

## Housing & Land Delivery Board

<b>Date</b>	7 September 2020
<b>Report title</b>	Covid 19 Recovery Discussion Paper: Public Land
<b>Portfolio Lead</b>	Councillor Mike Bird, Leader, Walsall MBC
<b>Accountable Employees</b>	Gareth Bradford, Director of Housing & Regeneration (Accountable Director) Gurdip Nagra, Strategic Delivery Advisor (Housing & Regeneration) (Report Author)
<b>Report has been considered by</b>	n/a

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

- The Housing Land & Delivery Board is asked to **consider** the public land policy paper being produced in line with the commission from the Housing and Land Board as part of the Covid19 Recovery Plan and endorse the key “policy principles” set out.
- The Housing and Land Board is asked to **agree** that this work should inform the region’s forthcoming bid to the CSR and bid to the next funding round for the One Public Estate Programme (OPE 8)
- The Housing Land and Delivery Board is asked to **note** the work to co-develop this paper with Delivery Steering Group, OPE groups and the Commercial Property Forum

### 1.0 Purpose

- 1.1 This paper considers the role of public land and its disposal in our wider Covid19 recovery plans and how a new approach to public land disposals and development can support delivering the Housing and Land Board Business Plan and key policy

objectives. Bringing land forward and investing to secure 215,000 new homes and 500,000 new jobs falls within the remit of the Housing and Land Delivery Board.

- 1.2 The scope of this paper is to consider some ***overarching policy principles to public land*** that compliments the disposals programmes and strategies of each individual public sector partner thus adding real value to what is already happening in the region. Each individual public sector partner will of course retain authority over their own land but this work is looking for the opportunity for more joined up working, collaboration and co-investment through a shared set of principles across all public sector organisations
- 1.3 There has been a wide-ranging consensus among those we have engaged with for this work. A new innovative and collaborative approach to public land release with public sector partners working together on land disposals and assembly across the West Midlands would provide numerous benefits to all involved individually and collectively. Working together will allow the pooling of resources and knowledge sharing to enable a more effective joined up strategy and compelling proposition to investors and HMG based around a key set of shared principles. We have already seen the benefits of joint ventures for example between the WMCA and land of individual local authorities to maximise income returns and development delivery.
- 1.4 There is also clear agreement that this work should feed directly into the “asks” of HMG through the Comprehensive Spending Review – we know much public land in the region needs enabling funding for it to be developable. We also know that developing underutilised land in public ownership offers a real sizeable opportunity to build more homes and create more jobs that are much needed in the West Midlands.
- 1.5 The exploration of how public land is used builds on discussions with both Delivery Steering Group (DSG) and the Commercial Property Forum (CPF) on providing the West Midlands with the impetus it needs to deliver on housing and employment provision especially during Covid19 recovery. The key recommendations here will link into the WMCA Economic Recovery Strategy and Implementation Plan with an emphasis on public land disposals, the One Public Estate (OPE) Programme and the WMCA’s own strategic asset plan/disposals plan.
- 1.6 For the purposes of the paper public land is defined as ‘land that is owned or in use by a public sector organisation, or company or organisation in public ownership or land that has been released from public ownership and on which housing, employment or commercial development is proposed’.

## **2.0 Background**

- 2.1 It is widely understood that any approach of requiring different public sector partners to dispose of their land in a particular way with no incentive and/or little support or enabling investment creates all the wrong incentives and fails to supply sufficient land suitable to build new homes and create future jobs and realise our regional economic ambitions. This is even more challenging given the management and disposing of public land and property assets is a complicated process involving estate teams, finance, legal, accounting officers and others with each playing a key role in the process.
- 2.2 The West Midlands Land Commission report (2017) recommended ‘more productive use of the Public Estate’ should be a key aspect to any housing and regeneration activity in the region. It suggested engaging strongly as a single combined entity with the One Public Estate programme and undertaking a ‘Land Audit’, under which all public

land and relevant private sector bodies would be asked to justify their asset strategies for *operational, strategic and surplus land*. The key finding from the report was based on experiences elsewhere that land supply to meet housing and employment needs could be partly met from more effective utilisation of the public sector estate.

- 2.3 MHCLG has also supported releasing surplus public sector land for new homes to increase the shortfall of available land for development. Further to the Public Land for Housing Programme other initiatives such as the Land Release Fund have made development possible on public land otherwise unusable and in effect increased the net land supply.
- 2.4 The One Public Estate (OPE) is an established national programme delivered in partnership by the Office of Government Property within the Cabinet Office and the Local Government Association. An OPE partnership is hosted through the WMCA made up of a number of public sector partners that work together and take a strategic approach to asset management. The West Midlands Partnership is the biggest OPE partnership nationally. The OPE is a focused programme with a narrower remit around individual project delivery than is proposed in this paper.

### **3.0 The Scale of the Opportunity**

- 3.1 The total amount land in the West Midlands in public ownership amounts to approx. **5,713 hectares**. This land is managed by various public sector organisations with some joined up working but no single overarching coordinated approach, programme, policy principles or governance.
- 3.2 Feedback from DSG, the Commercial Property Forum and Housing and Land Board showed there were real opportunities in the context of the Covid19 Portfolio Recovery Plan to support a more comprehensive and joined up approach to public land development and delivery in the region.

It is widely recognised that there is simply not enough land allocated for development in the West Midlands to meet all the future housing and employment needs of the region's projected population. A review of the public estate would be beneficial in indicating the scale of land that could be made available and the investment/interventions needed to bring it forward for development. Indeed there was a real consensus among all groups engaged in our Covid19 recovery work for an up-to-date assessment to be carried out of all publicly owned land in the West Midlands identifying and drawing to the fore available surplus public sector land that could be repurposed.

- 3.3 There was also consensus that public sector bodies should work more closely together on their asset management programmes, particularly on the agreement and implementation of a shared set of principles and sharing best practice on managing different assets.

An issue identified throughout was the need to seek further HMG investment into resourcing local capacity to manage wide-ranging land and property assets

### **4.0 Public land reform proposals, principles and ideas**

A number of public land ideas and proposals have come forward in the work on Covid19 recovery planning from across our stakeholder groups.

The Housing and Land Board today is asked to **endorse some of the key policy principles underpinning this public land recovery policy**:

- Early discussions between public land partners and developers should be initiated, supported by WMCA, to offer genuine development opportunities to the market for development and investment in line with a clear pipeline of prioritised opportunities for release
- Identify and map more public owned *surplus* land across the region available for development of housing and commercial provision, including identifying the identified barriers to development on a site by site basis such as remediation of brownfield land, transport access, services, obtain planning consent, site clearance etc.
- Adopt a consistent approach, wherever possible and practical, across public land partners in the region on asset disposals.
- Providing clear governance and decision making on public land disposals
- Public sector partners should work together on their asset management strategies to collectively make best use of public land and property. Identifying ways to minimise the operational needs for office, building, car parking space and sharing property between public sector partners
- WMCA signposting public land partners to the WMCA Single Commissioning Framework when seeking to purchase/invest in public land/assets and unlock their development and income potential. This will assist in overcoming cases there may be viability issues
- Public land assets should be kept under continuous review to collaboratively identify surplus or underutilised assets in line with the time periods in the C19 recovery plan. A public land taskforce should be able to advise, support and act as a critical friend.
- Public land should be sold at 'best value' unless it can be demonstrated the local area will benefit through economic, social or environmental improvement.
- The method of disposal should be determined by each public sector partner for their own land. A public land taskforce should be able to advise, support and act as a critical friend.
- Explore interim uses where surplus public land is unlikely to come forward for development in the short term that could generate income, create activity and safeguard the site for future use.
- Ensure valuations of public land from suitably qualified persons prior to disposal to forecast potential receipts
- Measures to enhance the value of public land before disposal will be taken such as obtaining outline planning consent, remediation of the site, providing access etc
- Seek further HMG investment into unlocking public land opportunities including resourcing local capacity to manage land and property assets

4.1 Related to this there has been growing support for a ***few specific interesting proposals*** which the Housing and Land Board is asked to consider today:

- Take forward the recommendation of the 2017 Land Commission and provide *an up-to-date assessment of all publicly owned land* in the West Midlands revealing available surplus public sector land that could be repurposed for uses such as housing for example

- Develop a *WMCA land prospectus* to give private sector more confidence and certainty over WMCA land it owns or has recently acquired
- Create an *expert public land taskforce* to work alongside WMCA to support public sector partners to unlock public land potential equivalent to the ones set up for AMC, commercial property, town centres and zero carbon. The proposal for an expert public land taskforce would i) enable join-up of ownerships allowing the ability to think laterally and to swap or pool assets ii) develop ways to align public sector objectives iii) secure quick decision making at the local level iv) support decision making on what is surplus land
- **Expand the current OPE programme to create a more wide-ranging group of public sector partners by expanding** membership of OPE programme to connect with MoD; NHS; DfT and other funding streams and engage new members such as Higher Education, Church landholdings, utilities etc.
- Identify *quick wins* of public land sites which may be accelerated for development
- Collective map public assets and key infrastructure provision (eg transport) to provide more information on development potential (housing/employment/commercial outputs) and infrastructure needs
- Maximising the amount of land available for development through public land disposals will be a key contributor to our Covid19 recovery plans and delivery new homes and jobs needed in the West Midlands
- Public sector focus on infrastructure to enable development by aligning WMCA, other regional investment and private sector funding.

## 5.0 Financial Implications

There are no direct financial implications from the information contained in the report. The Single Commissioning Framework provides a single set of criteria and governance systems that will be applied to all applications for available devolved WMCA Housing, Land and Property Development funds, together with a consistent process and timelines for decision.

5.2 All new commissions must be approved at Sites Pipeline, then follow the Commissions Pathway

5.3 All disposals of Land must follow the Disposals policy following approval at JAB.

## 6.0 Legal Implications

6.1 Section 113A(1)(a) of the Local Democracy, Economic Development and Construction Act 2009 gives the CA a power of competence appropriate for the purposes of carrying-out any of its functions. Part 4 of The West Midlands Combined Authority Order 2016 (2016 No 653) confers that the functions relating to any Economic development and regeneration in the constituent councils are exercisable by the CA. Part 3 of The West Midlands Combined Authority (Functions and Amendment) Order 2017 confers the functions corresponding to the functions of the Housing Community Agency has in relation to the combined area.

The contents relate to informal discussions which may or may not lead to the need for further legal input and contractual arrangements. Legal will provide assistance and support as and when requested.

## 7.0 Equalities Implications

7.1 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 developed through the delivery vehicle 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.

## **8.0 Inclusive Growth Implications**

8.1 None at this stage.

## **9.0 Geographical Area of Report's Implications**

9.1 The recommendations of this report apply to the whole of the WMCA area.

## **10.0 Other implications**

10.1 None.

## **11.0. Schedule of Background Papers**

11.1 None.