



## Housing & Land Delivery Board

**Date:** Thursday 20 December 2018

**Time:** 10.00 am                      **Public meeting**                      Yes

**Venue:** 16, Summer Lane, Birmingham, B19 3SD

### Membership

Councillor Mike Bird (Chair)	Walsall Metropolitan Borough Council
Sarah Middleton	Black Country Local Enterprise Partnership
Councillor Sharon Thompson	Birmingham City Council
Councillor George Adamson	Cannock Chase District Council
Councillor Peter Bilson	City of Wolverhampton Council
Bill Blincoe	Coventry and Warwickshire LEP
Councillor Ed Ruane	Coventry City Council
Councillor Gaye Partridge	Dudley Metropolitan Borough Council
Roy Stokes	Environment Agency
Simon Marks	Greater Birmingham and Solihull LEP
Karl Tupling	Homes England
Councillor David Humphreys	North Warwickshire Borough Council
Councillor Julie Jackson	Nuneaton & Bedworth Borough Council
Councillor Matthew Dormer	Redditch Borough Council
Councillor Paul Moore	Sandwell Metropolitan Borough Council
Councillor Peter Nutting	Shropshire Council
Councillor Ian Courts	Solihull Metropolitan Borough Council
Councillor Daren Pemberton	Stratford on Avon District Council
Councillor Steven Claymore	Tamworth Borough Council
Councillor Richard Overton	Telford and Wrekin Council
Councillor Peter Butlin	Warwickshire County Council
Kevin Rodgers	West Midlands Housing Association Partnership

Quorum for this meeting shall be at least eight members

If you have any queries about this meeting, please contact:

**Contact** Carl Craney Governance Services Officer  
**Telephone** 0121 214 7965  
**Email** Carl.Craney@wmca.org.uk

# AGENDA

No.	Item	Presenting	Pages
1.	Apologies for Absence (if any)	Chair	None
2.	Nomination of Substitutes (if any)	Carl Craney	None
3.	Declarations of Interests (if any) Members are reminded of the need to declare any disclosable pecuniary interests they have in an item being discussed during the course of the meeting. In addition, the receipt of any gift or hospitality should be declared where the value of it was thought to have exceeded £25 (gifts) or £40 (hospitality).	Chair	None
4.	Minutes of the last meeting [For approval]	Chair	1 - 8
5.	Update on Housing and Land Portfolio	Gareth Bradford	9 - 16
6.	Growth Corridors and Strategic Development Opportunities	Gareth Bradford	17 - 24
7.	Exclusion of the Public and Press [To pass the following resolution: That in accordance with Section 100(A) of the Local Government Act, 1972 the press and public be excluded from the meeting for the following items of business as it involves the likely disclosure of exempt information relating to the business or financial affairs of any particular person (including the authority holding that information)]	Chair	None
8.	Funding and Finance Update	Gareth Bradford	25 - 34



**West Midlands  
Combined Authority**

## **Housing & Land Delivery Board**

**Thursday 25 October 2018 at 10.00 am**

### **Minutes**

#### **Present**

Councillor Mike Bird (Chair)  
Sarah Middleton

Councillor Sharon Thompson  
Councillor George Adamson  
Councillor Peter Bilson  
Roy Stokes  
Simon Marks  
Karl Tupling  
Councillor David Humphreys  
Councillor Ian Courts  
Councillor Daren Pemberton  
Councillor Richard Overton  
Councillor Peter Butlin

Walsall Metropolitan Borough Council  
Black Country Local Enterprise  
Partnership  
Birmingham City Council  
Cannock Chase District Council  
City of Wolverhampton Council  
Environment Agency  
Greater Birmingham and Solihull LEP  
Homes England  
North Warwickshire Borough Council  
Solihull Metropolitan Borough Council  
Stratford on Avon District Council  
Telford and Wrekin Council  
Warwickshire County Council

#### **In Attendance**

Gareth Bradford  
Carl Craney  
Simon Tranter  
David Warburton

West Midlands Combined Authority  
West Midlands Combined Authority  
Walsall Metropolitan Borough Council  
Homes England

#### **Item Title No.**

#### **20. Apologies for Absence (if any)**

Apologies for absence had been received from Bill Blincoe (Coventry and Warwickshire Local Enterprise Partnership), Councillor Nic Laurens (Shropshire Council) and Kevin Rogers (West Midlands Housing Association Partnership).

Apologies for absence had also been received from Tim Johnson (City of Wolverhampton Council), Gill Hamer (Marches Local Enterprise Partnership) and Mark Ryder and Geraint Stoneman (Warwickshire County Council).

#### **21. Nominations of Substitutes (if any)**

No substitutes had been nominated.

#### **22. Declarations of Interests (if any)**

Simon Marks declared a Non-Disclosable Pecuniary Interest in Agenda Item No. 5 (Town Centres Programme) inasmuch as colleagues at the Greater

Birmingham and Solihull Local Enterprise Partnership had been involved actively in this issue.

**23. Minutes of the last meeting**

Resolved:

That the minutes of the meeting held on 6 September 2018 be confirmed as a correct record subject to the deletion of 'slowed down' in the penultimate paragraph on page 5 of Minute No. 14. and the substitution therefor of 'supported'.

**24. Town Centres Programme**

Gareth Bradford presented a report which updated the Board on the emerging regional town centre programme and which sought agreement to the five town centres to be selected as a vanguard and test bed for the first wave of the programme. The report also sought delegated authority to be granted to the Director of Housing and Regeneration in consultation with the Portfolio Lead for Housing and Land to agree the membership of the Regional Town Centre Task Force, the role of which would be to champion and support the town centre programme and to provide hands-on support, where appropriate, to the selected centres.

A supplementary report was circulated at the meeting which identified the five centres which were recommended as the first wave of centres. He explained that Coventry City Council and Solihull Metropolitan Borough Council had not made bids for consideration for inclusion in the first wave.

Councillor Ian Courts referred to the need for flexibility with the implementation of this initiative. This remark was acknowledged by the Chair who urged the Board to seize the opportunity to re-invent town centres including the acceptance that the retail offer would continue to change and the possibility of town centre living becoming more popular.

Gareth Bradford commented on the need for a structured process to assess the success of the criteria used for the selection of the first wave in order to determine how the criteria could be best adapted for the second wave. This matter would be considered at the Housing and Land Steering Group and subsequently by this Board.

The Board acknowledged the difficulties faced by town centres and the traditional market towns in competing with on-line shopping and out of town stores. Councillor Ian Courts commented on the need to identify which interventions would be successful.

Councillor George Adamson reminded the Board of the work which had already been undertaken by the Greater Birmingham and Solihull Local Enterprise Partnership on town centres and the opportunity to benefit from this work. He also referred to the 'Designer Village' which was scheduled to open in Cannock in 2020 and the need to ensure that this did not affect detrimentally the town centre.

Councillor Richard Overton reported on a development by Telford and Wrekin Council which had focussed on the night time economy but that

nationally a number of such premises had encountered financial difficulties. He suggested that HM Government needed to consider addressing Business Rates but acknowledged that, in turn, this affected potentially, funding for local government. He supported the concept of promoting the use of town centre premises for residential purposes.

Gareth Bradford reminded the Board of the interdependencies of the report under consideration with the other two reports to be considered at the meeting (Affordability and Social Housing Supply Proposition and Housing and Land Funding) inasmuch as the town centres would play an important part in delivering affordable housing on brownfield sites and on the need for investments to be made carefully in order to generate a return which could, in turn, be re-invested.

Councillor David Humphreys referred to the problems encountered with securing the build out of developments with planning permission and enquired if there was any way this could be controlled. Gareth Bradford suggested that the sector was waiting to see if there would be an announcement in the Chancellor of the Exchequer's Budget Statement on this matter following the independent review of build out rates conducted by the Rt. Hon. Sir Oliver Letwin MP.

Councillor Daren Pemberton advised the Board of the interpretation of the National Planning Policy Framework (NPPF) used by Stratford on Avon district Council where developers were encouraged to submit full planning applications rather than outline applications. A recent planning Appeal decision had also supported the Council's stance in disregarding outline planning applications in the calculation of available land supply. The Council also prepared an Action Plan for each development of over 30 units which identified any barriers to development. These Action Plans were updated regularly and, as necessary, he would, as the responsible Cabinet Member, intervene with developers seeking to ensure developments were progressed. He offered to provide a report on this matter to the Board in six months' time.

With regard to the selected five town centre schemes he questioned how success would be measured. Gareth Bradford advised that progress on early delivery and impacts versus the criteria used to determine the first wave would be monitored and reviewed by the Housing and Land Steering Group and this Board in due course and best practice shared consistently.

Resolved:

1. That the first wave of the town centre programme consist of the following five town centres:
  - Bilston;
  - Bordesley Green;
  - East West Bromwich;
  - St Thomas Quarter, Dudley; and
  - St Matthews Quarter, Walsall
2. That delegated authority be granted to the Director of Housing and Regeneration in consultation with the Portfolio Lead for Housing and Land to agree the membership of the Regional Town Centre Task Force with the type of expertise and sectors to be

- represented on the Task Force and its role as set out in the report;
3. That the offer of Councillor Daren Pemberton to present a report in six months' time on the Action Plan process at Stratford on Avon District Council be accepted;
  4. That examples of best practice be forwarded to the Director of Housing and Regeneration for circulation to partner authorities.

## **25. Affordable and Social Housing Supply Proposition**

Gareth Bradford presented a report which updated the Board on the development of an Affordable and Social Housing Supply Proposition which would address the growing challenge of housing affordability in the region. He advised that a considerable increase in the supply and delivery of affordable homes, in terms of absolute numbers and as a proportion of overall supply, was needed to support the region's ambitions for economic and inclusive growth. He informed the Board that the definition of 'affordable housing' would need to align with the strategic goals of the Strategic Economic Plan (SEP) and the Industrial Strategy.

Councillor Daren Pemberton reported on the use of modular buildings at two affordable housing developments within the Stratford on Avon District Council area and on the opportunities to work with Housing Associations to encourage the use of these types of building. Councillor David Humphreys questioned the precise split between the types of affordable housing i.e. social housing for rent, shared ownership etc.

Karl Tupling commended the ambitious approach being taken in the proposal. He advised on the availability of financial assistance which could be provided by Homes England and HM Government to assist in achieving the ambitious plan put forward and committed to working with the WMCA to secure such investment. He reported on the two pre-requisites for housing associations being the availability of land and the need for local authority planning departments to process planning applications expeditiously. He also commented on the opportunity to work with a small number of small and medium sized registered providers as part of this plan to unlock new supply.

Councillor Ian Courts referred to paragraph 2.3 of the report and enquired as to the steps being taken to engage with the development industry. Gareth Bradford assured the Board that discussions were being held with the Chief Executives of major developers and house builders and there was a continuing need to engage with a diversity of house builders to get buy-in for the proposed way forward.

Councillor Richard Overton commented that the provision of social housing was a key issue. With regard to the provision of social housing units as part of a larger development he advised that he favoured the 'pepper pot' approach but accepted that this was not always popular with other residents. He also counselled caution with regard to increasing density on developments if this led to the lack of provision of open space and areas for

children to play. Gareth Bradford reported on a number of good examples of high density schemes within the region. He advised that high density schemes could be successful if the design quality was exemplary.

Councillor Sharon Thompson referred to the need for additional social housing units to be delivered in order to address homelessness, rough sleepers and those families in temporary accommodation. She reminded the Board of the linkages between improved health and housing and on the need to address neighbourhoods and open space. Roy Stokes suggested that any examples of best practice from across the country should be collated and supported the earlier comments regarding housing and health.

Councillor Daren Pemberton referred to the DemoDev algorithm to identify small sites discussed at the last meeting and enquired when such sites would be drawn to the attention of the Board. Gareth Bradford undertook to include an update on this work to the next meeting.

Councillor Peter Butlin commented on recent articles in the national press on the possible introduction of a 'Land Value Tax' under which the increase in the value of land with the benefit of planning permission for residential use would be subject to a tax which could be used for the provision of infrastructure. Gareth Bradford commented that the introduction of a 'Land Value Tax' was only speculation at this time.

Resolved:

1. That the emerging draft supply proposition be noted;
2. That the approach as detailed in the report and annex be approved;
3. That a report on the outcomes from the 'DevoDev' work be submitted to the next meeting.

## **26. Housing and Land Funding**

David Warburton presented a report on the opportunities to enhance the existing processes in the region for the deployment of housing and land funds to make it best in class in the country and some of the challenges with the current approaches operating in the region. Enhancing the efficiency and clarity of deployment of devolved funds and its alignment with the region's housing and regeneration goals was critical to securing new investment from HM Government and achieving key targets on housing delivery, job creation and inclusive growth.

Simon Marks offered to share the work that the Greater Birmingham and Solihull Local Enterprise Partnership had carried out in relation to this matter.

Councillor Ian Courts requested an update on the latest position with the use of the funding provided to the Telford and Wrekin Council provided by the Investment Board in October 2017 to deliver 540 housing units across a variety of sites in that area. He also suggested that the region needed to address the need for an electric vehicle charging infrastructure to be provided. The Chair commented that there was a need to identify whether the funding provided to Telford and Wrekin Council had provided 'Value for Money'.

David Warburton updated the Board on the current position with use of the funding provided to Telford and Wrekin Council which included the creation of a pipeline of schemes to utilise the funding. Councillor Daren Pemberton acknowledged that the decision on the provision of funding pre-dated the establishment of the WMCA Housing and Regeneration Team but was concerned whether it was only now being decided what the funding was being spent on. Councillor Ian Courts commented that the decision made no link to the role of Telford and Wrekin in meeting the demands of the Greater Birmingham Housing Market Area. Gareth Bradford assured the Board that the paper being discussed today, including the proposal for a single commissioning framework, would help to ensure that, going forward, funding aligned with the overall housing and regeneration strategy and would secure appropriate value for money.

Councillor Richard Overton advised that the sites in the Telford area under consideration were of a complex nature and that land values had increased following the announcement of the provision of funding. He commented that the 'Duty to Co-Operate' issues were a separate matter entirely. Roy Stokes suggested that Telford and Wrekin Council should be encouraged to comply with the latest criteria for use and eligibility for funding.

Councillor David Humphreys asked as to the likelihood of HM Government seeking to recoup any monies awarded to the WMCA for housing purposes. Gareth Bradford reminded the Board that the Housing Deal had required the region to demonstrate to HM Government best endeavours were being made to utilise any devolved funding to achieve the ambitious goals and KPI's detailed in the Housing Deal and to maximise the additional sources of finance

Karl Tupling reported on the intention to create a dedicated Planning Portal which could be used to identify potential development sites within the Walsall – Wolverhampton Corridor. He also informed the Board on proposals by Homes England to simplify its website relating to sources of available funding. He encouraged the Board to utilise national recoverable funds in the first instance on sites which could be developed more easily whilst using dedicated funds for the development of more difficult sites. Gareth Bradford welcomed this approach and commented that it aligned strongly with the proposal being discussed in the paper for a more consistent and efficient approach to housing and regeneration funding in the region, developing a single commissioning framework with a clear set of transparent criteria and a funding portal for key customers to access quickly devolved housing and land funds.

Resolved:

1. That the positive progress in deploying devolved funds to deliver significant housing and employment outputs be noted;
2. That the feedback received from developers, councils and investors on opportunities to improve further access to the different housing and land funds in the region be noted;
3. That the proposal to develop a simpler, efficient and more transparent process that was market leading in the UK for

developers, investors and local councils to access devolved housing and land funds to unlock a step change in housing and employment delivery on brownfield sites be endorsed;

4. That subject to the above, the WMCA work with partners to develop within six months a single clear commissioning framework for all devolved housing and land funds;
5. That subject to the above, the WMCA develop a more consistent approach for deploying all devolved housing and land funds;
6. That the proposal to create a clear set of criteria that enabled the Housing and Land Delivery Board to deploy funding in a manner which was consistent and more closely aligned deployment of land funds with delivering the strategic housing and regeneration of goals of the WMCA and wider goals of the WMCA (e.g. inclusive growth toolkit) be endorsed;
7. That subject to the above, a working draft proposal for a single clear commissioning framework built around a clear set of criteria be presented to the next meeting of the Board.

The meeting ended at 11.28 am.

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## WMCA Housing & Land Delivery Board

<b>Date</b>	20 December 2018
<b>Report title</b>	Update on Housing and Land Portfolio
<b>Portfolio Lead</b>	Councillor Mike Bird, Walsall
<b>Accountable Chief Executive</b>	Deborah Cadman, Chief Executive, WMCA Jan Brittan, Chief Executive, Sandwell (Sponsor CEO)
<b>Accountable Employees</b>	Gareth Bradford, Director of Housing & Regeneration Pat Willoughby, Head of Policy (Housing & Regeneration)
<b>Report has been considered by</b>	Housing & Land Steering Group

### Recommendation(s) for action or decision:

The Housing & Land Delivery Board is recommended to:

- 1) Note the positive progress in work under the Housing & Land portfolio in 2018 and some of the key work programmes coming to fruition in 2019;
- 2) Consider ways we ensure we are set up for success in terms of engagement, project-based governance and working arrangements between the WMCA, local authorities, the private sector and other organisations.

### 1.0 Purpose

- 1.1 The purpose of this paper is to bring together, in one place, the various strands of work which have been initiated under the Housing and Land Portfolio in 2018 led by WMCA Housing & Regeneration Team. Work has started on all of these strands of work and, with many of the foundations being laid, the expectation is that the pace of work will increase and evolve further over the next twelve months.

1.2 At its last meeting, the Housing & Land Steering Group opened a discussion about whether the current arrangements for engagement, governance and working arrangements are fit for purpose and will meet the challenge of 2019. There was agreement on matters of principle to the extent we decided to update the Housing & Land Delivery Board accordingly.

## 2.0 Looking back over 2018

2.1 The WMCA set itself some challenging goals (many of which were agreed with Government) e.g. at the meeting of the Housing & Land Delivery Board in February 2018 and in the landmark £350m Housing Deal which the region secured with Government in March 2018. These include:

- Increasing the supply of new homes to 16,500 new homes per annum (from 12,000 in 2017)
- Introducing a new quality of design through a regional design charter
- Development of a regional spatial investment and delivery plan (SIDP)
- Deployment of devolved housing and land funds to secure a step change in the quality, quantum and pace of housing and employment delivery (see Fig 1)
- An ambition for 80% of new housing supply on brownfield land
- Significant increase in diversity of housing types and tenures including the supply of new affordable and social housing
- Securing a nationally leading advanced methods of construction programme
- Unlocking stalled and complex sites through brokering and direct intervention
- Initiating a comprehensive town centre regeneration and renewal programme
- Developing genuine, attractive investment proposals to the market
- Securing new partnerships with developers and investors
- Taking on responsibility for the One Public Estate Programme, and
- Effective delivery of nationally significant projects and programmes.

**Fig 1: Devolved WMCA Housing and Land Funding**

<b>Total Available</b>	<b>£620m</b>
<b>Land and Property Investment Fund</b>	<b>£150m</b>
<b>Brownfield Land and Property Development Fund</b>	<b>£50m</b>
<b>Collective Investment Fund</b>	<b>£70m</b>
<b>Housing Deal: Housing infrastructure Fund</b>	<b>£250m</b>
<b>Housing Deal: Land Fund</b>	<b>£100m</b>

- 2.2 For the first 6 months of 2018, the work programme of WMCA's Housing & Regeneration Team was primarily focused on:
- Negotiating the landmark regional Housing Deal with government (the largest and most ambitious of any region)
  - Agreeing the terms of the £100m Land (Acquisition) Fund
  - Developing a Spatial Investment & Delivery Plan (SIDP), and
  - Submitting a full business case for £250m of Housing Infrastructure Funds.
- 2.3 Since Summer 2018 further work has progressed on:
- Development and launch of a high profile Town Centre Regeneration programme with 5 centres identified in a first wave of projects
  - Securing the first £165m of the HIF bid for Perry Barr and developing associated funding agreements with Birmingham City Council
  - Developing new supply proposals with new and existing housing associations
  - Production of a robust evidence base for new Government investment in the region's housing affordability challenge
  - Submitting a highly ambitious One Public Estate Bid to Government including proposals for a new regional public land disposals strategy and supporting database
  - Development of specification for a Single Commissioning Framework for all devolving housing and land funds for launch Spring 2019
  - Securing successful investment decisions by WMCA Board in housing and land (e.g. Phoenix 10, Walsall Waterfront, Chelmsley Wood, Coventry Telegraph site)
  - Unlocking a pipeline of stalled brownfield sites (e.g. Goscote Lane)
  - Development of a comprehensive programme of targeted investor and developer engagement and creation of robust investible propositions in growth corridors
  - Preparation of an investment prospectus for launch Spring 2019
  - Development of a WMCA Housing and Regeneration Business Plan to provide clarity on purpose, strategic goals, key milestones and deliverables
- 2.4 The role of WMCA which has evolved is centred on 4 key delivery-focused areas:
- Setting a strategic investment and delivery strategy to unlock housing and employment delivery on brownfield sites (e.g. SIDP, corridor investment frameworks, affordable housing delivery plan)
  - Attracting new and deploying existing public and private investment and expertise to support delivery (e.g. Investment Prospectus, investor engagement)
  - Building new and strengthening existing partnerships and relationships with investors, Government and other public sector organisations
  - Direct intervention and deal-making (e.g. joint ventures, site acquisition, site assembly, brownfield remediation).
- 3.0 Looking forward to 2019**
- 3.1 A number of **strands of work are now in train and will reach critical moments in 2019**. A few highlights include:
- Launch of the single commissioning framework, consistent process and funding portal for all devolved housing and land funds
  - Targeted work to unlock a comprehensive pipeline of brownfield housing and employment opportunities on key transport corridors
  - Submission of an ambitious affordable housing deal to Government
  - Securing supply agreements with major registered providers

- Launch of the West Midlands Investment Prospectus at MIPIM Cannes
- Submissions to the Government's town centre fund and HIF fund
- Development of town centre delivery & investment plans for the 'Wave 1' centres
- Investment in strategic acquisitions and creation of corridor investment plans.

3.2 The various strands of work can be grouped under a number of generic headings:

- *Area based programmes*
  - WMCA Strategic Investment & Delivery Plan (SIDP)
  - Growth Corridors and Strategic Opportunities
  - Town Centres Programme
- *Sites based programmes*
  - Sites Delivery
  - Key Sites Pipeline
- *Topic based programmes*
  - Affordable and Social Housing Programme
- *Other policy work to support delivery*
  - Regional Design Charter
  - Strategy and route map for Advanced Methods of Construction
  - Communications Plan
- *Funding and Finance*
  - Public Investment Programme e.g. HIF, land funds, public land disposals
  - Private Investment Programme e.g. the creation of investible opportunities, investor engagement plans, creation of an investor prospectus, etc.
  - Single commissioning framework
- *Joint Programmes*
  - Public Land and Asset Disposal programme
  - The One Public Estate Bid (Phase 7 Funds)
  - WMCA/Homes England Joint Team
- *Arrangements for Monitoring and Review*

3.3 Project teams are being established around these strands of work with local authorities and other stakeholders to ensure co-development and that a consensus-based approach is embedded from the start. In response to the new role it has taken on following the Housing Deal (March 2018) and direct requests from local authorities, the Housing & Regeneration Team is moving increasingly into direct engagement and negotiations with the private sector (investors/developers/landowners) and with Homes England on the delivery of key sites and funding deployment.

3.4 This area-based work also links into other work including the wider affordable and social housing policy development, the joint One Public Estate Programme and the inclusive growth agenda which underpins our work. Work is also being undertaken on programme management arrangements (e.g. sites and funding dashboards) for the portfolio so that, using clearly defined monitoring and review processes, we will be able to demonstrate to Government and WMCA Board that delivery targets are being met.

3.5 Working with local authorities and LEPs in the various strands of work will maximise the opportunities that can be achieved from new projects and programmes.

## 4.0 Setting Up For Success – Renewed Governance

- 4.1 The work programme of the Housing & Regeneration Team was discussed at the last meeting of the Housing & Land Steering Group (November 2018) and the scrutiny call-in on town centres. **It was recognised that, with the pace of work increasing and the significance of the portfolio growing, governance and programme management should be considered afresh** so that the region is set up for success in delivering its ambitious diverse housing and land programme. We need to ensure that time is being used efficiently and effectively so that progress can be achieved at pace.
- 4.2 Currently, the Housing & Land Steering Group acts as ‘the gateway’ to the Housing & Land Delivery Board. Various project-based working groups have been established to deal with specific technical work e.g. town centres, corridors and opportunity areas, commissioning frameworks, specific policy areas, etc. This is working well. The discussion at the Housing & Land Steering Group therefore focused on how these arrangements might be enhanced further to provide greater clarity around roles and responsibilities, to ensure that speed of decision-making could be maintained. The group did not settle on one preferred option but there was clear consensus around the following:
- The benefits of clear separation between strategic direction and technical work
  - Strategic direction needs to be based on a corporate view, especially given the inclusive growth agenda and cross-cutting nature of the portfolio.
  - Senior officers need to be able to ‘check and challenge’ priorities, shape project work and define forward work programmes
  - Project-based teams need to be populated with recognised ‘experts’ in their field so that the very best advice is shared across the region
  - Engagement, project-based governance and working arrangements might need to be different for different projects – no one size fits all
  - There needs to be a shared space for innovation and creativity, to help shape a forward-looking agenda rather than one which is solely reactive to Government initiatives
  - Meetings need to be of manageable size to facilitate discussion and debate
  - Representatives need to be able to commit to attendance at meetings on a regular basis with limited occurrences of substitution
  - Agendas need to be set around medium-term work programmes
  - Papers need to be circulated in advance of meetings to allow proper discussion to take place

## 5.0 Conclusions

- 5.1 WMCA and the local authorities have been set a clear challenge by Government and set themselves one of the most ambitious housing and regeneration agendas in the country. Collectively, we now need to deliver on the outputs which have been promised in return for significant Government funding. The work programme for the Housing & Regeneration Team, set out in this report, anticipates an increase and expansion in work under this portfolio. Further discussion will take place between officers of WMCA and local authorities on how engagement, project-based governance and working arrangements might be enhanced to ensure success.

## **6.0 Financial Implications**

6.1 There are no un-budgeted financial implications as a result of the recommendations within this report. The majority of the work to develop the prospectus will be undertaken through existing in-house resource and any external support requirement will be funded from the Housing & Regeneration revenue budget. Sites requiring acquisition or remediation will come, as appropriate, to the WMCA Investment Board.

## **7.0 Legal Implications**

7.1 Section 10. 1 and schedule 3 of The West Midlands Combined Authority Order 2016 No. 653 (the Order) confers Economic development and regeneration functions to the WMCA in the CA area. Schedule 3 sets out a duty under section 69 of the 2009 Act for the CA to prepare an assessment of economic conditions.

7.2 By virtue of section 113A of The Local Democracy, Economic Development and Construction Act 2009 as amended by section 13 The Localism Act 2011 the WMCA may do anything it considers appropriate for the purposes of the carrying-out of any of its functions.

7.3 Section 22 (i) of the West Midlands Combined Authority (Functions and Amendment) Order 2017 expressly states that the power pay grant is a function exercisable only by the Mayor with Section 22 (2) requiring the Mayor to seek the assistance of members and officers in the exercise of this function.

7.4 There are no direct legal implications identified as a result of this report. However, the proposals set out in this report will have legal implications and risks in the future which will be considered at the appropriate time through future reports as necessary.

## **8.0 Equalities Implications**

8.1 There are no immediate equalities implications in relation to this report. However, individual strategies and delivery schemes will need to take into account local area needs and local stakeholder needs to ensure the schemes benefit local residents, including harder to reach groups. To that effect equality impact assessments will need to be conducted to understand demographics, key inequality issues and how investment can help address key inequality gaps. Engagement and consultation with key equality stakeholders is also crucial.

## **9.0 Inclusive Growth Implications**

9.1 The proposals themselves are neutral when it comes to inclusive growth. However, implications will arise as investments are made and strategies are devised – in terms of who benefits from those investments and in who is involved in shaping and contributing to them. As such, any programmes should be devised with the responsibility to deliver inclusive growth. The Inclusive Growth Framework and burgeoning Investment Toolkit can be as a guide to shape this process.

9.2 Current governance arrangements are satisfactory for building a strategic picture, but the shaping and delivery of specific programmes will need to involve a wider variety of stakeholders in order to be inclusive.

**10.0 Geographical Area of Report's Implications**

10.1 The recommendations of this report apply to the whole of the region.

**11.0 Other implications**

11.1 None.

**12.0. Schedule of Background Papers**

12.1 None.

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## Housing & Land Delivery Board

<b>Date</b>	20 December 2018
<b>Report title</b>	Growth Corridors and Strategic Development Opportunities
<b>Portfolio Lead</b>	Cllr Mike Bird
<b>Accountable Chief Executive</b>	Deborah Cadman, Chief Executive, WMCA
<b>Accountable Employees</b>	Gareth Bradford, Director of Housing & Regeneration, WMCA Pat Willoughby, Head of Policy (Housing & Regeneration), WMCA
<b>Report has been considered by</b>	Housing & Land Steering Group (30 November 2018)

### Recommendation(s) for action or decision:

The Housing & Land Delivery Board is recommended to:

- 1) Endorse the proposal for the continued development of a programme of work unlocking the untapped potential of inclusive growth in Corridors and Strategic Development Opportunities, and
- 2) Welcome the positive work on two growth corridors in the region i.e. Walsall to Wolverhampton and Sandwell to Dudley.

### 1.0 Purpose

1.1 The purpose of this report is to:

- secure approval for the continued delivery of a programme of work within the housing and land portfolio focused on 'corridors and strategic development opportunities'

- welcome to the positive work undertaken by WMCA with local councils and LEPs in the Walsall to Wolverhampton and Sandwell to Dudley Corridors, and
- consider how to build on this excellent start to the work in the region on inclusive growth corridors and strategic development opportunities.

## 2.0 Background

- 2.1 There is a long history of bringing together infrastructure investment and new development opportunities in a positive way across the West Midlands; most often this work has been expressed in terms of defined ‘corridors’. Information assembled for the Strategic Investment & Delivery Plan (SIDP) (a draft of which was agreed at the Housing & Land Delivery Board in July 2018) highlights the fact that other types of opportunity areas also exist, hence suggesting the inclusion of the phrase ‘strategic development opportunities’ when discussing this programme of work. Members will recall that the preparation of an SIDP, agreed by the Housing & Land Delivery Board, was a condition of the £350m Housing Deal between WMCA and Government in March 2018.
- 2.2 The underlying rationale for a specific focus on these types of development opportunities and corridors is that they have the potential to bring together a concentration of public and private sector investment across a broad geography (i.e. beyond the boundaries of an individual site) often maximising the opportunities presented by major planned or committed transport investment. Typical opportunities which have been identified to date include (but are not limited to):
- Several proposals for corridors in the Black Country Joint Core Strategy reflecting areas where there is a clustering of development opportunity and public sector investment
  - Cross-boundary working by Birmingham City Council and Sandwell BC on the Greater Icknield and Smethwick Corridor to secure strategic housing development
  - Locations highlighted in TfWM’s strategy paper ‘*Movement for Growth*’
  - The ‘high technology’ corridors in the West Midlands Regional Spatial Strategy which sought to enhance the profile of this sector and make provision for new development.
- 2.3 We recognise that, despite this work, the delivery of successful outcomes for a variety of reasons has been variable. For example, proposals for some corridors have fallen away before they have had time to influence development (e.g. the High Technology Corridors of the Regional Spatial Strategy). In other cases, delivery/developer interest has tended to focus on the most attractive sites rather than the wider corridor as a whole (e.g. Greater Icknield and Smethwick). On occasion, the investment proposition within the corridor was not sufficiently well-defined to attract deliver results.
- 2.4 The establishment of WMCA provides the opportunity to build on the history of work to date, and deliver on these long-standing aspirations for inclusive growth using concentrated activity across organisations to create transformational change. The types of support which we are able to consider include wider access to funds; the ability to acquire, assemble and dispose of land; use devolved powers; and access to Government and investors. The ability to bring together a variety partners allows WMCA to add value to the work of local councils in the design, planning and delivery of ambitious proposals and policies.

### **3.0 Developing a Corridors and Strategic Opportunities Programme**

#### *The Spatial Investment & Delivery Plan*

- 3.1 The principles of corridor-based working, higher design quality and unlocking new investment was at the heart of the draft SIDP. Information assembled for the Draft SIDP identified some 27 potential corridors or strategic development opportunities within the West Midlands. In these areas, transport investment, development opportunity (frequently on brownfield land) and untapped potential come together to provide the opportunity to create a critical mass of activity, present new opportunities for strategic investment and strengthen local communities in a holistic way.
- 3.2 The SIDP takes as its starting point accelerating and securing the delivery of development opportunities and the land and infrastructure proposals identified in the local plans of constituent and non-constituent members. Adding to that process, it seeks to join up areas of opportunity which extend across local authority boundaries and provide a comprehensive plan for delivery and investment supported by new policy principles to guide investment by WMCA, Homes England and the private sector.

#### *The influence of the HIF Process*

- 3.3 WMCA and the local authorities also identified six priority locations as part of the HIF process. Many of these were also in major growth corridors:
- Walsall to Wolverhampton – due to proposed reopening of railway line for passenger services
  - Coventry to Solihull – due to proposed road works (primarily A46 related) included in HIF FBC
  - Sandwell to Dudley (or Wednesbury to Brierley Hill) – due to proposed metro line primarily funded by Transforming Cities Fund
  - Greater Icknield to Smethwick – inclusion in original HIF submission, improvements to A457.
  - Perry Barr – funding of £165m for Athletes Village and wider regeneration of Perry Barr
  - East Birmingham/North Solihull – longstanding proposal with history of joint working, including the Metro extension to Birmingham International Airport identified in WMCA's investment programme.

### **4.0 Progress on corridor work to date**

- 4.1 As can be seen in the draft SIDP and the HIF submission to Government, the selection process was influenced by an understanding of planned investment, commitments in statutory development plans and investor opportunity. Since that time, work has progressed in all corridors and we wanted to highlight to the Board work in two areas which exemplifies the types of approach we envisage being unrolled more widely across the region.

#### *The Walsall to Wolverhampton Corridor (W2W)*

- 4.2 The Walsall to Wolverhampton Corridor (W2W) has existed in a variety of formats since the development of the Black Country Joint Core Strategy. The project has achieved welcome momentum as a result of major transport investment i.e. the re-opening of the railway line for passenger services between the two centres with new stations at

Willenhall and Darlaston. The Housing Deal agreed with Government also included a new brownfield land fund and this too will provide additional support for the project.

- 4.3 In terms of governance, a Senior Steering Group consisting of the Leaders of the two local authorities, their Chief Executives, senior officers of the WMCA and the LEP is leading this programme of work. They are supported by a 'task and finish' Working Group comprising officers from both local authorities and the WMCA tasked with delivering an agreed technical work programme.
- 4.4 The key planning work (site identification, etc.) is contained in the Joint Core Strategy and a review of this is on-going. With the planning framework established, current work is focused on accelerated delivery of sites and opportunities and establishing a strong baseline of information. This has included acquisition by WMCA of land required for the new railway station at Darlaston, and work on preparing key sites for development and investment by WMCA and others within the corridor. Consultants have been commissioned to pull together existing information on the corridor to create a comprehensive site pipeline, prioritised tracker and evidence base. Programme management support has also been brought in to ensure delivery remains on track. Work is now underway to prepare robust business cases for investment in the corridor by WMCA from devolved housing and land funds.

#### *Sandwell to Dudley*

- 4.5 Work on the Sandwell to Dudley Corridor has started and is focused on how this corridor can maximise a range of housing and employment opportunities that will be unlocked via the Transforming Cities Fund for the Metro extension from Wednesbury to Brierley Hill. As part of the work required to secure this funding, an Economic Impact Assessment was commissioned to assess the potential impacts of the Metro within a 2km distance from the proposed route. An action plan also set out ways in which the economic benefits of the extended Metro route could be maximised and the corridor group is keen to see this implemented in a manner which secures genuine inclusive growth for the citizens and business of the area.
- 4.6 A working group of senior officials in Sandwell and Dudley, chaired by the Chief Executive of Dudley Council, has been formed to scope out the work required in the corridor and to identify key sites for intervention. As with the W2W corridor, the first piece of work is a review of existing information to create a strong evidence base and preparation of cases for WMCA investment in key sites. It should be noted that the St Thomas' area in Dudley has been selected as a Wave 1 location in the Town Centres.
- 4.7 The sort of roles WMCA is taking on in these corridors has included:
- Commissioning programme management and specialist technical support (as necessary) to prepare sites for delivery/investment and engage vendors/developers
  - Co-development of strategic investment and delivery frameworks (see below) to coordinate public sector activities and investment opportunities
  - Direct intervention and commercial negotiations – e.g. acquisition, site assembly
  - Brokering and facilitation with public and private sector partners
  - Deployment of funding and expertise and securing business cases for investment

## 5.0 Next steps and Future Opportunities

### *Preparation of an investment prospectus for each corridor*

- 5.1 In both of the corridors identified above discussions are taking place around how best we can collectively secure new public and private investment, especially to unlock challenging brownfield development sites, secure the public and private infrastructure provision and the quality of development essential for sustainable growth. This has led to **a broad consensus emerging for creating an investment prospectus for each corridor** tailored to an investor audience that will secure the funding to deliver the inclusive growth in the corridor that residents can see and touch. Furthermore it has become clear that the approach in each corridor should be tailored to local circumstances rather than adopting a standard approach for all.
- 5.2 We thought it would be helpful for members of the Board to see the sort of specification ingredients being considered for the investment prospectus/framework by the groups working in these corridors. These include:
- Clear and succinct evidence report (synthesis of evidence to date on infrastructure, investment, housing, skills, employment, business, etc.)
  - An investment framework which articulates the vision; the investment opportunities (and challenges); the alignment and prioritisation of public sector interventions to realise those opportunities; and presentation of an investment friendly proposition
  - Focus on unlocking housing and employment sites in local plans supported by local councils
  - An approach which embeds complete collaboration with the local authorities, the LEP and WMCA and no reinventing of the wheel.
  - A prospectus which sets out what already exists (i.e. local assets), packaging it appropriately together and presenting it in new ways for an investment audience
  - Clarity on delivery and planning approaches necessary to ensure timely implementation of the framework.
- 5.3 External consultancy support will be needed alongside local councils, WMCA and the LEPs to undertake the detailed work.
- 5.4 The intention is that a corridor framework should be produced rapidly and, during its production, progress should simultaneously be made on strategic interventions, site acquisitions, infrastructure provision and delivery in the corridor.

### *Governance and political oversight*

- 5.5 We would welcome a discussion with the Board on governance. Our view is it is for each local area to decide the right form and structure of governance that works for them, and which WMCA can interface with. We would recommend regular reports come back to this Board on progress and any issues or opportunities arising.

### *Other Corridors*

- 5.6 Whilst progress on the W2W and the Sandwell to Dudley Corridor is welcomed, there remains the opportunity to extend the programme to other locations across the West

Midlands. The starting points for this work would be a review of the priority locations previously identified together with consideration of other locations identified in the draft SIDP.

## **6.0 Conclusions**

6.1 Work on corridors to date has demonstrated the potential of co-ordinated activity in defined locations. Existing corridors are seen as pilots for additional locations (corridors and other types on investment opportunity areas) which will be identified in due course. The principal purpose of this report has been to secure political oversight of existing work and clear endorsement for continuing to implement and expand the programme.

## **7.0 Financial Implications**

7.1 There are no un-budgeted financial implications as a result of the recommendations within this report. The majority of the work to develop the prospectus will be undertaken through existing in-house resource and any external support requirement will be funded from the Housing & Regeneration revenue budget. Sites requiring acquisition or remediation will come, as appropriate, to the WMCA Investment Board.

## **8.0 Legal Implications**

8.1 Section 10.1 and schedule 3 of The West Midlands Combined Authority Order 2016 No. 653 (the Order) confers Economic development and regeneration functions to the WMCA in the CA area. Schedule 3 sets out a duty under section 69 of the 2009 Act for the CA to prepare an assessment of economic conditions.

8.2 By virtue of section 113A of The Local Democracy, Economic Development and Construction Act 2009 as amended by section 13 The Localism Act 2011 the WMCA may do anything it considers appropriate for the purposes of the carrying-out of any of its functions.

8.3 Section 22 (i) of the West Midlands Combined Authority (Functions and Amendment) Order 2017 expressly states that the power pay grant is a function exercisable only by the Mayor with Section 22 (2) requiring the Mayor to seek the assistance of members and officers in the exercise of this function.

8.4 There are no direct legal implications identified as a result of this report. However, the proposals set out in this report may have legal implications in the future which will be considered at the appropriate time through future reports as necessary.

## **9.0 Equalities Implications**

9.1 There are no immediate equalities implications in relation to this report. However, individual delivery schemes will need to take into account local area needs and local stakeholder needs to ensure the schemes benefit local residents, including harder to reach groups. To that effect equality impact assessments will need to be conducted to understand demographics, key inequality issues and how investment can help address key inequality gaps. Engagement and consultation with key equality stakeholders is also crucial.

## **10.0 Inclusive Growth Implications**

- 10.1 The 'corridor' approach is, in itself, neutral when it comes to inclusive growth. However, implications will arise as investments are made – both in who benefits from those investments and in who is involved in shaping and contributing to those investments. As such, any delegations to corridor delivery vehicles should come with the responsibility to deliver inclusive growth – to take Dudley Metro extension as an example, the investment needs to benefit people living nearby, even if they do not use the Metro themselves. It will be the responsibility of the delivery vehicle to ensure that this occurs in reality, using the Inclusive Growth Framework and burgeoning Investment Toolkit as a guide.
- 10.2 Current governance arrangements are satisfactory for building a strategic picture, but the shaping and delivery will need to involve a wider variety of stakeholders in order to be inclusive. If a 'corridor vision' or set of priorities is established by a narrow cohort of people, it will need to be justified, with a plan for involvement of local partners and citizens. Nothing that appears in an investment prospectus, which could considerably change the nature of a place, should come as a surprise to people who live there.

## **11.0. Geographical Area of Report's Implications**

- 11.1 The recommendations of this report apply to the whole of the region.

## **12.0 Other Implications**

None.

## **13.0. Schedule of Background Papers**

- 13.1 None.

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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