

Report to Wednesbury Levelling Up Partnership Board

18 December 2023

Subject:	Friar Park Urban Village Project and WLUP Board Remit
Report Author	Allison Blakeway Economic Development Project Manager Rebecca Jenkins Levelling Up Partnership Programme Manager

1. Purpose of Report

- 1.1 To set out background information around the Friar Park Urban Village Project including project governance arrangements and progress to date.
- 1.2 To set out the Wednesbury Levelling Up Partnership Board role and remit in relation to the Friar Park Urban Village project.

2. Recommendations

- 2.1 That the WLUP Board note the information in this report and that regular progress updates will be provided to the WLUP Board for assurance purposes

3. Background



- 3.1 The creation of the Friar Park Urban Village anticipates the development of 630 units off Friar Park Road. The agreed masterplan (see Appendix 1), demonstrates how the scheme can be delivered to Garden City principles, which in addition to the incorporation of new family housing, of which 25% will be for affordable housing provision, the creation of 10ha of open space creating opportunities for sport, leisure, recreation and bio-diversity enhancement, together with a network of cycleways and footpaths to promote connectivity are key components.
- 3.2 The land is held in separate ownerships between SMBC and the West Midlands Combined Authority, who entered into a joint venture partnership agreement in 2018 to secure the comprehensive remediation and re-development of the site for residential purposes. Funding was secured from WMCA to acquire the site now in their ownership (formerly Severn Trent) and progress the remediation with the overall aim of completing all housing development by March 2031.
- 3.3 The partners have progressed the preparation of a masterplan, which indicates the development of the site for 630 units, of which 25% will be expected to be affordable, as well as the provision of circa 10ha of multi-functional open space, providing opportunities for sport, recreation and habitat mitigation. A series of associated surveys have also been undertaken which have helped to inform the masterplan development.
- 3.4 The overall project is governed by a Project Board comprising two designated officers from both the WMCA and SMBC. The Board is supported by the JV Forum, which comprises project officers from both authorities, working as necessary with appropriate advisors. When required to do so, each organisation is required to seek relevant approvals through its own governance arrangements. To date, the SMBC Cabinet has approved the masterplan and draft procurement strategy and will be required to authorise the disposal of the site and the ultimate financial offer that developers make.

Project Outline



- 3.5 The Friar Park site comprises 26ha and is the largest brownfield regeneration site in the WMCA area, and one of the largest within the West Midlands region. The industrial legacy of use of large parts of the site as a sewage farm for approx. 100 years until the mid-late 1980's generates a significant remediation challenge with significant cost implications, resulting in viability challenges for the overall development.
- 3.6 A detailed Ground Investigation survey was undertaken in 2021 which provides a clear picture of the extent of works required to remediate the site. Associated with this, a draft remediation strategy was prepared which proposed the excavation, treatment and re-utilisation of the treated material on-site to be used for the creation of development platforms and a landscape buffer, incorporating 10ha of greenspace suitable for a range of purposes including public access, sport and recreation, and habitat mitigation.
- 3.7 The LUP funding (£11.5m) has been secured to assist with the progression of the site, and the remediation of 26ha of land has been identified as the key output. However, this will also require further investment utilising the remainder of the WMCA funds. It is currently expected that the total funding available will cover the identified costs of the works required. The basis of the LUP project relates to the SMBC investment in the remediation works, although this sits within the framework of the wider project.
- 3.8 Consideration has been given to the progression of the remediation works separately to other project activities in order that the requirements of the LUP programme can be met. However, there are significant risks to this approach, including:
- the potential for the remediated scheme to conflict with the developers aspirations for the site
 - liability for meeting any cost overruns in light of no further funds being available,



- ongoing and residual liabilities associated with undertaking the works
- obtaining warranties sufficient for developers to secure investment funding for later phases,
- a requirement for additional resources with appropriate expertise to support the project team as Client Agent.

3.9 As a result, the JV Project Board have confirmed a strategy which seeks to procure a developer to undertake the remediation works, following which they will progress the development of the site. It is currently anticipated that the procurement process will be completed by Summer 2024.

3.10 The timescales for ensuring the LUP funding is secured are such that requiring a developer to obtain the relevant consents following appointment will not be possible. As a result, the partners will be progressing approvals for a detailed planning application for remediation, together with relevant approvals from the Environment Agency concurrently with the developer procurement process. It is anticipated that these approvals will also be in place by Summer 2024, which will then permit a start on site towards the end of 2024. LUP funding will be utilised to assist the progression of relevant consents and obtain appropriate legal advice which assist with the progression of the scheme as proposed.

3.11 Work undertaken to date includes:

- The appointment of consultants to assist with the preparation of the applications for Environmental Agency permits
- Obtaining relevant legal advice to ensure the incorporation of the remediation works as part of the overall contract and associated regulatory compliance

3.12 Further works are required to be undertaken, which will include:



- The appointment of a planning consultant to prepare a planning application for the remediation works
- The appointment of ecologists to assist with establishing a baseline for Bio-Diversity Net Gain compliance, and ensuring appropriate actions relating to identified protected species are properly incorporated into the works programme.

Project Governance Arrangements - WLUP Board Remit

- 3.13 As the LUP funding is contributing to a broader project which has a range of funding streams and existing governance arrangements in place, the WLUP Board remit will focus on the component that is funded through the Levelling Up Partnership Grant to ensure the achievement of the agreed output of 27ha land remediated.
- 3.14 The WLUP Board will receive regular updates on progress of the project for assurance purposes.
- 3.15 In line with the WLUP Board schedule of delegations, circumstances where a specific steer and/or advice would be sought from the WLUP Board include:
- Actual / projected project overspend / underspend of the Levelling Up Grant (£11.5m)
 - Actual / projected slippage in agreed output of 27ha land remediated
 - Actual / projected slippage of milestones relating to the land remediation phase with an impact on grant claim

4. Implications

Resources:	<p>£11.5m capital has been granted for the Friar Park Urban Village project</p> <p>A capital appraisal will be undertaken as part of project assurance ahead of remediation contractor appointment.</p>
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	The LUP Grant includes the requirement for all spend to be made by March 2025. This is currently on track but presents a significant risk.
Legal and Governance:	Procurement for the project will be in accordance with Sandwell MBC's Financial Regulations and Standing Orders for Contracts.
Risk:	<p>Key risks have been identified. The project risk register will be reviewed as part of the project capital appraisal.</p> <p>A significant risk is due to delays in obtaining EA licenses impacting on project deliverability by March 2025. Early engagement has taken place with the EA and consultants have been procured to support the engagement process. Contingency arrangements are being explored in the event that the March 2025 deadline cannot be met.</p>
Equality:	<p>The LUP funding is associated with the land remediation component of the project. There are no equality impacts identified with this phase.</p> <p>Equality considerations associated with the house building phase will be fully explored as part of the Cabinet disposal consideration.</p>
Health and Wellbeing:	<p>The underpinning objective of the LUP is to 'level up' and reduce inequalities. The proposed interventions focus on tackling health inequalities in a multi-faceted way and compliment public health programmes.</p> <p>This project will enable 630 new homes - a substantial contribution to addressing housing needs.</p>
Social Value	The proposed interventions will be delivered in accordance with the Council's Procurement and Contract Procedure Rules.



	A social value target has been set of 40% spend on the project achieved in the local area and the creation of construction jobs/ training opportunities.
Climate Change	<p>The remediation strategy seeks to retain and reuse as much material on site as possible in order to minimise the disposal of waste to landfill, and to minimise traffic movement to reduce impacts of carbon emissions from HGV's.</p> <p>The proposed houses will be built to meet WMCA Technical Standards, which look to ensure high levels of sustainability and energy efficiency.</p> <p>The creation of open space on the site will provide opportunities to mitigate against climate change through limiting the effects of the urban heat island. In addition, the provision of footpaths and cycleways providing connectivity into/out of the site will encourage active travel modes to be utilised.</p>
Corporate Parenting:	<p>This project will enable 630 new homes - a substantial contribution to addressing housing needs.</p> <p>Jobs created during the construction period for the remediation phase and house building phase will benefit Sandwell families and young people</p>

Appendices

Appendix 1 Friar Park Masterplan

Background papers

WLUP Board Terms of Reference



Appendix One – Friar Park Masterplan

LEGEND

- Site boundary
- Illustrative built form
- Private gardens
- Primary street
- Secondary street
- Mews streets
- Proposed nature reserve planting
- Proposed nature trail
- Proposed play
- Proposed attenuation basin water body
- Proposed swale
- Proposed primary path
- Proposed secondary path
- Proposed art / sculpture
- Proposed community growing beds
- Proposed open space
- Proposed open space meadow

READ THIS FIRST

Note for Contractors
This drawing should be considered alongside the information contained in the CDMP. The information contained in this drawing is illustrative only and is not intended to be a final design. It is the responsibility of the contractor to ensure that the design is implemented in accordance with the CDMP and the relevant legislation.

Note for Workers
This drawing should be considered alongside the information contained in the CDMP. The information contained in this drawing is illustrative only and is not intended to be a final design. It is the responsibility of the contractor to ensure that the design is implemented in accordance with the CDMP and the relevant legislation.

Note for Residents
This drawing should be considered alongside the information contained in the CDMP. The information contained in this drawing is illustrative only and is not intended to be a final design. It is the responsibility of the contractor to ensure that the design is implemented in accordance with the CDMP and the relevant legislation.

LD&DESIGN

PROJECT TITLE
FRIAR PARK

DRAWING TITLE
Urban Village Illustrative Masterplan

ISSUED BY
March 2023

DATE
Jan. 2023

SCALE
1:4000

STATUS
DRAFT

DWG. NO.
7642-LDA-XX-XX-01-1101-RWB



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