



Housing & Land Delivery Board

Date	20 December 2018
Report title	Growth Corridors and Strategic Development Opportunities
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Report has been considered by	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.