

WOLVERHAMPTON: A city on the rise?

rpsgroup.com



INTRODUCTION – EXISTING VIEWS AND CURRENT LEGACY

Wolverhampton is situated within the West Midlands, with its immediate neighbours being Walsall and Dudley, and the country’s second city of Birmingham residing approx. 17 miles to its South-East. In the most recent census data, Wolverhampton’s population size had increased by 5.7%, from 249,000 in 2011 to 263,700 in 2021. The Wolverhampton Investment Prospectus has stated that in 2039 the population is expected to have risen by 30,000. The city has a large potential workforce, with 323,200 people living in its travel to work area, as well as three million people living within 20 miles of the city centre. However, the current figures from Nomi’s show that Wolverhampton has a job density of 0.72, equating to more people than jobs being available¹.

Wolverhampton created its own identity as a major centre for coal mining, steel production and engineering throughout the Industrial Revolution, and the city still retains its status as a major centre for engineering and manufacturing. This is evident from the investment being brought into Wolverhampton by global engineering firms, who have made the city their home. It’s also well-known for its wealth of arts, sports and cultural attractions, such as Wolverhampton Wanderers FC, the Wolverhampton Grand Theatre and the Wolverhampton Art Gallery – with it even bidding to be named 2025 city of culture.

Benefitting from strong transport links to Birmingham and the West Midlands, as well as to Manchester and the North, Wolverhampton also boasts easy access to the M6, M6 toll road, M54, M5 and the M42, as well as being approximately a 40-minute drive away from Birmingham Airport.

Wolverhampton’s public transport connections to major cities are also a huge benefit, with trains to Birmingham taking under twenty minutes, Manchester around 70 minutes and to London just over an hour and a half, with West Midlands Metro also providing tram links between Wolverhampton and Birmingham.

TIME TO REDEFINE

The city has undergone a period of transition. In December 2022, Wolverhampton as the “top entrepreneurial city in the UK”², with a special focus on creating growth for smaller businesses. The British Business Bank reported that Wolverhampton has been recognised as the top location for Bank Start-up Loans, with start-up businesses successfully drawing down 464 loans since 2012, worth £3.3 million. There is also large-scale investment moving throughout the city from a number of partnerships and global investors.

Adding to this is the city’s transformative innovation. This is in the form of:

- Taking on the initiative of different types of housebuilding and use of modern methods of construction
- Setting up education institutes to develop skills within the area and drive change
- Investing in new transport and travel infrastructure to create more dynamic neighbourhoods as well as to increase connectivity.

The success of Wolverhampton’s attempt to redefine itself is being demonstrated through the securing of funding, creation of partnerships and its flagship developments.

At the forefront of new advanced technologies and research is the University of Wolverhampton. The university is home to the Springfield Campus, which is part of the University’s £100 million investment in a new construction excellence campus. Springfield campus houses the School of Architecture and Built Environment, as well as the National Brownfield Institute.

CURRENT PROJECTS

In their investment prospectus, Wolverhampton City Council have outlined three areas of growth and redevelopment across three spatial areas:

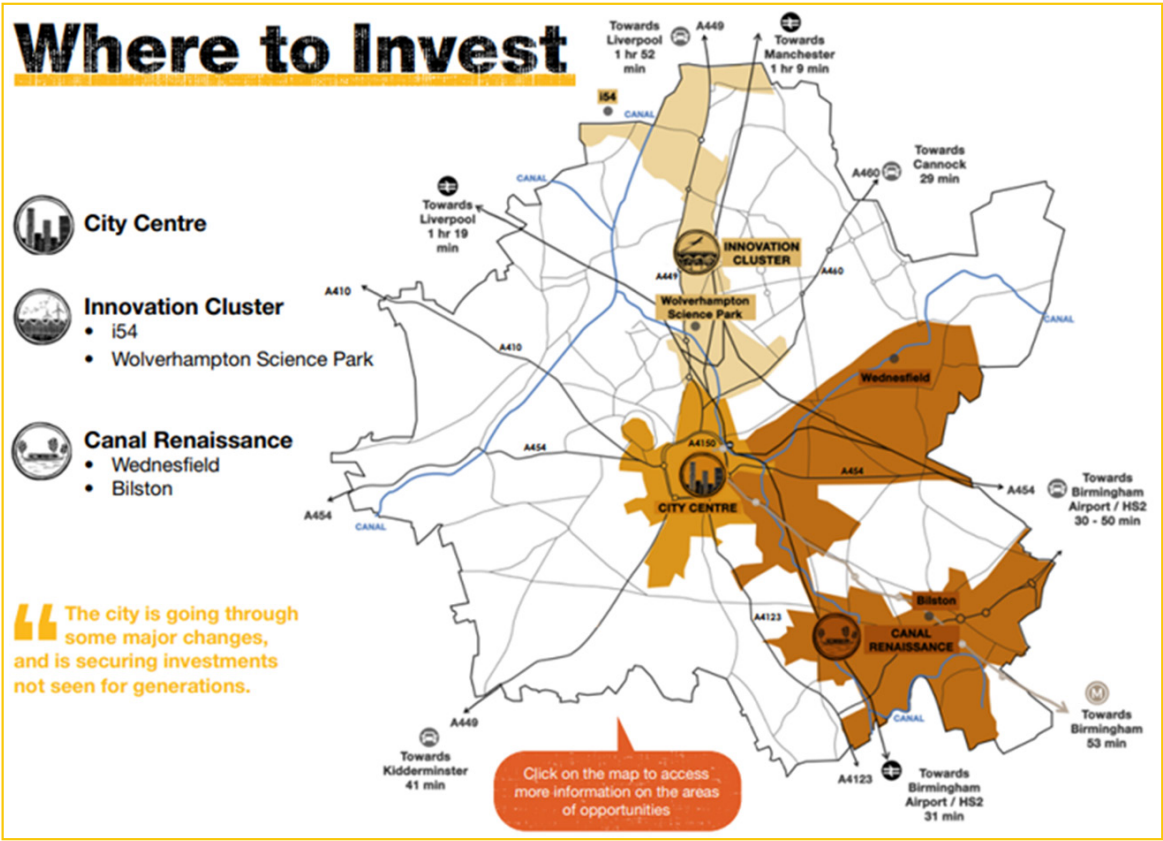


Figure A: (Where to Invest – Investment Prospectus for Wolverhampton)³

The first key spatial area is the ‘City Centre’. Within it there are several key projects being delivered. Office schemes i9 (home to the Department of Levelling Up, Housing and Communities) and i10 reside in the city centre, and form part of the 130,000 square feet of office space that has already been delivered. Commercially, there is a pipeline of up to 1 million square feet of office space, which will go towards meeting demand. As well as this, the growth of residential development in the city centre is evident, with a pipeline of over 1,000 homes planned for at locations such as Brewers Yard and the Former Royal Hospital Site. There is also more than £70 million worth of investment into the city’s retail and cultural assets.

The second key strategic area is the Innovation Cluster, which is towards the north of the city centre. The cluster involves i54, a prominent technology park that is jointly owned by the City of Wolverhampton Council, South Staffordshire Council and Staffordshire County Council. i54 is currently home to several key engineering and manufacturing firms, such as Jaguar Land Rover – who invested £355 million in the park. Within the draft Housing Strategy for Wolverhampton, it's outlined that one strategic growth corridor is the 'Stafford Road Corridor'. The document states that "by 2026, The Stafford Road Corridor will have fulfilled its potential to become one of the premier high-quality employment locations in the West Midlands, already having secured major employees into the City. i54, a flagship business park, will be supported by other high-quality employment locations"⁴. The Council is also looking to support this growth further, by providing at least 450 homes at this location.

Finally, the third key strategic area is the Canal Renaissance area, in particular Bilston. Bilston has been named as a key strategic area that will allow for linkages between Wolverhampton, the Black Country and Birmingham through the use of public transport systems. As well as this, it was announced in August 2022 that a £32million health and wellbeing hub was to be built in Bilston Town Centre that would complement Bilston's public transport hub. A £20million investment would come from the Government's Levelling Up Round 2, with the remainder of the money taken from other secured funding streams⁵.

TECHNOLOGY AND INNOVATION

The University of Wolverhampton's Springfield Campus has undertaken research and development into brownfield redevelopment, with it establishing the Brownfield Research and Innovation Centre in 2017, helping support the Black Country SMEs that are involved in the remediation and redevelopment of brownfield sites. The Brownfield Research and Innovation Centre (BRIC) looks at five different aspects of support: research, field equipment, laboratory testing, networking and site identification. The National Brownfield Institute (NBI) is also part of the University. The institute is a world class research centre, defined as a "research centre that provides the facility to develop modern methods of building through innovation and partnership with the construction industry, focusing on the practical application of future brownfield regeneration and remediation through the work of research teams, leading policy development and commercial services"⁶.

The University has also committed to the delivery of homes that have been built using Modern Methods of Construction. Springfield Campus, part of the University, was reported to become the national hub for Modern Methods of Construction, with aims to help drive the ambition of delivering "300,000 new homes per year nationally, with at least 25 per cent being delivered by MMC."⁷, with the methods gaining traction in the city in recent times.

Legal and General have won a tender to build 400 modular homes at the Canal Front Scheme on the edge of the city centre, as part of the Canal Renaissance development. Whilst this is encouraging news, L & G have plans to manufacture these houses in Leeds which would require significant travel in and out of the city – and arguably goes against the 'Net Zero Carbon' and 'Sustainable Construction' nature of the scheme. Investment into a factory to build these homes would seem logical, given the emphasis the Council is placing on the construction method.

PARTNERSHIPS FOR GROWTH

Wolverhampton has partnered with several different organisations to deliver growth within the region, namely: the Three Cities Alliance, the West Midlands Combined Authority and Homes England. The Government has also provided a growth partnership by granting funding from the Department for Levelling Up, Housing and Communities. The city also benefitted from being part of the Black Country Plan, before this was disbanded. Dudley's decision to pull away from this plan has left the industry feeling aggrieved and having little confidence in the authorities involved in the Black Country Plan. It's unclear at this moment what the implications will mean for Wolverhampton with regards to planning policy.

There have been several types of investment into the city: flagship investment, allocated funding and the Council's commitment. According to the Investment Prospectus, there's a projected £4.4 billion total private and public sector funding in regeneration across the city. As well as this, Wolverhampton has also been successful in securing investment through different funding opportunities: £25 million secured through the Towns Fund, £15 million secured through the Future High Streets Fund and £20 million secured through the Levelling Up Fund to support the delivery of the City Learning Quarter⁸. As part of the Levelling Up Agenda, Wolverhampton has been allocated £3.7million from the UK Shared Prosperity Fund. The Council has also been showing its commitment to the city by financing commercial and office spaces. Examples of this are the funding and delivery of the i9 and i10 buildings, the first of which now houses the Department for Levelling Up, Housing and Communities⁹.

Although these partnerships are encouraging for the city and also to investors, it's important to reflect on the outcome beyond surface level facts and figures. An example of this is the Three Cities Alliance. In principle, the Three Cities Alliance should drive growth across the four areas of activity they have targeted. In isolation, it has delivered somewhat for Wolverhampton, but compared to Birmingham and Coventry, these wins look to be significantly less.



THE THREE CITIES ALLIANCE

The focus of the Three Cities Alliance is across four areas of activity: Decarbonisation, Culture, City Mobility, and Digital Connectivity. I'll briefly assess Wolverhampton against these metrics set up by the alliance¹⁰.

Decarbonisation:

The West Midlands Combined Authority has a target reach net zero by 2031, which would require 294,000 homes to be retrofitted by 2026. However, there's a clear lack of clarity on how this will be met. Wolverhampton has the potential to play a key role through the national brownfield research and MMC and retrofit research, deeming itself as the National Centre for Sustainable Construction. Despite this, Birmingham and Coventry have both received pilot retrofit schemes; yet there have been none in Wolverhampton so far. As well as this, Coventry has directly been awarded 1.1 million from the UK government decarbonisation fund, with no award to Wolverhampton¹¹.

Culture:

Notably, Coventry was the city of culture in 2021, and experienced a range of funding streams. Birmingham has benefitted in a similar fashion from the Commonwealth Games in 2022 – gaining traction from a number of global events such as Eurovision, the Football World Cup and even securing the winning bid to host 2026 European Athletics. Although Wolverhampton has a bid to become the city of culture in 2025, it has yet to be confirmed.

City Mobility:

The West Midland trams extension to Wolverhampton railway station has been delayed for several years. Originally it was due to open in 2020 but has been delayed for full completion up to spring 20236. However, no such equivalent idea exists for the Birmingham-Coventry tram, although there are the early stages of Coventry very light rail¹². Wolverhampton does have aims to create 15-minute neighbourhoods, but they have yet to come to fruition.

Digital Connectivity:

Wolverhampton has formed a partnership called 'Digital Wolves', which supports the rollout of future proofed digital infrastructure¹³. The Digital Wolverhampton Strategy (March 2022) has outlined ways they have improved their digital connectivity, including new technologies and the roll out of full fibre broadband in 170 public buildings in the city centre¹⁴. Birmingham and Coventry have similar strategies rolled out, with many of the same aims. There has been little movement other than connecting existing buildings to new broadband across Coventry and Wolverhampton; however, Birmingham's role in the Commonwealth Games has contributed immensely to the cities digital growth.

LAND AND LAND VALUE

Deindustrialisation has left a legacy of brownfield land which requires remediation. The West Midlands Combined Authority Brownfield Land Study assessed that Wolverhampton has the capacity for 4,838 homes through Brownfield Land¹⁵. With the Government pushing away from the use of Greenbelt and greenfield sites, the importance of brownfield land is clearer than ever. The above figure demonstrates there is a healthy supply of homes that can be provided on these parcels of land in the city. One example of where a brownfield site is delivering housing in Wolverhampton is Canalside South, one of the biggest city centre brownfield living projects in the West Midlands¹⁶. As mentioned above, Legal and General will be delivering 400 modular homes on site, partnering with The City of Wolverhampton and the Canal and River Trust.

The land value of Wolverhampton is considerably more affordable than Birmingham and the West Midlands as a whole for both – this is demonstrated in the below table:

Type	Wolverhampton	Birmingham	West Midlands
Land Value Residential (£/ha) 2019	1,165,000	1,700,000	1,990,500
Land Value Industrial (£/ha) 2019	550,00	1,000,000	631,833

Figure B – Table Showing Land Values from the Government's publication of 'Land value estimates for policy appraisal 2019'¹⁷.

There is a disparity between house prices in Wolverhampton and across Birmingham and England as a whole; the average house price for Wolverhampton, as of 2019, is £211,651 – whereas Birmingham is £227,000 and England is £275,000. With lower house prices and lower land values, it is clear to see why Wolverhampton is attracting investment.



WOLVERHAMPTON'S PERFORMANCE:



Housing

According to the results of the Housing Delivery Test Results 2021, the number of homes Wolverhampton needed to deliver from 2020-2021 was 499. In total, 614 homes were delivered between 2020-2021. Giving the City a housing delivery figure of 111%¹⁸. As well as this, Wolverhampton has a Housing Land Supply Figure of 5.4, as of June 2022¹⁹.



Investment / Partnerships

There are many partnerships and investment within the city. Investment has provided a platform for schemes to come forward and be delivered and thus far we have seen the creation of i9, i10, improved transport infrastructure, improved education facilities at the University of Wolverhampton as well as the Department for Levelling Up, Housing and Communities moving into the city. But the City has also seen Birmingham and Coventry reaping the rewards of the Three Cities Alliance, arguably leaving the city with less than its fair share.

Partnerships are forming between the Council and developers that can rely on low and slow returns on investment – but what can be said for those, such as SME'S, who need a higher return rate or need to see a more immediate return?



Skills and Innovation

The creation of Springfield Campus has allowed for research and development to be undertaken within the city. Hubs of research are housed there include BRIC and the National Brownfield Institute. It is inspiring innovation through housebuilding – with the partnership between Legal and General Modular and the Council.

However, construction skills and the potential workforce are not being used in constructing the 400 L&G homes. The main factory is within Leeds, which will mean that the construction will not be carried out by locals in Wolverhampton, thus not creating local jobs.



Commercial Development

As discussed, there has been some commercial development within Wolverhampton, with plans to deliver up to 1 million square foot of office space in the city centre. The Department of Levelling Up, Housing and Communities has since moved into i9, an office within the City Centre.



Council's Investment

There is no denying the Council have a positive attitude towards delivering development but with upcoming public spending cuts, funding priority will likely be given services to such as healthcare and education. Reduced funding will impact the delivery of flagship schemes and could see investment move away from the area. As well as this, partnerships that have formed between the Council and developers could be threatened, resulting in a loss of investment capital. If these cuts continue, there is a danger that services such as planning will see a reduced service level to deal with capacity.

FUTURE CHALLENGES FOR WOLVERHAMPTON

1

Looking forward the Council may be faced with challenges to deliver the schemes they planned for. Budget reductions outlined in the '2022-2023 Budget and Medium-Term Financial Strategy 2022-2023 to 2025-2026' published at Cabinet in February 2022, state that "it is projected that the Council would be faced with finding further estimated budget reductions totalling £25.4 million in 2022-2023 rising to £29.6 million by 2023 – 2024"²⁰. The main challenge for the Council is to establish what are the priority services that need to be delivered, there will be competing services that are likely to take precedence over delivery such as Health and Social Care and Education and Schools.

2

With MMC looking to support the delivery of at least 25% of the 300,000 homes, it is clear the conventional housebuilding will need to provide circa 225,000 homes. Conventional housebuilders who need to see an immediate return must be assured by the Council that this will be the case. There is the challenge to create similar partnerships to conventional housebuilding as they have done through the unconventional methods. Lenience in repayment or assistance to deliver may be required to secure housing delivery from these providers.

3

The retention of Wolverhampton's workforce will also be a challenge. With lower house prices than Birmingham and fast transport links to major cities, ensuring that the population of Wolverhampton live and work in the city will be a challenge. Wolverhampton should benefit, in theory, from being a large urban agglomeration on the doorstep of Britain's second city, with millions of pounds of investment being advertised and 300,000 new homes to be built. However, Wolverhampton is often overshadowed by this, where infrastructure for success is already placed. Ensuring that development creates local jobs for local people, as well as creating an environment people want to live and work in the city – as opposed to a major city such as Birmingham – will also pose a challenge for Wolverhampton.

REFERENCES

¹<https://www.nomisweb.co.uk/reports/lmp/la/1946157192/report.aspx>

²<https://www.investwolverhampton.com/news/2022/december/053-2022.html>

³<https://www.investwolverhampton.com/wolverhampton-vision/wolverhampton-vision-executive-summary.pdf>

⁴https://consultation.wolverhampton.gov.uk/housing/city-of-wolverhamptons-housing-strategy-2019-2024/supporting_documents/CWC%20Housing%20Strategy%20201924%20for%20Consultation.pdf

⁵ <https://www.wolverhampton.gov.uk/news/wolverhampton-makes-ps20million-bid-boost-bilston-health-regeneration-programme>

⁶<https://www.wlv.ac.uk/business-services/national-brownfield-institute/>.

⁷<https://www.insidermedia.com/news/midlands/wolverhampton-aims-to-become-major-centre-for-modular-building>

⁸<https://www.investwolverhampton.com/wolverhampton-vision/wolverhampton-vision-executive-summary.pdf>

⁹<https://www.investwolverhampton.com/wolverhampton-vision/wolverhampton-vision-executive-summary.pdf>

¹⁰<https://the3cities.co.uk/>

¹¹ <https://the3cities.co.uk/invest>

¹²<https://www.coventry.gov.uk/regeneration-1/light-rail>

¹³Digital Wolves

¹⁴Layout 1 (digitalwolves.co.uk)

¹⁵<https://blackcountryplan.dudley.gov.uk/t2/p4/t2p4m/>

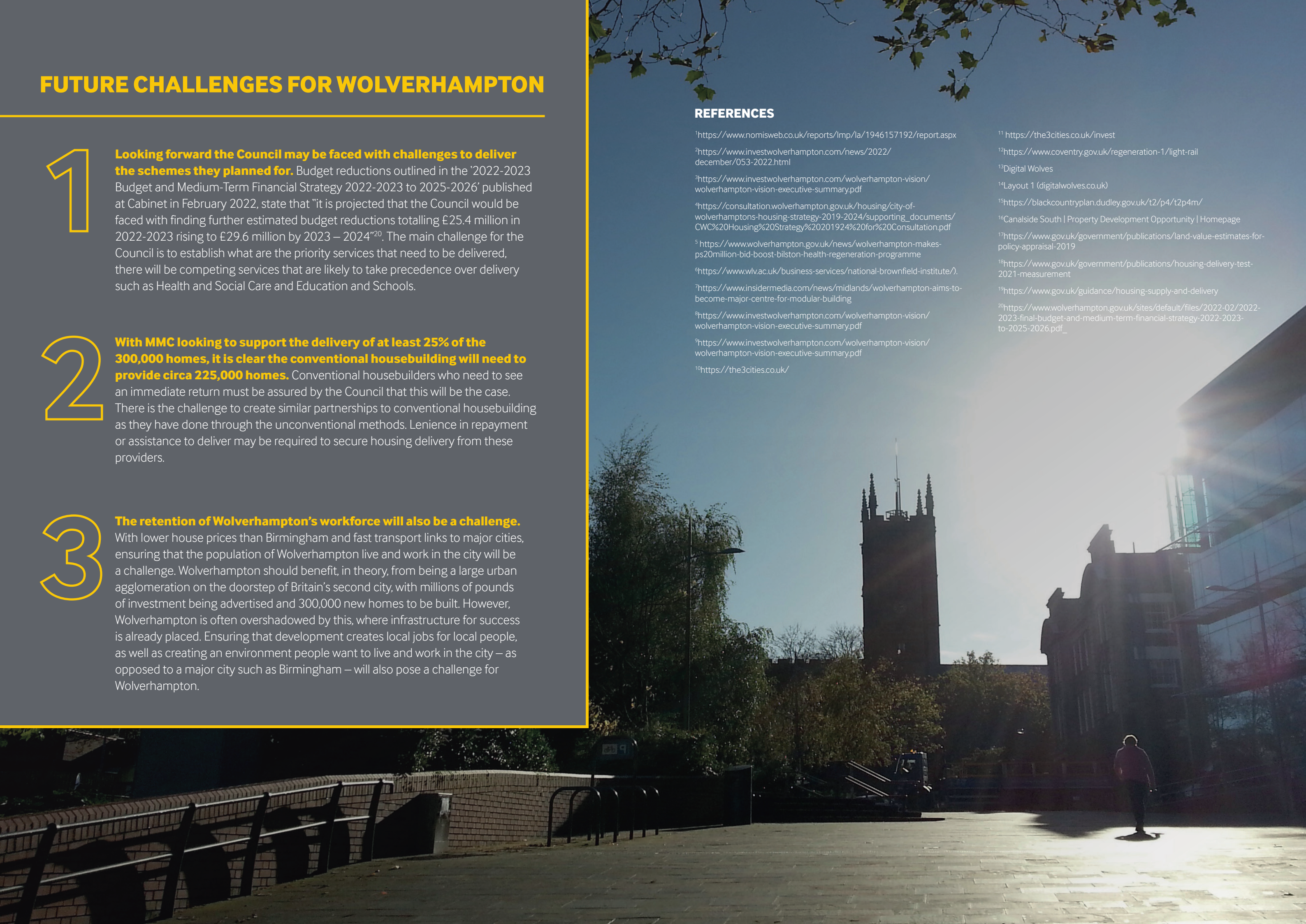
¹⁶Canalside South | Property Development Opportunity | Homepage

¹⁷<https://www.gov.uk/government/publications/land-value-estimates-for-policy-appraisal-2019>

¹⁸<https://www.gov.uk/government/publications/housing-delivery-test-2021-measurement>

¹⁹<https://www.gov.uk/guidance/housing-supply-and-delivery>

²⁰https://www.wolverhampton.gov.uk/sites/default/files/2022-02/2022-2023-final-budget-and-medium-term-financial-strategy-2022-2023-to-2025-2026.pdf_



ABOUT RPS

Founded in 1970, RPS is a leading global professional services firm of **5,000 consultants** and service providers. Located in **125 countries** across all six continents, RPS define, design and manage projects that create shared value for a complex, urbanising and resource scarce world.

Through our network of offices across the UK we offer a unique and unparalleled range of development and planning services based upon many years of experience in both the private and public sectors.

For more information about our Planning services visit:
www.rpsgroup.com/services/planning-and-approvals

Or scan here:



For more information contact:



Harriet Bray
Assistant Planner

T: +44(0)121 622 8520
E: harriet.bray@rpsgroup.com