



HOUSING COMMITTEE

Thursday, 26 November 2020

REPORT TITLE:	NORTHBANK HOUSING INFRASTRUCTURE FUND
REPORT OF:	DIRECTOR OF REGENERATION AND PLACE

REPORT SUMMARY

The purpose of this report is to update Members on the progress made on bringing forward brownfield land for residential development at Wirral Waters Northbank site with the support of Housing Infrastructure Funding (HIF) grant from Homes England.

It also provides an update on the forthcoming Strategic Housing Infrastructure Fund (SHIF) announced by Government in March 2020. It sets out actions being taken to ensure that the Council, in working with the Liverpool City Region Combined Authority (LCR), is well placed to secure potential SHIF funding once the details of the funding are confirmed.

This matter affects all Wards within the Borough.

This report is not a key decision.

RECOMMENDATIONS

The Housing Committee is recommended to:

1. Note the progress to date in delivering the Housing Infrastructure Funded activity at the Wirral Waters Northbank site in order to bring forward the agreed number of homes. This supports the delivery of the Wirral Plan 2025 strategic ambitions, specifically with regards to driving forward the 'Inclusive Economy' theme, which seeks to generate inclusive and sustainable growth.
2. In addition, note the opportunities for future Strategic Housing Infrastructure grant (SHIF) and set out the actions being taken to secure this funding in support of wider housing delivery targets.

SUPPORTING INFORMATION

1.0 REASONS FOR RECOMMENDATIONS

- 1.1 The report provides an update to Members on the background to the HIF funding awarded to Wirral and on the current progress of works undertaken in support of the delivery of the first phase of residential development at Wirral Waters. This is in line with the recommendations agreed by Cabinet on the 25th March 2019.
- 1.2 In addition, it outlines future funding opportunities in support of key regeneration opportunities in line with the emerging Local Plan.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 As the purpose of this report is to update Members, there are no alternative options identified.

3.0 BACKGROUND INFORMATION

- 3.1 Wirral Waters is one of the largest regeneration projects in the UK, focused on transforming the semi-derelict Birkenhead dock system. A mixed use, sustainable development, the scheme has the potential to create up to 20,000 jobs. Housing is a key feature of Wirral Waters, with outline planning permission in place for up to 13,500 units to be developed over the next 25 years. Government Enterprise Zone status was secured in 2011 and the area was awarded Housing Zone status in 2017 – recognising the opportunity for housing growth within the scheme.
- 3.2 Wirral Waters is one of a number of regeneration areas identified in the emerging Birkenhead 2040 Framework (BRF) which will provide the overall strategy for the regeneration of the Birkenhead urban area and set a spatial and infrastructure context for the delivery of strategic development and investment. The BRF will form a key component of the emerging Wirral Local Plan evidence base. It is also being developed in the context of the Council's declaration of an environmental and climate change emergency and the strategy aims will be considered as the development progresses.
- 3.3 In November 2017, Wirral Council submitted a bid to central Government for £6,004,160 to the Housing Infrastructure Fund (HIF) programme, to support housing development in Wirral Waters. Wirral Waters was the only scheme within Wirral that met the HIF programme criteria. The process was highly competitive as the programme was heavily oversubscribed but following a lengthy due diligence process by Homes England the bid from Wirral Council was formally approved in February 2019 and Cabinet agreed to accept the grant on the 25th March 2019. This was the only scheme within the Liverpool City Region which secured support.
- 3.3 The grant from the Housing Infrastructure Fund was to enable the delivery of a package of infrastructure works including land remediation, public realm works, and

utilities provision. Delivery of these works will enable the delivery of 1106 residential units at Wirral Waters including the Urban Splash/Peel development, the Belong Care Village, and the Wirral Waters One (Legacy) project. Through the delivery of a significant and successful first phase of development, it is anticipated that a new housing market will be developed, with confidence and momentum which will unlock further residential and commercial development in Wirral Waters and add to the creation of a new community within the dockland area. The area boundary included within the HIF grant is attached as Appendix 1.

- 3.4 HIF grants from Homes England can only be offered to local authorities, though it is recognised that in many cases (as in this one), the Council will then enter into an agreement with a private sector landowner to enable the transfer of funding to them. In this case, the landowner was Peel Holdings and the Council entered into a Grant Funding Agreement with Peel Land and Property to pass on the funding in support of the development.
- 3.5 The three residential developments at Wirral Waters will together result in some 1,106 residential units being delivered on brownfield vacant land. Details of the three schemes are set out below: -
- **Wirral Waters One (Legacy)** – 500 one and two bedroom apartments including 20% affordable units which are being delivered in a Joint Venture partnership between Peel Land and Property and Wirral Council. The anticipated start date for construction is Q1 2021 with completion estimated Q4 2023.
 - **Urban Splash/Peel Joint Venture** – 347 modular homes. Construction is due to commence in early 2021 of the first 30 modern family 2 and 3 storey townhouses which are available for sale. These homes are designed to be flexible. All the internal walls can be adjusted enabling purchasers to choose whether they want open plan, to add an extra bedroom, include a home office or create a self-contained space for extended family.
 - **Belong Village** – Belong Wirral will provide leading dementia care and accommodation for over 100 people. Each resident will have access to 24-hour care and nursing support in extended family-sized households and independent living apartments. Alongside this, Belong Wirral will offer residents and the general public a range of facilities designed to promote maximum engagement with local communities. The complex includes housing options to cater for a spectrum of abilities, including 34 one and two-bedroom apartments for independent living, together with units providing 24-hour support, including nursing and dementia care.

Current position

- 3.6 Since the grant has been in place, works have progressed to remediate the land with these works now being completed on target despite the challenging circumstances of managing the works during the Covid emergency and national lockdown.
- 3.7 A contractor has recently been appointed to undertake public realm works to create a waterfront boulevard and two public squares. There has been a short delay in the

appointment caused by the Covid emergency and a shortage of available materials. It is anticipated however that works will commence in January 2021.

- 3.8 The grant is available for claim in two tranches subject to a number of pre conditions and the first tranche is now being drawn down. Discussions are ongoing with Homes England to satisfy the conditions to allow draw down of tranche two which will support the remaining works to provide servicing and connections to support the development parcels.

Strategic Housing Infrastructure Fund

- 3.9 In terms of future funding opportunities the announcement by government of a follow up Housing Infrastructure Fund programme in March 2020 has allowed the LCR partners to prepare for bidding on key strategic sites. At this stage the amount of potential funding has not been confirmed.
- 3.10 A housing pipeline and extensive consultation was used to identify 30 potential sites across the City Region for future SHIF funding which included sites in Wirral that reflect key regeneration opportunities in line with the emerging Local Plan. The basis on which a SHIF programme could run is increasingly fluid and recent discussions with Homes England have confirmed that the government has made no decisions yet. Work will continue with the LCR to explore opportunities and to ensure that the Council is positioned to take advantage of any future funding.

4.0 FINANCIAL IMPLICATIONS

- 4.1 The HIF funding is being drawn down from Homes England in accordance with the terms of the Grant Funding Agreement. This is on target and the process is subject to strict and regular monitoring by Homes England. Details are also reported as part of the Councils Capital reporting process.
- 4.2 Any future financial implications arising from SHIF funding applications for schemes in Wirral will be subject to further detailed reporting.

5.0 LEGAL IMPLICATIONS

- 5.1 The grant was subject to a number of conditions and is subject to ongoing monitoring reports to Homes England. The grant conditions were previously reported to Cabinet in the report dated the 25th March 2019.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 The management of the grant is subject to an ongoing collaborative working arrangement with Peel and Homes England and is largely delivered within the Regeneration and Place Directorate using existing staff resources but does also requires some resource from Legal and Finance teams.

7.0 RELEVANT RISKS

- 7.1 The risks arising from the acceptance of the grant were set out in the report to Cabinet on the 25th March 2019. An updated position in respect of these risks is set out.

Risk	Mitigation/Update
Failure to secure planning permission for the scheme	This is a low risk because outline planning permission has already been secured. Detailed planning consent for a number of the schemes has been achieved.
Failure to deliver the scheme or meet the milestones/timescales agreed with Home England (HE) which could result in claw back of the grant from HE	A delivery group is in place to ensure oversight and progress on the schemes. Conditions from HE relating to spend requirements/milestones are subject to regular monitoring.
Cost overrun	Detailed design work has already been conducted. Cost overruns will be borne by Peel under the terms of the funding agreement.
Supply chain issues	Use of an experienced developer, the use of modular construction, and monitoring and governance arrangements for the work programme will enable corrective action to be taken if appropriate.
Ground conditions	Site remediation works now complete as part of the works.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 Consultation has taken place on the planning application for Wirral Waters One and will take place as part of further detailed planning applications that will be submitted to the Council.

9.0 EQUALITY IMPLICATIONS

- 9.1 Wirral Council has a legal requirement to make sure its policies, and the way it carries out its work, do not discriminate against anyone.
- 9.2 An EIA was carried out as part of the Wirral Growth Plan for the report that was agreed by Cabinet on the 25th March 2019 and this is still relevant.
<https://www.wirral.gov.uk/communities-and-neighbourhoods/equality-impact-assessments/equality-impact-assessments-2017/busine-0>

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 The residential development being enabled at Northbank, Wirral Waters will include use of modern methods of construction and development of modular homes designed to be highly energy efficient as well as homes of traditional construction using materials that are selected for their long-term durability, low maintenance and aesthetic appearance. The Northbank project is inherently sustainable in that it has strong environmental credentials in being a brownfield location close to Birkenhead town centre. The land has undergone remediation to enable it to be re-purposed for much needed modern homes built to the high environmental standards. The overall development of Wirral Waters will be firmly integrated into the existing and improved cycle and pedestrian networks, it will also benefit from a large-scale tree planting scheme backed by a grant. The trees will help to improve health and wellbeing, as well as play a crucial role in the fight against climate change.

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APPENDICES

Appendix 1 – HIF Site Area Plan - showing two plots of land to the southwest side of the A5139 Dock Road, Birkenhead. The plot to the west is 3.91 hectares (9.68acres) and the plot to the east is 2.23 hectares (5.52 acres). Both plots face onto the dockside to the south.

BACKGROUND PAPERS

Cabinet Report 25th March 2019

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Cabinet	25 th March 2019