



## Housing & Land Delivery Board

**Date:** Monday 30 September 2019

**Time:** 10.00 am                      **Public meeting**                      Yes

**Venue:** Room 116, 16, Summer Lane, Birmingham, B19 3SD

### Membership

Councillor Mike Bird (Chair)	Walsall Metropolitan Borough Council
Sarah Middleton	Black Country Local Enterprise Partnership
Councillor Sharon Thompson	Birmingham City Council
Councillor George Adamson	Cannock Chase District Council
Councillor Peter Bilson	City of Wolverhampton Council
Councillor Tariq Khan	Coventry City Council
Bill Blincoe	Coventry and Warwickshire LEP
Councillor Angus Lees	Dudley Metropolitan Borough Council
Marc Lidderth	Environment Agency
Simon Marks	Greater Birmingham and Solihull LEP
Karl Tupling	Homes England
Councillor David Humphreys	North Warwickshire Borough Council
Councillor Julie Jackson	Nuneaton & Bedworth Borough Council
Councillor Matthew Dormer	Redditch Borough Council
Councillor Sebastian Lowe	Rugby Borough Council
Councillor Joanne Hadley	Sandwell Metropolitan Borough Council
Councillor Robert Macey	Shropshire Council
Councillor Ian Courts	Solihull Metropolitan Borough Council
Councillor Daren Pemberton	Stratford on Avon District Council
Councillor Jeremy Oates	Tamworth Borough Council
Councillor David Wright	Telford and Wrekin Council
Councillor Peter Butlin	Warwickshire County Council
Kevin Rodgers	West Midlands Housing Association Partnership

Quorum for this meeting shall be at least eight members.

If you have any queries about this meeting, please contact:

**Contact** Carl Craney Governance Services Officer  
**Telephone** 0121 214 7965  
**Email** Carl.Craney@wmca.org.uk

# AGENDA

No.	Item	Presenting	Pages
1.	Election of Chair for the meeting	Carl Craney	None
2.	Apologies for Absence (if any)	Chair	None
3.	Notification of Substitutes (if any)	Carl Craney	None
4.	Declarations of Interests (if any) Members are reminded of the need to declare any disclosable pecuniary interests they have in an item being discussed during the course of the meeting. In addition, the receipt of any gift or hospitality should be declared where the value of it was thought to have exceeded £25 (gifts) or £40 (hospitality).	Chair	None
5.	Minutes of last meeting [For approval]	Chair	1 - 6
<b>Business Items for Consideration</b>			
6.	Single Commissioning Framework	Gareth Bradford	7 - 14
7.	Regional Design Charter	Gareth Bradford	15 - 22
8.	Modern Methods of Construction (MMC)	Gareth Bradford	23 - 52
9.	Town Centres Programme	Gareth Bradford	53 - 74
10.	Exclusion of the Public and Press [To pass the following resolution: That in accordance with Section 100(A) of the Local Government Act, 1972 the press and public be excluded from the meeting for the following items of business as it involves the likely disclosure of exempt information relating to the business or financial affairs of any particular person (including the authority holding that information)]	Chair	None
<b>Business Items for Consideration</b>			
11.	Town Centres Programme	Gareth Bradford	79 - 110



**West Midlands  
Combined Authority**

## **Housing & Land Delivery Board**

**Monday 15 July 2019 at 10.00 am**

### **Minutes**

#### **Present**

Councillor Mike Bird (Chair)	Walsall Metropolitan Borough Council
Councillor Sharon Thompson	Birmingham City Council
Councillor Tariq Khan	Coventry City Council
Bill Blincoe	Coventry and Warwickshire LEP
Marc Lidderth	Environment Agency
Simon Marks	Greater Birmingham and Solihull LEP
Councillor Joanne Hadley	Sandwell Metropolitan Borough Council
Councillor Robert Macey	Shropshire Council
Councillor David Wright	Telford and Wrekin Council
Councillor Peter Butlin	Warwickshire County Council

#### **In Attendance**

Kate Martin	City of Wolverhampton Council
Gareth Bradford	West Midlands Combined Authority
Carl Craney	West Midlands Combined Authority
Rob Lamond	West Midlands Combined Authority
Patricia Willoughby	West Midlands Combined Authority
David Warburton	West Midlands Combined Authority

#### **Item Title No.**

##### **1. Apologies for Absence (if any)**

Apologies had been received from Sarah Middleton (Black Country Local Enterprise Partnership), Councillor George Adamson (Cannock Chase District Council), Councillor Peter Bilson (City of Wolverhampton Council), Councillor Angus Lees (Dudley MBC), Karl Tupling (Homes England), Councillor David Humphreys (North Warwickshire Borough Council), Councillor Sebastian Lowe (Rugby Borough Council), Councillor Ian Courts (Solihull MBC), Councillor Daren Pemberton (Stratford on Avon District Council) and Kevin Rodgers (West Midlands Housing Association Partnership).

Carl Craney reported on changes in membership of the Board as follows:  
Councillor Joanne Hadley – Sandwell MBC;  
Councillor Robert Macey – Shropshire Council

##### **2. Notification of Substitutes (if any)**

Councillor Andy Mackiewicz had been nominated as a substitute for

Councillor Ian Courts (Solihull MBC).

**3. Declarations of Interests (if any)**

No declarations of interest were made relative to items under consideration at the meeting.

**4. Minutes of last meeting**

Resolved:

That the minutes of the meeting held on 10 April 2019 be confirmed as a correct record and signed by the Chair.

**5. Housing Affordability: Regional Definition**

Gareth Bradford, Rob Lamond and David Warburton presented a report which updated the Board on the work which the WMCA and the Homelessness Taskforce had been doing since early 2019 on a new Regional Affordable Housing Definition. This was a commitment identified in the Housing and Land Business Plan for the WMCA to progress during 2019/20 and had been agreed at previous meetings of the Board. The report also sought endorsement for the recommended approach to an affordable definition (i.e. how it was to be calculated) such that the affordable definition more closely reflected the bespoke range of housing needs and ambitions in different parts of the region when applied. A key test of this work had been to ensure compliance and complementarity with policies in statutory local plans prepared by local councils and to provide investor and developer certainty. The WMCA thanked the local councils, the private sector and housing associations across the West Midlands which had shaped this work to ensure that this was the case.

The report outlined also the broader work on affordable housing and homelessness being undertaken in the region. It set out the emerging evidence being gathered, for example, housing affordability in the West Midlands, to inform this work and a potential future Spending Review bid to Government. The report sought agreement to a proposal to trial a new regional definition, initially only across the WMCA land/investments being taken forward through the recently agreed Single Commissioning Framework. The trial would demonstrate the regions' ambitious approach to affordable housing and being at the forefront of the housing affordability agenda whilst gathering further evidence of impacts.

The Chair commented on the difficulties which could be encountered in requiring developers to designate a percentage of a development for affordable housing if it compromised the viability of the development and that this could often lead to assertions that other requirements of Section 106 Agreements for the provision of essential infrastructure could not be met. David Warburton set out clearly that the definition would apply only to those developments where the WMCA was intervening or investing under the new Single Commissioning Framework. Gareth Bradford clarified that the paper encouraged the use of the affordable housing definition beyond the WMCA in other organisations in the region but housing policies in local plans were a matter for local planning authorities. He reported on the positive partnerships being formed with developers, investors and associations who were embracing the principles and inclusive growth objectives of the Single

Commissioning Framework including the minimum affordable housing standards.

Councillor Joanne Hadley welcomed the assistance of the WMCA in providing funding for the reclamation of contaminated land. She also referred to the issue of high levels of rent in private sector accommodation which often led to rent arrears and homelessness.

The Chair commented on the need to keep considering the wider regeneration aspects of developments and broader benefits of developments. He referred also to the need to assess continually viability as developments were built out and values changed. Gareth Bradford reminded the Board that looking at issues like clawback and overage had been a key part of the Housing Infrastructure Funding bid for Perry Barr and in the Single Commissioning Framework was a key part of the funding agreement with project sponsors.

Councillor Peter Butlin referred to the affordability issues in the Stratford on Avon District Council area where many residents were from outside the area but local residents were often in low paid occupations.

Resolved:

That the West Midlands Combined Authority Board be recommended as follows:

1. To agree the approach, as detailed in the report, to a new regional definition of housing affordability through a pilot programme, based on application of the new definition through the Combined Authority's Single Commissioning Framework (SCF). All investments made through the SCF process would go through the WMCA approvals and assurance process with final sign off by the Investment Board;
2. For schemes not in the scope of the SCF where the WMCA has a brokering or influencing role, it would encourage councils and other partners to adopt Option B as detailed in the report, with local criteria being applied in a flexible, non-prescribed way to compliment local plan policy and build confidence in the approach and evidence success for further development.

## **6. Housing and Land Portfolio: Quarterly Update**

Pat Willoughby presented a report which updated the Board on the progress within the various workstreams and projects agreed previously by this Board as priorities for the WMCA and contained also within the recently published 2019 WMCA Annual Plan. Gareth Bradford also reassured the Board that the WMCA Team brought in, as necessary, specialist additional capacity to ensure work programmes (e.g. town centres, affordable housing, brownfield regeneration) could be delivered.

Marc Liddeth referred to the declaration of a 'Climate Emergency' at the meeting of the WMCA Board held on 28 June 2019 and queried whether the Design Charter would make provision for 'Resilience'. Pat Willoughby confirmed that this matter would be addressed within the wording of the emerging draft document which was being developed jointly by an expert

group of local councils, design bodies and the WMCA. The Chair commented on the superb energy efficiency associated with a scheme he sighted that used advanced methods of construction. Gareth Bradford advised that the Team were considering how best to respond to the declaration in all of its work, highlighting specifically the Single Commissioning Framework and Design Charter as examples that would need to be looked at.

Mark Liddeth referred to paragraph 3.24 of the report and queried whether the draft Regional Design Charter would be presented to the September 2019 meeting rather than September 2020, as stated in the report. Gareth Bradford confirmed this to be the case.

Given the importance of statutory local plans to the achievement of overall housing numbers in the region and that positive progress on local plan production was an important part of the agreement with Government on the Housing Deal the Chair requested that reports on the progress of the various plans be submitted to the Board at least every quarter and a regular item on local plans was included on the Agenda for each future meeting of the Board.

Resolved:

1. That the following items be considered at the September 2019 meeting of the Board:
  - Regional Design Charter;
  - Pipeline of Intervention Opportunities and update on the implementation of the Single Commissioning Framework (Commercially Sensitive);
  - MMC Strategy and Routemap;
  - Affordable Housing Delivery Vehicle;
  - Town Centre toolkit;
2. That the positive progress in work under the Housing and Land Portfolio in quarter 2 and some of the key work programmes being progressed during the remainder of 2019 be noted;
3. That discussions be continued with the Housing and Land Steering Group and supported working groups on how existing arrangements on engagement, project based governance and working arrangements could be enhanced further between the WMCA, local authorities, the private sector and other organisations;
4. That reports on the progress of the various statutory local plans be submitted to the Board quarterly.

## **7. National Policy Issues and Items**

Gareth Bradford reported that the WMCA was working on its business cases for in preparation for the Comprehensive Spending Review as discussed at previous meetings of this Board. He advised that the WMCA was working closely with Homes England in seeking additional funding from the Government for the provision of affordable housing units in the West Midlands.

He informed the Board that the WMCA was offering support and assistance to local authorities where specifically requested to do so, as part of developing the evidence base for updating or reviewing Local Plans: this was welcomed.

Resolved:

1. That the position be noted;
2. That a report on progress with updating or reviewing Local Plans be submitted to the next meeting.

The meeting ended at 10.40 am.

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## Housing & Land Delivery Board

<b>Date</b>	30 September 2019
<b>Report title</b>	Minor Clarifications and Revisions to the WMCA Single Commissioning Framework
<b>Portfolio Lead</b>	Councillor Mike Bird, Leader, Walsall MBC
<b>Accountable Chief Executive</b>	Deborah Cadman, Chief Executive, WMCA
<b>Accountable Employee</b>	Gareth Bradford, Director of Housing & Regeneration, WMCA David Warburton (SRO), Head of Land & Development, WMCA
<b>Report has been considered by</b>	

### Recommendation(s) for action or decision:

#### The Housing & Land Delivery Board is:

Requested to (i) **AGREE** to proposed minor amendments to the WMCA Single Commissioning Framework (SCF) set out in this Board Paper; (ii) **AGREE** the commissioning of work to identify how the SCF might be utilised to support the WMCA's efforts to address climate change.

#### 1.0. Purpose

- 1.1 This paper seeks the approval of WMCA's Housing & Land Delivery Board to introduce a number of minor clarifications and revisions to WMCA's Single Commissioning Framework by way of amendments.
- 1.2 The Single Commissioning Framework was agreed in April 2019 by the WMCA Board and has since guided WMCA's investment in housing, land and regeneration using devolved funds. It is designed as a 'living document', capable of revision from time to time in response to the practical experience of utilising the Framework in appraising and deploying WMCA funds.

## 2.0. Background

### WMCA Single Commissioning Framework

- 2.1 WMCA operates a number of grant and investment funds, including those which have been assembled through devolution and other 'deals' with Government. This includes very significant funding which WMCA has secured to help developers and investors tackle challenging brownfield sites and unlock these to deliver new homes and jobs and drive inclusive growth across the Region.
- 2.2 The WMCA Single Commissioning Framework (see public brochure in Appendix A) became operational in April 2019 and brings these funds together in one place and provides ready access to WMCA investment for those developers and investors who share WMCA's high ambitions for the Region and the core objective to deliver inclusive growth.
- 2.3 It provides a **single portal** for developers and investors to access WMCA grant and investment funds for housing, land and property development. It forms a **single set of criteria** and governance systems that are applied to all applications for available devolved WMCA Housing, Land and Property Development funds, together with a **consistent process and timelines for decision making**.
- 2.4 It allows WMCA to engage with the development industry and investor partners in a fair, accountable and transparent way to blend WMCA investment streams and provide bespoke funding solutions to unlock stalled sites and schemes.

### Commissioned Partnerships under the Single Commissioning Framework

- 2.5 The Single Commissioning Framework includes the opportunity for developers and investors who share WMCA key objectives for inclusive growth, to work collaboratively with WMCA in Commissioned Partnerships.
- 2.6 This allows investment propositions which are brought to the Combined Authority by developers and investors and which involve multiple sites and schemes, to be considered by WMCA on a portfolio basis, using the single set of criteria, governance structure and transparent decision making process provided by the Single Commissioning Framework.
- 2.7 As we have operated the Single Commissioning Framework it has received excellent feedback by all partners – developers, investors, councils and other key interest groups. A few minor changes to wording etc. will further assist effective implementation of its intent and purpose.

### 3.0. Proposed Amendments to the Single Commissioning Framework

#### Existing SCF Pre-Qualification Criteria:

- 3.1 ***“For those schemes which include residential uses and involve 10 dwellings or more, or involve sites of 0.5 hectares or more, then a minimum of 20% affordable housing (as defined in Annex 2 of the National Planning Policy Framework) must be delivered as an integral part of the scheme.”***
- 3.2 This affordable housing criterion in the SCF is working well and ensuring that WMCA is supporting the delivery of additional affordable homes of a type which *complement* (and not supplant or substitute for) the affordable housing which is secured on a scheme by local planning authorities by way of the normal planning application process, or that provided with grant support from Homes England under the National Affordable Homes Programme.
- 3.3 WMCA is currently scoping a regional definition of affordable housing as agreed by the Housing & Land Delivery Board on 15 July 2019 which will ensure the affordable housing provided with WMCA support better represents the needs of local areas and communities and allows for greater range of affordable housing products
- 3.4 In the meantime our position is that affordable housing generated under the Single Commissioning Framework should demonstrate that it is either compliant with the National Planning Policy Framework definition; or is meeting a specific need in the relevant local area – for example, in areas local to major healthcare facilities, homes are being provided which are affordable to defined groups of healthcare workers; or in areas with an education and learning focus, homes are affordable to those employed in the knowledge economy. We propose a footnote to the SCF which clarifies this position against the term ‘affordable housing’.
- 3.5 Once a final WMCA regional definition of affordable housing is confirmed, then a further minor amendment will be needed to clarify that any additional affordable housing generated by WMCA investment via the Single Commissioning Framework should be provided in accordance with the WMCA regional definition.
- 3.6 ***“At public transport nodes, along public transport corridors and in town and city centres, an appropriate density of development to support placemaking, particularly enhanced residential densities.”***
- 3.7 A regular feedback of councils and developers has been that the above criterion could be more supportive of the opportunities provided in city centre locations in line with the intent of protecting the green belt and maximising previously developed (brownfield) land. It is proposed that this criterion in the SCF is slightly amended so that it is more explicit that WMCA investment can be made available under the SCF to address the viability challenges of delivering *taller buildings in city centre locations*, where this maximises the beneficial use of previously developed (brownfield) land.

### Planning Support

- 3.8 Investment under the Single Commissioning Framework is designed to significantly increase delivery, especially housing delivery whereby the rate of new homes is targeted to increase to 16,500 per annum. Feedback from local planning teams and a number of council leaders is that this will generate a significant number of additional and complex planning applications and significant additional caseload for local planning authorities.
- 3.9 As such, it is proposed to amend the Single Commissioning Framework to convey that for those schemes WMCA agrees to invest in by way of SCF then WMCA should consider (but not be required) to make a parallel investment to increase the capacity in local planning authorities to deal with such schemes. There are many similar models across the Region and the preferred route suggested to us by a number of councils would take the form of WMCA making available a dedicated, specialist planning resource on a specific SCF scheme(s) for a time limited basis. This resource would focus only on those specific schemes agreed as a priority by the relevant local authority and approved for WMCA investment under the SCF.

### Specific Operational Requirements

- 3.10 ***“WMCA investment (can be) utilised for a maximum 50% of land/property purchase price.”***
- 3.11 It is proposed that this requirement in the SCF is amended to clarify that this does not apply to WMCA *loan investment*. It is not unusual for the full cost of the land to be included within an application to WMCA for development finance, and for a loan to be advanced on this basis.
- 3.12 ***“For those applications not invited to proceed (to full appraisal), applicants will be provided with a written statement explaining the reason for this.”***
- 3.13 It is reasonable to provide applicants with an explanation as to why their project is not to be progressed and, where appropriate, the Head of Governance will be consulted on any such communications to ensure transparency and consistency.

### 4.0 Addressing WMCA’s Climate Change Objectives

- 4.1 On 28 June 2019, the WMCA Board declared a climate emergency.
- 4.2 The WMCA Single Commissioning Framework contains a number of Pre-Qualification Criteria which ensure that WMCA investment is deployed in a way which supports the delivery of the Authority’s key objectives linked to inclusive growth; increasing levels of affordable housing; incentivising the use of local labour and local suppliers; optimising the re-use of brownfield land; and delivering enhanced design quality and placemaking. All of these factors have implications for tackling climate change.

4.3 Given the clear direction of the WMCA Board is proposed that work is commissioned from a cross-WMCA and local council joint team to explore how the Single Commissioning Framework, and specifically the WMCA investment in the built environment deployed via the Framework, can support the WMCA's approach to tackling climate change.

## **5.0 Financial Implications**

5.1 There are no direct budgetary implications as a result of the recommendations within this report.

## **6.0 Legal Implications**

6.1 There are no direct legal implications as a result of the recommendations within this report.

## **7.0 Equalities Implications**

7.1 There are no direct equalities implications identified as a result of this particular report.

## **8.0 Inclusive Growth Implications**

8.1 There are no direct inclusive growth implications identified as a result of this particular report. However, the future proposed amendments to the Single Commissioning Framework regarding the regional definition of housing affordability would further enable the targeted deployment of WMCA devolved housing and regeneration investment towards those schemes which support WMCA's inclusive growth principles.

## **9.0 Geographical Area of Report's Implications**

9.1 There are no geographic implications as a result of the recommendations of this report. Funding remains available for schemes across the WMCA constituent and non-constituent local authority member areas.

## **10.0 Other Implications**

10.1 N/A

## **11.0 Schedule of Background Papers**

11.1 Appendix A - Building the Future: A Guide for Investors and Developers to the Combined Authority's Single Commissioning Framework.

## WHY THE WEST MIDLANDS?

This is one of the most ambitious regions in the UK. A national leader in housing, regeneration and public and private partnerships.

The West Midlands Combined Authority (WMCA) has created its Single Commissioning Framework to give investors and developers ready access to housing, land and property development funding, where scheme viability is challenging, or when investment is not readily available elsewhere.

Our process is simple, robust, transparent and efficient with proportionate due diligence and independent viability appraisal at its core.

Our commitment is to maximise co-design and strategic partnerships, provide swift decision making, and be market-facing to drive quality schemes that deliver inclusive growth.

## WE ARE INVESTOR & DEVELOPER READY

Our Single Commissioning Framework brings funding together in one place, through our dedicated portal.

Our committed housing and regeneration team is available and on hand to help you through every step of the process.

Private and public sector investors and developers who share our ambition can access a series of investment funds and support, through a simple online portal, to help create new homes, employment, commercial and retail space.

We are ready for a conversation to help you overcome barriers to delivery and bring forward new development opportunities.



## TAKE THE NEXT STEP. CONTACT US.

**WMCA Funds Enquiries:**

0345 319 4528

[invest@wmca.org.uk](mailto:invest@wmca.org.uk)

**General Enquiries:**

[land.development@wmca.org.uk](mailto:land.development@wmca.org.uk)



# BUILDING THE FUTURE

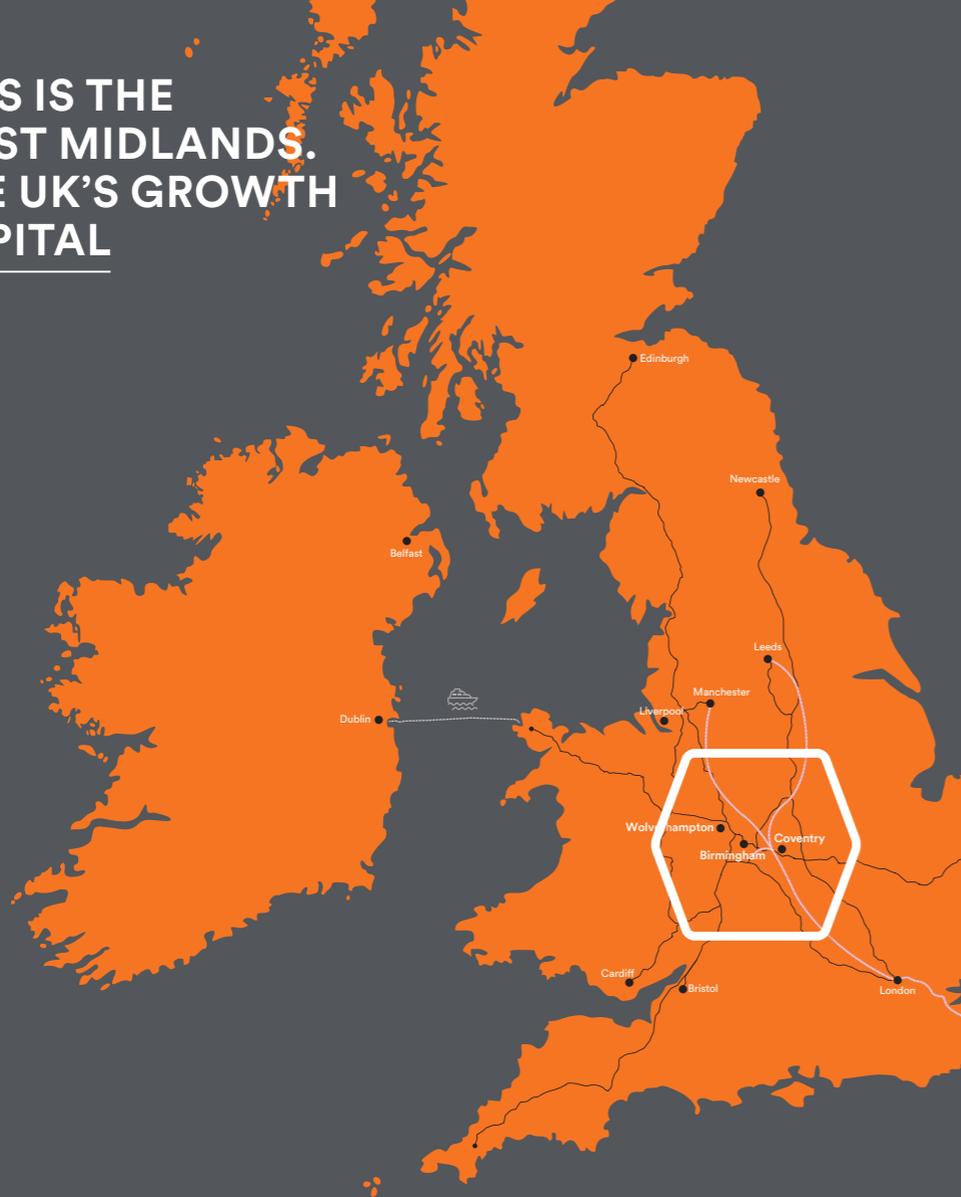
A GUIDE FOR INVESTORS AND DEVELOPERS TO THE COMBINED AUTHORITY'S SINGLE COMMISSIONING FRAMEWORK



West Midlands  
Combined Authority

# THIS IS THE WEST MIDLANDS. THE UK'S GROWTH CAPITAL

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- Our £102bn economy has grown by 22.4% in the last five years
- Heart of the UK's revolution in house building and brownfield site regeneration
- One of the highest housing targets in the UK at 16,500 homes per year
- Largest UK Government-backed housing deal at £350m
- £175m annually to provide the skills employers need to build the future
- Additional new homes up from 7,000 (2011) to 14,500 (2018) annually

## WHAT WE USE OUR INVESTMENT FOR:

To drive inclusive growth and to support the delivery of:

**215,000** NEW HOMES

**500,000** NEW JOBS

**80%** OF NEW SUPPLY ON BROWNFIELD LAND

DOUBLING THE SUPPLY OF AFFORDABLE HOUSING WITHIN A DECADE

ENHANCED STANDARDS OF DESIGN AND QUALITY

## UNLOCK OUR FUNDS:

WMCA wants to help investors and developers make your mark in the West Midlands. Together we can invest to turn challenging sites into development opportunities. We particularly welcome schemes that create positive change in design, quality, advanced methods of construction (MMC), local employment and affordable housing. We are primarily focused on land for development, but we will also invest to bring back into use large scale derelict or underutilised properties.

Funds available include:

- Brownfield Land and Property Development Fund;
- Commercial Investment Fund;
- Residential Investment Fund;
- The Housing Deal Land Fund



## ASSESSMENT CRITERIA\*

Once you apply for WMCA housing, land and property investment, your WMCA partnership lead will work with you to consider:

- Is the application eligible?
- Does the application satisfy Pre-Qualification criteria?
- Does it offer value for money?
- Can we tailor the application to further enhance the outcomes?

### Schemes must support the:

1. Delivery of new homes, commercial, retail or employment floorspace
2. Remediation of land that leads to the subsequent delivery of one or more of the above

\*Minimum scheme size, exclusions and terms and conditions apply.

## WMCA Housing & Land Delivery Board

<b>Date</b>	30 September 2019
<b>Report title</b>	Regional Design Charter
<b>Portfolio Lead</b>	Councillor Mike Bird
<b>Accountable Employee</b>	Gareth Bradford, Director of Housing and Regeneration, WMCA Louise Wyman, Design & Inclusive Growth Lead, WMCA Patricia Willoughby, Senior Reporting Officer, WMCA Rachel-Ann Atterbury, Report Author, WMCA
<b>Report has been considered by</b>	Housing & Land Delivery Steering Group (11.09.2019)

### Recommendation(s) for action or decision:

### The Housing and Land Board is recommended to:

- a) Agree the principles and format of a regional design charter document (Annex A)
- b) Agree the production of a web-based tool, featuring the design charter and additional supporting information and case studies.
- c) Agree the production of a further PDF document, for ease of access to both principles and supporting information, to be made available on the website
- d) Agree delegated authority to the Portfolio Holder and Director of Housing & Regeneration to make minor and technical amendments to the regional design charter

### 1.0 Purpose

- 1.1 The purpose of this paper is to provide an update on the work undertaken by WMCA and the Regional Design Charter Working Group and to seek views of the Housing & Land Delivery Board on the proposed Regional Design Charter's principles and format.

### 2.0 Background

- 2.1 The West Midlands is a region in renaissance – unprecedented levels of investment and development over the next decade will shape the way our residents live and work for years to come. Like other regions, the West Midlands is also facing a climate emergency and a digital revolution; shifts that create both risks and opportunities. The economy is growing, but too many people are excluded from that growth. Health

inequalities are widening, with more people inactive than ever before. The opportunity is one to seize; setting a new benchmark for what 'great places' mean now will enable our residents to prosper, our communities to thrive and our businesses to grow.

- 2.3 At its meeting in February 2019, the Housing & Land Delivery Board agreed to the preparation of a Regional Design Charter which would align Local Authority and WMCA aspirations to deliver at pace and scale whilst defining new quality benchmarks. The Design Charter would provide a framework to ensure new development adds social, economic and environmental value and support WMCA to prioritise quality, innovation and inclusive growth whilst delivering homes and investment at pace.
- 2.4 Members agreed that the charter would be non-statutory, concise and would seek to supplement and compliment, not supersede, the existing documents of Local Planning Authorities. The charter's purpose would not be to set local design policies but it would seek to provide a clear and consistent understanding of the West Midlands' place-making expectations and create a level playing field for developers across the region. It would increase the baseline of design quality across the region.
- 2.5 Additionally, the charter would enable WMCA to define 'good quality design' when this is included as a funding condition in its investment decisions and in its commercial negotiations. Its purpose, therefore, would not be to prevent development but to drive quality. As a non-statutory document, developers would not be required to comply with WMCA's preferred standards if they chose to seek funding elsewhere. Furthermore, developers would not be able to use the charter to undermine local planning policies, though Local Planning Authorities could choose to use the charter to support their design ambitions and achieve their quality aspirations if they so wish.
- 2.6 Whilst the specific principles and format of the charter have not previously been discussed by the Board, it was agreed by the Board in February that the charter should focus on a limited number of key principles, circa 10-15, that could best articulate a shared ambition to improve the quality of new development. The principles would be designed to support the wider objectives of the West Midlands, focusing on general principles relating to place-making and quality of life, including WMCA's inclusive growth, health and wellbeing and climate change aspirations.

### **3.0 Developing a Design Charter**

- 3.1 Following February's meeting, WMCA undertook work to focus on the scope and priorities of existing design documents and compiled a literature review of key documents in the West Midlands. Using this literature review as a starting point, WMCA formed a working group including Local Authority and LEP representatives to identify a number of 'core principles' that represent essential placemaking qualities and address some of the most pertinent design challenges that all of the West Midlands authorities face.
- 3.2 Through a series of workshops, the Design Charter working group has considered the scope, principles and format of the draft charter. These principles represent design issues that the group consider to be key priorities to both WMCA and its partners and have been identified by the group as areas where a regional design charter could add

value to the current landscape of design documents at a local level. The working group's regional design charter report was agreed by Housing and Land Delivery Steering Group, subject to minor changes to wording, at their September meeting.

- 3.3 Additionally, the working group considered how the charter could be made accessible to those not from a planning, design and development background. It was suggested that the inclusion of contextual information and case studies could help to define what the principles might look like in practice, inform discussions around how developers might meet each principle and ensure that all partners are communicating the same message. This information was considered to be useful and could be captured as supporting material through, for example, a website and supplementary PDF. These would have the added benefit of giving users access to both the charter and supporting information in an easily accessible place.
- 3.3 It is suggested, therefore, that the Charter should be made available in three formats:
- a) a two page charter, comprising the core principles that WMCA will promote through new development, to be launched in mid-October.
  - b) a web-based tool with supporting information and demonstrative case studies.
  - c) a PDF document, downloadable from the website, including the core principles and relevant supporting information.

#### **4.0 Next Steps and Implementation**

- 4.1 Prior to launching the Regional Design Charter, WMCA is seeking final review from the Housing & Land Delivery Board.
- 4.2 To ensure the Charter can be appropriately implemented and launched, and that stakeholder feedback can be incorporated, WMCA is seeking delegated authority to amend, with the agreement of the Portfolio Holder and Director of Housing and Regeneration between the Board meeting and the launch date (mid-October). The Design Charter Working Group will be party to any final changes, which would be minor in nature or changes of wording that would not affect the sense of the principles or supporting information.
- 4.3 Ahead of and following its launch, WMCA will approach private sector forums to seek endorsement of the charter's principles. WMCA has begun conversations with a number of design bodies to seek support of the approach to raising the quality of design.
- 4.4 Similar to the affordable housing definition and Inclusive Growth Toolkit, WMCA will seek to use the revised Design Charter to shape project proposals coming forward and inform decisions on investment under the Single Commissioning Framework. As with the SCF itself, WMCA will commit to carrying out monitoring and evaluation of the Autumn 2019 Charter to test its impact in practice on specific development schemes.

#### **5.0 Financial Implications**

- 5.1 There are no direct financial implications as a result of the recommendation to develop a Regional Design Charter.

## **6.0 Legal Implications**

- 6.1 Section 113A(1)(a) of the Local Democracy, Economic Development and Construction Act 2009 gives the CA a power of competence appropriate for the purposes of carrying-out any of its functions. Part 4 of The West Midlands Combined Authority Order 2016 (2016 No 653) confers that the functions relating to any Economic development and regeneration in the constituent councils are exercisable by the CA. Part 3 of The West Midlands Combined Authority (Functions and Amendment) Order 2017 confers functions corresponding to the functions of the Homes and Communities Agency has in relation to the combined area. Paragraph 10 (2) (a) of the 2017 Order confers the function of improving the supply and quality of housing to the Combined Authority with 10 (2)(d) conferring the function of contributing to the achievement of sustainable development and good design.
- 6.2 The principles for the Design Charter will be incorporated into the relevant grant funding agreements and Legal will advise further when instructed to advise on any grant agreements where the principles apply.

## **7.0 Equalities Implications**

- 7.1 The Design Charter takes into account key accessibility design principles to ensure inclusivity is achieved for a wide range of groups.

## **8.0 Inclusive Growth Implications**

- 8.1 The proposed Design Charter is focused on improving quality of life for all residents of the West Midlands through better place-making and design. The value of the Charter will be determined by its backing and adoption on as much new development as possible, including those sites where the cost of delivering better development would normally be considered prohibitive.

## **9.0 Geographical Area of Report's Implications**

- 9.1 The proposed Regional Design Charter would be used to guide WMCA investment decisions across the whole geography of the WMCA area, including the 3 LEPs and non-constituent Member authorities.
- 9.2 The Charter would be available to all Local Authorities within this area to use in addition to their existing and future design documents.

## **10.0 Other Implications**

- 10.1 There are no other implications.



**11.0 Schedule of Background Papers**

11.1 There are no background papers.

## Appendix 1

### West Midlands Combined Authority – Regional Design Charter

#### Introduction

This Charter has been produced in collaboration with the local authorities and LEPs that make up WMCA and has been tested with developers, designers and investors from the private sector. The Charter represents a regional commitment to good place-making and will be used to support applications for WMCA funding for new development (including residential, commercial and mixed use). Applicants should inform the relevant local authority(s) of their intention to seek WMCA funding and their ability to meet the Charter standard. WMCA will expect applicants to evidence this.

#### 1. Character/Context

##### Principle 1 – Regional Ambition

*Development promoters will be expected to produce unique and innovative schemes that are grounded in a sound understanding of the local context and acknowledge the diversity of place across the West Midlands.*

##### Principle 2 – Local Distinctiveness

*New development should acknowledge and respond to the qualities that define the locality's 'spirit of place' for its users, including residents, users and workers. Schemes should contribute to crafting the physical and cultural identity of the local environment.*

#### 2. Connectivity and Mobility

##### Principle 3 - Regional network

*New development must contribute to enhancing regional connectivity and integrate effectively to existing and planned transport networks, thinking beyond both site and administrative boundaries.*

##### Principle 4 – Modal Shift

*Proposals should demonstrate an understanding of the changing face of transport in the local area and seek to promote walking, cycling and public transport use accordingly.*

#### 3. Future-readiness

##### Principle 5 – Climate Resilience

*Developments should incorporate climate adaptation measures that respond to the short and long term impacts of climate change and address the environmental impact of the proposal across its lifecycle.*

#### **Principle 6 – Delivering Low Carbon Development**

*Development proposals should seek to reduce greenhouse gas emissions by making clear, specific commitments to carbon reduction and the potential for new schemes to meet zero carbon standards should be considered from the outset.*

#### **Principle 7 – Technological Resilience**

*New development should harness technological innovation from the outset, to deliver adaptable buildings that respond to the rapidly changing digital, communication and infrastructure requirements of our businesses and citizens.*

### **4. Health and wellbeing**

#### **Principle 8 – Building Active Communities**

*Development proposals should support healthy living environments and address health inequalities by providing access to a range of physical activity.*

#### **Principle 9 – Promoting Wellbeing**

*New development should promote wellbeing and good mental health by fostering community, identifying opportunities to reduce social isolation and limiting loneliness.*

### **5. Engagement and Stewardship**

#### **Principle 10 - Engagement**

*Consultation should reflect local social and geographical diversity and enable key stakeholders to shape design solutions from an early stage.*

#### **Principle 11 - Stewardship**

*Public spaces and facilities should be designed to encourage long term civic pride. Developers must give early consideration to their ongoing management and will be responsible or delivering long term maintenance solutions.*

### **6. Delivery**

#### **Principle 12 – Securing Social Value**

*In addition to the principles in this charter, WMCA will expect developers to promote social value throughout the development process and seek to align all housing and regeneration investment decisions with its inclusive growth objectives (through its Single Commissioning Framework).*

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## WMCA Housing & Land Delivery Board

<b>Date</b>	30 September 2019
<b>Report title</b>	Modern Methods of Construction: Update and Next Steps
<b>Portfolio Lead</b>	Councillor Mike Bird
<b>Accountable Employee</b>	Gareth Bradford, Director of Housing & Regeneration, WMCA Patricia Willoughby, Head of Policy (Housing & Regeneration) (Senior Reporting Officer), WMCA Rachel-Ann Atterbury, Report Author, WMCA
<b>Report has been considered by</b>	Housing & Land Delivery Steering Group (11.09.2019)

### Recommendation(s) for action or decision:

#### The Housing and Land Delivery Board is recommended to:

- a) Note progress in developing a vision, routemap and strategy for Modern Methods of Construction ('MMC').
- b) Note WMCA will seek to secure additional technical and industry expertise to support this agenda through:
  - o The appointment of a dedicated MMC programme manager
  - o Creation of an MMC Expert Advisory Panel
- c) Agree the proposal to be an early adopter of MHCLG's MMC definition framework in the West Midlands.
- d) Subject to agreement to the above, agree the proposal to move towards a pre-qualification requirement for use of MMC categories 1 and 2 in new developments that are coming forward through the Single Commissioning Framework.

### 1.0 Purpose

- 1.1 The purpose of this paper is to provide an update on work to date on the Modern Methods of Construction programme in the West Midlands and next steps to December 2019. Additionally, this paper proposes some immediate actions to accelerate the uptake of MMC in the West Midlands, including the adoption of an MMC definition and target.

## **2.0 Background**

- 2.1 The Land Commission identified the need to accelerate housing delivery in the West Midlands to meet targets set out in the Housing Deal and Strategic Economic Plan, and highlighted the role that advanced construction technologies could play in achieving this. WMCA have since committed to increasing the uptake of advanced construction technologies in WMCA's 2019/2020 Annual Plan.
- 2.2 Precedent has already been set within the region - a number of Local Authorities have already adopted or are piloting modular build for social housing stock. Several housing associations and some private developers (notably in the Commonwealth Games Village) have already started deploying MMC on specific projects and are committed to further uptake. Additionally, under the SCF, WMCA have already invested in and are currently supporting a number of schemes that are committed to using modular construction methods.
- 2.3 Furthermore, the region has already committed to increasing uptake of Advanced Manufacturing and maximising new enhanced digital connectivity to drive innovation and productivity in the construction sector as part of the Industrial Strategy and emerging Construction Sector Action Plan.
- 2.4 Nationally, government are also prioritising MMC for residential development, by using its spending to drive a presumption in favour of off-site construction and incorporating MMC KPIs into MHCLG and Homes England funding decisions. This is a significant commitment on the part of central government and could provide the opportunity for WMCA to access additional funds.
- 2.5 Additionally, MHCLG is already undertaking work to support the mortgage finance, insurance and valuation communities in better understanding and supporting use of MMC in residential development. This has included the development of a 'definition framework' (Appendix 1) which identifies 7 MMC categories across a spectrum, from homes built entirely off-site to improved on-site processes. This definition framework will also be used by Homes England within their procurement framework.
- 2.6 Further information on the rationale behind WMCA's MMC Programme and work to date is included in Appendix 1 and Table 1.

## **3.0 Next Steps**

- 3.1 To avoid replicating work already coming out Government, it is suggested WMCA focuses on addressing the issues surrounding supply and quality as opposed to those around financing and warranties.
- 3.2 Due to its technical nature, designing a robust routemap and strategy to drive up MMC supply will require a significant amount of time and industry knowledge. For this reason, WMCA will seek to bring in a dedicated programme manager over Autumn/Winter 2019, with knowledge of the MMC market and its specific challenges.

- 3.3 In the meantime, it is important that WMCA takes immediate steps to ensure MMC becomes both the industry and consumer choice as soon as possible and make good early progress on delivering the Local Industrial Strategy. Based on soft market research in the region, and the work of Homes England and the Greater London Authority's on this agenda, It is proposed that WMCA could demonstrate its commitment to MMC by working towards a pre-qualification requirement for its use in those sites and developments in which it intervenes.
- 3.4 Through the Single Commissioning Framework, WMCA could begin to test a minimum MMC target across developments in which it intervenes. This would mean that WMCA could encourage and test the appetite for MMC immediately whilst developing more robust policy throughout Autumn and Winter this year. This target should be ambitious but also reflect what is currently achievable in the region.
- 3.5 It is suggested that WMCA adopt MHCLG's Definition Framework when implementing this target to limit confusion around the definition of MMC. This will ensure WMCA's MMC strategy aligns with work in MHCLG around financing and warranties, as well as with work by Homes England who also use the framework. Using this framework, WMCA can prioritise types of MMC based upon its housing and wider regeneration ambitions.
- 3.6 Based on previous conversations with investors and developers, it is understood that WMCA could feasibly enable increased uptake of MMC under the SCF process, initially through its commissioned partnerships and tailored conversations. It is suggested that WMCA work towards a pre-qualification requirement within the Single Commissioning Framework for 20% of units to utilise MMC as described in categories 1 and 2 of the MMC definition framework. For the purposes of simplicity, these categories cover volumetric and advanced panellised systems. WMCA will monitor and evaluate the impact of any requirement for MMC in practice on specific schemes.
- 3.7 To ensure WMCA can sufficiently assess the impact of the pre-qualification requirement on viability and pace of delivery, it would likely to be beneficial to undertake a phased implementation period. It is suggested that, initially, the requirement would only apply to large sites (200 units+). WMCA could then seek to expand the requirement to smaller sites, subject to its effect on the market and MMC uptake. This approach would provide sufficient certainty of investment to the MMC supply chain and developers, as well as clarity on WMCA's definition and use of MMC whilst ensuring its approach does not prevent new development.
- 3.8 To support or implement this work, WMCA is therefore planning to:
- Produce an MMC Strategy (to be commissioned by the end of September 2019 with anticipated completion date of end of December 2019) – this will broadly follow the presentation produced by Mark Farmer and given at the meeting on 11<sup>th</sup> September 2019. It is likely to focus on driving innovation, quality, skills and employment and securing a pipeline for MMC in the West Midlands.

- Convene an MMC Expert Advisory Panel, to help drive the MMC programme, offer technical expertise and insight as well as acting as a critical friend to the definition, emerging strategy and routemap.
- Continue discussions with development partners (private sector and housing associations) to incorporate and support uptake of MMC into new projects.
- Identify a series of MMC principles, based upon the emerging strategy, which could inform discussions under the SCF process and support the MMC target.

## **6. Financial Implications**

- 6.1 Any additional costs arising from the appointment of specific MMC resource will be met through existing resource.

## **7. Legal Implications**

- 7.1 Section 113A(1)(a) of the Local Democracy, Economic Development and Construction Act 2009 gives the CA a power of competence appropriate for the purposes of carrying-out any of its functions. Part 4 of The West Midlands Combined Authority Order 2016 (2016 No 653) confers that the functions relating to any Economic development and regeneration in the constituent councils are exercisable by the CA. Part 3 of The West Midlands Combined Authority (Functions and Amendment) Order 2017 confers functions corresponding to the functions of the Homes and Communities Agency has in relation to the combined area. Paragraph 10 (2) (a) of the 2017 Order confers the function of improving the supply and quality of housing to the Combined Authority, 10 (2) (b) to secure the regeneration or development of land or infrastructure in the combined area, 10 (2)(c) to support in other ways the creation, regeneration or development of communities in the combined area or their continued well-being and 10 (2)(d) confers the function of contributing to the achievement of sustainable development and good design.
- 7.2 It is suggested that the requirements for MMC be included in the Pre- Qualification Criteria and the Legal Team will advise further if and when required

## **8. Equalities Implications**

- 8.1 There are no direct equalities implications as a result of this report.

## **9. Inclusive Growth Implications**

- 9.1 The proposals themselves are neutral in terms of inclusive growth. However, implications may arise through the development of the vision, strategy and routemap in terms of who benefits from their application. As such, they should be devised with responsibility to deliver inclusive growth.

## **10. Geographical Area of Report's Implications**

- 10.1 The proposed MMC target, vision, routemap and strategy would be used to guide WMCA investment decisions across the whole geography of the WMCA area, including the 3 LEPs and non-constituent Member authorities.

**11. Other Implications**

11.1 There are no other implications.

**12. Schedule of Background Papers**

12.1 There are no background papers.

## Appendix 1

### 1.0 Rationale

1.1 WMCA recognises that its ambitious housing targets and Local Industrial Strategy goals cannot be met through traditional construction methods alone, and that MMC could support the delivery of high quality housing at pace and scale and, in particular, expedite build out on development sites. The potential advantages of adopting MMC include:

- Accelerated delivery, achieved through faster build out
- Predictability of the build out programme and reduced weather-related delays
- Improved quality, delivered through a factory-controlled environment with consistent processes
- Certainty of cost, quality and timescale at programme start due to consistent processes
- ‘Cleaner’ construction careers, providing opportunities in multi-skilled disciplines with improved health and safety conditions.
- Improved whole life efficiency, user comfort and costs, enabling housing to make a sizeable contribution to wider energy and environment ambitions

1.2 Despite these advantages, a number of challenges to widespread adoption of MMC remain, including:

- Lack of discernible pipeline, limiting continuity of supply and adding risk to upfront investment in MMC technologies
- Lack of volume, continuity of demand and standardisation, across products and amongst buyers, make it difficult to achieve and benefit from economies of scale
- Lack of standardisation and limited supply leading to increased development risk
- Limited guidance applying directly to MMC and MMC qualifications
- Potential loss of demand for traditional construction skills and, simultaneously, the need to resource a new construction sector.

1.3 Addressing these barriers will be key to achieving WMCA’s target of 215,000 new homes by 2031 and the strategic goals of the Construction Sector Action Plan. However, MMC and advanced construction technologies should not be seen as a distinct approach to or replacement for traditional methods of construction. Rather, they provide an opportunity to bridge the gap between what the construction industry currently delivers and the output the West Midlands needs alongside maximising the benefits of the 5G construction cluster and cross-cutting digital agenda of the Local Industrial Strategy.

### 2.0 Understanding MMC in the region

2.1 WMCA have already taken steps to understand MMC uptake and the private sector position in the West Midlands. An Advanced Methods of Construction Advisory Panel was established in September 2018 to support a mapping of current and emerging capability in the West Midlands, to advise WMCA on emerging strategy and to provide

expert private sector input into the development of an agreed definition of current market-led terminology.

- 2.2 Additionally, work was undertaken to understand the unique opportunity presented in the West Midlands to embrace new construction technologies and skills, including the Skills Agreement and Construction Gateway, National Brownfield Institute and Springfield Campus, Dudley College and existing suppliers. Additionally, the Industrial Strategy identifies a number of areas to use construction as a key lever for economic growth, including encouraging diversity and new entrants into the market and accelerating the use of innovative processes.

### **3.0 Reviewing work undertaken elsewhere**

- 3.1 MMC is not a new term but has existed in various forms for a number of years. Already, a significant amount of research has been undertaken by government and industry bodies. WMCA can learn from others' research and practice when designing a vision, plan and delivery programme. A number of key documents are summarised in Table 1 (Research Review).

Table 1 – Research Review

Document	Publisher	Identified Benefits	Identified Drawbacks	Barriers to uptake	Recommendations
<a href="#">Modern Methods of Construction</a> (2006)	HBF	<ul style="list-style-type: none"> <li>Greater business efficiency</li> <li>Enhanced design and quality</li> <li>Improved customer satisfaction</li> <li>Enhanced building performance</li> <li>Increased housing supply</li> <li>Enhanced environmental performance</li> </ul>	<ul style="list-style-type: none"> <li>Difficult to achieve economies of scale due to uncertainties including changing planning policy, approval process and land supply</li> <li>Inadequate certification process that limits innovation</li> </ul>	<ul style="list-style-type: none"> <li>Inflexibility – on site, in demand patterns, design requirements</li> <li>Regulatory complexity and change not suited to MMC</li> <li>Different training and certification needs</li> <li>Building regulations prescriptive, not performance-based</li> </ul>	<ul style="list-style-type: none"> <li>Guidance and training to increase awareness of benefits, advantages and necessary skills across industry</li> <li>Develop testing methods for MMC and promote as best practice</li> <li>Develop an objective, industry-wide approach for assessing business cases</li> <li>Develop a mechanism for whole project costing that provides cost basis and performance benchmarking</li> <li>Develop a mechanism to assess and quantify risk with accompanying accredited standard</li> </ul>
<a href="#">Farmer Review: 'Modernise or Die'</a> (2016)	CLC	<ul style="list-style-type: none"> <li>Faster build programme</li> <li>Time predictability</li> <li>Improved quality</li> <li>Reduced long-term cost</li> <li>Easier operation and maintenance (build to rent)</li> </ul>	<ul style="list-style-type: none"> <li>Appetite for new approaches may wane if labour market improves and build costs reduce</li> </ul>	<ul style="list-style-type: none"> <li>Funders continue to see MMC as carrying added risk</li> <li>Non-collaborative culture in industry (focus on lowering immediate cost rather than long term innovation and cost-reduction)</li> <li>Lack of scale and capacity in current market</li> </ul>	<ul style="list-style-type: none"> <li>Implement a strategic level direct investment/building programme for MMC homes</li> <li>Work with Registered Providers to deliver/co-invest in an Affordable Housing programme more specifically linked to influencing innovation</li> <li>Investment in the private rented sector linked to influencing innovation</li> </ul>
<a href="#">Modern Methods of Construction – Views from the Industry</a> (2016)	NHBC	<ul style="list-style-type: none"> <li>Faster build programme</li> <li>Improved build quality</li> <li>Improved health and safety</li> <li>Improved site efficiencies</li> <li>Reduced cost</li> <li>Reduced site waste</li> <li>Addresses construction skills shortage</li> </ul>	<ul style="list-style-type: none"> <li>Reduced costs, improved cashflow and faster sales revenues only identified in strong sales markets</li> <li>Less flexibility for on-site design changes (early freeze)</li> <li>Supply chain capacity and choice of suppliers</li> <li>Need for more comprehensive procurement planning</li> </ul>	<ul style="list-style-type: none"> <li>Unfamiliar methods</li> <li>Increased capital cost</li> <li>Lack of suppliers</li> <li>Buyer reactions</li> <li>Lack of sub-contractor skills</li> <li>Supplier's inability to meet delivery programme</li> </ul>	<ul style="list-style-type: none"> <li>Share best practice case studies and cost/benefit models</li> <li>Encourage suppliers to enter market and improve their knowledge of house-building sector</li> <li>Grant or subsidy-funded development</li> </ul>
<a href="#">Modern Methods of Construction – Who's doing what</a> (2018)	NHBC	<ul style="list-style-type: none"> <li>Better quality</li> <li>Improved efficiency</li> <li>Accelerated delivery</li> <li>Increased productivity</li> <li>Addresses labour/skills shortage</li> <li>Sustainability</li> </ul>	<ul style="list-style-type: none"> <li>Supply-side constraints, particularly concerns about procurement and continuity of supply</li> </ul>	<ul style="list-style-type: none"> <li>Procurement challenges</li> <li>Manufacturing capacity</li> <li>Unsuitable for planning system</li> <li>Lack of funders/lenders</li> <li>Mortgageability</li> <li>Skills shortage</li> </ul>	<ul style="list-style-type: none"> <li>Note number of firms looking to make investment or co-investment in a factory (24%)</li> <li>Note impact of Brexit on labour supply as a likely driver of uptake.</li> </ul>

# MODERN METHODS OF CONSTRUCTION

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INTRODUCING THE MMC DEFINITION FRAMEWORK

# WHAT IS THE MMC DEFINITION FRAMEWORK?

The MMC definition framework is a new seven category definition framework that enables a full and future-proofed range of 'Modern Methods of Construction' used in homebuilding to be better understood with regularised terminology.

The definition framework spans all types of pre-manufacturing, site based materials and process innovation.

This definition framework is an output of the MHCLG Joint Industry Working Group on MMC which is tasked with improving stakeholder education and understanding of MMC with particular reference to enabling better access to mortgage finance, insurance and assurance. Particular thanks go to the Working Group members, Buildoffsite, Homes England, NHBC and RICS who all provided input to this definition framework.

# BUILDING TYPOLOGIES & MATERIAL GENRES

Before the categories can be examined and applied it is important to define the type of building and the material genre. The material genre is only applied to structural categories 1-4a.

## BUILDING TYPOLOGY

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- > Houses
- > Low rise apartments (<5 storeys)
- > Mid rise apartments (6-9 storeys)
- > High rise apartments 10 storeys and above

## MATERIAL GENRE

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- > Mass engineered timber (MET)
- > Timber framed (TF)
- > Light gauge steel framed (LGS)
- > Hot rolled fabricated steel (HRS)
- > Hot rolled / light gauge steel combination (SC)
- > Concrete & cement derived (C)
- > Timber framed / concrete combination (TFC)

# Category

# DEFINITIONS

The term 'pre-manufacturing' encompasses processes executed away from final workforce, including in remote factories, near site or on-site 'pop up' factories. The pass test is the application of a manufactured led fabrication or consolidation process in controlled conditions prior to final assembly / install. On-site 'workface factories' are included in Category 7).



CATEGORY  
DEFINITION



1  
Pre-manufacturing  
(3D primary structural  
systems)



2  
Pre-manufacturing  
(2D primary structural  
systems)



3  
Pre-manufacturing  
components (non-systemised  
primary structure)



MMC  
SPECTRUM



4  
Additive manufacturing  
(structural and non-structural)



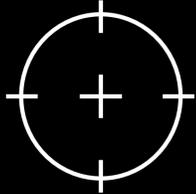
5  
Pre-manufacturing  
(non structural assemblies  
& sub-assemblies)



6  
Traditional building product  
led site labour reduction /  
productivity improvements



7  
Site process led site labour  
reduction / productivity /  
assurance improvements

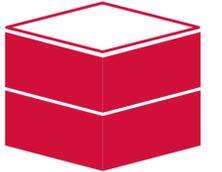


PMV ANALYSIS

# Category 1

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## Pre-manufacturing (3D primary structural systems)



A systemised approach based on volumetric construction involving the production of three-dimensional units in controlled factory conditions prior to final installation. Volumetric units can be brought to final site in a variety of forms ranging from a basic structure only to one with all internal and external finishes and services installed, all ready for installation.

The system includes structural performance. Full volumetric units in apartment buildings can include apartment space and common area space. Mini volumetric structural units can include bathroom pods and the like which are structurally stacked and loaded.

# Category 1

## Pre-manufacturing (3D primary structural systems)



- a. Structural chassis only – not fitted out
- b. Structural chassis and internal fit out
- c. Structural chassis, fit out and external cladding / roofing complete
- d. Structural chassis and internal fit out  
–‘podded’ room assemblies – bathrooms / kitchens etc

Any of the above variants can be used in the following 3 configurations:

- i. Whole building systemised
- ii. Hybrid construction –  
part systemised, part traditional  
(ie traditional core / ground floor podium)
- iii. Hybrid construction –  
secondary structure to enhance system performance  
(ie build at height)



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# Category 2

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## Pre-manufacturing (2D primary structural systems)



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4

A systemised approach using flat panel units used for basic floor, wall and roof structures of varying materials which are produced in a factory environment and assembled at the final workface to produce a final three-dimensional structure. The most common approach is to use open panels, or frames, which consist of a skeletal structure only, with services, insulation, external cladding and internal finishing being installed on-site.

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More complex panels – typically referred to as closed panels – involve more factory-based fabrication and include lining materials and insulation. These may also include services, windows, doors, internal wall finishes and external claddings. The system includes structural performance for primary walls and all floors (note – this excludes unitised or composite external walling systems that are not load bearing included in Category 5).

7

# Category 2

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## Pre-manufacturing (2D primary structural systems)



- a. Basic framing only including walls, floors, stairs & roof
- b. Enhanced consolidation – insulation, internal linings etc
- c. Further enhanced consolidation – insulation, linings, external cladding, roofing, doors, windows



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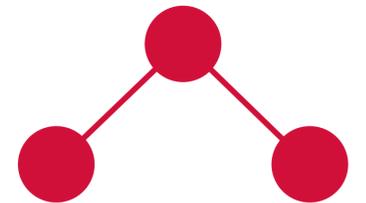
MMC  
SPECTRUM

PMV  
ANALYSIS

# Category 3

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Pre-manufacturing components  
(non-systemised primary structure)



Use of pre-manufactured structural members made of framed or mass engineered timber, cold rolled or hot rooled steel or pre-cast concrete. Members to include load bearing beams, columns, walls, core structures and slabs that are not substantially in-situ workface constructed and are not part of a systemised design.

This category, although focused on superstructure elements, would also include sub-structure elements such as pre-fabricated ring beams, pile caps, driven piles and screw piles.

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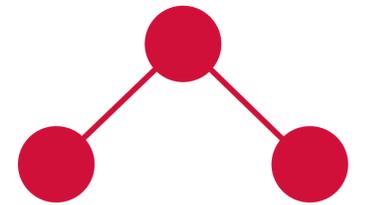
MMC  
SPECTRUM

PMV  
ANALYSIS

# Category 3

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Pre-manufacturing components  
(non-systemised primary structure)



- a. Driven / screw piling
- b. Pre-fabricated pile caps / ring beams
- c. Columns / shear walls / beams
- d. Floor slabs
- e. Integrated columns, beams and floor slabs
- f. Staircases
- g. Pre-assembled roof structure – trusses / spandrels



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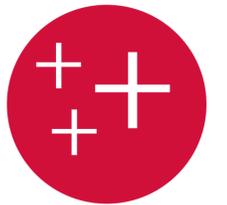
MMC  
SPECTRUM

PMV  
ANALYSIS

# Category 4

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Additive manufacturing  
(structural and non-structural)



The remote, site based or final workface based printing of parts of buildings through various materials based on digital design and manufacturing techniques.

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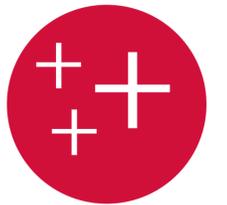
MMC  
SPECTRUM

PMV  
ANALYSIS

# Category 4

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Additive manufacturing  
(structural and non-structural)



- a. Substantive structural forms / components
- b. Non structural components



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Page 42

MMC  
SPECTRUM

PMV  
ANALYSIS

# Category 5

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## Pre-manufacturing (Non structural assemblies and sub-assemblies)



A series of different pre-manufacturing approaches that includes unitised non-structural walling systems, roofing finish cassettes or assemblies (where not part of a wider structural building system), non-load bearing mini-volumetric units (sometimes referred to as 'pods') used for the highly serviced and more repeatable areas such as kitchens and bathrooms, utility cupboards, risers, plant rooms as well as pre-formed wiring looms, mechanical engineering composites, would fall into this category.

Conventional masonry site constructed schemes utilising conventional building products such as windows and door-sets – which might otherwise be part of the fabrication process in the other pre-manufacturing categories – should not be included as sub-assemblies or components in this category unless there is a further level of consolidation from traditional configurations. Also excludes any structural base elements that composite assemblies are fixed to and which are to be included in Cats 1-4. Any structure in this category is purely to support the sub-assembly in transit / install phase.

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MMC  
SPECTRUM

PMV  
ANALYSIS

# Category 5

## Pre-manufacturing (Non structural assemblies and sub-assemblies)

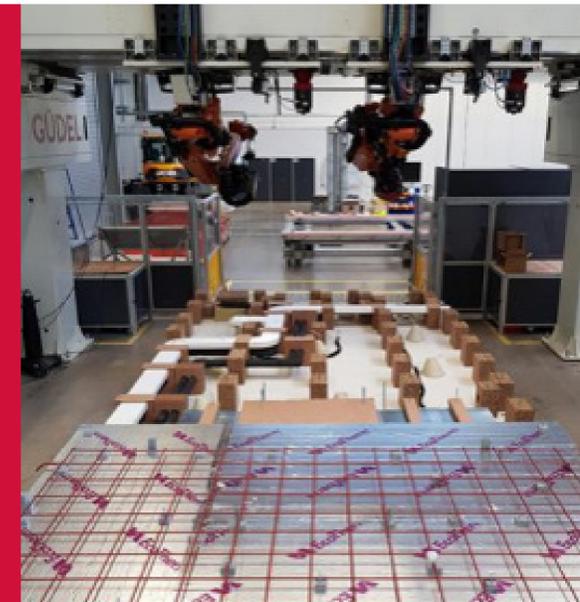
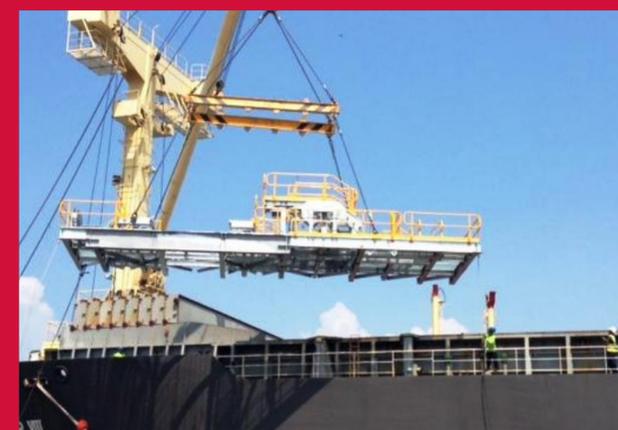


### Volumetric podded assemblies

- a. Whole bathroom assemblies (including enclosing structure)
- b. Kitchen assemblies  
(including enclosing / supporting structure)
- c. Bathroom / kitchen combined assemblies  
(including enclosing / supporting structure)
- d. In unit M&E central equipment assemblies  
(utility cupboards etc)

### Panelised / linear assemblies

- e. Façade assemblies (non structural) including glazing,  
solid cladding, metalwork
- f. Roof assemblies / cassettes – pre-finished roof sections  
(including structure to support own weight)
- g. In unit M&E distribution assemblies
- h. Infrastructure M&E assemblies – vertical risers / main distribution
- i. Infrastructure M&E assemblies – central plant & equipment
- j. Floor cassettes with horizontal services / finishes added
- k. Partition cassettes – with horizontal & vertical services / finishes added
- l. Doorsets (pre-hung, finished with ironmongery)



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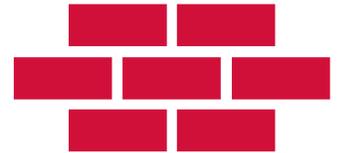
MMC  
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ANALYSIS

# Category 6

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Traditional building product led site labour reduction / productivity improvements



Includes traditional single building products manufactured in large format, pre-cut configurations or with easy jointing features to reduce extent of site labour required to install.

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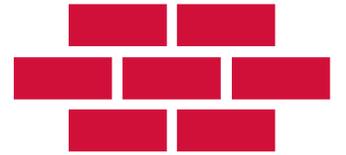
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MMC  
SPECTRUM

PMV  
ANALYSIS

# Category 6

Traditional building product led site labour reduction / productivity improvements



- a. Large format walling products – external walls
- b. Large format walling products – internal walls
- c. Large format roofing finishes
- d. Pre-sized and cut to measure traditional materials – component level systemisation
- e. Easy site install / jointing / interfacing features – brick slips, modular wiring, flexible pipework



# Category 7

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Site process led site labour reduction / productivity / assurance improvements



This category is intended to encompass approaches utilising innovative site based construction techniques that harness site process improvements falling outside the five main pre-manufacturing categories 1-5 or materials innovation in Category 6. This category would also include factory standard workface encapsulation measures, lean construction techniques, physical and digital worker augmentation, workface robotics, exoskeletons and other wearables, drones, verification tools and adoption of new technology led plant and machinery.

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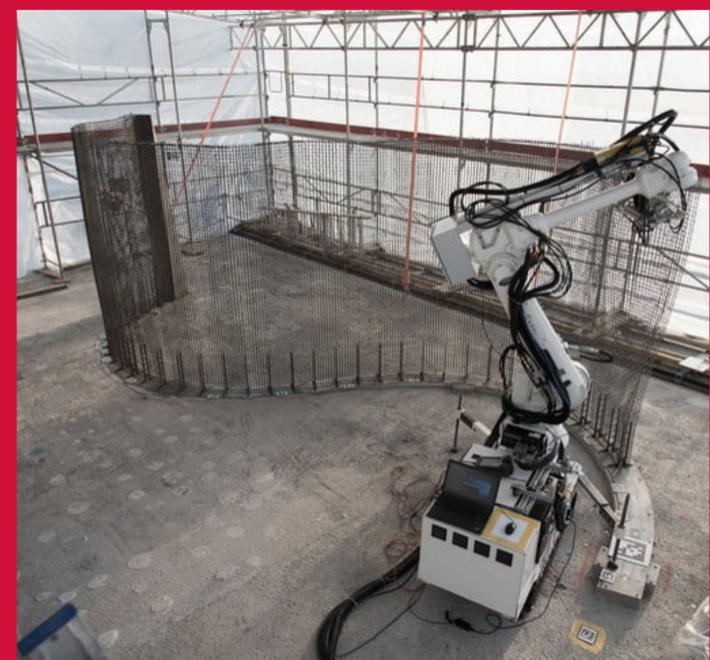
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# Category 7

## Site process led site labour reduction / productivity / assurance improvements



- a. Site encapsulation measures – weatherproof and environmentally controlled enclosures
- b. Use of standardised or sacrificial temporary works – modular scaffold, tunnel form in-situ concrete, insulated concrete formwork
- c. Use of BIM connected lean delivery framework – digitally enabled workflow planning
- d. Site worker augmentation – visual (ie AR/VR )
- e. Site worker augmentation – physical (ie exoskeletons, assisted materials distribution etc)
- f. Site worker productivity planning tools (GPS, wearables etc)
- g. Site process robotics and drones (rebar, masonry, plastering, decorating, surveying etc)
- h. Autonomous plant and equipment and drones (driverless cranes, diggers etc)
- i. Digital site verification tools (photogrammetry, site worker video, LIDAR scanning etc)



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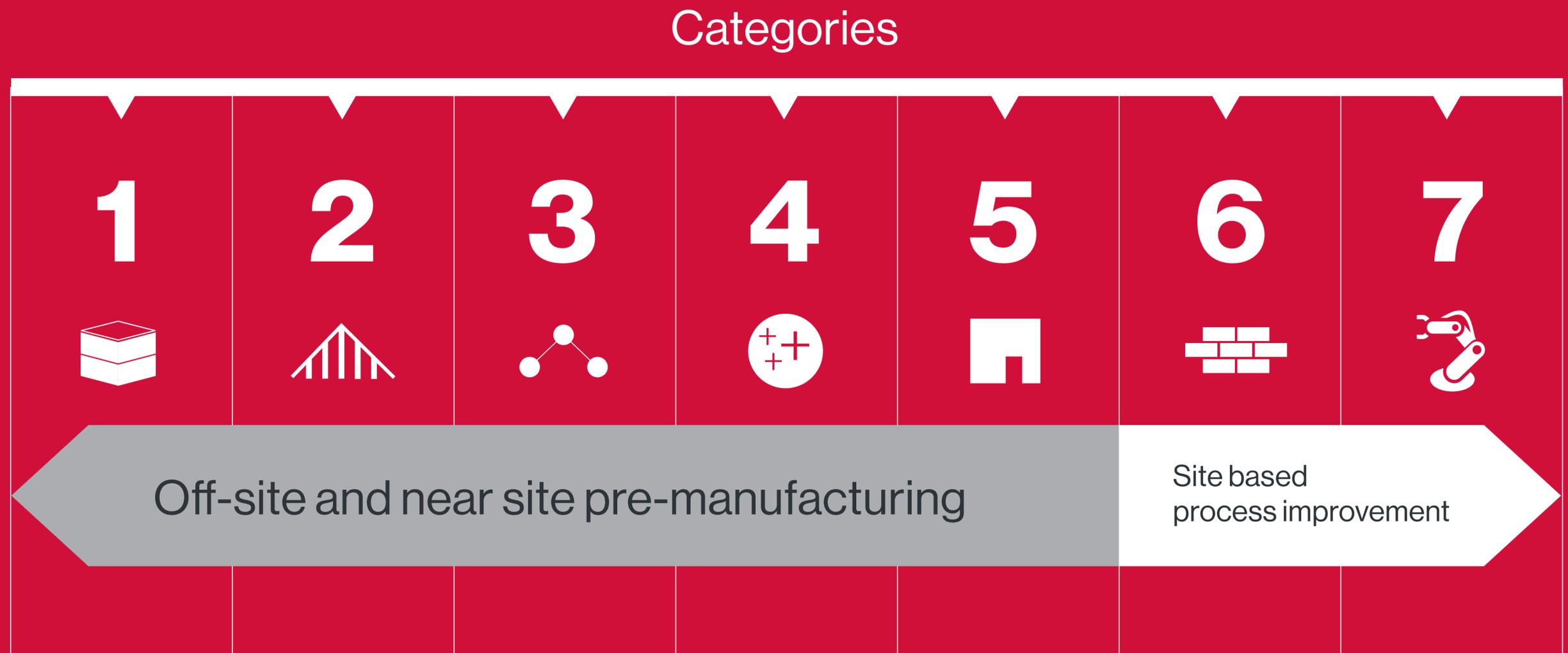
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# MMC Spectrum

A range of approaches which spans off-site, near site and on-site pre-manufacturing, process improvements and technology applications



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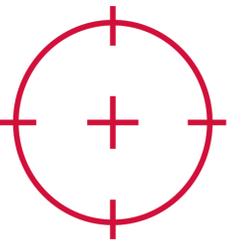
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MMC SPECTRUM

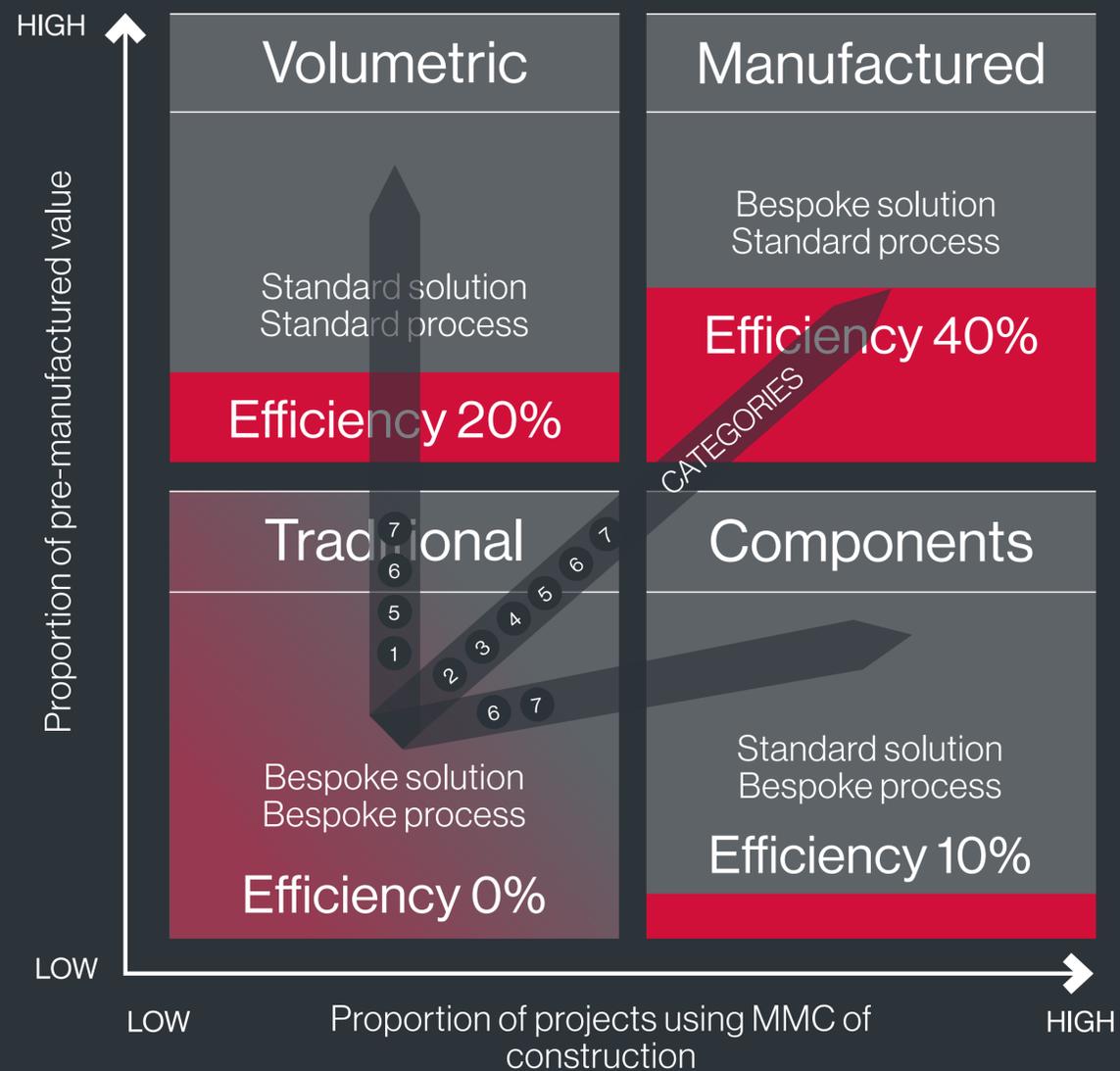
PMV ANALYSIS

# Pre-manufactured value (PMV)

## Analysis of projects using MMC and their proportion of pre-manufactured value (PMV)



There are multiple routes to increasing the PMV of a project. The PMV is measuring the proportion of a project made up of on-site labour, supervision, plant and temporary works. Increasing manufacturing and/or reducing site labour can both be applied to improve PMV.



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MMC SPECTRUM

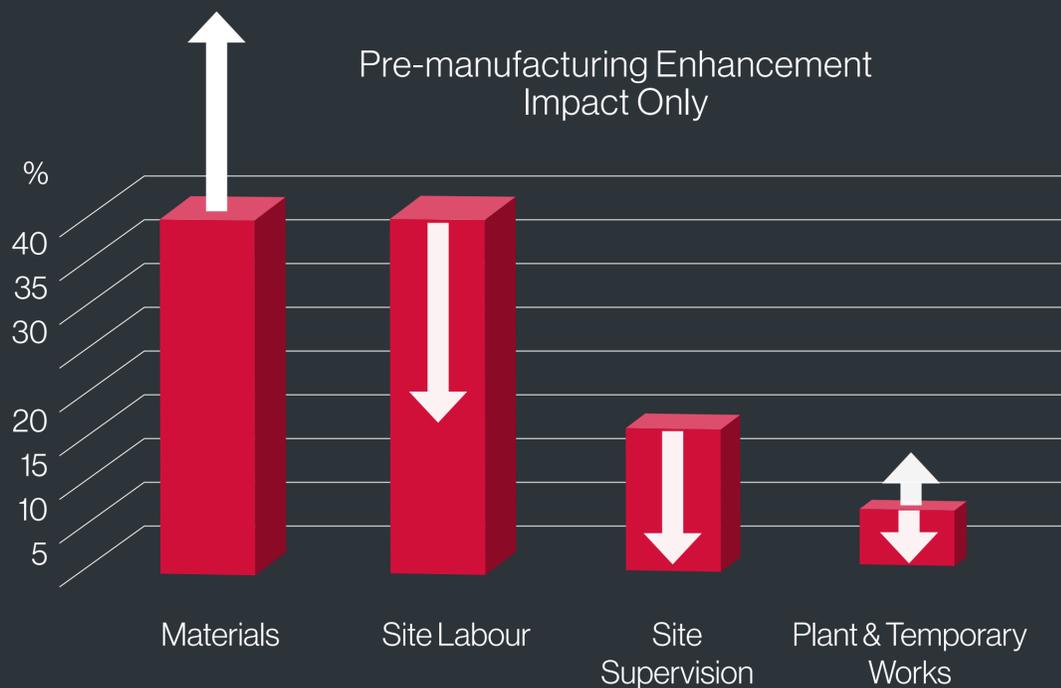
PMV ANALYSIS

# Pre-manufactured value (PMV)

Analysis of projects using MMC and their proportion of pre-manufactured value (PMV)



## CATEGORIES 1-5 PRE-MANUFACTURING LED APPROACHES



- General shift of site labour to controlled manufacturing processes
- Speed reduces site preliminaries including supervision
- Possible upward pressure on logistics / craneage

## CATEGORIES 6-7 SITE PROCESS LED APPROACHES



- Low wastage reduces total manufactured material content
- Productivity improvements on-site reduces labour requirements
- Better planning & digital augmentation reduces supervisory needs
- Possible use of autonomous equipment and robotics could increase plant
- Can be used in conjunction with Categories 1-5 pre-manufacturing

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**West Midlands**  
Combined Authority

## Housing & Land Delivery Board

<b>Date</b>	30 September 2019
<b>Report title</b>	Town Centre Interventions and Town Centres Toolkit
<b>Portfolio Lead</b>	Councillor Mike Bird, Leader, Walsall MBC
<b>Accountable Employees</b>	Gareth Bradford, Director of Housing & Regeneration Patricia Willoughby, Head of Policy (Housing & Regeneration) (report author)
<b>Report has been considered by</b>	Housing & Land Delivery Steering Group (11.09.2019)

### Recommendation(s):

The Housing & Land Delivery Board is asked to:

- a) Note the commitment in February 2019 by WMCA's Investment Board to earmark £20m of WMCA's devolved housing and land funds to support the Regional Town Centres Programme - with detailed funding and delivery agreements of up to £5m to be agreed by WMCA Directors of Housing & Regeneration, Finance and Governance.
- b) Note that some of the projects initially identified in February 2019 by local authorities for WMCA investment under this programme have now been funded and supported through other means.
- c) Endorse the view of Housing & Land Delivery Steering Group that up to £5m of the £20m earmarked for this programme is used to support delivery of 'early impact' town centre interventions, subject to funding and delivery agreements being put in place between WMCA and each relevant local authority.
- d) Note the types of interventions recommended by the Regional Town Centres Task Force (as described in the draft Town Centres Toolkit) and endorsed by the Housing &

Land Delivery Steering Group at its meeting in September 2019 on which the interventions submitted by each council have been determined.

Further note: The Housing & Land Delivery Board should also refer to the separate confidential report on the agenda which identifies the proposed interventions for the five 'first wave' town centres; the information in this report is commercially sensitive at this stage and should not be referred to in the discussion.

## **1.0 Purpose**

- 1.1 The purpose of this paper is to provide an update on:
- the packages of interventions which are being developed jointly with the local authorities in the five 'first wave' town centres and are designed to demonstrate active progress and momentum within each of the centres – these complement the major capital projects agreed by Investment Board in February 2019 and are in line with the purpose and intent of the £20m agreed by that Investment Board
  - the emerging 'Town Centres Toolkit'.

## **2.0 Background**

- 2.1 The Town Centres Programme was launched in October 2018 and since that time has established five 'first wave' town centres (Bilston in Wolverhampton, Bordesley Green in Birmingham City, St Matthew's Quarter in Walsall, St Thomas' Quarter in Dudley and West Bromwich East in Sandwell). Within each of these centres, a number of interventions were identified by Local Authorities on the basis of their emerging and adopted plans. In February 2019, WMCA's Housing & Land Delivery Board and Investment Board agreed an investment package of nearly £20m to support these interventions (e.g. land acquisitions).
- 2.2 The draft Town Centres Toolkit has been prepared to provide some context to the WMCA Town Centre Programme, summarise a range of possible interventions, identify how local authorities can prepare Delivery & Investment Plans to help unlock funding, and attract private investment. The Toolkit also links through to the Single Commissioning Framework by indicating the types of project on which WMCA might wish to focus its funding. The document is not intended to repeat the various existing toolkits and town centre guides but to provide a WMCA approach to town centre regeneration activities.

## **3.0 Progress and current activity**

### *Interventions*

- 3.1 By their very nature, 'hard interventions' have relatively long and, to a certain degree, unpredictable lead in times. As a result, and with the support of the Town Centres Task Force, the Housing & Land Delivery Steering Group, the Portfolio Holder and the Regional Town Centres Working Group of local authorities, WMCA has worked with the five local authorities to produce a list of 'early impact/soft interventions' – projects which could be implemented in the short term (say within 6 months) and which would also demonstrate confidence and activity in each town centre, drive footfall in each centre and show visible progress on the road to transformation of the town centre. This would also demonstrate the level of commitment to the town centre by WMCA and each of the local authorities.

- 3.2 A number of projects in each centre have been identified and prioritised by the local authorities and have the potential to be delivered within the next six months. Funding for those projects which are capable of early delivery will be investigated by WMCA as a priority (and supported by other sources of funding where available) but it is recognised that some projects might have longer lead-in times for which funding is needed at this stage if delivery is to be secured later in 2020.
- 3.3 A funding envelope of £20m from devolved housing and land funds was agreed by Investment Board in February 2019 to support town centre regeneration projects. Through effective deployment of WMCA's role as a 'broker', collaborating and negotiating with existing land owners, it is clear that significantly less funds will be needed on two projects. Notably, both of these projects will still progress but they will do so using private sector funds and will not need WMCA to acquire the sites beforehand.
- 3.4 As a result, a sum of up to £5m is now available to deploy on the early priority projects identified in each centre. These projects are designed to drive footfall, support GVA and have a tangible impact on town centres that will bring real benefits to local people, traders and businesses.
- 3.5 The specific projects are commercially sensitive and are therefore listed in the separate confidential report also on this agenda. Although some of the projects include a revenue ask, most of these can be capitalised (e.g. professional fees relating to scheme design); in other cases, revenue funding directly supports and/or acts as an essential precursor to the capital works.
- 3.6 In line with normal requirements for projects such as this, each town centre package will be subject to a funding and delivery agreement with each Council to ensure that the funds are spent on the agreed projects, projects are delivered on time and budget and that the Section 151 officers have satisfied themselves that the project represents value for money. We will continue to work with each local authority to explore all other opportunities for funding the various interventions and accelerating their delivery.

#### *Town Centres Toolkit*

- 3.5 WMCA has taken the lead in preparing a draft of the town centres toolkit, using examples produced by other organisations and local authorities. An early draft of the document has been considered by the Town Centres Working Group (July 2019) with a request for comments. It has also been circulated to the Regional Town Centres Task Force whose views are currently being sought and will be reported at its next meeting. The latest draft of this document is attached and comments are invited.
- 3.6 The toolkit supports the work on hard and soft interventions by providing a 'checklist' of potential interventions and, in its final form, will provide examples from around the country of projects which have worked elsewhere.

#### **5.0 Financial Implications**

- 5.1 There is sufficient headroom in the current BLPDF funding pot to provide a single sum award to a Local Authority and flexibility exists to make a capital and / or revenue grant.

- 5.2 Each of the initiatives detailed will be subject to progression both through the internal gateway process and the SCF in the normal way as for any investment opportunity.
- 5.3 The funding, monitoring and evaluation will need to be considered as part of the grant award and will be reviewed on a case by case basis.

## **6.0 Legal Implications**

- 6.1 Section 113A(1)(a) of the Local Democracy, Economic Development and Construction Act 2009 gives the CA a power of competence appropriate for the purposes of carrying-out any of its functions. Part 4 of The West Midlands Combined Authority Order 2016 (2016 No 653) confers that the functions relating to any Economic development and regeneration in the constituent councils are exercisable by the CA. Part 3 of The West Midlands Combined Authority (Functions and Amendment) Order 2017 confers functions corresponding to the functions of the Homes and Communities Agency has in relation to the combined area.
- 6.2 The funding agreements for the funding elements of the projects will be dealt with on a case by case basis in accordance with the single commissioning framework process.

## **7.0 Equalities Implications**

- 7.1 The proposed 'soft interventions' will provide a wide range of benefits, many of which can be accessed without charge, and will be available to a wide cross-section of communities.

## **8.0 Inclusive Growth Implications**

- 8.1 The proposed 'soft interventions' are designed to support the regeneration and re-purposing of the five 'first wave' town centres and the types of interventions proposed have been agreed by the Town Centres Task Force. The interventions will help to make the town centres more attractive places for local residents, businesses and visitors providing a wider range of facilities and attractions than is currently the case. They will also significantly improve the range and types of public spaces and events taking place.

## **9.0 Geographical Area of Report's Implications**

- 9.1 The proposed interventions would be delivered in the five 'first wave' town centres as part of the regional town centres programme. The learning from this programme, however, can be shared across all town centres within the WMCA area including the 3 LEPs and non-constituent Member authorities.

## **10.0 Other implications**

- 10.1 None.

## **11.0. Schedule of Background Papers**

- 11.1 None.

# West Midlands Combined Authority Town Centre Toolkit

## Building the Future of Town Centres

Draft document for discussion  
(3 September 2019)

## Introduction

This document sets out a wide range of potential interventions (a toolkit of tools) that the WMCA is keen to explore under its ambitious and ground-breaking town centre regeneration programme.

Town centres are facing seismic challenges – both economically and socially. A diverse package of interventions will therefore be needed across public, private and the voluntary sectors. Hence WMCA launched a comprehensive programme with significant investment attached in 2018 to help turnaround these centres and build on the great work the region already had in train.

Interventions in town centres come in all shapes and sizes – from high level endorsement of a particular approach by a mayor, to light touch support for community events through to funding technical appraisal work for key projects and master planning of development sites to investing in hard infrastructure and land acquisition & assembly. There is no one size fits all approach that is going to work in every town centre so choosing the right tools that respond to the challenges and opportunities of each town centre will be critical. Examples from around the country (especially towns which have won or been shortlisted for the Great British High Street Competition) show that community events and activities can be just as impactful as the repurposing of a derelict site to housing.

The toolkit has begun being applied already to the five pilot centres (Bilston, Bordesley Green, Dudley St Thomas, Walsall St Matthews and West Bromwich Eastern Quarter). Central to this work has been understanding the evidence in each centre and developing an ambitious vision for each centre and then turning that quickly into a series of soft and hard, short term and long term interventions for that centre in a Delivery & Investment Plan.

For too long town centre plans across the country have not been delivered for all sorts of reasons and have focused too much on a particular prescribed set of top-down interventions. Our approach is very different – to build from a strong evidence base and locally led vision for each centre which can deploy a comprehensive programme of possible interventions in a regional toolkit (set out here).

Delivery & Investment Plans can be used to bid for WMCA or national funding and/or attract private investment. Where WMCA funding or investment is sought there is now a simple, well laid out funding assessment route for all project sponsors we call the ‘Single Gateway’ process (see Annex A). Projects should apply to the following email address [[landanddevelopment@wmca.org.uk](mailto:landanddevelopment@wmca.org.uk)] to begin that process and will be allocated a project sponsor in WMCA.

This toolkit provides examples of tools and interventions that could be used in a wide range of centres and which have been used elsewhere. What town centres that have repurposed and reimaged themselves show is that community champions and engagement will be central to

success. We therefore welcome an active dialogue with residents, charities, public bodies, private businesses and investors. Tools should never be 'imposed' on centres or communities, they are there to support, enable, unlock and accelerate local vision and ambition for the centres identified.

DRAFT

## Context

### Town centres

For the purposes of this document 'town centres' has been used as a general term for centres across the region, regardless of size or function. It includes city, strategic, district, town, local and linear centres.

### The Challenge.....

We live in changing times and nowhere is that truer than in our town centres – the lifeblood of any community. Our town centres are often based around their retail offer but that has made them vulnerable to changes in the retail sector such as the increase in online shopping, out of town retail and changing consumer habits.

There is no shortage of studies, assessments and reports identifying the deep seated structural and cyclical problems affecting the UK's town centres and high streets. From the Portas Review to Town Centre Investment Management to two Grimsey Reviews and visible announcements of closures at BHS, House of Fraser and Marks & Spencer.

Simply put there is too much retail space in most town centres for current business needs. But it is more fundamental than that - the way consumers are choosing to shop, work, live, travel and spend their leisure time has shifted in profound ways and the rise of the internet has accelerated changes that were already emerging. The built environment, national policy and taxation systems have not kept pace with those cyclical

and structural changes. So we need to embrace more radical and long lasting solutions. Doing the same things and expecting a different result is just not going to work.

Retail vacancies, poor quality public realm, crime and anti-social behaviour, an outdated physical environment, lack of housing and footfall in town centres all contribute to a poor perception of the town centre. A loss of pride in a town has wider impacts on quality of life, health and wellbeing and aspiration, skills and productivity.

### .....and the Opportunity

Many town centres will need to re-invent themselves as modern centres that function to meet these challenges head on and provide a centre that meets the changing needs of all residents if they are to remain viable as centres. Whilst retail and commercial uses will still have a role in centres, changes will often mean a reduced reliance on traditional retail in favour of residential, leisure, community, health, cultural and other such uses. A whole place approach will be required to generate the footfall, pride and opportunity.

This is a great opportunity for us to approach the repurposing of town centres in a new and exciting way. We want to develop any town centre plans or 'toolkit' collaboratively with local authorities, residents and other stakeholders and testing a range of available tools and approaches such as evidence gathering, stakeholder mapping and engagement, asset management, compulsory purchase orders, local development orders etc but also softer interventions such as pop-up shops, incubator units for local businesses, health and

social care hubs, local markets, business improvement districts, neighbourhood plans and much much more. Many of our town centres now require a range of 'hard' and 'soft' interventions to make them resilient to current and future changes in retail and to diversify their role. We need to be repurposing our town centres for the next 100 years and thus building in resilience and adaptability will be critical.

## Successful Town Centres

There is a wide range of research, case studies, strategies, plans and tool kits looking at what makes a successful town centre. The LGA toolkit and Scottish Town Centres Partnership offer helpful guidance for the ingredients required to make a successful centre. Within the West Midlands the Greater Birmingham and Solihull Local Enterprise Partnership launched a Towns and Local Centres Framework providing details of what makes a successful centre as well as information on LEP funding.

The main points from these guides, toolkits and frameworks are summarised within this toolkit.

The key ingredients can generally be categorised into the following key aspects for outcomes that reflect a successful town centre or intervention:

**Environment:** Based on the local character and history. Creating high quality buildings (including cost effectiveness of ownership and occupation) and public spaces with a sense of place with people as the focus including creating safe environments

**Town Centre Uses:** Facilitating the conditions for a broad mix of uses, away from the traditional retail offer. Will include creative industries, public sector services, health, office, leisure, residential and some retail. Also need to consider the format and flexibility of spaces and accommodating temporary uses.

**Technology:** Including lighting, broadband, Wi-Fi, Augmented Reality, Smart technology and future innovations

**Accessibility:** Putting people at the heart of town centres whilst enhancing accessibility by a range of transport modes is key to any successful town centre.

**Governance:** No strategy or plan will be successful without a clear commitment from all stakeholders to delivery. Whilst strong leadership from the top of organisations equally meaningful engagement with local people and business is critical to re-purpose centres. Clear delivery outcomes and action plans are essential

## Role of WMCA – An Offer to All..

In October 2018 WMCA launched a brand new regional town centre programme – more comprehensive than any undertaken previously. Crucially it sought to tackle some of the fundamental cyclical and structural causes impacting on these centres through an evidence-based approach. Five pilot centres are developing comprehensive and exciting town centre Delivery & Investment Plans

The WMCA is also committed to supporting the regeneration and repurposing of all town centres across the West Midlands – creating a movement of change – so hence this toolkit has been developed as an offer to all communities and town centres of the region of the sorts of interventions that WMCA can help support and enable.

When it comes to town centres WMCA has 4 critical roles:

- As an investor through its £multi-million investment pots that allows us to invest in many different ways in our town centres and to deliver town centre plans – from landscaping to land acquisition
- As a landowner through the land we already own in town centres and are acquiring to facilitate regeneration and leadership of the public land programme in the region (called ‘One Public Estate’)
- As a broker and influencer – to attract new investors and developers in partnerships with local councils, bring people together around key interventions and delivery plans

- As a champion of the town centre agenda with HMG and the private sector – bringing new expertise and support for town centres across the region by bringing all potential public and private investment behind town centre plans and co-designing schemes that maximise opportunity for additional private investment

The interventions in this toolkit includes a wide variety of interventions we have seen trialled in the UK and around the world which we are keen to support and deploy with local partners in our town centres. These have been categorised in three ways, ‘Policy’ Interventions, ‘Hard’ Interventions and ‘Soft’ Interventions. It is important to remember that not all of these approaches will be applicable to every centre and the best tools and interventions are those grounded in a solid, evidenced understanding of local needs and aspirations.

### **‘Policy’ Interventions**

These are policy tools available to help create the right environment for town centres to prosper, whether by relaxing planning control through a Local Development Order or tightening control to achieve a desired outcome through an Article 4 direction, they offer a chance to re-frame the way we think about town centre policies.

### **‘Hard’ Interventions**

These are land and hard infrastructure based projects such as site acquisition & assembly or site clearance to deliver sites ready for investment and development.

### **‘Soft’ Interventions**

These are other interventions without a direct land implication that can generally be delivered quicker and help drive footfall in centres either directly (such through the running of events or indirectly such as through improving the environment)

### **Tools and interventions to support delivery**

There are a wide range of tools and interventions available to support delivery of regeneration priorities in town centres. The following tables provide a starting point for the types of tools available. Whether these are required will depend on the type of centre, the challenges, the aspirations for the centre and crucially will be informed by the evidence.

The tables in this toolkit should not be treated as a checklist or be taken as the ‘answer’ to town centre regeneration. It is critical that solutions are developed locally and where one intervention may work in one centre, in another it may not be appropriate.

# Policy Interventions

These are policy based ‘interventions’ and can be used to lay the foundations for building a successful town centre.

<b>Research and Analysis</b>	<ul style="list-style-type: none"> <li>The commissioning of evidence to support town centre interventions such as audits, market analysis, viability, ground conditions etc</li> </ul>
<b>Local Development Orders</b>	<ul style="list-style-type: none"> <li>A local development order can be used to grant planning permission for new buildings or changes of use that support a flexible approach to town centre uses.</li> </ul>
<b>Asset Management</b>	<ul style="list-style-type: none"> <li>Identifying land ownership. Bringing together opportunities to locate public buildings in town centres.</li> <li>The One Public Estate programme provides an opportunity to identify land in public ownership that could help unlock the potential of town centre.</li> </ul>
<b>Town Centre Audit</b>	<ul style="list-style-type: none"> <li>Establish clear baseline against which to assess the current health of a centre and to measure the success of any interventions. Centre audits need to move away from simplistic vacancy rates approach. Need to encompass the multi-functional role of centres and take a more proactive approach.</li> </ul>

<b>Article 4 Direction</b>	<ul style="list-style-type: none"> <li>An article 4 direction can be used to limit permitted development rights.</li> </ul>
<b>Compulsory Purchase Orders</b>	<ul style="list-style-type: none"> <li>Use of CPO where fragmented ownership and change unlikely to occur if left to landlords or landlord not invested in future vision for centre.</li> </ul>
<b>Advertisement Control</b>	<ul style="list-style-type: none"> <li>Powers to restrict advertisements where they are currently harmful to local amenity (or highway safety) (Directions Restricting deemed Consent/Areas of Special Advertisement Control)</li> </ul>
<b>Design Charter</b>	<ul style="list-style-type: none"> <li>Consistent messaging, place making principles, promoting the best of the west midlands.</li> </ul>

## Hard Interventions

The WMCA has funding available to support the provision of hard infrastructure projects.

Land Acquisition & Site Assembly	The acquisition and assembly of sites is often a complicated process requiring specialist skills and knowledge, as well as funding to deliver. Through the WMCA's single commissioning framework the WMCA can consider applications for funding and support for site delivery. We will work with local authority partners and the private sector to bring forward schemes that can provide to transformation required in many centres. Building on the excellent work already being undertaken across the region.
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## Soft Interventions

<b>Public Realm Enhancements</b>	<ul style="list-style-type: none"> <li>Public realm is the public spaces between buildings accessible to everyone. Enhancements to the public realm does not have to mean pedestrianisation. It is about creating spaces people can meet, interact, feel safe and strengthen local character to create an attractive environment.</li> </ul>
<b>Pedestrianisation</b>	<ul style="list-style-type: none"> <li>Removing cars and other vehicular traffic from a centre or specific routes in a centre to create a more pedestrian friendly environment.</li> </ul>
<b>Urban Gardens</b>	<ul style="list-style-type: none"> <li>Creating space in urban areas for the growing of food.</li> </ul>
<b>Security</b>	<ul style="list-style-type: none"> <li>Increased police presence through locating of police in vacant units</li> </ul>
<b>Temporary Uses</b>	<ul style="list-style-type: none"> <li>Temporary uses can be an effective way of utilising otherwise vacant spaces or premises. They can provide opportunities for local businesses/community groups/schools/charities etc to promote their work or products, attracting footfall and social interaction.</li> </ul>
<b>Events</b>	<ul style="list-style-type: none"> <li>A well-defined events programme can give people a reason to visit a centre, create opportunities to meet and interact and create a vibrancy in the centre.</li> </ul>

<b>Incubator Units</b>	<ul style="list-style-type: none"> <li>Incubator units can be used for new start-up businesses along with mentoring support to assist them in establishing as a business, with a view to moving to a vacant town centre shop on a permanent basis. Often subsidised premises and running costs during a six month.</li> </ul>
<b>Digital Rewards Scheme</b>	<ul style="list-style-type: none"> <li>Combine online voucher offers with the local high street experience, offering discount for shopping locally.</li> </ul>
<b>Online Retail Presence</b>	<ul style="list-style-type: none"> <li>Supporting high street stores to develop an online presence to help promote the business and boost sales. Using online to complement the business rather than as competition.</li> </ul>
<b>Contactless Payments</b>	<ul style="list-style-type: none"> <li>With the rise of mobile phones, banking on the go, many people are moving towards contactless payments. Companies now offer products for receiving payments with contactless readers.</li> </ul>
<b>Place Marketing Town Centre Website</b>	<ul style="list-style-type: none"> <li>Creating a clearly defined brand for the town centre.</li> </ul>
<b>Cycling Safety</b>	<ul style="list-style-type: none"> <li>Well planned routes for cyclists, provision of secure bicycle storage and changing areas.</li> </ul>
<b>Business Improvement Districts</b>	<ul style="list-style-type: none"> <li>Creation of BID's to help drive change in town centres</li> </ul>

<b>Pop-ups</b>	<ul style="list-style-type: none"> <li>shops, cafes, bars, food stalls</li> </ul>
<b>Festivals and events (local connections/celebrate heritage/local distinctiveness)</b>	<ul style="list-style-type: none"> <li>Providing festivals and events can be a successful way of generating interest in a town centre and drive footfall. Festivals and events should ideally be based on local connections and distinctiveness and fit with the long term vision for the centre.</li> <li>food, beer, arts ,music</li> <li>street theatre</li> <li>performance arts</li> <li>carnival</li> <li>sports day</li> </ul>
<b>Temporary uses</b>	<p>Temporary uses provide a great way to maintain footfall and interest in a centre during longer periods of regeneration by making effective use of cleared sites. The uses can help maintain a vibrant centre.</p> <ul style="list-style-type: none"> <li>art gallery</li> <li>parks and play areas</li> <li>public squares</li> <li>beaches</li> </ul>

<b>Public Realm/Street Furniture</b>	<ul style="list-style-type: none"> <li>benches, hanging baskets, recycling bins</li> <li>lighting (lighting to enhance streets and buildings)</li> <li>signage (single brand/cleaning/updating)</li> <li>de-cluttering streets (removal of unnecessary street furniture)</li> <li>alfresco dining (branded uniform approach)</li> </ul>
<b>Environmental</b>	<p>The environment in a centre is fundamental to how people experience that centre and can influence perceptions. There are ways to make an immediate impact pending longer term regeneration.</p> <ul style="list-style-type: none"> <li>trees and floral planting</li> <li>community litter pick, graffiti removal (and create dedicated graffiti zone/wall)</li> <li>urban gardens/allotments</li> </ul>
<b>Shop Front Enhancements</b>	<ul style="list-style-type: none"> <li>frontage improvements</li> <li>vinyls</li> <li>temporary displays</li> </ul>
<b>Art/Heritage trail</b>	<ul style="list-style-type: none"> <li>'Gromit unleashed', 'Birmingham Bears', 'Wolverhampton Wolves', etc. (themed art installations subsequently sold for charity)</li> </ul>

<p><b>Marketing:</b></p>	<ul style="list-style-type: none"> <li>• Marketing materials based on the centres unique selling point. This should be based on the overall vision for the centre.</li> <li>• Flyers</li> <li>• goodie bags</li> <li>• promotional material</li> <li>• tv/radio advert</li> <li>• town centre website/social media presence</li> <li>• banners</li> </ul>
<p><b>Technology</b></p>	<p>Technology can be used in a variety of ways, from linking bricks and mortar to the online environment to changing the way people experience the high street. In an ever evolving digital world town centres need to consider seamlessly integrating with changing consumer habits and expectations around technology. Access to a reliable fast internet connection is becoming an expected norm and free WiFi within town centres can attract visitors and provide an opportunity to market the town directly. Opportunities exist around the rollout of 5G.</p> <ul style="list-style-type: none"> <li>• online presence for retailers (Shopappy, Wolverhampton eBay trial),</li> <li>• contactless payments</li> <li>• free WiFi</li> <li>• augmented reality trail (similar to Pokemon Go)</li> </ul>

<p><b>Retail Reward Scheme</b></p>	<ul style="list-style-type: none"> <li>• digital vouchers/incentive schemes</li> <li>• loyalty card schemes</li> </ul>
<p><b>Car Parking</b></p>	<ul style="list-style-type: none"> <li>• relaxed restrictions, replace pay and display with 'check in/check' out systems</li> </ul>
<p><b>Electric vehicle charging</b></p>	<ul style="list-style-type: none"> <li>• installation of charging infrastructure</li> </ul>
<p><b>Enhanced Security</b></p>	<ul style="list-style-type: none"> <li>• CCTV</li> <li>• police presence in vacant units</li> </ul>
<p><b>Family activities</b></p>	<ul style="list-style-type: none"> <li>• family events, soft play, crèche provision</li> </ul>

All interventions need to be set out in an ambitious, locally led town centre Delivery and Investment Plan. Major projects (eg hard infrastructure) will be subject to approval via WMCA Single Commissioning Framework and expressions of interest should be submitted to [landanddevelopment@wmca.org.uk](mailto:landanddevelopment@wmca.org.uk).

## Creation of Delivery & Investment Plans

Through the WMCA town centre programme three key steps were identified in preparing centres for Delivery & Investment Plans; having a strong clearly articulated **vision**, clear **evidence** to inform decision making supportive **policy framework** and well developed **projects** to deliver the vision and address the challenges identified by the evidence. Each stage should be underpinned by meaningful community engagement.

**Vision:** A clear and ambitious vision supported by residents and businesses is essential for delivering town centres for the future. The vision should reflect an understanding of the evidence and the USP for the centre to set out how the centre will change to remain a focal point for the area. There should be a clear reason for people to want to live, work and relax in the centre. Confidence can be provided to investors through a credible, widely owned vision, defining the role of the centre, the ambition and its unique selling point. The vision should leave no doubt to what is to be achieved in the centre.

**Evidence:** A key stage in developing strategy and identifying interventions for regenerating a town centre is to identify and measure key indicators of a successful centre and gauge local opinion. Local councils and Local Enterprise Partnerships are particularly good resources for local data. Sample indicators for assessing the health of a town centre

can include footfall, foot-flow, vacancy rates, parking occupancy, rental levels, public services, customer catchments, public transport and journey times, well-being etc. A robust baseline focussed on wider town centre health (not just retail vacancy rates) in order to identify key interventions and to evaluate those interventions. Much of this data will be pre-existing and will need to be collated into a single town centre health check.

Qualitative surveys can be used to tell more about what type of place a centre is including. This qualitative data can help identify perceptions of the town centre and understand what attracts people and equally why people stay away.

**Policy Framework:** The planning policy context needs to provide certainty to investors. Where necessary planning policies should be reviewed to ensure they are fit for purpose and supportive of town centre re-purposing and alternative uses. However, out of date planning policies should not be a reason to delay action and investment.

**Projects:** Clear articulation of projects to deliver change in town centres. **Not limited just to land and infrastructure, but social, environmental and capacity building.** The projects should be to create the right conditions for investment and economic and social vitality into the centre. Careful consideration should be given to how best to maximise economic and social impact through prioritising and joining up development opportunities.

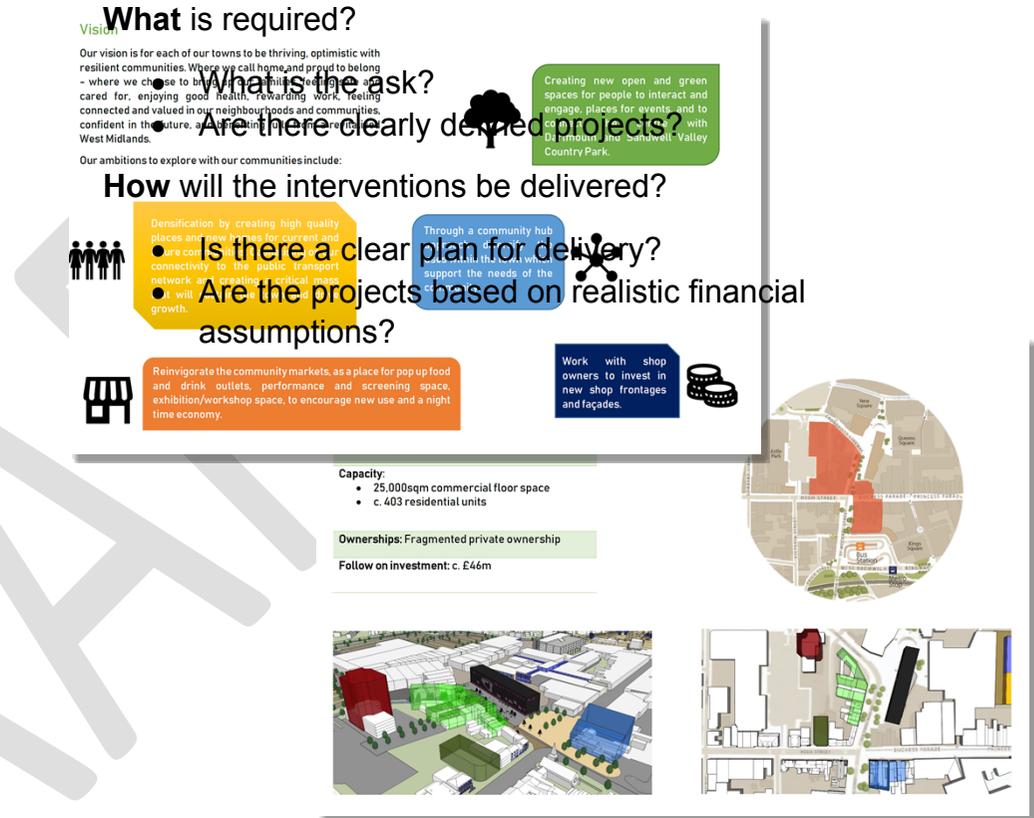
The Delivery & Investment Plan is the key document for unlocking funding and attracting investment for town centres.

A standard template has been developed through the town centre programme pilot centres to capture the key stages above and the required level of detail to justify investment.

These Delivery & Investment Plans must answer the 'why' 'where' and 'how'.

**Why** should someone invest in the town centre?

- Why this centre rather than another?
- Why is this centre ready for investment?



## **Case Studies**

**Case studies to be added**

**National**

**Regional**

**Pilot Centres**

DRAFT

**WMCA Funding - Single Commissioning Framework**

SCF Summary to be added.

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**West Midlands  
Combined Authority**

## Housing & Land Delivery Board

<b>Date</b>	30 September 2019
<b>Report title</b>	Town Centre Interventions: Early impact interventions
<b>Portfolio Lead</b>	Councillor Mike Bird, Leader, Walsall MBC
<b>Accountable Employees</b>	Gareth Bradford, Director of Housing & Regeneration Patricia Willoughby, Head of Policy (Housing & Regeneration) (report author)
<b>Report has been considered by</b>	Housing & Land Delivery Steering Group (11.09.2019)

### Recommendation(s):

The Housing & Land Delivery Board is asked to:

- a) Agree the list of proposed early impact interventions set out in Appendix 1 that have been developed and proposed by the five local authorities in recent months, subject to further appraisal and due diligence with each of the five town centres. This includes confirmation that they can be delivered by the end of Q2 2020 and that appropriate funding and delivery agreements are in place between WMCA and the relevant Local Authority.
- b) Delegate to the Portfolio Holder for Housing & Land in collaboration with the WMCA Directors of Housing & Regeneration, Finance and Governance the decision to substitute specific projects for other similar projects in the event that the identified projects cannot be brought forward in the timescale required or if appropriate funding agreements cannot be put in place.
- c) Note that WMCA and local authorities are continuing to work up projects and schemes across ALL town centres in the region under the Single Commissioning Framework as

part of a rolling programme of interventions which will support the Regional Town Centres Programme, prior to the future launch of a second wave of pilot centres.

- d) Note that projects identified for support are predominantly capital schemes (e.g. investing in public realm) with complimentary and supportive revenue asks (e.g. project design) built in wherever possible. This is to ensure that the scope is all within the £20m from devolved housing and land funds agreed for Town Centre Programme by Investment Board in February 2019

## **1.0 Purpose**

- 1.1 The purpose of this paper is to set out the list of interventions which have been developed jointly by WMCA with the local authorities and the Regional Town Centres Task Force in the five 'first wave' town centres; all are designed to demonstrate active progress within each of the centres. The interventions have been considered and supported for progression by the Regional Town Centres Task Force and the Housing & Land Delivery Steering Group.

## **2.0 Background**

- 2.1 The background to the proposed list of interventions is set out in the public paper on town centre interventions which is also being considered at this meeting.

## **3.0 The proposed interventions**

- 3.1 As described in the public report, a number of priority projects in each centre have been identified and prioritised by the five local authorities and have the potential to be delivered early (say within the next six months). These compliment the capital intensive projects previously agreed by Investment Board in February 2019 (copy of Investment Board paper attached). The list of agreed early intervention priority projects is attached as Appendix 1. This information is commercially sensitive, hence its inclusion in this confidential paper.
- 3.2 In line with the clear steer of the Housing & Land Delivery Board when this matter was first considered, projects which are capable of delivery within six months will be prioritised for investment (supported by other sources of funding where available) but it is recognised that some projects might have longer lead-in times for which funding is needed at this stage if delivery is to be secured later in 2020. These too are therefore included in the list of priority projects.
- 3.3 In line with normal requirements for projects such as this, each town centre package will be subject to a funding and delivery agreement with each Council to ensure that the funds are spent on the agreed projects, that projects have a clear delivery programme in place and that the Section 151 officers of the relevant local authorities have satisfied themselves that the project represents value for money. We will continue to work with each local authority to explore all other opportunities for funding the various interventions.
- 3.4 Given that the purpose of these interventions is to deliver demonstrable change in the town centres, in the short term, it is imperative that they can be implemented quickly. If upon further examination, certain projects cannot be delivered to an agreed timetable, it might be necessary to re-assign the funding to other projects. At that stage, and if

appropriate, these projects would be placed on a 'long list' of interventions, to be carried out in the medium-longer term, and the funds would be transferred to other projects which could be carried out in the short term. The ability to transfer funds in this way is therefore sought through the recommendations. The target date for delivery of priority projects is Q2 2020.

- 3.5 Finally, as the Town Centres Programme is a collaborative exercise between the local authorities and WMCA, the intention is that all projects should be co-branded in this way and appropriate communications/hoardings put in place.

#### **4.0 Financial Implications**

- 4.1 There is sufficient headroom in the current BLPDF funding pot to provide a single sum award to a Local Authority and flexibility exists to make a capital and / or revenue grant.
- 4.2 Each of the initiatives detailed will be subject to progression both through the internal gateway process and the SCF in the normal way as for any investment opportunity.
- 4.3 The funding, monitoring and evaluation will need to be considered as part of the grant award and will be reviewed on a case by case basis.

#### **5.0 Legal Implications**

- 5.1 Section 113A(1)(a) of the Local Democracy, Economic Development and Construction Act 2009 gives the CA a power of competence appropriate for the purposes of carrying-out any of its functions. Part 4 of The West Midlands Combined Authority Order 2016 (2016 No 653) confers that the functions relating to any Economic development and regeneration in the constituent councils are exercisable by the CA. Part 3 of The West Midlands Combined Authority (Functions and Amendment) Order 2017 confers functions corresponding to the functions of the Homes and Communities Agency has in relation to the combined area.
- 5.2 The funding agreements for the funding elements of the projects will be dealt with on a case by case basis in accordance with the single commissioning framework process.

#### **6.0 Equalities Implications**

- 6.1 The proposed 'soft interventions' will provide a wide range of benefits, many of which can be accessed without charge, and will be available to a wide cross-section of communities.

#### **7.0 Inclusive Growth Implications**

- 7.1 The proposed 'soft interventions' are designed to support the regeneration and re-purposing of the five 'first wave' town centres and the types of interventions proposed have been agreed by the Town Centres Task Force. The interventions will help to make the town centres more attractive places for local residents, businesses and visitors providing a wider range of facilities and attractions than is currently the case. They will also significantly improve the range and types of public spaces and events taking place.

#### **8.0 Geographical Area of Report's Implications**

981 The proposed interventions would be delivered in the five 'first wave' town centres as part of the regional town centres programme. The learning from this programme, however, can be shared across all town centres within the WMCA area including the 3 LEPs and non-constituent Member authorities.

## **9.0 Other implications**

9.1 None.

## **10.0. Schedule of Background Papers**

10.1 None.

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of the Local Government Act 1972.

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