulsory purchase powers, with a clear remit to facilitate the delivery of new homes, where they are most needed, to deliver a sustained improvement in affordability.

Homes England uses its local knowledge and works jointly with partners including Local Authorities, Local Enterprise Partnerships, Registered Providers and other public sector land owners to help bring its land forward, provide support to OGDs and create development opportunities. The agency disposes of sites at pace whilst seeking to maximise the asset value for subsequent disposal and development, to support housing delivery and economic growth.

¹⁹ Additional clarification added August 2018.

Homes England has developed a range of enabling tools which can help with land disposals. These range from development advice and brokering discussions with local partners to publications and market intelligence.

In London, Homes England has no powers to operate without a delegation from the Mayor. The Localism Act 2011 devolved significant housing investment responsibilities and substantial landholdings to the Mayor, and it has been agreed that the Greater London Assembly will perform a similar land disposal role in London to that of Homes England outside London.

Transfers of developable and viable land

From 1 April 2015 responsibility for the disposal of all surplus developable and viable land suitable for building homes in England (excluding London) is transferred from central Government departments and their agencies to the Homes England. This is referred to in *Managing Public Money* alongside further guidance for departments on disposal and transfer of land. More information is available on the following website; <https://www.gov.uk/government/publications/managing-public-money>. Further detail on the full transfer model is at Annex 3.

Departments are required to ensure all surplus land and property is correctly recorded within ePIMS on the Register of Surplus Public Sector Land. There is a 40 working day²⁰ window for public sector agencies and departments to identify new uses for this land and a 50 day period for Homes England to assess the site as likely to be developable, viable and therefore subject to transfer. After this period has expired the disposing body can advertise the site on the open market.

Homes England will also utilise other data sources including the Programme's quarterly updates and departmental Delivery Plans to assess the pipeline of surplus sites suitable for transfer and will work collaboratively with landowners to confirm a site's status.

Within 40 days of a freehold asset or long leasehold interest exceeding 99 years being placed upon the Register of Surplus Public Sector Land or declared surplus within e-PIMS, Homes England will complete an initial assessment to determine whether the property may be suitable for transfer.

The 40 working day window will commence from receipt of a redline boundary plan or inclusion on the Register, whichever is the later. The 40 day window may be extended where the land holding department has provided insufficient information to allow a reasonable assessment of development potential to take place.

Upon expiry of the 40 working day window Homes England will confirm to the land owning department whether a site is potentially suitable for transfer and should be subject to further detailed due diligence. Where properties do not meet the criteria for

²⁰ An additional 10 working days is allowed for sites to be assessed for the Free Schools Programme by the Department for Education.

transfer the land holding department may commence marketing of the property in the open market.

Functions undertaken on behalf of MHCLG:

- Collates data on sites and number of homes which meet the scoring criteria received from Government departments;
- Verifies and challenges the factual information provided and seeks additional information and data if required to ensure the robustness of forecasts and disposals;
- Provides detailed analysis of programme information;
- Monitors and reports programme performance.

Note: in carrying out this role, Homes England's role is as an advisor of programme performance and risks. It does not administer, instruct or make decisions.

5 Monitoring

5.1 Performance monitoring role

On behalf of MHCLG, Homes England will monitor public sector land disposals and validate performance data from departments towards delivery of the Government's commitment to release surplus land for 160,000 new homes.

Working with Homes England, the OGP will track departmental progress towards delivering the Government's commitment of at least £5 billion of land and property disposals by 2020. Together they will provide a joined up service to departments.

5.2 Quarterly data gathering exercise

Departmental quarterly updates on all disposals (not just those for housing) will be commissioned jointly by Homes England and OGP.

Commissioning emails will be issued two weeks prior to the quarter end, with the deadline for submission envisaged to be one week after the quarter end. Returns should be made in the prescribed format and sent to both Homes England and OGP to enable accurate reporting on housing and receipt performance, including forecasts.

The reporting periods are as follows:

- Q1 1st April – 30th June
- Q2 1st July – 30th September
- Q3 1st October – 31st December
- Q4 1st January – 31st March

Departments are expected to be forthcoming and timely when submitting their quarterly data returns. The quarterly data return should include updates on previously scored sites if appropriate, including increases and decreases in the forecast number of housing units to be completed on site, with full reporting information provided on all surplus land and buildings within England which can score for the programme. The data should distinguish whether sites are included in the 2020-pipeline (by 2020), medium- (2020-2025) or longer-term (2025 and beyond) pipeline. All disposals, sales, potential sales and transfers to Homes England of their Department, ALBs and subsidiaries are to be reported. A site boundary should also be provided. If data fields are incomplete, the site cannot score for the programme.

The reported information is commercially and/or policy sensitive as it will not yet have been publically released. Appropriate protective markings are therefore necessary to enable Homes England and OGP to treat the information with the right level of sensitivity.

5.3 Departmental quarterly update

In order to reduce the administrative burden on departments, the quarterly data reporting template will be pre-populated by OGP and Homes England using validated information from previous returns. On-going engagement with departments and their Delivery Plans, SAMPs and other submissions are additional information sources used.

Departments need to ensure their own data reporting mechanisms are robust and consistent to reflect the housing commitments set at Spending Review 2015. Homes England and OGP can challenge and address any discrepancies with OGD agreement.

Guidance notes for the completion of each field will be distributed each quarter with the reporting template. Departments are accountable for disposal information and required to confirm they have adhered to the guidance and definitions when reporting.

The data collected through the quarterly update will ensure that the deliverability of each site (including assessment of barriers and constraints) is fully understood.

5.4 Validation and challenge

On receipt of the quarterly returns, Homes England and OGP will validate the housing and receipts sections respectively. Checks will be done to ensure the data is complete, robust, evidenced and consistent with other reporting. Departments' Senior Reporting Owners (SROs) will be responsible for data integrity.

5.5. Risk

All departments actively manage their pipeline of sites for disposal and apply appropriate risk ratings and mitigation strategies. Risk is defined as:

- Low – where there are no issues preventing the exchange of contracts before 31 March 2020
- Medium/Low – minor issue(s) preventing the exchange of contracts before 31 March 2020 which can be resolved shortly
- Medium/High – several issues preventing exchange of contracts before 31 March 2020 which can be resolved shortly or one issue which may take time to resolve
- High – one or more issues preventing exchange of contracts before 31 March 2020 which is/are very unlikely to be resolved.

6 Evidence and Record Keeping

All departments must implement and maintain good record keeping practices as a robust audit trail is needed to evidence land disposal activity should the programme be reviewed at any future point.

Accurate record keeping is critical in allowing for prompt resolution of queries and issues as they emerge. Any discrepancies on numbers reported, validations processes and procedural challenges can be resolved speedily if evidence is available to support claims made.

The following recommendations set out information which should be retained for effective record keeping and robustness.

6.1 Homes England/OGP

Homes England and OGP will keep the following records to form an accessible audit trail of information received for the programme for each quarter:

- A programme-wide master sheet, to be used for formal reporting and considered to be the one version of the truth for the programme.
- An acknowledgement from departments that they have operated and supplied information in accordance with disposal guidance (including Programme definitions) and policy documents, including *Managing Public Money* and the *Protocol for Disposal of Surplus Public Land and Buildings*.
- Departmental sign-off of quarterly returns to confirm agreement with the information being reported including acceptance of any changes i.e. following Homes England and OGP challenge and validation.
- The boundary of each surplus site provided by departments, to be used for assessing sites, identifying adjacent land, challenging densities as well as any post-disposal monitoring by MHCLG.
- Correspondence between Homes England, OGP and departments regarding validation and challenge of information and a summary of meetings held during these processes.
- A breakdown of the commitment for each department with their agreement to work to this, plus the detail and acceptance of any adjustments due to transfers/acquisitions.

6.2 Departments

It is the responsibility of departments to retain records and evidence of their activity in order to adhere to audit requirements and demonstrate they are operating within recommended guidelines and procedures. Such records may also be required for validation and challenge purposes. Departments should retain:

- Records to evidence the housing capacity and receipts reported for each site and proof it can be scored, i.e. planning application, valuation report and contract. This will help to provide certainty that the number of homes scored can be attained and improve forecasting
- A site boundary, which should be provided for sites scoring each quarter
- A record of the key facts associated with the sale at each stage of disposal. A template is at Annex 14.
- Evidence of operating and supplying information in accordance with disposal guidance (including Programme definitions) and policy, including *Managing Public Money* and the *Protocol for Disposal of Surplus Public Land and Buildings*
- Assurance that principles of value for money were followed during the disposal process
- Documents which allow departments to monitor and enforce contractual arrangements such as clawback and overage.

6.3 File storage

Departments will have their own arrangements for record management but need to ensure all files stored are easily accessible upon request. The file name should reflect the contents and timespan of documents contained therein. Strict version control should be observed, with the correct protective markings applied. Dates on which saved emails are sent or received should be obvious.

It is recommended that site disposal records are retained for 10 years, unless they are governed by other record keeping rules e.g. the VAT Act for financial information.

7 Governance

The high-level governance arrangements for the Programme are as follows:

7.1 Housing Implementation Taskforce

The Housing Implementation Taskforce – a cross-government working group – attended by, among others, the Chancellor, the Housing Secretary, the Transport Secretary and several other Cabinet Ministers, meet on a regular basis to discuss the progress Government is making and further actions needed to increase housing supply. Issues may include planning delays, land banking, house building skills and building the infrastructure needed for new developments as well as looking at affordability issues.

The taskforce can consider policies relating to the public land for housing programme where resolutions are needed to resolve blockages between departments, tackle barriers to implementation and discuss progress.

7.2 Programme Board

The Programme Board is chaired by MHCLG's Land and Housing Delivery Director, who is the Programme Senior Responsible Owner (SRO). Board membership comprises SROs from other Government Departments and senior officials from HM Treasury, Cabinet Office, No 10 and the IPA.

The Board meets monthly and reports to the Housing Implementation Taskforce.

A graph showing programme governance is included in Annex 13.

8 Annexes

Annex 1. Protocol for Disposal of Surplus Public Land and Buildings (see section 4.1)

Prior to marketing any land or building asset, public sector organisations should refer to the '[Disposal of Surplus Public Sector Land & Buildings – Protocols for Land holding Departments](#)'. This document sets out the procedures Government departments must follow when disposing of surplus land or assets for development. It refers to Homes England's role as disposer of such land on behalf of Government and the requirement for all surplus sites with potential for development to transfer to the Homes England.

Annex 2. Disposals – Scoring Land and Property Receipts and Savings

This Annex sets out how Departments should report gross receipts and running cost savings from disposals of land and property. It provides guidance on the reporting framework for Departmental contributions towards the Government's ambition to raise over £5 billion from the sale of land and property by 2020. It also explains how land and property transferred to Homes England will be treated in the scoring regime.

Receipts and running cost savings should be reported for all disposals which meet the definition below, regardless of whether they contribute land with capacity for housing or where they are in the UK.

1. Receipts

The following disposals are in-scope and will be scored towards the disposals programme:

The release of an interest in land or property within the UK by Central Government Departments and arms-length bodies, including NHS Trusts and Foundation Trusts to others outside of Government, including local authorities. The release of an interest that delivers a capital receipt may include freehold or leasehold land, entering land into a Joint Venture in return for equity shares, or the sale of a managing interest in a property function or organisation.

To note

Assets which transfer within Central Government will not formally score until or unless they are released to organisations outside of Central Government.

A disposal is scored at the point where an unconditional contract for the disposal of land or property is exchanged between 1 April 2015 and 31 March 2020, with the exception of the period from 31 March 2015 to 8 May 2015. This could include where a conditional contract had been in place pre-April 2015 and becomes unconditional between 8 May 2015 and 31 March 2020.

Alongside this formal programme reporting we will track conditional contracts to demonstrate the progress being made to dispose of surplus Government land and property as part of the programme narrative.

Further explanatory guidance on scoring unconditional receipts²¹

Disposals can only be scored against the 'receipt' target when they are unconditional. A contract is unconditional when the parties to it are legally bound to complete the sale and purchase.

When an **unconditional contract** is exchanged. This is the point of legal exchange i.e. the day on which the contract is dated. This is unlikely to be the date the contract is 'signed' by either party, as that is usually done in advance of legal exchange.

In the case of a **conditional contract**, once all conditions set out in the contract have been satisfied. In some cases the period between the exchange of a conditional contract and all conditions being met is several years. Examples of the common conditions included in a sale agreement include:

- board approval;
- vacant possession;
- the granting of a satisfactory planning consent (after any appeal and/or any judicial review has been concluded)*;
- the completion of works to the property by either the buyer or the seller;
- where the seller's long leasehold interest in a property is being assigned, the landlord/superior landlord granting its consent to the assignment; and
- satisfactory remediation of a property where it is known to be contaminated land, as certified by a third party expert.

Depending on how the contract has been drafted, there may be an 'event' that triggers the acknowledgement of 'unconditional' status. As an illustration, in the case of the third example above, the buyer would typically be required by the contract to notify the seller that a satisfactory planning consent has been obtained within a certain number of days of receipt of any planning decision received. In cases of doubt, guidance should be sought from your legal advisor.

*Judicial review can be used only against public bodies or those exercising the functions of public bodies. It cannot be used to review the merits of the decision, but only the lawfulness of the way in which the decision was made. A judicial review claim relating to planning must be launched no later than six weeks after the grounds to make the claim first arose (calculated from the date when planning permission was granted).

²¹ Advice added February 2020.

However, there are instances where the relevant statutory regime governing a particular decision or action expressly prevents the decision or action from being challenged in court, other than by way of a statutory process. Examples may include cases involving listed buildings or tree preservation orders. The relevant procedures to bring a statutory review must be made within the period specified in the applicable statutory provision.

There may also be scope for disagreement between the contracting parties as to whether a 'satisfactory' planning consent has been obtained; so prescribed processes within the contract for dispute resolution might have to be exhausted before the contract truly becomes unconditional. Departments disposing of land and property should therefore wait until after the appropriate statutory time period (post grant of satisfactory planning consent) has elapsed and any contractual threshold met before confirming that a disposal is 'unconditional'.

Reporting

The total gross receipt value for all unconditional sales will be reported to Ministers and senior officials by OGP. This information will also be used in aggregate publicly, for example in PQs. The information will be sourced from Departments' quarterly disposals data returns, so it is important that returns are accurate and up to date.

2. Running Costs

Gross running cost data will also be captured by OGP to provide a full picture of the savings achieved as a result of the disposal of land and property. Departments are asked to provide the current (or if not available the latest) annual gross running costs for the asset, which will be used to forecast run rate savings. Departments should refer to the document [Common Areas of Spend – Estates](#) which sets out the standard definitions and methodology applied under the National Property Controls regime.

Methodology

- The National Property Control methodology will be used to calculate run rate savings. This captures actual rates, unitary costs and FM costs over a year (usually the last full financial year). This scores when the property is vacated (from full occupation to exit).
- Where it is not possible to report actual annual running costs an estimate will be applied. Based on the sample of disposals reported since April 2015 where both receipts and running costs have been reported, an average percentage running cost to receipt is 9.5%.
- Where particularly complex assets are disposed of with associated running costs which fall outside of the standard methodology, we will consider these on a case-by-case basis to ensure savings are appropriately calculated and reported.

3. Agreeing value of land and property on transfer to Homes England

This section explains the process for management of receipt when sites transfer between Departments and Homes England. It explains how progress will be measured for individual Departments and Government as a whole.

Process

- The framework for land and property transferring to Homes England determines the point at which a transfer value is agreed. At this point, the balance of the Department's receipt commitment will reduce by the transfer value amount, and will be added to Homes England's commitment. At this point Homes England takes responsibility for delivering the housing capacity and receipt (unless a cash payment is made at point of transfer).
- The disposal will score against the overall Government target when Homes England disposes of it (i.e. when an unconditional contract is signed and planning certainty secured). At this point the receipts will be reported against Government-wide delivery.
- A sub-set of internal reporting will account for land and property which has been transferred to Homes England but not yet disposed of.

An ISC decision varied the Transfer Model to allow Homes England to make up-front cash payments to NHS Trusts, trading funds and on any other transfer sites if there is budget availability.

Annex 3. The Transfer Model

This annex sets out the process for how land will transfer from an Other Government Department (OGD) or its Arms-Length Body (ALB) to Homes England as part of the Government's Surplus Public Sector Land Programme (SPSL).

OGD's, ALB's and NHS Trusts are able to transfer their land to Homes England. Homes England's offer will be based on a transparent Red Book Current Market Valuation carried out by an RICS registered valuer.

Homes England will carry out a preliminary assessment to confirm the site's potential for development and proceed to commission technical and legal due diligence to identify a market scheme and confirm any abnormal costs and legal issues relating to the title.

The valuation will progress in an open and transparent manner and a draft report shared with the land owner prior to being finalised. The report will form the basis of our offer to the land owner and have regard to any specific arrangements.

Homes England will seek commitment from the land owner to proceed prior to recommending approval to our approval committee. The transfer will proceed by way of Statutory Transfer Order.

Transfer of the Properties

Properties are transferred from an OGD or ALB via a Statutory Transfer Order (STO) permitted under provisions contained in the Housing and Regeneration Act 2008 and the Infrastructure Act 2015. A Schedule for Transferring Properties will be agreed by the OGD/ALB and Homes England. This will set out those properties, with their agreed Current Market Valuations, and any tenancies and/or conditions of transfer. The valuation is referred to as the property's Budget Transfer Value (BTV) – the value to

which the OGD/ALB will be compensated for. Alternatively a cash payment may be made on transfer. Any agreed forecast housing capacity will be stated in the STO.

If a BTV is used, the STO will state the anticipated disposal date (ADD) for the property, being the future date Homes England expect to sell the property on to a developer or purchaser post transfer from the OGD/ALB.

The Budget Transfer Date (BTD) is the fiscal date that the OGD will receive the BTV. As the BTV is an inter-departmental transfer of budget it can only occur at a fiscal event.

For an ADD between 1st April and 30th November the BTV will transfer at Supplementary Estimates in year. For ADD between 1st December and 31st March the BTV will transfer at Supplementary Estimates in the subsequent year.

At the BTD, the OGD will receive the BTV for a property or portfolio of properties regardless of whether or not Homes England has sold them.

The final BTD for the spending review period will be Supplementary Estimates 2020/21.

If the property was in the ownership of an ALB, the BTV will be transferred to their relevant sponsoring department by MHCLG. ALB's will therefore liaise as appropriate with their sponsoring department.

Transfer Documentation is drafted by Homes England's internal solicitors. There are two sets of documents;

a) The Approval Letters (ALB's only) are produced by the ALB's. The Approval Letters are printed on the ALB's headed paper and signed off by an authorised representative or Accounting Officer. Two letters are produced;

The Approval to Transfer letter is addressed to MHCLG and sent prior to execution of the Statutory Order.

The Approval to the BTV & BTD letter is sent to Homes England prior to transfer of the sites.

b) The Statutory Order is in accordance with Housing and Regeneration Act 2008 and the Infrastructure Act 2015. It sets out the properties to be transferred and a date by which this will happen. It will not contain financial information. The Statutory Order is signed by the Minister or a delegated SCS in MHCLG on behalf of Homes England (Transferee) and the OGD/ALB (Transferor).

The property legally transfers to Homes England, either immediately or at an agreed future date set out in the Order. OGD's are not required to issue Approval Letters as the Statutory Transfer Order acts as dual OGD/DCLG approval.

The relevant BTV's and BTD's are recorded in standard Inter-Departmental MoU's which each OGD will enter into with MHCLG. These will be updated by letters as and when sites transfer to Homes England.

It may be necessary for the parties to enter into legal side agreements in respect of joint rights etc. and other items not covered by the STO.

The property transfers to Homes England with associated risk and rewards of ownership. Appropriate measures are made for hand-over of key files, agreements, and tenancy information and security arrangements. TUPE of relevant staff also occurs if applicable. Finally, appropriate measures are taken to record the transfer of the property in the relevant Accounts.

3. Prepare and Sell

Homes England implements its Development and Disposal Strategy for the property. The list of investment is not restricted and is determined solely by the Homes England and does not require approval/consent of other parties unless it is over relevant delegation limits where it would require MHCLG/HMT approval.

Homes England also incurs Holding Costs. These are costs such as Business Rates, security, health and safety works and any other estate management costs. These costs are to be clearly documented and accounted.

Homes England disposes of the property and recognises the cash equivalent of the sale value. Disposal costs (e.g. marketing and legal & agents fees) will be clearly documented and accounted.

Homes England is entitled to recover all incurred costs on a property before calculating any residual surpluses for wider distribution. These include capital investment costs, revenue holding costs and disposal costs. Recovery of these costs is by way of a priority return to Homes England from the sale proceeds prior to any payment into a departmental overage account. This DOES NOT affect the BTV and BTD, both of which are guaranteed.

4. Government Department Receives BTV

The BTV is transferred at the BTD (i.e. at 'Supplementary Estimates' within the same financial year Anticipated Disposal Date). The transfer is via CDEL budget transfer between MHCLG and the OGD. If the property does not sell at the value or on the date expected, the BTV will still transfer on the BTD. Where properties have transferred from ALBs to Homes England, the ALB and their parent department should put in place appropriate mechanisms to transfer budgets between themselves. This does not occur with cash payments where the BTD will be the point at which cash is paid over to the OGD/ALB. Overage would still be calculated as per below.

5. Departmental Overage Considerations

The transfer model includes provision of 'Overage' shared between MHCLG and the relevant OGD. This is on the basis of sharing the net surpluses on the transferred

portfolios from the Department in question split 70% to the OGD and 30% to MHCLG. Overage is ring-fenced to each Department's portfolio of transferred properties.

The Overage is based on the balance of a Departmental Overage Development Account for a portfolio of properties that have been transferred and sold on by Homes England. This account is the sum of the surpluses and deficits made on the properties sold.

Overage on a single property that has transferred is calculated as follows:

Overage = Total Gross Receipts – (Budget Transfer Value + Homes England's Total Costs)

Overage on an individual property is calculated when the property is completely sold and Homes England exits fully from the property. This takes account of all costs and receipts Homes England receives on the property, up to and including the final point of sale. If Homes England was entitled to receive further overage under the terms of its sale to a third-party these receipts are also taken into account.

Expenditure is calculated as all of Homes England's costs both revenue and capital, including disposal costs. Receipts are calculated as the proceeds Homes England receives for the property. This includes capital payments and any rental income assuming it has not been accounted for in the valuation or to off-set Homes England's holding costs. Income can also include license fees, charges and grants. The income will also include overage Homes England receives from their purchases; including received up-lift in value for both change of use and sales. These additional receipts are only applicable up until the point Homes England disposes of its final interest in the property. Any income from lifting covenants, restrictions or easements post Homes England exiting the property or project is not included.

Homes England's incurred costs are deducted as priority return from the Total Gross Receipts on a property along with the BTV or acquisition cost if cash payment is made at the point of transfer. In the event that a surplus is created on the Property's Project Account this is recorded in the Departmental Overage Development Account. In the event that Project Account closes with a deficit this is also recorded in the Departmental Overage Development Account.

At the 30th November in each financial year the Departmental Overage Development Account is calculated. If the sum of the Project Accounts that have closed over the preceding 12-months mean the Departmental Overage Development Account contains a surplus this value is transferred to the relevant OGD at Supplementary Estimates the same financial year in accordance with the 70/30 split. If the account is showing a deficit the balance is retained and becomes the opening balance in the Departmental Overage Development Account the following financial year.

All of Homes England's project accounts, expenditure and receipts will be 'open book' and shared on request with the relevant OGDs or ALBs. No allowance will be made for interest on Homes England's project accounts or on the Department Overage Development Account's whether running at a surplus or deficit.

Annex 4. Homes England Partnering with Other Government Departments

In late 2017 the PSL Programme Board tasked Homes England with developing a new way of working with OGDs as an alternative to the existing Transfer Model. Homes England developed partnership arrangements with OGDs to commence from the start of the 2018/19 financial year. On sites identified as appropriate for partnering Homes England will work together with departments to unlock planning constraints, invest in de-risking activity that currently deters private sector involvement or where developers would add significant cost contingencies for uncertain elements within the schemes. This will create better value for the public purse and Homes England will target investment to progress sites to a marketable state and where it locks in value for the public partners.

Homes England will partner with OGDs on the delivery of sites where their involvement will:

- Add value through their expertise
- Accelerate disposal of land
- Increase the certainty of delivery, and
- Help to deliver homes faster

The sites are likely to be larger and of a strategic nature with partnership working intended to facilitate greater engagement and buy-in of local stakeholders to deliver place making schemes. With the support of the OGD, Homes England will use its existing local stakeholder engagement and influence to progress schemes, working closely with senior local authority officials, politicians, communities and other stakeholders in order to maximise housing opportunities. The partnership will be better aligned to secure other forms funding, including infrastructure and to align to other public sector programmes.

Annex 5. Delivering through a Partner Panel

The Delivery Partner Panel 3 (DPP3) is a framework panel and a key tool for the delivery of housing-led developments on land owned by Homes England and other public sector bodies. It supports the acceleration of public sector land into the private sector by providing a quick, efficient and reliable way of procuring both construction and development work through an Official Journal of the European Union (OJEU) compliant route.

The panel can be used for a range of services related to housing led development from obtaining planning permission, through design and construction, to marketing and sales. Quality standards can be set to meet the needs of each individual project.

DPP3 allows for early engagement with the private sector in the process of developing a site. Panel members can provide soft market testing and advice to ensure that development opportunities offered to the panel are fully thought through, viable and well resolved.

The DPP3 builds on Homes England's experience of operating its previous Delivery Partner Panels. Government departments can consult the DDP3 panel for expert to get advice on site disposals.

Further information can be found at

<https://www.gov.uk/guidance/delivery-partner-panel-3>

Annex 6. Housing Implementation Taskforce (see section 7.1)

<https://www.gov.uk/government/news/pm-chairs-inaugural-meeting-of-the-housing-implementation-taskforce>

Annex 7. National Audit Office 2015 report: Disposal of Public Land for New Homes

<https://www.nao.org.uk/wp-content/uploads/2015/06/Disposal-of-public-land-for-new-homes.pdf>

Annex 8. National Audit Office 2016 report: Disposal of Public Land for New Homes (Update)

<https://www.nao.org.uk/wp-content/uploads/2016/07/Disposal-of-public-land-for-new-homes.pdf>

Annex 9. Public Accounts Committee report Disposal of Public Land for New Homes

<http://www.publications.parliament.uk/pa/cm201516/cmselect/cmpubacc/289/289.pdf>

Annex 10. MHCLG's response to the Public Accounts Committee report

<https://www.gov.uk/government/collections/treasury-minutes>

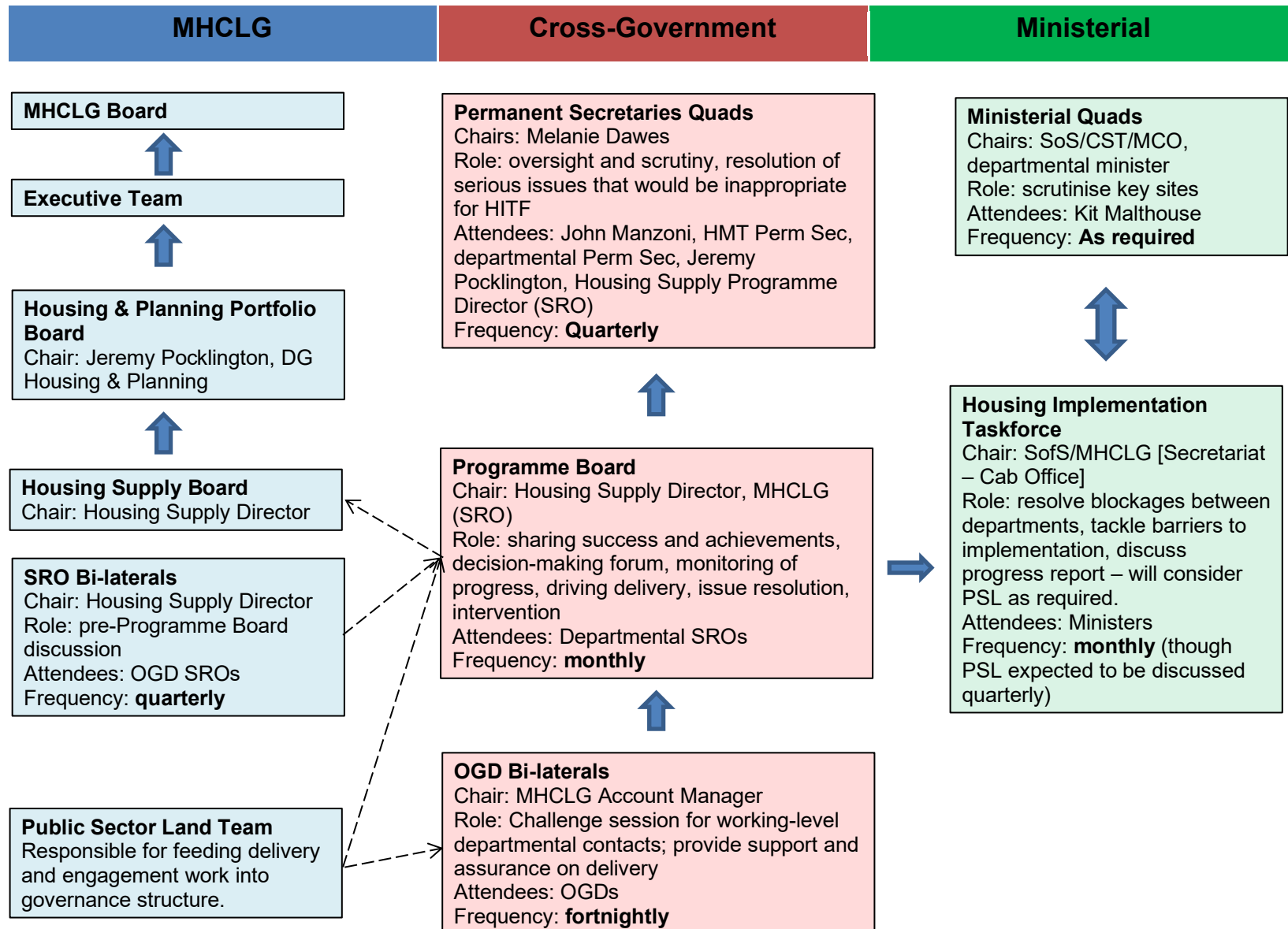
Annex 11. Guide for the disposal of surplus property (OGC 2005)

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/599778/Guide_for_the_Disposal_of_Surplus_Land.pdf

Annex 12. Key facts template (see section 6.2)

<u>Name of department or ALB landowner</u>	<u>Name of site</u>
<u>Name of local planning authority</u>	<u>Post code</u>
	<u>Size of site (ha)</u>
<u>Date of disposal (as scored for the programme)</u>	<u>e-PIMS reference</u>
<u>Name of purchaser</u>	<u>Mode of disposal</u>
<u>Planning status at point of disposal</u>	<u>Housing capacity claimed (incl nil returns)</u>
<u>Conditions of sale</u>	<u>Sales proceeds (i.e. value of sale)</u>
<u>Site boundaries (boundary plan)</u>	<u>Any other key relevant information</u>
<u>INTERNAL CONTROLS</u>	
<u>Valuation in accordance with RICS Red Book</u>	<u>Name of decision maker (or relevant officer or internal committee)</u>
<u>Name and contact details of person completing this factsheet</u>	<u>Date</u>

Annex 13. Programme governance



Annex 14. Quarterly returns template

Guidance for completing the Departmental Quarterly Update

Please note you are asked to provide information related to all land and property disposals and property investment sales, not just those for housing. This includes sales by conditional contract before 1 April 2015, as we want to capture the receipt value of these disposals when conditions are met. They will not have been reported as part of the aggregate figures reported in the annual State of the Estate Report, so this is an opportunity to capture these savings too.

a. Land and property disposals and investment sales (e.g. joint property ventures) in the UK by bodies included in the SLPR, i.e. central Government Departments and their ALBs, including NHS Trusts & Foundation Trusts and Public Corporations.

b. All sales to a party outside of Central Government (i.e. private sector or local authority) within the UK. Assets which have transferred to Homes England should be listed. Other transfers within Government should not be listed.

c. Additionally you are also asked to provide the current (or if not available the latest) gross annual running costs for planned and completed disposals. Receipt information reporting should be based on principles of Managing Public Money (HMT).

Sites transferred to Homes England

For sites transferring to Homes England the market value and any uplift will be recorded and reported by Homes England when Homes England sells the site. The agreed housing capacity will be reflected in quarterly monitoring against the OGD target. Sites transferred to Homes England will score housing capacity when Homes England meets the criteria for scoring set out in 3.1.

Completing the reporting template

The table below provides guidance on the information to include in the reporting template:

	Data field	Field description
1. Site details	Land/ property name	Provide the asset name, preferably as listed in e-PIMS or your asset database.
	ALB ownership if relevant	If site is owned by an ALB of the Department please provide name of ALB.
	Address	Please provide the site address where possible.
	Post code	As a minimum please provide the postcode of the site.
	Type of asset: Freehold - FH Leasehold - LH	Indicate whether the asset is a freehold (FH) or leasehold (LH) disposal.
	e-PIMS reference	Insert the e-PIMS holding reference of the asset.
	Is the surplus boundary in e-PIMS?	If the site is surplus, is there a boundary in e-PIMS to reflect the surplus area? If not it must be uploaded.
	Surplus Site Area (ha)	Please provide the surplus area (ha) of the asset.
	Site on Brownfield register?	Select from the drop-down menu on whether a site is on Part I or Part II of the Brownfield Register, if it is not, or if it is greenfield.
	Heritage value	Indicate whether the site is: 1) a listed building (LB); 2) locally important heritage asset* (LIH); or 3) none (N) - do not leave blank. Where the building falls into categories 1 and 2 score as LB. * Designated by the local authority as it contributes to local character and a sense of place because of its heritage value
2. Housing Information Forecast	Is this a housing site in SR15-20? Yes/No	Provide appropriate options from yes/ no as to whether the asset has housing capacity which will score in the Public Land for Housing Programme spending review 2015-20. (If no, but housing capacity was scored in previous SR, the number does not need to be included here). If non-housing site, please provide detailed of proposed future use in the OGD comments box
	Forecast date housing units will score	Provide quarter and year when the housing units are forecast to score. This should refer to when you expect to enter into a conditional contract AND when evidence of planning certainty will be available, or if the site is to transfer to the Homes England, the date should remain as the expected contract date, not the date the site is forecast to transfer.
	Pipeline: short (to 2020), medium (2020-25) or long-term (2025 onwards)	Please confirm which category of pipeline the site falls into: Certain Pipeline - short (to 2020); Future Opportunities - medium (2020-25); or long-term (2025 onwards).

	<p>Risk rating Low/ med low/ med high/ high (deliverability of site)</p>	<p>Provide appropriate option from low, medium low, medium high, high only. The rating should be based on the deliverability of the site within the SR, NOT year, and should consider planning status, site constraints, re-provision issues, local property market conditions, occupancy of site. Ratings should be applied as follows: Low - where there are no issues preventing exchange of contracts before 31/03/2020; medium low - minor issue(s) preventing exchange of contracts before 31/03/2020 which can be resolved shortly; medium high - several issues preventing exchange of contracts before 31/03/2020 which can be resolved shortly or one issue which may take time to resolve; high - one or more issue preventing exchange of contracts before 31/03/2020 which is/are very unlikely to be resolved meaning the site could slip out of the programme. If units are forecast for delivery beyond 31/03/2020, the RAG should reflect the risk of delivery in year, If the site is to transfer to the Homes England, the RAG should not reflect the risk of the site transferring, but the risk of deliverability as if still being sold in the usual manner. Once the site has transferred, the RAG status should read 'transferred'.</p>
	<p>Forecast number of housing units</p>	<p>The potential number of new homes the site can support. In the absence of a planning application, please provide detail of the professional advice provided to you in order to assess the site, this should reflect the local plan context. If professional advice has not been provided, please indicate in the OGD comments box how the housing number has been derived. If the site is expected to, or has transferred to Homes England, the number of units should reflect those reported in the valuation or technical report carried out during due diligence.</p>
	<p>Does the site have planning certainty?</p>	<p>Provide details on planning certainty. This will help to provide certainty on the site coming forward for housing and evidence to support the housing capacity assessment. Please do not provide the planning use class order.</p>
	<p>If no planning certainty yet, when are you likely to submit an application? (MM/YY)</p>	<p>Please provide the date (MM/YY) of when you are forecasting the site will be included in a planning application. This will help to demonstrate the critical path in programme reporting and focus conversations about whether sites are suitable for AC.</p>
<p>3. Housing Information Actual</p>	<p>Planning Portal reference number</p>	<p>Please provide the planning portal reference number where relevant. This will help to track development on the site.</p>
	<p>Date of transfer to Homes England, if applicable</p>	<p>Provide the date (DD/MM/YY) the site transferred to the Homes England. The remaining fields in this section do not need to be completed if the site has transferred to Homes England.</p>
	<p>Date of agreement of partnership with Homes England, if applicable</p>	<p>Provide the date (DD/MM/YY) of partnership agreement with Homes England.</p>
	<p>Actual date contract signed</p>	<p>Provide the date (DD/MM/YY) the contract was signed. This would usually be the conditional contract date. If the site is a housing site, this is the date the units will score for the housing element of the programme, providing all definition criteria have been met. If there is no evidence of planning certainty at the point of the contract being signed, the site will only score for housing on the date this becomes available which will also need to be recorded.</p>
	<p>Actual housing capacity claimed</p>	<p>As above for the forecast number of housing units field, but this figure should reflect the capacity claimed when conditional contracts are exchanged and when</p>

		planning certainty is evidenced. The evidence must support the number of units being claimed.
	Name of purchaser	Name the company/ body that has purchased the asset.
4. Receipt Information	Forecast date receipt will score (unconditional contract date)	Provide the quarter and year (QQ/YYYY) the contract is expected to be reported unconditional and the receipt can score for the programme. This is when the sale is expected to complete, and any conditions attached to the conditional sale have been met, so making the contract legally binding. If the site has transferred to the Homes England, the date should refer to the budget transfer date provided at the point of transfer.
	Risk rate the expected date the contract goes unconditional (low/ med/ high/ sold)	Risk rate (low/ med/ high/ sold) the achievability of the forecast unconditional contract date, i.e. low is confident and high is where there are issues or concerns about meeting the forecast date. When the sale has completed unconditionally (see row [42] below) it should be reported sold.
	Forecast receipt (£)	The expected gross receipt if site not sold (£000,000).
	Sold receipt value (£)	The gross receipt (£000.000) delivered at time of sale, either by conditional or unconditional contract. The field should also be completed for sites transferred to Homes England.
	Annual running costs (£)	Provide the current (or if not available the latest) annual gross running costs for the asset (£000,000). This will be used to forecast run rate savings.
	Method of disposal (i.e. private treaty, informal/formal tender, etc.)	State the method of sale used for disposing of the site, for example private treaty, public auction, informal/ formal tender etc. Further information on this can be found in the Guide for the disposal of surplus property (2016). Transfers to Homes England should be marked as 'Homes England transfer'.
	Type of sale Conditional or Unconditional	Indicate whether the sale was by an unconditional or conditional contract. If initially sold by conditional contract this should not be updated to 'unconditional' when conditions are met and the contract becomes unconditional. Transfers to Homes England should be marked as a conditional sale.
	Sharing in future development value: Yes/ No	Indicate yes/ no whether the sales contract makes provision to capture any future uplift in development value, for example through overage or clawback.
	Date contract went unconditional	Provide the date (DDMMYY) of the unconditional contract, which is the date the receipt scores for the Programme. Please also ensure that the name of purchaser (column R of the template) is also entered for all sites sold unconditionally (not just those for housing). For conditional contracts, once all conditions are met and the contract is legally binding the receipt will then score for the Programme, as the contract will be an unconditional contract. The template should be updated to reflect this.
5. Additional Information	OGP Comments	Any additional information and/or queries to the department from OGP.
	Homes England Comments	Any additional information and/or queries to the department from Homes England.
	OGD Comments	Include here any additional info related to the disposal, including sensitivities, planning status, information that may delay the disposal or details of the conditions of the sale if disposal status is conditional.