

Appendix 2

PROJECT INITIATION DOCUMENT			
Project Title:	Druids Heath Investment Options Strategy	Project Code:	Site ID 45
Project Manager	Claire Edwards	Project Sponsor	Clive Skidmore
Links to Corporate Priorities			
<ul style="list-style-type: none"> • Birmingham Development Plan • Council Business Plan and Budget 2016+ • Housing Prospectus 2015 • Intelligence, Strategy and Prioritisation Data 			
Project Background	<p>Druids Heath has been identified in the Birmingham Development Plan as an area that requires significant investment. There is a real need to improve the “quality of place” and address a number of issues in the area;</p> <ul style="list-style-type: none"> • Some properties that require capital investment • High concentration of Large Panel System Blocks (LPS) high rise blocks (15 out of 49 across the City are in Druids Heath). • Anti-social behaviour particularly around the high rise blocks • Low levels of owner occupation • Housing overcrowding and under occupation in houses • Future provision for the large elderly community • Isolated poorly connected neighbourhoods and local facilities • Below average levels of economic activity • Poor Layout of the various residential neighbourhoods • Poor quality of the public realm generally and public open space and play • Poor quality and overall character of Bells Lane • Addressing fuel poverty which is particularly relevant in the un-improved LPS tower blocks • Developing a complementary mix of existing and new uses across the estate tackling transport, housing, businesses and recreation • Increasing connectivity both within the estate but also considering how this would be improved in the context of a growth agenda in the wider Maypole area 		

This is a predominantly low density residential area, mostly developed in the 1960s by the City Council. It provides a mixture of low and high-rise accommodation; the original occupiers had been rehoused from inner city properties that were subject to clearance and redevelopment. Development of the area continued until the late 1980s, however since then there has been little change and this is the only large municipal estate that has not subsequently benefited from any significant investment. Druids Heath is often referred to as the “sister estate” to Castle Vale as the housing design and typologies were conceived at the same time and applied to both municipal estates.

Despite many occupiers taking advantage of the ‘right to buy’, many parts of the estate retain a high percentage (54.9%) of homes in Local Authority and Registered Social Landlord (RSL) ownership.

In addition, there are 750 high-rise flats in 15 blocks that dominate the estate; there is practically no owner occupation, with only 6 leaseholders in these blocks. These blocks are included in the 49 Large Panel System (LPS) blocks across the city that are subject to an on-going investment options appraisal.

The aging population and demographics in Druids Heath demonstrate a need for supported housing in the area (for example; currently there are 134 three and four bedroom properties under occupied by residents over the age of 55 in Druids heath). Housing Management will be required to manage the estate and their services in the event of any regeneration.

Druids Heath also has some locational advantages including the existing canal network, proximity to the motorway network and major local employers. There is good district shopping at Maypole and Kings Heath. Local primary schools are good and outstanding however, the local Secondary School is in special measures. Educational attainment is low within the Druids Heath area, therefore full education pathways should be provided for young people leaving school if there is to be sustainable housing growth in the area.

	<p>The residential offer within the Druids Heath estate is poor and property values are significantly less than the surrounding B14 postcode. It suffers from a poor development layout, lack of direct vehicular access to some properties, a proliferation of segregated often isolated public footpaths and large areas of underused or unusable public open space. So whilst the location is potentially excellent the immediate environment and character of the residential properties is poor, as is the quality, design and layout of many of the properties themselves.</p> <p>Unemployment in Druids Heath is 13% which exceeds the Birmingham average of 8%</p> <p>The level of retired, long term sick and disabled residents in the estate is either at or above the average for the rest of Birmingham.</p> <p>Average (mean) Earnings for Selly Oak District are £23,537 compared with £24,092 for Birmingham and £28,103 for England.</p> <p>Druids Heath is in the top 10% most deprived areas in England. (IMD 2015)</p> <p>Residents on Druids Heath with no qualifications total 44% compared to the Birmingham average of 28%.</p> <p>Cabinet approved the development of a Youth Promise Plus project under European Structural Investment Fund (Youth Employment Initiative-YEI) in February 2016, therefore any future work in Druids Heath will align itself with the project.</p> <p>Around half of the children on the estate are deemed to be living in poverty.</p> <p>The average property price across the estate is £75,000 compared to up to £250,000 in the wider Kings Heath postcode area.</p> <p>The statistics in the preceding sections illustrate the complex and inter-related issues that need addressing as part of the Investment options strategy for Druids Heath and point to the fact that a piecemeal approach will not address the issues identified.</p>
Project Benefits	<ul style="list-style-type: none"> To enable the Council to plan and prioritise its future investment in the area and associated economic and social regeneration benefits.
Project	<ul style="list-style-type: none"> The production of Investment Options Strategy

Objectives	<ul style="list-style-type: none"> • Financial plan (overall financial implications for each option and financial Implications to the HRA and the rest of the Council). • To include timescales, phasing and programming of investment. • To identify key risks and provide mitigations financial and non-financial. • To enable the Council to plan and bid for funding to plan resources for Druids Heath
Method / Approach	<p>A Project Management Team has been established to ensure a collaborative approach to the project delivery.</p> <p>The Project Management Team consists of representatives from Housing Development (BMHT), Planning, Intelligence, Strategy & Prioritisation, Housing Capital Investment Team, Education and Infrastructure, Service Managers Place, Birmingham Property Services, Transportation Services, Legal Services, City Finance, Landscape Practice Group, Parks and the Homes and Communities Agency (HCA).</p> <p>The HCA is the government's housing, land and regeneration agency, and the regulator of social housing providers in England. The HCA are responsible for increasing the number of new homes built across the country, increasing supply and enabling building. Furthermore they help stimulate local economic growth by using their land and investment, and attracting private sector development. The HCA Midlands, Asset Accelerator Board, is in full support of the Council producing a Druids Heath Option Investment Strategy for Druids Heath and has agreed to fund and procure this piece of work in partnership with the Council.</p> <p>The HCA maintains a number of technical framework panels to assist with the delivery of its various programmes and will advertise the feasibility work via these. These panels are available for use free of charge by a number of other public sector bodies including Local Authorities. The panels have been procured through fully compliant OJEU processes, and offer a quick and efficient means to procure high quality, good value development related technical services, such as property and project management, engineering, planning, and multidisciplinary services.</p>

	<p>The Project Management Team will work to an agreed project plan with clear timescales to ensure effective delivery.</p> <p>The project will be delivered in a number of stages;</p> <ol style="list-style-type: none"> 1. Production of the Client (the Council) brief by the Project Management Team 2. Procurement by the City Council using the HCA's frameworks 3. Production of the Option Investment Strategy 4. Selection of preferred regeneration approach (subject to Cabinet approval of PDD by the end of 2017) 5. Progressing the future investment <p>The Project Management Team will report to the; Housing Regeneration and Development Board and the Housing Transformation Board reporting to the Asset Accelerator Board.</p>
Project Scope	<ul style="list-style-type: none"> • Land identified within the redline boundary attached • Cabinet PID, PDD and Full Business Case (FBC) approval • A review of the baseline information distilled into the key factors that will drive investment strategy. This will be set out in a report including the assessment of the strategic context of Druids Heath. • Option Appraisals providing a report outlining the benefits and disadvantages of each option identified including a cost plan and a delivery method statement. • A draft investment plan that is financially viable and affordable to both Birmingham City Council and prospective developers, and provides a basis against which Birmingham City Council can consult and apply for funding, this will be based on the preferred option. • Enable BCC to produce a PDD and FBC

List of Deliverables or Desired outcomes	<ul style="list-style-type: none"> A strategic Investment Options Strategy for Druids Heath Estate 		
Constraints	<ul style="list-style-type: none"> Competing Council Priorities Finance available (HCA) 		
Interfaces	<ul style="list-style-type: none"> Inception meeting with Birmingham City Council Project Management Team to review and agree the scope of work, tasks and timetable Inception Meeting with Brandwood Ward Members Regular focus group meetings with City Finance staff to ensure financial information is presented taking into account the impact on the Councils Housing Revenue Account and General Fund Regular focus group meetings with Housing Asset Management to ensure recommendations are aligned with the Councils Asset Management Model Regular meetings / presentations with / to the Project Management Team to ensure sign off at each stage of development Consultation with residents, stakeholders and service providers in the area. 		
Key Assumptions	The preferred option will be delivered subject to a PDD and subsequent FBC to be agreed by Cabinet.		
Success Criteria	The preferred option will be delivered subject to above agreed by Cabinet		
Known Issues	Housing stock condition, void turnover, data provided by Police on crime hotspots, strong support from elected Ward Members.		
Budget	£150,000 to be funded by HCA		
Start Date	May 2016	Planned Completion	end of 2017
Attachments	Regeneration Area Boundary Plan		