

Cabinet – 16 September 2009

Strategic Partnering Arrangement: Collaboration Agreement with Walsall Housing Group – further report

Portfolio:	Councillor A Andrew, Deputy Leader and Regeneration
Service:	Regeneration
Wards:	Brownhills, Darlaston South, Bloxwich East and Blakenall
Key decision:	Yes
Forward plan:	Yes

1. Summary of report

- 1.1 The report describes and seeks approval of the arrangements for managing issues of development clawback, the preferred social housing provider, and best consideration arising from the Collaboration Agreement between the Council and Walsall Housing Group (whg). The Collaboration Agreement governs the procedural basis for joint working and delivery principles of the Strategic Partnering Arrangement (SPA) to deliver the Strategic Regeneration Framework 1 (SRF1) programme in Brownhills, Moxley and Goscote Lane Corridor. The SRF1 programme represents a fundamentally new approach by the Council and whg to delivering neighbourhood regeneration using the value of land assets to create affordable housing and wider community benefits. It aims to provide a long-term 10-15 year strategy in which the Homes and Communities Agency (HCA), through the Single Conversation, will adopt a key role in a partnership approach to investment and delivery.
- 1.2 The principle of establishing a SPA jointly with whg was approved by Cabinet in February 2009. Cabinet subsequently agreed in April 2009 to the principle of a joint venture agreement as the development model for delivery of the SRF1. Cabinet in February 2009 also agreed to receive a further report on the detailed implications of the above issues, as these matters could previously not be resolved particularly without identification and agreement on the delivery model.

2. Recommendations

Cabinet is recommended to:

- (a) Agree for Walsall Housing Group, as owner of 89% of the relevant land area, to be the preferred social housing provider within the Strategic Regeneration Framework 1 (SRF1) areas of Brownhills, Moxley and Goscote Lane Corridor, as defined by their boundaries indicated on the attached plans (**Appendix A to C**) which includes the Council's 11% land assets.
- (b) Agree to waive development clawback to reflect both the Council's and Walsall Housing Group's intention to reinvest their respective one third shares generated from the disposal of land assets in the Strategic Regeneration Framework 1 (SRF1) areas of Brownhills, Moxley and Goscote Lane Corridor back into a new and more effective delivery of community benefits, as identified by the local communities, as part of the joint venture venture.
- (c) Agree to receive a further report on the recommendations of Best Consideration once values are known following additional work on the development model around the appraisal of land values and the costs of community infrastructure.

3. Background information

- 3.1 The SRF plays a major role in the regeneration of the Borough complementing the initiatives being delivered in the Walsall Regeneration Company (WRC) area and within the strategic corridors. The SRF was agreed by Cabinet in March 2006 and the first tranche of area-based priorities was approved at Cabinet in October 2006. The SRF is being pursued jointly with whg and other key partners and is based around housing-led regeneration with the objective of securing sustainable communities. Geographically the thrust of the SRF is dominated by the key district and local centres and their surrounding neighbourhoods and Cabinet has previously agreed the first tranche of priorities as Brownhills, Willenhall, Bentley, Moxley and Goscote Lane Corridor. Framework Studies to guide regeneration have or are being prepared in these areas through extensive engagement with local communities; a process that is managed through a Project Reference Group (PRG) comprising ward Councillors, local residents and key stakeholders. The delivery of the SRF in these areas is aimed at achieving social, economic and environmental regeneration and maximising the widest community benefit. The comprehensive regeneration of these neighbourhoods is also reflected in the approach to the Transforming Learning (TL) programme which aims to link the learning transformation with a broader delivery of services by both the Council and partner organisations. The opportunities to consider co-location of a variety of services around the focus of a 'community hub' mirrors the thrust of the SRF programme to deliver community infrastructure improvements in priority areas. Correlation between the SRF and TL programmes is a powerful example of a joined-up approach to neighbourhood regeneration which will give added value to delivery programmes and help to lever additional funding from partner organisations.
- 3.2 As detailed in previous Strategic Partnering Arrangement Cabinet reports (dated 16 April 2008 and 04 February 2009) achieving comprehensive regeneration demands an innovative approach and Government has encouraged local

authorities and their partners to adopt more strategic solutions in working with the private sector particularly where significant public sector landholdings are involved, as per the 2007 Housing Green Paper, Callcutt and Barker review recommendations. Therefore, establishing a Strategic Partnering Arrangement jointly with whg is a strategic solution for delivering the SRF1 programme and regeneration in Brownhills, Moxley and Goscote Lane Corridor, as encouraged by Government. The Council and whg own major areas of land in Brownhills, Moxley and Goscote Lane Corridor equating in total to approximately 43 hectares (11% and 89% land ownership respectively) identified as being suitable to be redeveloped for housing through the Framework Studies. The Strategic Partnering Arrangement is therefore based on:

- identifying a development model and delivery partner based on the reinvestment of the values liberated from the disposal of the combined Council and whg land assets to deliver sustainable housing-led regeneration;
- long term commitment and partnership between the Council and whg;
- providing the private sector with a significant opportunity, and maximising leverage for both land owners;
- supporting local procurement and creating jobs and training opportunities for local people and businesses through the 'Think Walsall' approach.

3.3 This initiative will enable whg and the Council to deliver comprehensive regeneration; potentially including housing (private and affordable), public realm, environmental works, social and community benefits, enterprise and business support, and job opportunities. By contributing significant land assets owned by both the Council and whg to a developer partner the resulting values would be transmitted into tangible local improvements delivered in tandem with significant levels of new homes to help create sustainable mixed communities. Current economic conditions have clearly affected the programme but having agreed on the most appropriate development model and soon to commission legal advice on the preparation of the contractual framework with the eventual developer the project remains well-placed to identify a developer partner in 2010.

3.4 The HCA are keen to participate in this comprehensive regeneration programme as part of their most important business process - the Single Conversation approach. By working in an open and transparent way with local authorities, the HCA aims to become local government's best delivery partner, able to secure more and better outcomes than through a top-down, centralised approach. The term 'Single' Conversation refers to its comprehensive coverage – including the full range of housing, infrastructure, regeneration and community activities that are within its scope. The Single Conversation is an ongoing, iterative, dynamic process over time, and at any point will reflect the maturing relationship between the parties engaged. It will always be a negotiation and at its core will be a shared vision and objectives for places. The Single Conversion will enable partners to:

- Bridge location ambition and national targets;
- Achieve the shared vision through a shared investment agreement;
- Agree and secure local delivery, particularly through the Think Walsall approach;
- Achieve positive outcomes for people and places.

3.5 The HCA have prioritised Walsall as both a strategic priority and a first phase Single Conversation in the region's emerging business plan, and remain committed to providing the solution and support needed to deliver the SRF1 project. This will however depend on the speed at which the Single Conversation and the project can be progressed as the HCA do have limited budgetary headroom for investment of this scale. A strategy paper is being prepared for endorsement by the HCA's national projects board in September 2009 that will consider the Walsall Single Conversation Strategy, with the full investment plan to be subsequently approved of which the SRF1 project will form a substantial part. The preparation of both the strategy paper and the investment plan will be the HCA's most important business process with all future funding being allocated through this document. This approach was endorsed in early July 2009 when the initial Single Conversation for Walsall was endorsed and approved by HCA's regional board.

3.6 The Collaboration Agreement is key to:

- Obtaining a developer partner(s) to deliver the entire programme;
- Enshrining principles for investment/re-investment and project delivery;
- Setting out the aims and objectives of the project including the development requirements;
- Giving confidence and certainty to developers, the HCA, and Advantage West Midlands that a partnership exists between the Council and whg to deliver new development;
- Encouraging other partners to participate in this collaboration;
- Securing investment from other agencies such as HCA and AWM;
- Assisting in the deployment of land assets and distribution of community benefits;
- Securing a level of investment to comprehensively and strategically regenerate areas;
- Enabling the Council and whg to negotiate significant value and leverage out of the OJEU tender process;
- Securing strategic funding from the ERDF North Black Country Sustainable Urban Development (SUD) fund;
- Ensuring a suitable process is in place to achieve the desired community outcomes.

3.7 The Collaboration Agreement sets out the terms and principles of the regeneration partnership for the three SRF1 areas, which includes:

- Developer Selection
- Development Clawback/VIEW Fund
- Affordable Housing Provider
- Specialist Housing Provider
- S106 Agreements/Planning Obligations/Planning
- Land Value and Receipts
- Land Ownership
- Investment / Grants
- Level of Affordable Accommodation
- Comprehensive Regeneration Package

- Cross-subsidy of SRF Projects

- 3.8 Prior to the finalisation of the Collaboration Agreement it was stated in the previous Strategic Partnering Arrangement Cabinet report (dated 4th February 2009) that further consideration needed to be given to the specific issues of Best Consideration, Development Clawback and the preferred social housing provider once the most appropriate development model had been defined. Further to the Collaboration Agreement an external study was jointly commissioned and undertaken by ikon Consultancy Ltd that appraised and evaluated a range of development model options (detailed in Cabinet report 22 April 2009). The study essentially compared the benefits and drawbacks of the different options and also analysed the options against the agreed evaluation criteria and weightings provided by the Council, whg and the HCA, which was supported by workshop and interview sessions with respective colleagues. Subsequently it was concluded, and agreed in principle by Cabinet in April 2009, that a Joint Venture development agreement is the preferred development model with whg as the basis for the SRF1 programme. HBJ Gateley Wareing have recently been commissioned jointly by the Council and whg to provide further legal advice on the preparation of the Joint Venture structure and agreement, which will be subject of a future Cabinet report.
- 3.9 Based on the preferred Joint Venture development model arrangements for resolving and managing the outstanding issues of the Collaboration Agreement are detailed in the following paragraphs.
- 3.10 Preferred Social Housing Provider
- 3.10.1 The intention that whg undertake the role of preferred social housing provider on all the land (whg and council owned) within the three SRF1 areas raises procurement issues specifically on the Council's land whereby initial advice from LG Legal suggested that the preferred social housing provider, depending on the structure of the project, may need to be selected through the OJEU. However, tendering the social housing provider holds a risk. If whg were unsuccessful in the tender process for whatever reason, it would compromise the added value to meeting the Borough's housing needs through the strategic use of the Council's and whg's joint land assets. It would be highly questionable as to why whg as an RSL and majority landholder would continue to be prepared to contribute its land holdings to the SRF1 without securing the full benefits of future ownership and management of the type of social housing that whg are in existence to provide. The inclusion of additional social housing provider/s would be likely to have a detrimental effect on the speed and comprehensive ness of the development in these 3 areas. In addition the involvement of additional RSLs would be likely to make the realisation of the package of community benefits more complex and less comprehensive.
- 3.10.2 In addition to whg being the majority land contributor reasons of established and successful neighbourhood management and presence are also relevant to legitimising whg as the preferred social housing provider on all land within the three SRF1 boundary areas. There are real concerns of further fragmentation of ownership and complexity in future neighbourhood management in areas which are challenging now and will need intensive future support, even after the bricks and mortar part of the solutions are in place. The benefit of having the same

social housing provider on all the land is to enable a more comprehensive customer focussed service to all customers in the area. Also, introducing more Registered Providers (RP's) into social housing ownership does not sit well when the rationalisation of RP ownership is the thrust of government policy to overcome many of these difficulties.

3.10.3 It is also key that the Council and whg evidence a strategic approach, which has to date helped to define the nature of support from key partner agencies particularly the new Homes and Communities Agency (HCA) who are currently supportive of the project for inclusion within the HCA's Single Conversation and investment plan. The HCA's stated aim is to work with partners who have vision and who can bring significant numbers of new housing forward along with comprehensive coverage of a full range of infrastructure, regeneration and community activities; the HCA therefore clearly see the potential to realise this in Walsall through the SRF1 programme. Consequently, to lose the HCA's interest now by putting barriers in the way of delivery would appear short-sighted and lack evidence of partnership in practice in view of the benefits that the SRF1 has the high potential to deliver.

3.10.4 The arrangement for whg to be the sole affordable provider applies only to these 3 discreet priority areas of the borough where they already own the vast majority of the land included in the project. This should not prejudice Walsall's excellent established relationships with other RSL partners who will continue with developments across the Borough where these are identified as priorities for the HCA (e.g. Waterfront South). Indeed whg has a track record of complementing other RSL activity in the area where appropriate, such as the land swap in Brownhills to enable the development of the Housing 21 scheme in the heart of the SRF1 priority area. In addition, Walsall Council will still have the right to involve a separate housing provider in the three SRF1 areas where it deems this appropriate to deliver specialist housing provision, such as Extra Care, which may be required as the project progresses.

3.11 Development Clawback

3.11.1 Development Clawback applies to the difference between the value of the land sold by whg for market housing and the value of the same land for social housing purposes. Following the Large Scale Voluntary Transfer (LSVT) Agreement clawback is divided three ways; a third accruing to the Council, a third to whg and a third allocated to the Visionary Investment Enhancing Walsall fund (VIEW) for regeneration projects. Subsequently, subject to whg contributing its third, the Council will also reinvest any money generated by the clawback provisions into VIEW for regeneration projects. The Collaboration Agreement therefore identified the need to address the issue of removing development clawback, in respect of its likely impact in the three priority areas, as an invitation to the council on behalf of its commitment to its key partners whg and HCA. Subsequent advice received from LG Legal and Trowers Hamblins on behalf of the Council and whg respectively confirmed that elements of the original LSVT Agreement can be varied without voiding the original Agreement, affecting the overall structure of the Collaboration Agreement, or impairing the robustness of the project.

3.11.2 Operationally an amended development clawback mechanism that reflects both the Council's and whg's intentions to waive clawback and reinvest their

respective one third shares generated from land assets in the three SRF1 areas back into the comprehensive regeneration of those areas on a transparent, visible and accountable basis represents a simple and value for money option. This would mean that development clawback would not be received through the traditional method of the VIEW fund as previously outlined but would form part of the Joint Venture financial model and subsequently contribute to the delivery of the community infrastructure benefits in the three areas. In essence the values would remain within the project. It would be necessary to ensure visibility around the proposal to demonstrate that the partnership was effectively reinvesting funds that might otherwise be extracted from the project into maximising those community benefits. This would protect the Council's and whg's position with the usual provisos of process checks and controls being put in place. It should also be noted that given the expectation of delivering a larger proportion of affordable/social housing the proportion of clawback would be reduced in any event.

3.11.3 Alternatively, if the Council's and whg's respective thirds of the uplift from the sale of the land to the developer has to go into VIEW it will be cumbersome, overly bureaucratic and time consuming. The sequence of events would broadly be:

- valuation and assessment of each disposal by the Council;
- legal deed of release on each and every disposal prior to completion to legal completion;
- proceeds of sale to each of whg and the Council;
- each move funds to VIEW;
- process within VIEW to agree spend;
- move funds out of VIEW.

3.11.4 Every stage would be subject to accounting transaction processes, a variety of tax and accounting advice, and possible legal advice. This would add costs and may reduce the ability to deliver all the community benefits envisaged. Additionally, processes perceived as complex and cumbersome may also result in the developer partner(s) reflecting it in their price or scope of additional benefits. Therefore in the three areas with whg as the social housing delivery vehicle, and where use of funds generated by uplift from the sale of land is pre-agreed for re-investment into regeneration in the same areas (and with the specific intention of supporting additional social housing), then a route that avoids this complex, bureaucratic process of money movement is the preferred solution.

3.12 Best Consideration

3.12.1 Whilst the project will involve the delivery of mixed tenure housing there is an expectation of creating larger volumes of affordable housing than would otherwise be delivered through the normal planning process. This will have implications for the value of the Council's land in that this can reasonably be anticipated to lead to lower capital values than might be available were the land to be disposed of outside of the proposed Strategic Partnering Agreement, although this may be partially off-set by the positive benefits of offering a package of sites for development rather than small scale, individual opportunities. The negative impact of this will need to be considered in the context of the objectives of the project in delivering wider neighbourhood

regeneration. This wider regeneration lies at the heart of the project and will provide a context for consideration of the anticipated undervalues that are likely to occur. Now that a Joint Venture Agreement has been defined as the most appropriate development model for the SRF1 additional work is required that will take into account an appraisal of land values and the costs of community infrastructure; the effects on achieving Best Consideration and subsequent values will be the subject of a further report to Cabinet.

4. Resource considerations

4.0 The main purpose of this report is to seek the approval of cabinet to arrangements for managing issues of development clawback, the preferred social housing provider, and best consideration arising from the Collaboration Agreement. To provide a broader context in which these matters can be considered it may be useful to set out some of the resource implications of the project as a whole and how these have impacted to date and are likely to in the future.

4.1 Financial:

4.1.1 As detailed in the previous Strategic Partnering Arrangement Cabinet report dated 22nd April 2009, it has been identified that a Joint Venture Development Agreement may offer the benefits of a long term Strategic Partnering Arrangement without the set up and revenue costs associated with the other development model options that were previously evaluated in the study undertaken by Ikon Consultancy Ltd. Joint Venture options are understood by the private sector and may be structured to achieve tax efficiencies for example via Limited Liability Partnerships which offer transparent tax treatment of returns; further financial advice will be sought around tax efficiencies.

4.1.2 Notwithstanding the possible effects on Council land values (as previously discussed under paragraph 3.12), some of the sites would be of a lesser attraction in the market place given their location and size and current economic conditions. Therefore packaging such sites together represents the best solution to maximising their marketability. The integrity of the project, however, particularly in terms of investment from key partners, requires a momentum to be maintained. While there is recognition that land values are currently low there are mechanisms to ensure that uplift in a rising market can be captured and which will be a key element in preparing the Development Agreement with our developer partner. The timing also reflects a commitment to those communities that have an expectation of investment in the regeneration of their areas and particularly as a response to the effects of the economic downturn.

4.1.3 Given the uncertainty in the property market attempting to value the Council's land holdings at this time would be difficult and of limited value. As the scheme progresses further development appraisals will be undertaken. The Council's land equates to approximately 11% (4.73 ha.) of the total land that will form the project and largely comprises small residual sites excluded from the LSVT. The receipts arising from the disposal of Council - and indeed whg – owned land in the three areas will be essentially ring fenced and reinvested in those areas in the form of community infrastructure which will help to achieve corporate

objectives across a range of services. These details will be reported to Cabinet before the final scheme is approved.

- 4.1.4 The whg Board agreed to the preferred Joint Venture Option as the development model for the Strategic Partnering Arrangement (SPA) with the Council on 21st April 2009. Simultaneously the whg Board endorsed the principle of putting their land, equating to 89% of the land (35 hectares) within the project, into the development model at nil value for value later on in the programme. This is therefore along the same principles of the Council; forgoing a capital receipt at the beginning in order for value to be created in the overall project. Value created, calculated through an agreed formula as part of the preferred Joint Venture Option, would be used to contribute to providing affordable housing and wider community infrastructure. Whg will have to pass through a series of rigorous tests with the Charity Commissioners to achieve this. They will have to demonstrate that the overall project is within their charitable objectives and will benefit the community - not unlike the Council's requirement to demonstrate economic well being. Clearly the shared vision of whg and the Council for these areas, and the partnership created, will assist in making a robust case to the Charity Commissioners. It is to be noted that there are precedents for this arrangement between Local Authorities and Housing Associations.
- 4.1.5 There will be implications for development clawback – that is the difference in value between whg's land developed for social housing and that offered to the open market. The development clawback is currently directed through the VIEW fund for regeneration projects. Operationally an amended development clawback option that reflects both the Council's and whg's intentions to remove clawback and reinvest their respective one third shares generated from land assets in the three SPA areas back into the regeneration of those areas on a transparent and accountable basis represents a simple and value for money option. It should be noted that given the expectation of delivering a larger proportion of affordable / social housing the proportion of clawback would be reduced in any event.
- 4.1.6 Additionally, the HCA will appraise the scheme for value for money once the Single Conversation strategy paper is approved and it will be necessary to show clear outcomes from this project to justify HCA investment and a commitment from the Council to reinvest any potential receipts in the 3 areas in return. It will be important therefore, that the Council and whg are able to demonstrate to HCA that the project is progressing and is capable of showing clear synergies and phased outputs for each of the areas that complement initiatives such as Transforming Learning, health provision and reflect Local Area Agreement targets through the Local Strategic Partnership.
- 4.1.7 The costs of commissioning project management expertise from ikon and legal advice from LG legal and HBJ Gateley Wareing will be met from the existing Town, District and Local Centres capital programme on the basis that it is anticipated that the project will ultimately enhance the value of council assets.

4.2 Legal and Procurement:

- 4.2.1 Specific advice and clarity has been sought from LG Legal upon their initial comments regarding the possibility of having to run an EU procurement law exercise for the selection and appointment of the preferred Social Housing Provider. LG Legal have now confirmed that on the basis the council and whg are entering into a Joint Venture Vehicle structure and the emphasis remains that this is a land transaction, the Council does not need to procure the element of whg as Social Housing Provider.
- 4.2.2 Council officers will need to seek assurances from the legal advisers throughout the process of structuring of the Joint Venture and selection of the Developer that the Council is compliant with EU procurement law. Further, by virtue of the nature of joint appointments of legal advisers, whilst reflecting joint working good practice, it comes with the possibility of an increased risk of conflicts of interest arising. Council and whg officers together with HBJ Gateley Wareing need to agree protocols for identifying and addressing such conflicts and have arrangements in place for the taking of a separate independent legal opinion in the event of a conflict arising. Council officers have agreed with LG legal that they will be available in the event of such conflicts arising to advise on any bespoke conflict issues. LG Legal have been selected on the basis that they have previously advised the Council on the LSVT and on some of the initial stages of the Collaboration with whg.

4.3 Staffing:

- 4.3.1 The project will continue to be led, in conjunction with colleagues in Estates and Assets, Strategic Housing, Finance and Legal, and at whg and HCA, by the established SRF Team within the Regeneration Directorate. The delivery of the SRF is one of three strategic priorities for the Directorate particularly within the Development and Delivery service and staff will be deployed to support whg and the developer partner.
- 4.3.2 Since April 2008 detailed discussions with the Homes and Communities Agency have taken place. They have given support to the process proposed by the Council in the joint delivery with whg of the SRF programme and, in principle, to becoming both project and investment partners. A Steering Group involving the Council, whg and HCA has been formed to progress the project to which a number of separate work streams will report. The HCA's role as a critical partner in shaping the programme is reflected in the governance arrangements that involve them playing a key role on the Executive Board, steering group and working groups, and fundamentally through the joint working towards the Single Conversation that contributes to the strategic context for the project in their spending profile. Discussions with AWM have also taken place to begin to embed the project in future funding programmes.

5. Citizen impact

- 5.1 Through the Collaboration Agreement the Strategic Partnering Arrangement will assist in the successful delivery of:

- Major redevelopment projects in each of the areas;
- Rebalancing of tenure through an increase of owner occupation and lower proportion of social rented households;
- A significantly larger property type choice;
- Over 1,400 dwellings within the areas;
- A higher quality local environment in each area;
- Significantly improved community facilities for the area including significantly improved areas of open space.

5.2 The SPA has the potential to make significant 'inroads' into tackling issues such as:

- Worklessness (46% and 41% economically inactive in Goscote Estate and Moxley), particularly through supporting procurement and creating jobs and training opportunities for local people through Think Walsall;
- Low educational achievement (62% and 54% have no qualification in Goscote Estate and Moxley);
- Health inequalities (limiting life long illness 46% and 45% of households in Goscote Estate and Moxley);
- Disengagement particularly by younger members of the community.

5.3 By focusing on the economic and social outputs in addition to the physical and environmental regeneration the maximum positive impacts and enhanced areas for citizens of Brownhills, Moxley and Goscote Lane Corridor is anticipated through the Collaboration Agreement. In partnership with the local community and other agencies this will also lead to greater local pride and citizen involvement.

6. Community safety

6.1 The Collaboration Agreement aims to ensure that the Council and whg jointly manage and bring forward land assets within the three SRF areas the majority of which are currently vacant sites and under-used green spaces that are subjected to vandalism and related anti-social activity including littering and fly tipping. The redevelopment of such sites for a new positive use will create safe and attractive environments, which is at the heart of the SRF strategy.

6.2 New buildings and estate layouts will also offer the opportunity to incorporate Secured by Design standards and the Council's approved Design Guide to ensure that crime is designed out of new developments.

7. Environmental impact

7.1 Through the Collaboration Agreement the Strategic Regeneration Arrangement will transform the environment of the areas by redeveloping vacant sites, creating high quality new dwellings, removing eyesores and improving open spaces. Fundamentally the project aims to deliver transformational improvement to the environment of these priority neighbourhoods.

- 7.2 The chosen developer partner(s) will be expected to sign-up to the Council's Think Walsall strategy and support innovation in the delivery of the regeneration projects including creation of environmentally sustainable, low carbon communities through development models that are also environmentally friendly.

8. Performance and risk management issues

8.1 Risk:

- 8.1.1 The principle risk relates to the ability and willingness of the market to participate in a strategic development opportunity of this scale given current economic conditions and the period that will be required to restore that sufficient level of confidence. The key element of the project is the delivery of a range of community benefits alongside significant numbers of new homes in lieu of the values that the council and whg would otherwise receive for its land assets. The credibility of the project may be undermined if those community benefits are not delivered promptly. Good progress is being made on the preparatory work towards identifying a developer partner such that the project is well-placed to take advantage of an economic upturn.

8.2 Performance management:

- 8.2.1 The delivery of the SRF projects is a priority within the 2009 / 2010 Regeneration Service Plan, and managed through established performance arrangements. Technical project teams reporting to the Project Reference Groups will drive and monitor delivery of the Strategic Partnering Arrangement.
- 8.2.2 The redevelopment of large former housing areas such as the Harrowby Road, Poets and Goscote estates and the High Street / Lindon Drive area of Brownhills will make a contribution to future brown-field housing completions. The provision of the right type of new housing and affordable housing will contribute to National Indicators; 'Net additional homes provided' (NI154) and 'Number of affordable homes delivered' (NI155).
- 8.2.3 The Black Country's growth proposals have been prepared by the joint planning team drafting the Joint Core Strategy for the sub-region, including Sandwell, Dudley, Wolverhampton and Walsall. Based on the emerging Preferred Option of the Joint Core Strategy (which builds on the Spatial Strategy set out in the recently approved Regional Spatial Strategy (RSS) Phase One Revision), the Black Country Consortium is leading a sustainable Growth Programme focused on four Strategic Centres and up to 16 Regeneration Corridors. The growth programme proposes an increase of 32,850 dwellings between 2007 and 2016 - 19 per cent more than the minimum required by existing RSS. The SRF1 will therefore assist in meeting these growth point proposals.

9. Equality implications

- 9.1 The delivery of the Strategic Regeneration Framework Studies, through the development model and developer partner procurement, will bring benefits to the whole of the Brownhills, Moxley, and Goscote Lane Corridor communities. The redevelopment of sites, the enhancements to the local environment and the provision of new housing will present opportunities to engage with many sectors of the community and ensure issues of equality and accessibility are taken into account.
- 9.2 As part of the comprehensive tendering process the equality and diversity practices of the prospective developer partner(s) will be fully assessed and the appointed partner(s) will need to have demonstrated a commitment to this agenda.
- 9.3 The Council is seeking to achieve the highest possible level in the Equality Standard for Local Government. As part of this we are seeking to ensure that wherever possible our activities ensure a positive impact is made on people / communities using the 6 equality themes / strands. The companies who tender to become a developer partner(s) will be expected as a minimum to support both the Council and whg's equality and diversity policies. They will be required to highlight how their company will ensure the regeneration benefits for people based upon:
- Gender
 - Ethnicity
 - Age (i.e. young and old)
 - Sexuality / sexual orientation
 - Religion and or belief
 - Disability
- 9.4 The Collaboration Agreement covers broad strategic issues therefore it is felt that Equality Impact Assessments (EQIAs) will be undertaken in the future when these broad issues are broken down into specific delivery elements.

10. Consultation

- 10.1 The Collaboration Agreement embeds the commitment of the Strategic Partnering Arrangement project being jointly led and delivered with whg.
- 10.2 Project Reference Groups (PRG) in Moxley, Goscote Lane Corridor and Brownhills have been formed from representation from the local community, key stakeholders, and ward Members. The role of the PRGs is as an overall project steering group, who have helped appoint a consultancy team and assisted officers in developing and consulting upon the proposals within each of the Framework Studies.
- 10.3 As the Framework Studies take on a delivery agenda the role of the PRG will be important in continuing to represent local interests. Each PRG has been fully informed of the intended process of securing a strategic developer partner(s) to lead on the delivery of projects within each of the priority areas.

Background papers

- District Centres Strategic Regeneration Framework – Cabinet report 22 March 2006
- Strategic Regeneration Framework Delivery Priorities – Cabinet report 18 October 2006
- Strategic Regeneration Framework: Strategic Partnering Arrangement – Cabinet report 16 April 2008
- Strategic Partnering Arrangement: Collaboration Agreement with Walsall Housing Group – Cabinet report 04 February 2009
- Strategic Partnering Arrangement: Development Model with Walsall Housing Group – Cabinet report 22 April 2009

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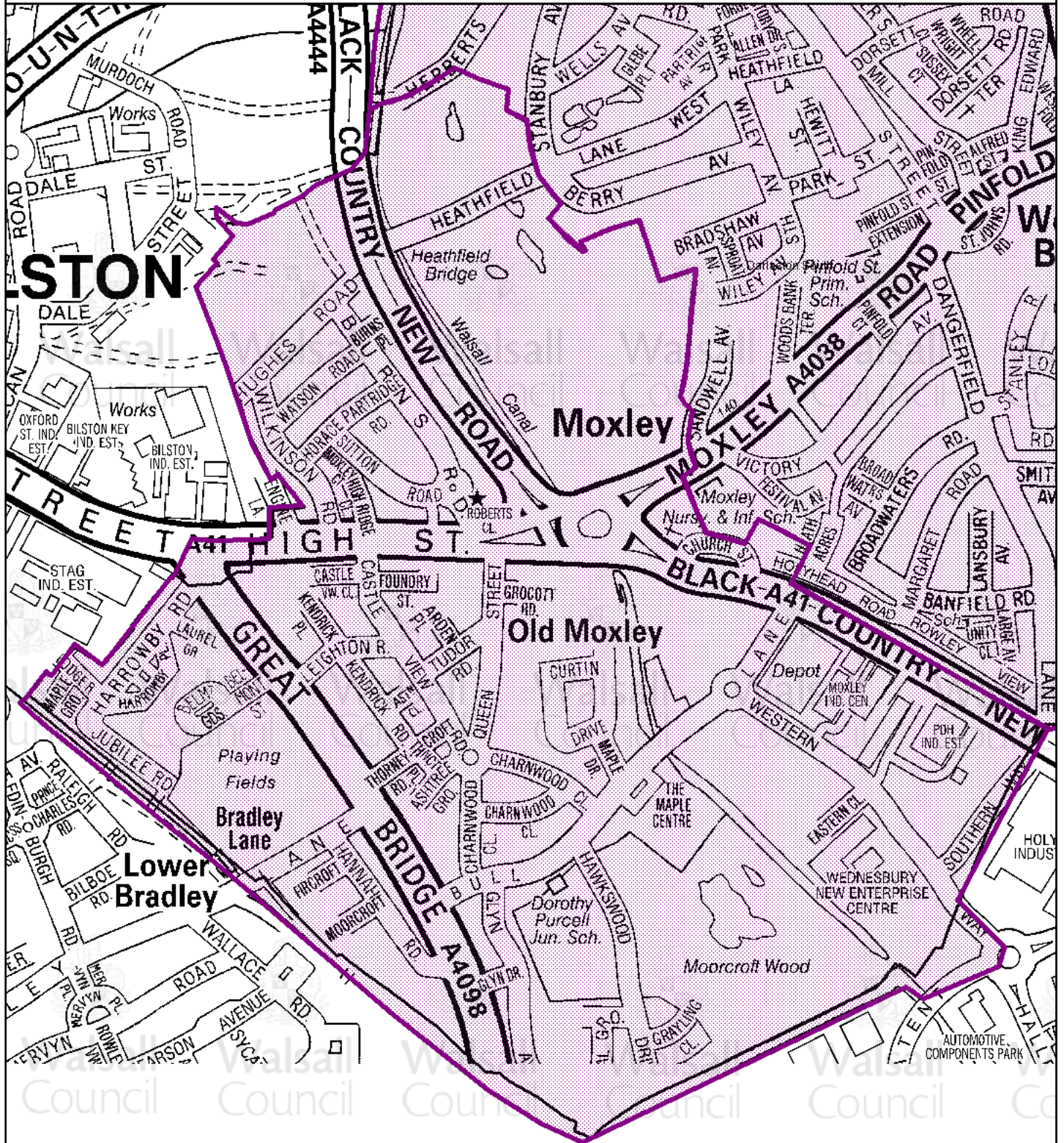
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Moxley SRF Boundary Area



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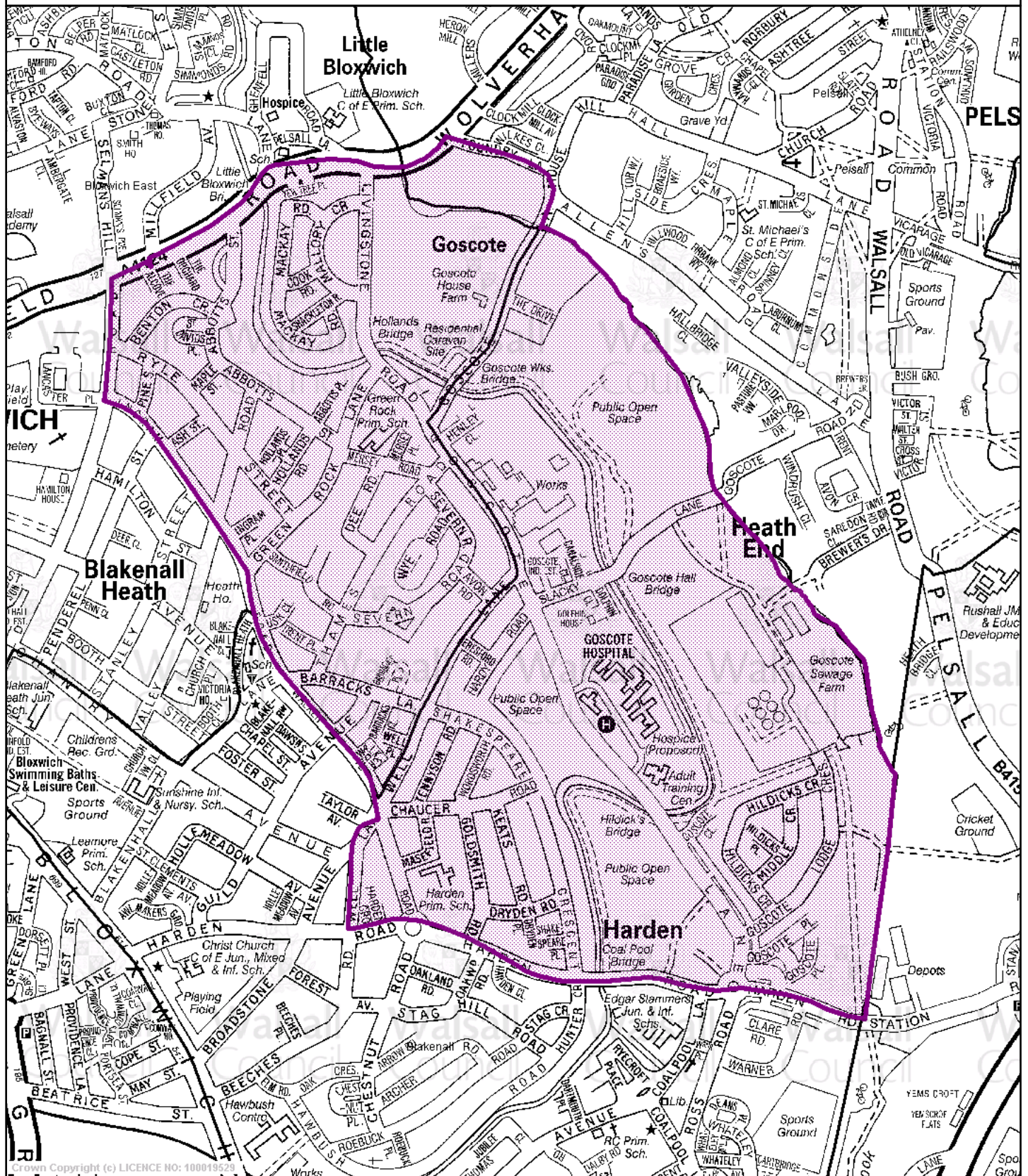
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Goscote Lane Corridor SRF Boundary Area



Walsall Council

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