

**MINUTES OF THE MEETING OF THE LAND AND ASSETS BOARD
HELD ON FRIDAY, 14 JULY 2017 AT TRINITY ROOM, CITY EXCHANGE, LEEDS**

Present:

Councillor Tim Swift (Chair)	Calderdale Council
Councillor Richard Foster	Craven District Council
Councillor Susan Hinchcliffe	Bradford Council
Councillor Richard Lewis	Leeds City Council
Councillor Peter McBride	Kirklees Council
Rob Pearson	Homes & Communities Agency
Jacqui Gedman	Kirklees Council
Rob Norreys	WYCA
Judith Furlonger	WYCA
Colin Blackburn	WYCA
Joe McTigue	WYCA (item 7 only)
Farzana Chowdhury	WYCA

1. Apologies for Absence

Apologies for absence were received from Roger Marsh, and Councillor D Carr.

2. Minutes of the Strategic Land and Assets Board held on 13 April 2017

Minutes of the Land and Assets Board held on 13 April 2017 were agreed as a correct record of the meeting.

3. Changes to the governance arrangements for the Strategic Land and Assets Board and for LEP Panels

The purpose of this report was to inform Board members about changes to the governance arrangements for the Strategic Land and Assets Board and for LEP Panels, which will come into effect from 1 September 2017, having been approved by West Yorkshire Combined Authority (WYCA) at its Annual Meeting on 29 June, and to provide an opportunity for Board members to seek clarification or ask questions in relation to the changes proposed.

The reason for the changes was to streamline the process and increase transparency and to ensure the private sector was included consistently across all aspects of city region policy making and implementation. WYCA agreed that the name of the Board be changed to the Land and Assets Panel and for it to be a formal advisory committee to WYCA.

From 1st September 2017 the Enterprise Zones (EZ) programme shall fall thin the remit of this Board with the Strategic Oversight Board leading on their proposed recommendations on the EZ Programme shall report to the Land And Assets Panel.

Resolved:

- i. That the Board noted the report and;
- ii. That a new member's induction seminar will take place on the 31st of July it to which Board members are invited.

4. Accelerating Development - Strategic Resources Support

The purpose of this report was for the board to support development of a proposition from WYCA on behalf of partners, to be submitted to DCLG requesting additional LCR strategic resources to support delivery of an agreed LCR pipeline of sites. At this stage the agreed priorities were largely housing related delivery for those local authorities which required further additional support to accelerate pipeline projects and development. The need for additional support is required to support and implement the LCR Housing Policy Position Statement approved by the Combined Authority on the 6 April 2017.

The latest position developing an emerging pipeline was presented to the board which would provide up to 18,000 new homes, and require infrastructure investment of up to £100m to deliver starts on site within the next 1-5 years. However delivery is dependent on additional pre-development and capital build investment being made available to accelerate delivery. Of these sites, 11 have planning approval, 23 are in local authority ownership, 13 are in private ownership and 1 site was owned by central government.

During the discussions the board noted that there was a need to understand the scale of resource funding required to deliver priority sites and work was in progress with the support from the Directors Of Development, to present a focused package for discussion with DCLG.

Recent launch of the Housing Infrastructure Fund (HIF) now required a twin tracking of the conversation required with the DCLG and preparation of the HIF. There would be two elements of the HIF: bids between 1-10 million Local Authorities can submit for projects which can be quickly unlocked by infrastructure, and over 10 million up to £250 million for large strategic infrastructure projects which higher tier authorities will bid for and coordinate. Work to be ongoing over the months of August and September with a final date for submission on 28 September 2017.

The officer group would work with Chief Exec lead for Housing Jacqui Gedman, and Naz Parkar housing lead for Directors of Development.

Resolved:

- i. That the report be noted;

- ii. That the development of a City Region Housing Prospectus be proposed;
- iii. That WYCA to enter discussions with DCLG on the emerging package of deliverable schemes and the resources required to deliver them;
- iv. That the Prospectus and pipeline be used as the basis for developing submissions to DCLGs Housing Infrastructure Fund;
- v. That the Housing Infrastructure Fund opportunity be noted, and that WYCA officers in liaison with the City Region Chief Executive Lead for Housing and Planning, local authority partners and the HCA, prepare a Housing Infrastructure Fund Forward Funding submission for delegated sign off by the Managing Director and appropriate WYCA / LEP processes.
- vi. That a further report be brought back to the Board to consider the emerging package of schemes and update on the HIF bid by email in September prior to the final bid being submitted on 28th September.
- vii. That a workshop be set up with Directors of Development to explore new ways of working across the LCR on the housing and regeneration agenda and to potentially include a presentation from Wakefield based Bridge Homes.

5. Homes and Communities Agency (HCA) Update

The purpose of this update was to inform the Board on the Homes & Communities Agency programmes and other issues. The HCA had gone through re-organisation and the new structure was shown on page 9 of the report.

Rob Pearson informed the Board that the new Chief Executive, Nick Walkley was appointed in March 17 and the HCA will relaunch in the autumn as **Homes England** and work was underway to develop the new organisation, its brand, culture and values. The focus would be on delivering more new homes faster, working with places that support growth, developing new partnerships and models of delivery . The HCA will organise programmes thematically, rather than in geographical teams, across an operating area of the North East, Yorkshire and the Humber.

The HCA continues to promote Continuous Market Engagement (CME) for programmes, and currently have significant resources available for allocation. The HCA welcome bids for Affordable Rent (including specialist housing), Shared Ownership and Rent to Buy. Work was underway with partners to bring forward schemes in current programmes, and to firm up the significant level of indicative allocation that remained to be delivered. A key focus of the joint work with the LA's and WYCA was to identify a pipeline of sites and opportunities for the delivery of new homes.

Accelerated Construction – currently bringing HCA owned sites to market in accordance with an emerging model of contracting using framework partners, which seeks to drive up the pace of delivery by sharing risk with partners. None of these current sites were in LCR however HCA land at Glasshoughton and Wealstun would

be in the next tranche later in the year. Expressions of interest for accelerated construction submitted by LAs earlier this year were still being considered post election. HCA would be in contact with LAs about specific sites in the near future.

Public Land – work continued to take forward housing delivery on sites transferred from other Government departments and also those acquired by the Agency. In March this year HCA acquired landholdings at York Central and were continuing to progress other government department sites in Halifax, Wakefield and Leeds.

Housing Infrastructure Fund - This is newly launched government capital grant programme of up to £2.3bn which aims to deliver up to 100,000 new homes in England. Funding would be awarded to local authorities including combined authorities providing grant funding for new infrastructure that would unlock new homes. The fund provides:

- **Marginal Viability funding** for sites which were being held back because the cost of putting in the infrastructure and opening up the site was too great. Bids for this funding can be up to £10m
- **Forward Funding** would allow a small number of significant growth opportunities which were a high strategic priority and also high impact infrastructure schemes were to be delivered, providing market confidence to future investment and making more land available for development. Bids for this funding was up to £250m

Business cases and expressions of interest for both these funds need to be submitted by the end of September. Talks are taking between all LA's and WYCA on how this funding could unlock housing growth priorities.

Resolved: That the update be noted.

6. Leeds City Region Enterprise Zones Programme Update

The purpose of this report was to provide the Board with progress with the LCR Enterprise Zones (EZ) Programme and sought endorsement of the proposed approach for future LCR EZ programme updates to the Board.

West Yorkshire Combined Authority (WYCA) is responsible for two Enterprise Zones which comprised of ten sites.

The Leeds City Region EZ (Phase 1) (142 hectares) was originally an undeveloped mix of greenfield and brownfield land. However, most of the EZ was now either been built out or development plots had been established via the planning and development process. This EZ offers a development pipeline of approximately 420,000 sq m (4.5 million sq ft) of employment floor space and aims to deliver 9,500 jobs once fully developed across the four principal locations of Newmarket Lane, Thornes Farm, Logic Leeds and Gateway45 (Temple Green).

The nine Phase 2 EZ sites cover approximately 90 hectares and also comprise a mixture of greenfield and brownfield land within the districts of Bradford, Calderdale, Kirklees and Wakefield. Occupier incentives for these sites commenced from 1 April 2017. The sites are at varying stages in the development process. These locations are a priority for WYCA/LEP activity and consideration was initially being given to understanding where support for site remediation, capital infrastructure and floor space delivery is needed to accelerate development of the sites.

The board also discussed the following issues which included the following points:

- Expectations from government that parties to the overarching MoU for Phase 2 EZ's work together effectively through an EZ governance group (Fig 1 in the report)
- There is the possibility of looking into the ESIF/SUD to obtain some match funding
- Lessons need to be learned from disposal of sites it was crucial to adhere to the timescales and look into business rates as these are an issue for land owners
- It was suggested to look at sites and use them as case studies to determine a positive outcome and do the groundwork.
- The option of acquiring sites, should this be the best way forwards for accelerating site development.

It was agreed that the EZ Programme would be a standing item on future agendas.

Resolved: The Board note the content of this report and the programme update; and

- i. That the proposed approach for the LCR EZ programme to be a standing item on the Board agenda be agreed.
- ii. That a paper on business rates and how this impacts on EZ sites be prepared for a future meeting.
- iii. That a policy paper on 'RAG ratings' for pipeline schemes be prepared for a future meeting'.
- iv. That the option of acquiring EZ sites should be considered if necessary to accelerate site development, be supported in principal.

7. Leeds City Region Housing Market Monitoring - Spring 2017

Joe McTigue gave a presentation updating the board on the latest annual analysis of the national and Leeds City Region housing market and housing delivery information. It included an in depth examination of the latest key indicators of the:

- housing market and affordability
- supply of housing
- demand for housing
- economy and local levels of deprivation

Average house prices were continuing to increase nationally, although have levelled off to an extent in recent months. All English regions are now seeing growth: strongly

in the South East, the East and in London, although more slowly in the North. The latest national average price was £216,000.

GDP growth has been more muted and slowed to 0.3% in the first quarter of 2017. At the same time, wage growth had also slowed, and had recently been overtaken by inflation levels. This had further implications for affordability.

The total stock of dwellings in the LCR was approximately 1.3 million houses. This had increased by 80,000 houses in the last decade, an increase of 6%. The rate of growth had slowed post 2008.

During the discussions the Board suggested that further work be undertaken on land values and in particular low values areas, as this was an underlying issue in the city region. It was also suggested that in terms of stalled sites, statistics would be useful in order to try and address a policy response to owner/developer land banking issues.

Resolved:

- i. That the board noted the presentation and;
- ii. That the board receive a report on land values at a future meeting.

8. Leeds City Region - 12 Month Housing Work Programme

Judith Furlonger presented the draft 12 month work programme to deliver the activities in the city region Housing Policy Position Statement. The purpose of the report was to present the final Leeds City Region Housing Policy Position Statement.

Resolved:

- i. That the agreed final LCR Housing Policy Position Statement (Appendix 1) be noted.
- ii. That the 12 month work programme be agreed.
- iii. That the work programme forms a standing item on future agendas

9. One Public Estate (OPE) Board Update

The purpose of the report was to provide the Board with an update on the partnership's progress with the delivery of the One Public Estate programme (OPE) Phase 4 and Phase 5 schemes and to seek views on the outline proposals for a Phase 6 funding bid.

The emerging thoughts on the Themes for a Phase 6 WYCA bid were a package of projects including:

- Service Transformation and Co-location – eg. of Health, Local Authority and 'blue light' services (particularly in new local authority districts which may join the WYCA programme);
- Housing and regeneration schemes on public land; and

- Reuse of town centre buildings been made vacant by public sector rationalisation.

It was also noted that positive discussions were ongoing with Harrogate, Selby and Craven authorities on joining the WYCA OPE programme. The minutes of the One public Estate group held 22 June 2017 were attached for information purpose only

Resolved

- i. That the contents of the report be noted.
- ii. That a Phase 6 submission be prepared in line with the projects set out in paragraph 6.2.
- iii. That the Chair in liaison with the City Region Chief Executive Lead for Housing and Planning and the WYCA Managing Director agree the final submission for endorsement and submission by the WYCA by the submission deadline.
- iv. That the minutes of the OPE board be noted.

10. Leeds City Region Redundant Mills - Feasibility and Investment Framework

The purpose of the report was to update the Board on the award of a commission to undertake a feasibility and investment framework for underused and redundant mills buildings in West Yorkshire in partnership with historic England.

Resolved:

- i. That the report be noted;
- ii. That the joint work with Historic England be welcomed;
- iii. That the draft proposals be reported to a future meeting for consideration by the Board.

11. Housing White Paper - LCR Response: DCLG Planning and Affordable Housing, Build to Rent Consultations on Proposals

This was an ‘information item’ to update the board on the Housing White Paper, and on the LCR response to the Department of Communities and Local Government consultation paper proposals.

Resolved: That response letter and update be noted.

12. Any Other Business

The Chair and the board gave their gratitude and thanks to Colin Blackburn for his contribution and work to the Board. He announced that he shall be leaving the authority in September to take up a new post at Sheffield City Region Combined Authority. The Chair and Board wished him all the best for the future.

13. Date of Next Meeting

13 October 2017, 13:00 to 15:00 Trinity Room, City Exchange, Leeds.