

CABINET
14 DECEMBER 2017**CHURCHFIELDS URBAN VILLAGE HIGHWAY**
INFRASTRUCTURE PROJECT

Relevant Cabinet Member
Dr K A Pollock

Relevant Officer
Director of Economy and Infrastructure

Local Members
Mr N Desmond
Mrs M Rayner

Recommendation

- 1. The Cabinet Member with Responsibility for Economy and Infrastructure recommends that Cabinet:**
 - (a) approves the implementation of Churchfields Urban Village Highway Infrastructure ("Churchfields") Project in accordance with this report and as shown in the attached plan (Appendix A) subject to the confirmation of planning permission and surety of funding;**
 - (b) approves the submission of a planning application for Churchfields Urban Village Highway Infrastructure Project and applications for other relevant consents, including those relating to environment and utilities by the Council or by the relevant successful contractor as agent for the Council as Highway Authority;**
 - (c) supports the commencement of a public engagement and stakeholder management exercise by Wyre Forest District Council (WFDC) with support from Worcestershire County Council;**
 - (d) approves the acquisition of all the land required for the scheme, as shown on the red line plan (Appendix B), and delegates authority to the Director of Economy and Infrastructure, in consultation with the Cabinet Member with Responsibility for Economy and Infrastructure, to agree any necessary changes to the red line plan and land or rights to be acquired;**
 - (e) delegates authority to the Director of Economy and Infrastructure, in consultation with Cabinet Member with Responsibility for Economy and Infrastructure, to finalise and to award the contract and other necessary agreements for the delivery of the scheme, subject to funding being secured;**

- (f) notes the planned funding sources for the scheme and supports the work required to secure the funding noting that no funding is required from Worcestershire County Council;**
- (g) recommends to Council the addition of £5.7M to the Capital Programme with £1.3M being provisionally secured through Worcestershire Local Enterprise Partnership (LEP) and developer contribution, with the balance to be secured by Wyre Forest District Council through additional Greater Birmingham and Solihull LEP funding and/or Housing Infrastructure funding, for the purpose of completing the Churchfields scheme; and**
- (h) supports the engagement with developer KPI and its tenant CMS to look at relocation options before demolition of the building at the end of the lease.**

Why are these decisions important?

2. As one of the fastest growing economies in the country, Worcestershire is truly open for business. Record investment is happening in road and rail infrastructure, unlocking key employment sites and providing vital congestion busting schemes in times of rapidly increasing housing needs. The Government's drive is to deliver more housing projects and this scheme helps to unlock at least 275 new homes. Funding through Homes and Communities Agency (HCA) Housing Infrastructure Fund (HIF) and GBSLEP is available to assist in infrastructure projects associated with the delivery of new homes.

3. The Council and Wyre Forest District Council (WFDC) have deployed resources available to progress the Churchfields Urban Village Highway Infrastructure scheme. Approval of the recommendations will enable the scheme to progress to the best advantage of the Council and with appropriate safeguards in terms of financial control.

Background

4. This project relates to Churchfields, a strategically important residential development, located to the north of Kidderminster town centre. The area is allocated in the adopted Development Plan (Kidderminster Central Area Action Plan) and subject to a separate Supplementary Planning Document – Churchfields Masterplan – adopted by Wyre Forest District Council in 2012.

5. Following the launch of the ReWyre Initiative, the Homes and Communities Agency (HCA) recognised Churchfields as one of a limited number of priority housing locations in the West Midlands. The aim is to recreate a residential community around a host of existing and new community assets.

6. The project seeks to deliver improved access to the "Churchfields Masterplan" area in order to unlock significant housing-led development. It would facilitate the delivery of over 275 dwellings. These homes, forming parts of Phases 2 and 3 of the housing-led urban village masterplan, cannot be progressed without the highway improvements this project would deliver.

7. The purpose of the project is to increase capacity on the highway network to enable the redevelopment of the Churchfields area and provide an improvement scheme for Blackwell Street which improves the air quality within the designated Air Quality

Management Area. This in turn enables the potential to regenerate Horsefair Local Centre in line with the Adopted Masterplan and the emerging Local Plan Review.

8. Specifically the scheme would provide:

- A significant enhancement to the A456 roundabout at Blackwell Street
- A new T- junction providing a new access point to Churchfields from the ring road
- Creation of a new link road linking the A456 ring road to the development area
- Creation of a one way system on Blackwell Street, improving pedestrian experience and addressing air quality issues within a designated AQMA, and
- Provision of new pedestrian and cycle crossing points to link across the ring road to the town centre.

9. Further details are set out in the Outline Business Case (OBC) in Appendix C, approved by Greater Birmingham and Solihull Local Enterprise Partnership (GBSLEP) on 8 August 2017.

9. Once delivered, the scheme would help enable delivery of:

- Over 275 new homes within the overall vision of the Churchfields Masterplan
- Additional retail expenditure and increased utilisation of retail accommodation
- 21 gross Full Time Equivalent (FTE) jobs in the retail industry
- A Gross Value Added (GVA) uplift, associated with the creation of retail jobs
- Air quality improvements to help meet European Objective levels
- Improved pedestrian experience
- Improvements to the environment, townscape and sense of place
- Improvements to the local network which has capacity constraints due to the earlier delivery of 95 new dwellings as part of Phase 1.

Business Case and Funding

10. The County Council completed and submitted an Outline Business Case to GBSLEP in March 2017. The overall cost of the scheme is estimated at £5.7M with the following funding breakdown:

- £4.4M from GBSLEP and Homes and Communities Agency (HCA)
- £1.0M WLEP, and
- £324k – S106 contribution from Phase 1 of the scheme.

11. Full funding for the scheme is yet to be secured with £4.4M required from GBSLEP and/or HCA. Worcestershire County Council will support Wyre Forest District Council to identify opportunities to secure the required funding. WFDC has an extant bid with GBSLEP through Local Growth Fund 3 (LGF3) that is currently being developed through the business case. In the meantime funding is being sought from the recent Housing Infrastructure Fund (HIF). Failure to secure the required funding will require further decisions regarding progress of this scheme

12. In September 2017 Wyre Forest District Council submitted a funding bid to the Housing Infrastructure Fund for £2.7M.

13. There is no financial contribution committed from the County Council to deliver this scheme. Any contingent funding risk will rest with the scheme promoter, which in this case is Wyre Forest District Council.

14. GBSLEP, in August 2017, asked the County Council to submit a draft of the Final Business Case. The OBC (see Appendix C) concludes that the economic case is sound and represents high value for money.

Programme

15. In order to be able to complete the scheme by Spring 2020, adherence to the following timeline is critical:

- Determine Delivery Strategy – Autumn 2017 (complete)
- Draft Final Business Case submitted March 2018
- Secure funding Spring 2018
- Contractor appointed Spring 2018
- Secure Planning Permission by Summer 2018
- Detailed Design by Summer 2018
- Construction Starts Spring 2019, and
- Construction Completion Spring 2020.

Legal, Financial and HR Implications

16. Wyre Forest District Council has been in positive dialogue with the owners of the land to be redeveloped, Kidderminster Property Investments (KPI), for a number of years and continues to engage positively with them. KPI has confirmed its intent to bring the residential development forward as soon as the highway capacity can be increased. The timescales detailed in paragraph 16 depend on the land being made available for development.

17. As referenced earlier, at this time the full funding for the scheme is not secured leaving a potential funding gap. The County Council will support Wyre Forest District Council to progress opportunities to secure the required funding. There is no financial contribution committed from the County Council to deliver this scheme. Should the required funding not be secured, further decisions will be required regarding progress of this scheme.

18. Whilst recognising the project is to be funded by other parties, as the project is being delivered by the County Council an addition of £5.7M to the Capital Programme is required.

19. The intention is to use the term contract for infrastructure engineering works for delivery of the scheme. Procurement of this framework is underway (see the Cabinet decision on 2 November 2017).

Privacy and Public Health Impact Assessments

20. The environmental assessment and consultation process are in the early stages for the scheme. Social assessments will also have to be undertaken to support the development of the scheme.

21. Health implications of the scheme will be identified by assessing changes in the opportunities for increased physical activity through cycling and walking. In addition, we will work with Worcestershire Regulatory Services to deliver improved air quality in what is currently an Air Quality Management Area.

Equality and Diversity Implications

22. An Equality Relevance Screening will be undertaken within the next few months.

Supporting Information

- Appendix A: Scheme Location
- Appendix B: Redline Plan
- Appendix C: Churchfields Urban Village Highway Infrastructure Project Outline Business Case, March 2017 – available electronically only
- Churchfields Masterplan:
<http://www.wyreforestdc.gov.uk/media/105872/Churchfields-Master-Plan-FINAL-reduced-Adoption-.pdf>

Contact Points

County Council Contact Points

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Background Papers

In the opinion of the proper officer (in this case the Director of Economy and Infrastructure) the following are the background papers relating to the subject matter of this report:

Agenda and background papers for the meeting of the Cabinet held on 2 November 2017