


## REPORT TO ECONOMY, SKILLS, TRANSPORT AND ENVIRONMENT SCRUTINY BOARD

**16 November 2017**

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| <b>Subject:</b>                          | The approach for identifying suitable sites to receive funding support from the Black Country City Deal and the West Midlands Combined Authority Land & Property Fund and an update on the major development programmes & projects. |
| <b>Cabinet Portfolio</b>                 | Councillor Paul Moore - Cabinet Member for Regeneration and Economic Investment   |
| <b>Director:</b>                         | Executive Director - Neighbourhoods - Alison Knight   |
| <b>Contribution towards Vision 2030:</b> |   |
| Exempt Information Ref:                  |   |
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### **DECISION RECOMMENDATIONS**

**That Economy, Skills, Transport and Environment Scrutiny Board:**

Consider and comment on the content of the report

#### **1 PURPOSE OF THE REPORT**

- 1.1 This report has been requested by the Economy, Skills, Transport & Environment Scrutiny Board on the 14th September 2017 (minute 7/17).
- 1.2 The purpose of the report is to firstly provide information as to how suitable sites are identified for funding support from the Black Country

City Deal and the West Midlands Combined Authority Land & Property Fund etc; and secondly to provide an update on the progress being made on the current major development programmes and projects, that are either underway or are being advanced for future funding applications.

## **2 IMPLICATION FOR THE COUNCIL'S AMBITION**

- 2.1 The major development programmes and projects either underway or being advanced by the Planning & Regeneration Team are intrinsic to all ambitions set out in the council's Vision for 2030, particularly ambitions 6, 7, 8, 9 & 10.
- 2.2 Identifying suitable sites and developing regeneration projects and programmes is aligned to building new homes, growing the local economy, and creating distinctive towns that are all connected to each other and the wider West Midlands by public transport.
- 2.3 The approach taken to proactively identify suitable sites and what funding support is necessary to bring them forward for redevelopment stands to build Sandwell's reputation for getting things done.

## **3 BACKGROUND AND MAIN CONSIDERATIONS**

- 3.1 In 2011 the Black Country Local Authorities adopted the Joint Core Strategy (JCS) which provides direction for location based regeneration to address economic, transportation, social and environmental needs. It is based on the concentration of development within regeneration corridors and centres, and establishes broad targets for housing growth and employment land to be met by 2026. Underpinning the JCS, is the Sandwell Site Allocations and Delivery Development Plan (SADD) adopted in 2012, which provides detailed land use allocations and designations to guide development until 2021. The West Bromwich Area Action Plan guides development within the town centre and sits outside of the SADD.
- 3.2 Sandwell's major regeneration programmes and projects are steered by the identified regeneration corridors, strategic centres and the site allocations captured in the JCS and SADD documents. The process of advancing these sites into regeneration programmes or projects is undertaken by the Planning Regeneration Team. The team determines development potential, the development challenges such as land remediation, fragmented ownerships, and viability and how they can be overcome.
- 3.3 If these challenges can be resolved by grant funding or loan intervention, these sites are put forward to the various funding bodies such as the West Midlands Combined Authority, amongst others for initial

consideration. If supported in principle, the Planning Regeneration Team prepares the funding application, the associated evidence, and undertakes the due diligence process and consultation with the decision makers. The funding application process can entail the production of development briefs and masterplans, undertaking site investigations and surveys, market assessments and valuations. Therefore the team works in partnership with Highways, Urban Design & Building Services, Housing Partnerships, Strategic Finance, Property Services, and Legal Services and external consultancies where necessary.

- 3.4 Where sites are in private ownership, the Planning Regeneration Team in accordance with Sandwell's Development Ready Charter, provides dedicated officer support to land owners and developers, ensuring a seamless process through all elements of regeneration, including support with funding or loan applications.
- 3.5 Grant funding has already been secured for the Popes Lane development, Oldbury, which is now being developed as a £60 million facility for Steel and Alloy, Woods Lane, Cradley Heath, which will deliver some 350 houses, and the commissioning of investigative reports at Bull Street, West Bromwich (discussed in more detail at paragraph 4.3).
- 3.6 The West Midlands Combined Authority as part of the Devolution Deal has secured £200 million from Central Government to assist in land reclamation across the region and of those monies £53 million has been awarded to the Black Country LEP. The Land and Property Investment Fund seeks to invest in projects which support the re-use of brownfield land and buildings and the delivery of supporting infrastructure.
- 3.7 Initial proposals have been submitted to undertake site investigations and remediation works across a number of sites in the Borough. This is in addition to projects already identified on the Black Country Pipeline of schemes.
- 3.8 In addition, officers are working with private sector developers to assist them in accessing the targeted grant aid. This will lead to further private sector investment within the borough leading to employment opportunities new residential development.

## **4 THE CURRENT POSITION**

- 4.1 Both the JCS and SADD of 2011 & 2012 are currently under review, and will not be readopted until 2021 and 2022 respectively. To respond to economic changes and to take advantage of funding opportunities during this period, interim planning documents are being prepared to guide larger development programmes, ensuring they benefit from funding

opportunities and achieve Sandwell's economic, social and environmental goals.

- 4.2 This report will now provide an update on the major development programmes and projects currently being undertaken.
- 4.3 West Bromwich town centre has already benefited from significant investment, but there is more to be done. The remaining sites, identified for the second phase of the towns' regeneration are complex and most are in fragmented private ownerships. All of these sites have been reviewed by the Planning Regeneration Team to determine their development potential and their challenges. To this end an Investment Prospectus is being drafted which encapsulates the regeneration opportunities, with an emphasis on town centre living, education and leisure. The draft prospectus will be finalised in 2018 to attract private sector investment and provide a steer for funding intervention. The Bull Street area in particular has been identified for regeneration and the team is preparing a funding application to the Black Country LEP to redevelop this area with a leisure and residential focus. A funding decision on the Bull Street proposals is expected by March 2018.
- 4.4 North Smethwick 'Black Patch' area is being considered for a land use change from its current employment allocation to enable residential development. The area comprises Kitchener Street, Boulton Road, and Merry Hill allotments. A Masterplan and an Interim Planning Statement are being prepared, but these will be informed by an environmental assessment and also consultation before their production, endorsement and ultimately used as a material consideration to guide residential proposals. The Planning Regeneration team is currently working to appoint a consultancy to undertake the environmental assessment and it is anticipated that the assessment will commence during November 2017. Merry Hill Allotments is being considered for closure and subsequent development. Ultimately the decision to close the allotments is down to the Secretary of State and the Planning Regeneration team is working with the Parks team to submit the application. If approved, the allotment may not come forward for redevelopment until 2019. Cabinet has resolved for the Masterplan and Interim Planning Statement to be prepared and for allotment plot holders at Merry Hill to be consulted.
- 4.5 The sites across Grove Lane, Smethwick are in close proximity to the new acute hospital for the Sandwell and West Birmingham NHS Trust, representing £353 million of investment scheduled to open in spring 2019. The new hospital is a catalyst for the regeneration of the wider Grove Lane area which currently comprises industrial uses and a number of potentially attractive features, specifically the canal and the adjacent parkland and its excellent links with Birmingham City Centre and other parts of the Black Country. The area has been identified for residential

and mixed development and has Housing Zone status from DCLG meaning the area is prioritised to receive funding support to enhance the pace and scale of housing. As a result of this status the Homes and Communities Agency awarded SMBC £224k to undertake various studies and surveys to assist housing delivery. The Planning Regeneration team is now utilising the funding received to progress the delivery of residential development in this area. A tender exercise is underway to procure a consultancy to undertake a Masterplan review, surveys, land referencing, housing market and need assessments, and to provide guidance on appropriate delivery mechanisms to accelerate housing delivery. It is hoped this work will be completed by 9 February 2018. In addition an outline application for £15m Housing Infrastructure Funding (HIF) has been submitted to fund the necessary infrastructure to unlock the potential housing sites including Heat Networks, a new school and highway improvements. A Full Business Case is to be submitted by March 2018 with a decision expected in Summer 2018.

- 4.6 The Friar Park Housing Site (Bescot), Wednesbury has also been awarded Housing Zone status by DCLG meaning the site is prioritised to receive funding support to enhance the pace and scale of housing delivery. The site comprises two ownerships; 14ha owned by SMBC and a further 13ha by a subsidiary of Severn Trent plc. The site is constrained by a former sewage treatment plant, which will require significant land reclamation before residential development can commence. Negotiations continue with Severn Trent to agree Heads of Terms, enabling a joint marketing exercise to bring forward a development of approx.767 homes. A funding application has been submitted to the HIF for £7.4m to undertake the land reclamation works, a decision is expected by the end of 2017/ early 2018.
- 4.7 The Dudley Port area in Tipton is a key area for regeneration due to its connections to the canal and public transport network, particularly Dudley Port Railway Station which is set to become a transport interchange as part of the Wednesbury to Brierley Hill Metro Corridor extension. This will increase the accessibility to other areas of the Black Country and Birmingham, and thus additional employment opportunities. To guide future development proposals arising from this opportunity, a Supplementary Planning Document has been produced. Due for adoption in December 2017 it will provide the clarity developers require to invest in the longer term aspirations for the area including the enhancement of the environmental quality and promoting the area as a place to live, work, play and invest.
- 4.8 Powers to construct the extension of the Midland Metro from Wednesbury to Brierley Hill via Dudley were obtained in 2005 and these remain in place. Transport for West Midlands (TfWM) will need to refresh the land acquisition powers and this is likely to commence shortly. A revised

business case to support the bid to Government for funding was submitted in the summer and it is hoped that a funding announcement will be made before the end of the year. Construction is planned to commence in 2019 with the route being open and in use by 2023.

- 4.9 The site at Bromford Road, Oldbury is located near Sandwell & Dudley railway station and is in private ownership, currently allocated for mixed use development. The site benefits from two planning consents for retail development. Of these, the earlier consent remains extant following commencement through the marking out of the internal roads. The latter consent, which expires in May 2019, is the developer's preferred scheme but to date it has not proved possible to secure the anchor tenants meaning that implementation remains uncertain. The Planning Regeneration Team will reopen discussions with the site owners to determine future progress and what can be done to support the development of the site.
- 4.10 The 'Changing the Housing Landscape in Sandwell' report, approved by Cabinet in April 2016 set out the ambitious agenda for a three year Strategic Housing Plan for the development of circa 636 council houses in Sandwell. The plan increases the pace of housing supply by building new homes or buying 'off plan', and re-developing existing premises into residential use. To date 80 properties are complete and occupied which will rise to 194 complete and a further 329 in development by the end of 2017/18. Further sites are currently being prepared to start in 2018/19 meaning the three year strategic target of 636 houses will be met or even exceeded. Further sites are being identified and initial feasibility works are being carried out as a pre-requisite for the next three year plan, due to be finalised early in the New Year.

## **5 CONSULTATION (CUSTOMERS AND OTHER STAKEHOLDERS)**

- 5.1 Report is for information purposes.

## **6 ALTERNATIVE OPTIONS**

- 6.1 Report is for information purposes.

## **7 STRATEGIC RESOURCE IMPLICATIONS**

- 7.1 Report is for information purposes.

## **8 LEGAL AND GOVERNANCE CONSIDERATIONS**

- 8.1 Report is for information purposes.

## **9 EQUALITY IMPACT ASSESSMENT**

9.1 Report is for information purposes.

## **10 DATA PROTECTION IMPACT ASSESSMENT**

10.1 Report is for information purposes.

## **11 CRIME AND DISORDER AND RISK ASSESSMENT**

11.1 Report is for information purposes.

## **12 SUSTAINABILITY OF PROPOSALS**

12.1 Report is for information purposes.

## **13 HEALTH AND WELLBEING IMPLICATIONS (INCLUDING SOCIAL VALUE)**

13.1 Report is for information purposes.

## **14 IMPACT ON ANY COUNCIL MANAGED PROPERTY OR LAND**

14.1 Report is for information purposes.

## **15 CONCLUSIONS AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS**

15.1 Report is for information purposes.

## **16 BACKGROUND PAPERS**

16.1 Black Country Joint Core Strategy 2011, currently under review  
<http://blackcountrycorestrategy.dudley.gov.uk/>

16.2 Site Allocations and Delivery Development Plan Document (SADD) 2012  
[http://www.sandwell.gov.uk/info/200275/planning\\_and\\_buildings/676/site\\_allocations\\_and\\_delivery\\_development\\_plan\\_document](http://www.sandwell.gov.uk/info/200275/planning_and_buildings/676/site_allocations_and_delivery_development_plan_document)

16.3 Development Ready Charter  
[http://www.sandwell.gov.uk/info/200186/regenerating\\_sandwell/2442/development\\_ready\\_charter](http://www.sandwell.gov.uk/info/200186/regenerating_sandwell/2442/development_ready_charter)

16.4 Dudley Port Supplementary Planning Document  
[http://www.sandwell.gov.uk/info/200275/planning\\_and\\_buildings/4021/dudley\\_port\\_supplementary\\_planning\\_document\\_consultation](http://www.sandwell.gov.uk/info/200275/planning_and_buildings/4021/dudley_port_supplementary_planning_document_consultation)

17 **APPENDICES:**

None

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