



Housing & Land Delivery Board

Date: Monday 7 September 2020

Time: 10.00 am **Public meeting** Yes

Venue: This meeting is being held entirely by video conference facilities
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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 Jacqueline Sweetman	City of Wolverhampton Council
Councillor Tariq Khan	Coventry City Council
Bill Blincoe	Coventry and Warwickshire LEP
Councillor Angus Lees	Dudley Metropolitan Borough Council
Marc Liddeth	Environment Agency
Simon Marks	Greater Birmingham and Solihull LEP
Philip Farrell	Homes England
Councillor David A Wright	North Warwickshire Borough Council
Councillor Julie Jackson	Nuneaton & Bedworth Borough Council
Councillor Matthew Dormer	Redditch Borough Council
Councillor Sebastian Lowe	Rugby Borough Council
Councillor Keith Allcock	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.	Apologies for Absence (if any)	Chair	None
2.	Notification of Substitutes (if any)	Carl Craney	None
3.	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
Business Items for Consideration			
4.	Minutes of the last meeting [For approval]	Chair	1 - 8
5.	Covid-19 Housing and Land Portfolio Recovery Strategy and Implementation Plan	Gareth Bradford	9 - 36
6.	Covid-19 Recovery Discussion Paper - Town Centre Living and Regeneration	Gareth Bradford	37 - 46
7.	Covid-19 Recovery Discussion Paper: Public Land	Gareth Bradford	47 - 52
8.	Advanced Manufacturing in Construction (AMC) Routemap	Gareth Bradford	53 - 76



**West Midlands
Combined Authority**

Housing & Land Delivery Board

Monday 6 July 2020 at 10.00 am

Minutes

Present

Councillor Mike Bird (Chair)	Walsall Metropolitan Borough Council
Councillor Sharon Thompson	Birmingham City Council
Councillor Jacqueline Sweetman	City of Wolverhampton 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
Councillor Julie Jackson	Nuneaton & Bedworth Borough Council
Councillor Joanne Hadley	Sandwell Metropolitan Borough Council
Councillor Ian Courts	Solihull Metropolitan Borough Council
Councillor Daren Pemberton	Stratford on Avon District Council
Councillor David Wright	Telford and Wrekin Council
Kevin Rodgers	West Midlands Housing Association Partnership
Councillor Cathy Bayton	Overview and Scrutiny Committee

In Attendance

Richard Lawrence	City of Wolverhampton Council
David Harris	Transport for West Midlands
Rachel-Ann Atterbury	West Midlands Combined Authority
Jack Averty	West Midlands Combined Authority
Gareth Bradford	West Midlands Combined Authority
Carl Craney	West Midlands Combined Authority
Neil Elkes	West Midlands Combined Authority
Rob Lamond	West Midlands Combined Authority
Stephen Manners	West Midlands Combined Authority
Tim Martin	West Midlands Combined Authority
Gurdip Nagra	West Midlands Combined Authority
Alex Read	West Midlands Combined Authority
Lyndsey Roberts	West Midlands Combined Authority
Meera Sonecha	West Midlands Combined Authority
Patricia Willoughby	West Midlands Combined Authority

Item No. Title

1. Apologies for Absence (if any)

Apologies for absence had been received from Sarah Middleton (Black Country Local Enterprise Partnership), Councillor George Adamson (Cannock Chase District Council), Councillor Robert Macey (Shropshire Council) and Councillor Peter Butlin (Warwickshire County Council).

2. Notification of Substitutes (if any)

No notification of Substitute Members had been received.

3. Declarations of Interests (if any)

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

4. Minutes of last meeting

Resolved:

That the minutes of the meeting held on 27 April 2020 be confirmed as a correct record and signed by the Chair.

5. Housing and Land: Update on Economic Recovery Strategy

Gareth Bradford introduced a report which updated the Board on progress made by the WMCA Housing and Regeneration Team since the last Board meeting working closely with partners in local authorities, the private sector and a series of expert taskforces, to develop the Portfolio Economic Recovery Strategy and Intervention Plan commissioned by the Board in response to the challenges and opportunities brought about by the Covid-19 pandemic. The Board received a complimentary PowerPoint presentation from Rob Lamond which provided further information on this work and its purpose/remit and how it directly informed the refreshed Portfolio Business Plan.

Councillor Joanne Hadley commented that as the 'lockdown' was lifted, she was concerned as to the likely increase in the number of homeless people and those who could be ejected from temporary Bed and Breakfast accommodation and that this should be considered in this work. Rob Lamond explained that this issue was addressed in the Strategy/Plan and that working with the Homelessness Task Force, bids would be made by WMCA to the capital fund launched by the Government. Rob Lamond identified opportunities for investigating funding regionally for accommodation for that cohort which was to be provided.

Councillor Angus Lees sought clarification as to when the funding would be made available from the Government to support this Portfolio Recovery Strategy and Interventions Plan and the proposed approval mechanisms to enable schemes to be implemented. Rob Lamond advised that the Comprehensive Spending Review was expected in Autumn and that further announcements on funding were anticipated in the coming weeks building on the recent brownfield funding announcement. This would afford an opportunity for appropriate business cases to be developed over the summer period linked to the recovery strategy for submission to HMG with updates on the business cases provided to future meetings of this Board.

Councillor Cathy Bayton raised the issue of the possible conversion of redundant office buildings to residential accommodation under Permitted Development rights, without the benefit of planning permission or any requirement of developers to make appropriate contributions towards the provision of essential infrastructure such as roads or health facilities. She asked that the WMCA make it clear that this permitted development was not its preferred option to address the current housing shortage in the region. The Chair advised that whilst it was not his preferred option, he understood that this change had now become put forward as part of amendments to planning legislation.

The Chair went on to highlight the Government proposed reforms to the planning system and the potential regional impact. He emphasised the importance of a coordinated response. He referred to the commission from the Board for a report on 'Town Centre Living' for consideration at a future meeting of this Board.

Gareth Bradford added that the 'ask' to Government from the Covid-19 recovery work was not expected to be limited to requests for additional finance but also for an opportunity to influence policy, guidance or legislation. Councillor Daren Pemberton enquired whether the WMCA would be lobbying Government in relation to the proposed reforms to the planning system and providing a single regional response rather than separate responses from each local authority. Gareth Bradford sought the Board's steer on this agenda item given the WMCA did not have statutory planning powers and it was a very sensitive topic. The Chair's steer was that the planning reforms and the region's response to it should be considered as part of the Recovery Plan programme of work.

Resolved:

1. That the draft Housing and Land Economic Recovery Plan document, as appended to the report, be approved as a positive way forward in response to the Covid-19 challenges and for framing the Housing and Land Board Business Plan revisions;
2. That the excellent engagement and on-going development of the Portfolio Recovery Strategy and Implementation Plan through strong collaboration with local authorities, LEPs, and expert advisory groups and task forces be noted;
3. That the next steps for this work be noted;

4. That the Government's planning reforms and the region's response to it should be considered as part of the Recovery Plan programme of work.

6. Advanced Manufacturing in Construction: Update

By way of an introduction to this matter, Gareth Bradford reported that the WMCA was at the forefront of discussions on Advanced Manufacturing in Construction (AMC) nationally and that positive discussions with the Government had been conducted on a £50 million 'ask' which was referred to in the recent £3.2bn Investment Case Document. Rachel-Ann Atterbury then presented her report and gave a PowerPoint presentation which updated the Board on research which was being undertaken as part of the joint work by the public and private sector partners to develop a comprehensive AMC strategy and roadmap throughout 2020.

The Chair welcomed the information contained in the report and the presentation but asked what steps were being taken to encourage manufacturing companies to locate in the West Midlands. These remarks were echoed by Councillor Ian Courts who advised that he had accompanied the WMCA Mayor on a visit to Hadley's to view the steel components to be used in AMC. He commented on the need to attract those companies which could achieve scale and flexibility of construction. The Chair also requested that, in future, presentations be circulated in advance of meetings in order to afford members an opportunity to consider the detail in advance. Gareth Bradford undertook to ensure that future presentations were circulated wherever possible, in advance of meetings. He advised that Officers were working with the West Midlands Growth Company to support companies to locate / relocate in the region.

Councillor Jacqueline Sweetman supported the comments made previously but sought an assurance that a co-ordinated approach to AMC provision would be taken in order to ensure that the inward investment plans of local authorities were not compromised. She also requested further information on plans for discussions with training providers and the market intelligence information, as requested at the last meeting. Councillor Daren Pemberton asked whether the proposed Housing Delivery Vehicle would have a role in the utilisation of AMC. Gareth Bradford confirmed that the Delivery Vehicle would have a role to play and reminded the Board that the WMCA had the advantage over other regions inasmuch as it had a Single Commissioning Framework with its requirement for use of AMC methods and a pipeline of sites to which AMC could be deployed. The Chair commented that the WMCA had a role to play in promoting AMC including assisting with the provision of financial assistance in locating manufacturing facilities in the region. Gareth Bradford reported this was where the £50m ask of HMG was important as a step in that direction.

Resolved:

1. That the update on the AMC research undertaken to date, which informed the development of a comprehensive AMC routemap and strategy, which would be submitted to the next meeting of the Board, be noted;

2. That the excellent collaboration and support from the AMC Working Group of local authority Officers and the AMC Expert Panel (Chaired by Mark Farmer), on this research and the joint development of the wider regional AMC routemap and strategy, which would be submitted to the next meeting of the Board, be noted;
3. That the 'ask' to Government for £50 million 'enabling funding' to support the development of the AMC Industry in the West Midlands (land, skills, and facilities), as set out in the Investment Case Document submitted to Government by the West Midlands on 23 June 2020, be noted;
4. That a future report include details of discussions with training providers and on market intelligence;
5. That any presentations to be made to future meetings of the Board be circulated, wherever possible. in advance.

7. Exclusion of the Public and Press

Resolved:

That in accordance with Section 100A4 of the Local Government Act 1972, the press and public be excluded from the meeting during the consideration of the following items of business as they involve the likely disclosure of exempt information relating to the business affairs of any particular person (Including the authority holding that information).

8. Affordable Housing Delivery Vehicle: Update

Gareth Bradford referred the Board back to the history of the Affordable Housing Delivery Vehicle and that the programme of work remained on schedule for an Autumn 2020 launch, subject to due diligence and business case. Rob Lamond then presented a comprehensive report which sought approval to the proposed Memorandum of Understanding (MoU) between the WMCA and six regional housing associations as a key stepping-stone to the launch of the Delivery Vehicle. He explained that this formed the next stage of progress in developing the Board's proposal to establish a new Affordable Housing Delivery Vehicle with Registered Providers operating in the West Midlands. Rob Lamond referred the Board back to the purpose of the Vehicle agreed previously by this Board which was to unlock challenging brownfield opportunities in the region which would not come forward through other means and to thus deliver genuinely additional affordable housing supply – providing added value to the work of the WMCA under the Single Commissioning Framework, local housing partnerships, Homes England and local authorities on affordable housing delivery. The proposed MoU set out the rationale, principles and structure of the proposed Vehicle as agreed previously but would not be a legally binding agreement. The Heads of Terms would be finalised and submitted for endorsement to a future meeting of this Board.

The Chair referred to that part of the MoU which referred to the admission of new parties requiring the consent of the WMCA and suggested that the wording needed to be more specific, for example: approval by the WMCA Board or this Board or through delegated authority being granted to the Director of Housing and Regeneration.

Councillor Joanne Hadley expressed concern that the Vehicle could operate in competition with similar Vehicles established by local authorities. Rob Lamond explained that the purpose of this Vehicle was to bring additionality and to assist in delivering those sites which had stalled and would not be delivered without its involvement. He advised that it would not operate in competition with other similar Vehicles. Councillor Daren Pemberton was not convinced and suggested that the Principles of Collaboration needed detailed work to address this issue.

Gareth Bradford assured the Board that the WMCA would continue to work closely with all local housing associations and local authorities so that the vehicle brought genuine additionality. It would concentrate on those matters over and above that which Registered Providers did now, over and above what the WMCA did through its Single Commissioning Framework and over and above what other local housing delivery vehicles would do. He reminded the Board that this was the Memorandum of Understanding stage and that future reports would address how the Vehicle would operate in practice. Kevin Rodgers advised that the Vehicle would secure the construction of housing units which would then be passed on to the most appropriate housing provider to manage.

Resolved:

1. That the proposed Memorandum of Understanding between the West Midlands Combined Authority (WMCA) and the West Midlands Housing Association Partnership Investments (WMHPI), as appended to the report, be approved with a view to establishing a corporate joint venture whose primary objectives would be to develop and build additional new affordable housing in the West Midlands subject to a further report addressing the matters now referred to i.e. wording relating to admission of new parties and details ensuring that the Vehicle would not operate in competition with other local authority housing Vehicles;
2. That the legal basis of the MoU as a statement of intent and not a legally binding agreement be noted.

9. Brownfield Land Funding

Gareth Bradford reported on the award to the WMCA by the Government of £84 million, to be administered through WMCA's Single Commissioning Framework, for the remediation of brownfield land and on the intention to submit a further bid for the remaining £40 million in the Fund. WMCA was been leading the charge nationally for this funding for over a year so it was encouraging to see it coming forward. In response to a question from Councillor Angus Lees, Gareth Bradford confirmed that the monies had been allocated to the WMCA to deploy through its Single Commissioning Framework. The Chair commented that the award of new brownfield funding once again demonstrated the Government's confidence in the WMCA's delivery record, ability to deliver on land remediation, its commission framework and the use of such land for housing provision. The Chair also emphasised this should be viewed as a key success story for this Board.

The meeting ended at 11.05 am.

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Housing & Land Delivery Steering Group

Date	7 th September 2020
Report title	Housing and Land Covid19 Recovery Strategy and Implementation Plan
Portfolio Lead	Councillor Mike Bird, Leader, Walsall MBC
Accountable Employees	Gareth Bradford, Director of Housing & Regeneration (Accountable Director) Pat Willoughby, Head of Policy (Housing & Regeneration) (Accountable SRO) Rob Lamond – Strategic Planning Manager (Report Author)
Report has been considered by	Draft Economic Recovery Strategy and Implementation Plan received by Housing & Land Delivery Board July 2020

Recommendation(s) for action or decision:

The Housing & Land Delivery Board is recommended to

- 1) **Agree** the attached draft Housing and Land Covid19 Recovery Strategy can move forward to publication now showcasing the Housing and Land Board's proactive work on this agenda (Annex 1 to this report)
- 2) **Agree** that a public facing document based on Annex 1 be published in order to communicate the Portfolio's Covid19 recovery strategy to a wider audience; to be agreed via delegated authority to the Portfolio Holder and the WMCA Director of Housing and Regeneration
- 3) **Note** the excellent engagement and ongoing development of the Recovery Strategy through strong collaboration with local authorities, LEPs and expert advisory groups and taskforces
- 4) **Note** this Recovery Strategy has informed the region's "*Recharge the West Midlands: Kickstarting the West Midlands Economy*" document published on 23rd June and is directly informing future asks of HMG through the Comprehensive Spending Review, forthcoming business case submissions to HMG and the wider business of the Housing and Land Delivery Board.

1.0 Purpose

The purpose of this paper is to update the Board on progress made by the WMCA Housing and Regeneration Directorate, working closely with partners in local authorities, the private sector and our expert panels, to develop a Portfolio Covid19 Economic Recovery Strategy and Interventions Plan in response to the challenges and opportunities brought about by the Covid-19 pandemic. This Strategy and Plan forms Annex 1 to this report.

2.0 Background

- 2.1 The Covid-19 Pandemic and the associated economic lockdown restrictions has brought major structural and cyclical changes to the global economy, disrupting all sectors and affecting every region in the world. Nowhere is this truer than in real estate, regeneration and property development – the areas which sit in WMCA within the responsibility and remit of the Housing and Land Board.
- 2.2 Reflecting on these priorities and the regional recovery work to date, the Housing and Land Board on 27th April commissioned WMCA via its Housing and Regeneration Directorate to lead the preparation of a Portfolio Covid19 Recovery Plan that specifically focused on driving forward opportunities and interventions in each of the major programmes of work in the Board's Current Annual Business Plan. This would sit alongside and directly inform and be informed by the wider regional economic recovery work agreed by the Mayor and Leaders.
- 2.3 The WMCA has developed this regional Housing and Land Covid19 Recovery Strategy and Implementation Plan in full collaboration with its public and private sector partners. It responds to the unprecedented challenges the pandemic has brought and the opportunity to further strengthen our mission of delivering accelerated inclusive growth, adapting and refining the existing work programme for the Portfolio and doing so with partnership and collaboration at its core.
- 2.4 To achieve this collaboration two complementary working groups were established: the first consisting of senior housing and regeneration officers from local authorities, LEPs and Homes England, alongside a second group of representatives from the private sector through the Commercial Property Forum jointly operated by WMCA with the British Property Federation. Through workshops, virtual meetings and co-developed documents these forums have contributed and informed the development of our emerging strategy and plans.
- 2.5 In addition we have engaged a wide range of stakeholder groups and taskforces including the Town Centre Taskforce, the Homelessness Taskforce, the AMC Taskforce led by Mark Farmer (National HMG Adviser on MMC), and the national CA Directors Group. These groups have provided tremendous support, challenge, feedback and soundings in developing this strategy and the interventions necessary to turn strategy into delivery. They will continue to do so as the process of economic recovery continues in the weeks and months ahead. We have also worked with Revo (major retail and city centre landlords) on proposals for town and city centre renewal and with teams across WMCA – especially colleagues in transport given the major impact transport investment and services have on any real estate and regeneration economic recovery planning.

2.6 A further update report and draft Economic Recovery Strategy and Implementation Plan was received by Housing and Land Delivery Board at its meeting on 6th July 2020. This report provided the latest position at the time and recommendations for further development of a number of key areas in the report, including the sections on Public Land, Town Centres and Employment Land and Enterprise. Discussion papers focusing on Public Land and Town Centres are included on the agenda for this meeting. The latest iteration of the Employment Land and Enterprise section is included within Annex 1; a more detailed paper on this subject is in development via the officers working group.

3.0 Current position

3.1 On 23rd June 2020 the West Midlands published “*Recharge the West Midlands: Kickstarting the West Midlands Economy: Our Investment Case to Government*”, a plan collectively drawn up and endorsed by the region’s political, business, and trade union leaders. The investment case detailed proposals for a total of £3.2bn of investment in the region.

3.2 The investment case was developed by WMCA, local authorities and LEPs to lobby HM Government for funding to address immediate issues as the nation emerged from lockdown, **with a specific focus on impact in the next six to twelve months**. Included in the proposals were three specific asks relating to housing and land – for brownfield land funding, affordable housing funds, and an enabling fund for Advanced Manufacturing in Construction (AMC) – all of which were proposed and informed by the Housing & Land Economic Recovery Strategy process.

3.3 Subsequent statements from HM Government have included the announcement of £84m Brownfield Funding for WMCA to be deployed across the region via the Single Commissioning Framework. An additional £66m of “Getting Britain Building” funding has been secured for the West Midlands and is the subject of a combined WMCA and LEPs regional submission.

3.3 Whilst the focus of the regional investment case was understandably on the immediate economic challenges facing the region during lockdown, the Housing & Land Delivery Board recovery planning work is being developed with a longer time frame in mind, with interventions and projects being identified for the next 24 months and beyond and to inform the refinement of key projects and policy work of the Housing and Land Portfolio.

Working to this timeframe and with the consequences of the pandemic still emerging, seven priority areas or game-changers for housing and land in the West Midlands have been identified and agreed by the working groups, namely:

- Brownfield Regeneration
- Affordable Housing Policy and Delivery
- Business and investor partnerships
- Advanced Manufacturing in Construction, high quality design and Zero Carbon
- Public Land/OPE
- Town Centres
- Employment land and enterprise

3.4 For each of these game-changers, key strategy principles have been identified, a range of interventions debated and identified to address the challenges brought about by the pandemic, including proposals for funding, legislative changes, partnerships and collaborations. These interventions are included in Section B of the annexed document

and are directly informing the work of the Board and business cases to HMG being developed at the moment.

3.5 In addition, discussions have been held with local authorities to identify potential projects or schemes that could be brought forward as part of the recovery plan to deliver against the following criteria:

- Timing, investor and delivery readiness
 - a) Restart projects able to see physical impact/delivery on site within 6 - 12 months
 - b) Recovery projects able to see tangible impact on site/implementation within 12-24 months
 - c) Renewal projects able to see impact beyond 24 months
- Game changer contribution - the importance/contribution of each project to our identified "game changers"
- Value for money and the contribution to overall regional economic recovery in terms of GVA
- Contribution to wider themes of inclusive growth, levelling up and responding to climate change - seize this opportunity to drive a dramatic shift towards low carbon, high quality neighbourhoods.

We have also sought to identify the public funding ask on each project within this schedule to inform the value for money position. The projects identified by local authorities to be included under Section C are highly commercially sensitive and therefore not included in Annex 1 to this report.

4.0 Next steps

4.1 The annexed Economic Recovery Strategy and Implementation Plan, which has been developed by WMCA in full collaboration with our working groups and expert panels, forms the basis of the Portfolio's amended business plan, key policies and programmes for the year. It directly informs the representations to HM Government through the "Recharge the West Midlands" process, the Comprehensive Spending Review due to be held in autumn 2020, and ongoing dialogue with MHCLG on further devolution of funding and powers to the region.

4.4 As noted throughout the Strategy, the ongoing effects of Covid-19 on the economy and society remain far-reaching and constantly evolving. Therefore, the attached Economic Recovery Strategy and Implementation Plan will continue to be subject to developing events and market conditions, and will need to be a fluid and live document. It will inform the forthcoming Comprehensive Spending Review, expected to be held by HM Government in autumn 2020, and the Business Plan, key policies and projects governed by the Housing and Land Delivery Board.

4.5 Subject to approval from the Board, a public facing summary document will be published for Autumn 2020 in order to communicate the Portfolio's direction of travel and the region's collaborative approach to driving and enabling an economic recovery that delivers jobs, homes and growth. The proposed document will follow the approach of TfWM's recent publication ([link](#)) and that of the WMCA Single Commissioning Framework brochure.

5.0 Financial Implications

This paper sets out the draft Housing and Land Economic Recovery Strategy for the WMCA in response to the Covid-19 pandemic. Due to the strategic nature of the paper there are no direct financial implications to discuss or comment on. Therefore, subsequent expenditure arising from the paper must be administered through the Single Commissioning Framework, WMCA Assurance Framework and in line with the accounting and taxation policies of the WMCA and HMRC.

The Single Commissioning Framework provides a single set of criteria and governance systems that will be applied to all applications for available devolved WMCA Housing, Land and Property Development funds, together with a consistent process and timelines for decision.

6.0 Legal Implications

Section 113A(1)(a) of the Local Democracy, Economic Development and Construction Act 2009 gives WMCA 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 WMCA. 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.

It is noted that the purpose of this paper is to update the Housing & Land Delivery Board on the progress on the Housing and Land Economic Recovery and Implementation Plan. It is further noted that the Plan itself covers a broad programme of work through collaboration with various parties and public bodies including local authorities and LEP's, expert advisory groups and task forces. Legal input will be required at various stages in the development and implementation of the Plan and appropriate governance structures will need to be put into place at the requisite stages. Legal advice will also need to be sought on a case by case basis in line with the requirements of the Single Commissioning Framework. The Single Commissioning Framework may also need to be revised and updated in accordance with new developments arising out of the implementation of the Plan.

7.0 Equalities Implications

The individual interventions and projects arising from the Economic Recovery Strategy and Implementation Plan will be subject to Equalities Impact Assessments in due course.

8.0 Inclusive Growth Implications

The Economic Recovery Strategy is being developed with Inclusive Growth principles at its core, and all interventions will be appraised and considered in alignment with the Inclusive Growth toolkit.

9.0 Geographical Area of Report's Implications

The report covers the whole of the WMCA area.

10.0 Other implications

10.1 None.

11.0. Schedule of Background Papers

11.1 None.

Housing and Land Portfolio: Economic Recovery Strategy and Implementation Plan

Version for Circulation to Housing and Land Delivery Board September 2020

Executive Summary

1. The Context and Background

The Covid-19 Pandemic and the associated economic lockdown restrictions has brought a major structural and cyclical change to the global economy, disrupting all sectors of the economy and affecting every region in the world. Nowhere is this truer than in real estate, regeneration and property development – the areas which sit in WMCA within the responsibility of the Housing and Land Board.

This portfolio recovery strategy and implementation plan will shape the future business of this Board and directly influences the region's short, medium and long-term asks of HMG and the interventions the WMCA makes to implement the strategy. It is underpinned by the latest intelligence and evidence on the impact of Covid19 on the region and UK and feedback from a series of expert sounding boards and stakeholder groups.

In context of other work happening in the region on recovery, this portfolio recovery work directly informs and is informed by the work PWC were commissioned to do by the Leaders and Mayor on prioritising programmes and HMG asks for regional economic recovery and setting out a roadmap for recovery. It aligns with *key messages the region has already conveyed to HMG* – deploy funding to areas with a track record of delivery in housing and regeneration, use existing funding structures HMG has already created to deploy major housing and property investment, replace a siloed funding bid round approach with continuous co-investment into projects instead, use tried and tested funding and appraisal frameworks (namely the WMCA Single Commissioning Framework which HMG has acknowledged as leading the field), existing governance structures (e.g. WMCA Housing and Land Board) and build on what is already working rather than creating new bureaucracy.

We would like to thank from the outset the Delivery Steering Group of local authority officers who have co-developed this document with us and the exemplary insights and help from our expert taskforces and sounding boards – namely our Commercial Property Forum of developers and investors, the AMC Panel and the Town Centre Taskforce.

1.1 An Unprecedented Challenge

The immediate impact of Covid19 has been profound, with the global economy expected to shrink by 3% this year, businesses closing and millions of people out of work or furloughed. Predictions from the Office for Budget Responsibility say the UK economy will shrink by 35 per cent and the unemployment rate could hit ten per cent.

The construction industry is a central pillar of the UK economy, employing over 2million people, accounting for 7% of jobs nationally and 6% of total economic output. The impact on the construction industry from the lockdown has been severe, with an estimated 65% of workers in the industry being furloughed and a loss of £100bn in construction value since the lockdown began. The effects on rental income in both residential and commercial sectors has further destabilised the market, with reported rental income losses of over 50% impacting on landlords and investors with some high profile announcements of company administration as a result. Huge changes are expected in the retail, leisure and office sector in particular both from the lockdown itself and continued social distancing measures impacting on demand.

In the West Midlands, there are over 216,000 jobs in construction, alongside considerably more in related professional, support and specialist services. In recent years, the urban renaissance in the region has seen major investment in key infrastructure such as HS2, new employment opportunities create, facilities for the Commonwealth Games delivered, a national reputation for brownfield regeneration achieved and a record increase nationally in the number of new homes delivered each year. Covid19 has placed some significant challenges on that positive trajectory. Viability was already a challenge on development sites (especially brownfield sites) hence the need for major public sector investment and intervention, town centres in our region were facing significant retail voids and declining rents and housing affordability was a growing challenge.

Trends we have seen taking place for a long time (e.g. moves to digital retailing, increased remote working, greater focus on low carbon green initiatives, desire for flexible space in homes, town centre space needing repurposing, growing moves to modular construction) have been and will be accelerated during and beyond the lockdown. Our town centres, like those elsewhere, were already responding to the pressure from changes in retail with new ways to attract and retain people and create reasons to go there (e.g. farmers markets, free car parking etc).

The level of uncertainty in the economy is currently at an all-time high. Longer term, the exact consequences of the pandemic are unknowable - however it is unlikely that the social and economic patterns seen before 2020 will be unchanged. The ways in which people interact, travel, work, shop and live have been disrupted and will remain so. The challenge is to adapt and respond what we do and how we do it to the disruption and the new agenda.

1.2 And a Unique Opportunity and Catalyst for Change in the West Midlands

As the Housing and Land Board stated at its meeting in April - with challenge comes opportunity – for the region to position itself as the vanguard of economic recovery especially in the fields of housing, regeneration and urban renewal. We would be building from a strong starting point given our excellent delivery record in brownfield regeneration and housing supply over the last 2 years, ability to secure new HMG funding (e.g. £350m Housing Deal), relationships with the private sector (e.g. Commissioned Partnerships with Urban Splash and Lovells), and bold policy initiatives (e.g. regional affordable housing definition, modular construction).

Since the last Housing Board we have therefore worked with the groups named below to revise, augment, refine and renew the bold programmes of work already happening on town centres, advanced methods of construction, housing delivery, affordable housing, industry diversity, brownfield regeneration, public-private partnerships, the disposal and development of public land and alignment between transport and real estate. These thus become critical **game changers** in the context of Covid19 recovery. There is also an opportunity to build on the great success of the Single Commissioning Framework in leveraging inclusive growth from all development projects and support with bold new ideas around equity investment in schemes, delivery of zero carbon homes and repurposed urban centres.

The *WMCA's role* in this economic recovery work is a refinement and continuation of our work thus far - brokering, delivering, partnering and investing in the region's housing and employment delivery and regeneration including direct acquisition and investment. Working closely with our local councils and business community as part of the broader regional team, this will position the portfolio and the Housing and Land Board itself as a core element of the region's recovery and national programmes of change.

This Strategy and Implementation Plan requires support from a number of partners which is set out throughout the work, but we did feel it was sensible in this Executive Summary to highlight the key asks of National Government to support the realisation of this strategy in order to inform any future devolution deals or fiscal events (e.g. the anticipated Autumn 2020 Spending Review).

Our Key Immediate Asks of Government

Ask	Summary	£
Brownfield Fund and regional programme	Urban Transformation Fund to unlock housing and employment opportunities in the region from the extensive regional sites pipeline that are stalled or unviable (i.e. clear market failure) especially in our urban centres - <i>specifically targeted at sites capable of "activity within 6 to 12 months"</i>	£200m+
Affordable Housing Fund and regional programme	Regional Affordable Housing Fund to be deployed using local knowledge of sites and opportunities to tackle worsening housing affordability, achieve a stepchange in overall supply, support new AH products and delivery vehicles, and ensure the 20% regional minimum is achieved on every site	£350m-£400m
Homes for Covid19 Heroes	HMG funding and policy support for a Covid-19 key worker affordable housing programme: "homes for heroes" repurposed for the post-Covid era	£50m
AMC National Vanguard	New funding to support a suite of AMC factories in the region, make the West Midlands the AMC centre of excellence in the UK and provide the industry with an AMC pipeline on sites that have previously been designed around traditional methods of construction	£50m
Funding for Zero carbon homes programme	New funding to support a selection of vanguard sites to deliver zero carbon homes/passivhouse/carbon neutral housing in the region as proof of concept	£50m
Regional public Land disposals	HMG funding (capital and revenue) support for a bold regional programme led by WMCA and revamped OPE Board of public land disposals and development on public land to support Covid19 recovery	£100m
Public Land Policy	Revisions to 'best value' rules for public land disposals, revenue support for capacity required to prepare sites so they are ready to develop and invest in and HMG Departments given clear direction to support regional public land disposals	Revenue support
Town and Urban Centres Transformation	HMG funding for town centres being much more strategic and coordinated so we can maximise impact in our town centres and support structural renewal required	£100m+
Removing obstacles to delivery such as BCR Revision	Revised approach to BCR/VfM for immediate post-C19 investment in brownfield land and affordable housing	Policy support
Providing the capacity to deliver	Enhanced local and regional capacity to implement nationally leading housing and land programmes (planning, surveying, project management, development expertise) – getting sites ready to develop and invest in Enhanced local and regional capacity to ensure timely planning decisions on development sites Enhanced local and regional capacity to implement wide-ranging Covid19 recovery strategy/interventions	£10m pa
Policy Changes to Build Back Better	Review of Permitted Development Rights and local flexibility for regulations HMG policy support for enhanced regional design requirements	Policy support
Bespoke Support for key Projects	See Section C	

Game Changing "Programmes" for this Recovery Strategy are **(to be added from Section C)** once agreed

This document is sectioned into

- **Section A: high level strategy of key principles and the broad approach**
- **Section B: a more detailed implementation plan of interventions and opportunities**
- **Section C: a summary of priority projects/schemes against defined criteria from Sections A and B**

Section A: Housing and Land Recovery Strategy

The West Midlands has [agreed 10 priorities for economic recovery](#). They are:

- Ensure residents are kept safe and healthy
- Accelerate transport construction plans
- Build more homes faster and reshape town centres
- Get people who lose their jobs back into work quickly
- Support local businesses
- Secure huge new investment in technology and innovation
- Make sure the recovery is inclusive and works for everyone
- Step up green growth plans
- Take the West Midlands out to the world and bring the world into the West Midlands
- Regain control of the region's own recovery

1.1 The Governance to Covid19 Housing and Land Economic Recovery Strategy and Implementation Plan

The work of the Housing and Land Board contributes to a significant number of these ten priorities. Reflecting on these priorities and the regional recovery work to date, **the Housing and Land Board on 27th April commissioned WMCA via its Housing and Regeneration Directorate to lead the preparation of a Portfolio Economic Recovery Plan** that specifically focused on driving forward *opportunities and interventions* in each of the major programmes of work in the Board's Current Annual Business Plan. A key chapter would be on town centre recovery for example and another on advanced manufacturing in construction. This position was endorsed by the Regional Coordination Group and subsequently in two working groups. The WMCA is developing this regional Housing and Land Recovery Strategy and Implementation Plan in collaboration with all its partners.

At a working level, the **work is led by the Delivery Steering Group of the Housing and Land Board** (senior regeneration and housing officials), and **coordinated by the WMCA Housing Land and Assets Directorate**. It involves close working with two new Covid19 recovery working groups (see below). The outcomes of the work will be reported to the Housing & Land Delivery Board and Cllr Mike Bird as Portfolio Holder for agreement and discussion and is constantly feeding into the wider plans for the region around economic recovery.

Following the imposition of lockdown restrictions, we sought to establish **2 working groups of our existing stakeholder forums and round tables**. These working groups are co-developing and shaping our portfolio recovery planning work, providing critical evidence and market intelligence and ensure we have key business and public sector engagement throughout. One is a working group of lead regeneration and housing officials of our local councils, LEPs and Homes England; the second is a working group of lead real estate investors, housing associations and developers from our Commercial Property Forum we operate jointly with the British Property Federation.

We are also working very closely with and seeking advice, ideas and sounding from the Overview and Scrutiny housing group, LEPs, the British Property Federation, the wider real estate and property community and our expert taskforces such as the AMC taskforce led by Mark Farmer (National HMG Adviser on MMC), the Town Centre Taskforce led by Jon Bramwell of HSBC, our new zero carbon taskforce chaired by UKGBC, and the national CA Directors Group, in co-creating this strategy and plan. We have also worked with Revo (major retail and city centre landlords) on proposals for town and city centre renewal.

We have worked closely with teams across WMCA – especially colleagues in transport given the major impact transport investment and services have on any real estate and regeneration economic recovery planning.

This engagement and co-development of this work is achieved through virtual meetings and working groups, co-creation of documents through online tools and sharing of documents throughout their production, and 1-2-1 engagement with partners to inform our recovery planning work.

Our approach is evidence based and led by the real-time impact of the pandemic. We have researched and analysed a range of evidence and data on this agenda – though opinions remain highly mixed on likely impact on real estate demand and projects. We will continue to refine the strategy and plan as more data comes through. In addition, we will continue to investigate and assess the need for new or revised powers and changes in legislation that may be required for the region to deliver the interventions required for recovery.

1.2 Key Principles of our Housing and Land Recovery Strategy

8 principles have come up time and time again from all our discussions and working groups in underpinning the Housing and Land Recovery Strategy:

1. **Collaboration and Partnership** – a strong consensus that a recovery plan needs a “**new team dynamic, collective ownership and partnership working**” to drive it across public and private sectors, especially in this portfolio. We all need to be working as one in new and different ways (e.g. creation of delivery vehicles, aligned disposals strategy). Trust, openness and transparency being critical.
2. **Delivery and Investment** – a strong consensus that the strategy is only good if it gets delivered and hence continued public investment in key sites and early interventions being essential for market and public confidence in the plan

3. **Phasing** – a strong consensus that a recovery plan cannot wait to be perfectly formed before moving in to delivery mode – we need to focus its interventions on different time periods so we get on with what we can do now in the restart/survive phase using current levers, whilst planning for and developing policy, asks and interventions for the recovery and renewal phases where there remains more uncertainty. Therefore the interventions plans and projects schedule is broken down into **restart, recovery and renewal phases and accordingly short/medium/long term interventions**.
4. **Low carbon Inclusive Growth** – a strong consensus that we don't just want any sort of recovery or to build back what we had – we want a recovery and economic growth that absolutely champions low/zero carbon inclusive and high quality development, so rolling out the regional design charter for example and supporting bold new innovation
5. **Focus** – a strategy and plan focused on areas, projects and programmes with high impact where WMCA is already working with its partners in the public and private sector can make a tangible difference to residents and business and can provide crystal clear asks to HMG. Hence the need for "**game-changers**".
6. **Long term** – making investment decisions, land acquisitions, policy development and establishing partnerships for the long-term, to create true value and placemaking
7. **Leverage** – maximising the assets the public sector has (e.g. land, influence and ££) to unlock more from the private sector
8. **Speed and robustness** - agile, nimble decision making and robust assurance processes & governance

1.2 Key Gamechangers of our Housing and Land Recovery Strategy

With the support of our working groups, this has led to 7 game-changers. A clear focus on a limited number of interventions with maximum impact:

1. **Brownfield Regeneration** – turning the region into a *centre of excellence* for brownfield research and regeneration including the establishment of a *National Brownfield Institute*, a nationally leading brownfield first policy and delivery programme
2. **Affordable Housing Policy and Delivery** – more direct control over affordable housing funding and delivery in the region so we can drive a stepchange in affordable housing supply and tenures in the region, creating new JVs with housing associations, launching an asset-backed regional affordable housing delivery vehicle to significantly increase delivery and a Covid19 key worker housing programme
3. **Business and investor partnerships** – a best in class approach to working with the real estate sector, engaging investors/developers on key opportunities, establishing new commissioned partnerships and industry-led taskforces, establishing new joint ventures and delivery vehicles around key growth areas
4. **Advanced Manufacturing in Construction, high quality design and Zero Carbon** – drive forward and accelerate our policy work on AMC and zero carbon homes and embedding this policy into new development, supporting AMC factories and building back better
5. **Public Land/OPE** – moving to a nationally leading single public land disposals and development programme, exploring the creation of a regional public land board and supporting advisory group, moving from OPE projects to a programme-led approach, developing the role of public land disposals in supporting repurposing of our urban centres and exemplar urban development schemes
6. **Town Centres** – a town and urban centre transformation delivery programme helping centres find a new purpose and role, delivery of visible repurposing and renewal projects, and new governance where required to support and enable local authorities and communities to revitalise local centres
7. **Enterprise and employment land** – driving growth through unlocking of employment land and encouraging a commercial environment to turbocharge sustainable and low carbon enterprises, enable reshoring and create new markets, establishing Enterprise Zones

For each of these themes we set out details of the Problems and Opportunities; Range of Interventions; and timing/timescales for action.

Game Changer 1: Brownfield Regeneration

Ambition – for the West Midlands to be the national centre of excellence for brownfield research and regeneration including the establishment of a National Brownfield Institute and its nationally leading brownfield first policy and delivery programme

Context

The West Midlands is supplying the proof that ‘Brownfield First’ works, with a record number of homes being delivered in the region both overall and especially on brownfield sites. The scale of brownfield land available for development remains one of the key strengths of the region and opportunities in terms of Covid19 but it is heavily reliant on public sector intervention and investment to unlock it.

Last year, housing completions increased at four times the national average; a total increase of 2,000 homes and doubling of supply since 2011. With the second highest housing target in the UK (16,500 homes per annum by 2031), ensuring the West Midlands continues to deliver is a pre-requisite to the country delivering higher housing provision and economic growth and recovering from Covid19. The WMCA Housing and Regeneration team, working closely with colleagues at local authorities, has already established a track record of pace and agile delivery via the Land Fund programme and bringing forward sites which for years (sometimes decades) have been unable to be unlocked – such as the Friars Park site in Sandwell. This gave us the platform to be signalled out in the Government’s 2020 Budget as a national example and is a springboard to deliver even more in the post-Covid 19 recovery.

Our approach

In order to address the challenges and opportunities we will:

- **Deliver our comprehensive business case to HMG for new brownfield funding (£200m Urban Transformation Fund)** – with £84m secured by WMCA in July 2020 as the first tranche of this funding
- **Develop and deliver a new business case to HMG for support for the National Brownfield Institute (£24m)**
- Seek to secure **outstanding promised funding** from the £350m March 2018 Housing Deal
- **Expand current brownfield regeneration programmes** specifically to include employment land and opportunities for equity investment, and look to HMG for more flexibility on the constraints over that funding so there is more local control and accountability
- Look at options for and get HMG support for implementing a **revised approach to VfM/BCR** on development projects in immediate post-C19 period with greater priority to start on site within next 6-12 months
- **Establish/expand existing loan funds/guarantees** (currently £140m for commercial & £70m for residential respectively) to support the brownfield regeneration agenda, development of brownfield remediation industry in the region and bring to market schemes currently considered too difficult or risky to deliver
- **Rapid decision making** and clear rules to de risk and provide market confidence and certainty - schemes will achieve statutory timescales for planning, new resource will be made available to enhance local capacity and where funding is sort from WMCA those schemes will proceed through the nationally acclaimed Single Commissioning Framework with its 12 week decision turnaround
- Work closely with University of Wolverhampton and CWC to deliver a new **National Brownfield Institute** and support for other **research** and courses on brownfield regeneration and remediation

Game Changer 2: Affordable Housing Policy and Delivery

Ambition – for the West Midlands to secure a step change in affordable housing provision across the region through its new regional definition and by securing greater funding and control over national affordable housing policy and delivery programmes

The context

The impact of Covid-19 on the economy and employment has been stark, with the construction industry being significantly affected by lockdown and the subsequent impact on delivery of housing numbers. Alongside the impact of the pandemic on specific areas such as sheltered housing and care schemes, the affordable housing sector faces a number of major delivery challenges. This has been a topic of significant discussion at our stakeholder groups and an area where a clear steer has been for the region to be bold. Key issues highlighted by the industry include stalled sites and the consequences for business plan delivery and cashflow, disruption to investment plans, delays and compressed handovers of completed homes, site viability impacts, and investor confidence. The reliance of some providers on cross-subsidy, with the proceeds of sales of market priced housing subsidising the delivery of affordable units, may be exposed by the sales market slowdown brought about by lockdown and any medium-term changes in demand.

This environment does however also provide opportunities for growth in affordable housing and the delivery of new products. The sector has historically been viewed as counter-cyclical, with more affordable homes being delivered in times of economic recession, and the Covid-19 crisis has already shown that some developers are looking to increase the numbers of affordable homes on their schemes. The Letwin Review of 2019 noted that at that time there was “virtually limitless” demand for affordable housing, demand that is only likely to grow due to the significant impact of the pandemic on employment, incomes, working patterns and financial security.

One of the key feedbacks from our expert groups has been that the region must seek much greater regional control over national funding and delivery programmes for affordable housing, hence the new asks of HMG and the interventions which have been identified below by the groups. We heard lots of evidence about the problems of the current system and that existing devolved housing funding to WMCA is too restrictive to allow WMCA to “top up” affordable housing provision on development sites. There remains a considerable lag as a result between overall housing number growth and that of affordable homes.

Alongside economic imperatives, the public standing and perception of key workers throughout the pandemic illustrates a changing public mood and recognition of the importance of such workers in society. Prior to the pandemic, the WMCA had established “key worker” housing as a criterion in its regional affordable housing definition, and housing specifically targeted at this cohort can form a key pillar of the economic

recovery programme in the region. In addition, through its investments via the SCF the Combined Authority is ensuring a minimum of 20% affordable housing on all of the sites acquired or funded by WMCA.

To deliver the substantial increase in affordable homes required for the region, the WMCA is already in advanced discussions with some of the largest regional registered providers, to combine assets, expertise and investment potential in a collaborative delivery vehicle specifically targeting delivery on brownfield, urban sites. Through co-investment of sites and finance, this vehicle has the potential to deliver significant additional housing and drive investment in the regional market, maximising the use of public land as an accelerator for renewed investment and confidence in the market.

Our approach

In order to address these challenges and opportunities we will:

- **Deliver our comprehensive business case to HMG for new affordable housing funding (£400m)**
- **Seek to secure a game changing scale of devolved regional funding from the National Affordable Housing Programme and greater local control over national programmes** – bringing the region’s expertise, knowledge and understanding of local issues, sites, partners and opportunities to unlock schemes and deliver true additionality and address the lag described above
- **Broaden affordable housing grant funding availability to private sector developers** – to address viability gaps and stalled sites, and shift the conversation to a solution focussed approach locally rather than top-down imposition
- Create **new investment and delivery partnerships** with housing associations and launch an **asset-backed regional affordable housing delivery vehicle** to significantly increase Affordable Housing delivery locally, and drive inclusive growth
- Establish a **Covid-19 key worker affordable housing programme**: “homes for heroes” repurposed for the post-Covid era, building on our regional affordable housing definition that includes key worker provision within its criteria. This could include a fundamental shift in approach for example shifting a scheme from 20% "affordable housing" to 75% key worker housing, reshaping the approach to affordability in acknowledgement of these changed times
- Look to secure a significant proportion of the HMG funding to **provide long-term, safe homes for vulnerable rough sleepers** taken off the streets during the pandemic

Game Changer 3: Business and investor partnerships

Ambition – for the West Midlands to be the place where national and international investors looking to invest in real estate and regeneration post Covid19 seek to invest and to develop a best in class working relationship between the public and the private sector, and for the region to continue its recent track record of attracting new developers who currently are not active in the region.

The Context

The emergence of Covid-19 has shone a spotlight on the importance of strong trusting relationships with the region’s business and investment community. It has shown the power of joint ventures and investment partnerships to ensure investment continues to flow into the region and issues are openly discussed and addressed in a collaborative manner.

The lockdown has illuminated a *number of challenges* facing our key business stakeholders whether they be investors, investor developers, contractors or key supply chains and the close interrelationship between public and private sector activity. This has been a key subject at the numerous expert and stakeholder group meetings we have held. Many are reviewing priorities around their workforce and their suppliers and adapting their operations to limit wherever possible the impact on production and delivery programmes. Many property related funds have been facing redemption requests since the beginning of the year. They see the need to de-risk, and see sectors innovate around new ways of operating, shopping, commuting and living.

Many have not yet seen the full extent of the problems emerge. The whole Built Environment sector needs to re capitalise to improve its financial stability or to review its financial structure. There appears to be plenty of liquidity available, and by not extending themselves too much, banks are better capitalised now than since the financial crisis. However, our stakeholder groups report that credit appetite from banks may be cautious over the second half of the year and investors are likely to therefore need *more certainty about public sector investment and support before committing*. Delivering this certainty in uncertainty is especially important on challenging brownfield sites which traditionally have higher upfront costs and Boards need to have confidence in the public sector ability to deliver before investing.

Through our continued engagement of investor and developer partners, consistent messages are emerging that this recovery plan responds to. These include; Do more of what you are already doing well; Accelerate the promotion of co-development working through commissioned partnerships and the commercial property forum; and continue to co-invest at even larger scale in a portfolio of prioritised sites in key growth areas, including those in public ownership. ***These messages coalesce in the key feedback from our dialogue with expert groups: now is the time for strengthened public and private sector partnerships to guide investment and long-term stewardship of places.***

Our approach

In order to address these challenges and opportunities we will:

- **Provide a clear compelling vision, evidence and narrative (Investment Prospectus 2020?) for real estate recovery that investors can get behind and invest into** – developed in partnership with our commercial property forum and focused on specific interventions in the short, medium and long term that will enable Investment Boards to ‘commit’ to schemes in the region at this challenging time
- Agreeing with our partners the actions and timescales needed on key projects in their pipelines to allow us the ability to **jointly invest and co-develop** at pace – not an ‘us and them’ but a ‘we’ and a mindset of trust and transparency

- **Building from the commercial property forum to create a comprehensive investor/developer engagement programme that the market can trust**, giving investors the confidence they require and the environment to share experience and concerns in real time
- **Creating best in class credible attractive investment propositions** as part of joint ventures, LLP's and medium to long term **strategic partnerships** with private sector investors, based on long-term patient investment and stewardship of place principles on public assets – includes the creation of a revised West Midlands Investment Prospectus
- **Re-enforce the message at every turn that we are “open for business”** - a welcoming and credible partner, able facilitators, welcoming investors as true partners with a can-do attitude to make things happen. This has been critical to our success to date.
- **Reconfigure the risk profile by developing co-partnerships to share risk and reward** as appropriate. Recognising that most investors will want to re-capitalise down rather than up the risk curve, we will **create fund structures that re-cycle and revolve**.
- Work with investors to **measure and assess demand for the asset** we wish them to create and then providing a **matching service** for interested parties to register.

Game Changer 4: Advanced Manufacturing in Construction, high quality design and Zero Carbon

AMC Ambition – for the West Midlands to be UK's vanguard of the AMC industry and the national and international epicentre of advanced manufacturing in construction (AMC). We will build new AMC factories for homes and other buildings, develop an AMC skills programme, provide a certain AMC pipeline and make AMC the default in all new development schemes seeking public investment or support.

Design Ambition – to “build back better” – ensuring the region champions high quality design in all new development proposals building from its regional design charter and the transition towards zero carbon homes and places fully linked into #WM2041

Context

Before Covid19 happened it was long recognised and evidenced that the UK's construction sector is underperforming, under resourced and under invested. Productivity is stagnant and the workforce is shrinking as it fails to attract new entrants. The impacts of poor-quality construction and the performance gap are ever-present as we try to build a world that acknowledges the health and safety and environmental failures that have come before.

Meeting the West Midlands (and the UK as a whole's) housing targets is simply not possible without generating additional capacity and resilience in the sector; delivering these in a way that secures social, environmental and economic value will require fundamental change to current approaches. Before Covid19 the region got on the front foot on this agenda - launching its regional design charter, establishing an expert AMC Panel chaired by Mark Farmer (the HMG's adviser on this issue) to drive an AMC programme of work and required AMC in a range of new developments to ensure the region was at the forefront of this agenda. Covid19 has brought the immense challenges the industry faces into sharp relief but it also provides significant opportunity for us to push on now and go further – hence the recent ask for £50m of enabling fund for the AMC industry in the region's “immediate asks” of HMG.

In the housebuilding sector alone, it is estimated that only 20% of sites were open as of mid-April. Whilst labour is now returning to sites, maintaining operative safety and social distancing requirements is having significant impacts on site productivity and output.

As the construction sector gets back to work, some of the changes we might expect to see include:

- Delivery delays – due to disrupted planning processes, reduced urgency from developers and investors, finance availability and confidence in demand, amongst other reasons.
- Lower productivity – due to reduced site labour, materials and services shortages – which have only been compounded by disruption to foreign imports.
- Distortion of the materials market – through aggressive pricing and largescale supply from international markets looking to rebound.

However, with these challenges come **opportunities to accelerate and elevate our ambitions** for the construction sector in the West Midlands, including:

- A move towards de-risking design – future restrictions on social distancing could encourage a move towards more advanced manufacturing and premanufacturing techniques, as developers look to reduce site labour hours.
- A renewed focus on quality and technical accreditations to ensure standards are maintained and enhanced.
- New construction skills opportunities – specifically those related to digital design, advanced manufacture and end-to-end delivery of advanced construction technologies including valuation techniques and new on-site techniques.

Our need for a more resilient construction sector is not the only issue that has been magnified by Covid-19; we also require much more resilient well designed places. More than ever, the value of accessible, well maintained green spaces to our physical and mental wellbeing is being recognised. Across the UK, wildlife is returning to our gardens, streets and parks and we are finding joy in exploring our local environments by foot and bicycle. Car use and carbon outputs have fallen as we adapt to news way of working and living at home. Returning to ‘business as usual’ design and development standards would be a lost opportunity for improving the health of both our residents and our planet.

Our Approach

In order to address these challenges and opportunities we will:

- **Develop and deliver a new business case to HMG for new AMC funding (£50m AMC Accelerator Fund)** with the support of the AMC Panel so the region can be the UK's AMC vanguard – providing significant new funding and other support for rapid roll out of AMC factories and supporting infrastructure for the growing AMC industry in the region
- **Provide inward investment support to those seeking to relocate to West Midlands to invest in and build new AMC factories**

- **Provide support for new skills programmes to develop AMC built environment professionals in the region**
- **Create the certainty business needs to invest and develop AMC** – for example by creating new partnerships and joint ventures with housing associations and private sector developers. This will help to aggregate demand for AMC, Zero Carbon and high quality design delivery, providing a secure pipeline for skills development, business growth and investment in innovation.
- **Implement the regional design charter and bolster the West Midlands’ design expertise** -eg securing new funding to provide experienced built environment practitioners for LAs without in-house design resource and on major schemes
- **Establish a Small Sites Innovation Programme** – identifying a portfolio of small sites in WMCA ownership and options to release these for the development of community/self-build/local SME projects that exemplify quality placemaking as defined in the Design Charter
- **Implement our Advanced Methods of Construction Strategy** developed with our expert AMC Panel, chaired by Mark Farmer
- Develop a **new Zero Carbon Homes Strategy** and Delivery Programme
- Establish **a new Zero Carbon Homes Taskforce** to help turn the strategy into reality
- Lobby Government to secure significant new funding for and implement a **wide ranging regional retrofitting programme** (see HMG asks document)
- Identify and deliver ‘vanguard sites’ for carbon neutral housing/passivhouse schemes, as proposed by Birmingham City Council

Game Changer 5: Public Land Disposals and OPE Programme

Ambition – to achieve an unprecedented shift in the scale and pace of the Public Land Disposals and Development Programme and One Public Estate (OPE) in the West Midlands, showing how public land through its disposal and development can be at the forefront of the Covid19 recovery and the delivery of low carbon inclusive growth across the region.

Context

The West Midlands Land Commission back in 2017 identified public land as a key untapped resource that the region needed to do more to maximise and unlock. The West Midlands region, through its Housing and Land Board, OPE Board and programme of OPE Projects with the Cabinet Office/LGA has been driving an exciting new approach to unlocking transformational projects on public land and assets since 2018.

Requiring public sector partners to dispose of their land with no incentive or support has been tried and failed elsewhere. Our approach has been much more successful because it creates a toolbox of options and supportive team environment to bring forward transformational projects on public land together. OPE has been successful in delivering individual projects and the West Midlands has created the largest OPE partnership of any region and been successful in securing new HMG money to support project preparation and delivery.

Covid19 provides the opportunity to reflect on the programme to date, its success but also the huge potential to do more given the clear feedback of every working group and round table we have held of public land’s importance in economic recovery, private sector investment and de-risking, driving build quality, supporting town centre renewal and ensuring housing and employment delivery happens at scale and pace. Indeed the constant feedback we have had on this part of the recovery plan both within the region and from Central Government is *this is an area the WMCA should lead on, should be bold on and regionally we should be acting together on*. It also supports the creation of new delivery vehicles and development corporations.

And the level of public land ownership in the region, as first identified by the 2017 West Midlands Land Commission, alongside the planned transport investment means we have the raw materials to do something really special with existing public land married together with new land acquisitions and joint ventures with private landowners. The consensus is **this work should focus on land in major corridors of investment and opportunity especially new and existing transport corridors**.

In response to the feedback, a key proposition is thus to **drive delivery of a single comprehensive regional public land development programme and create new dedicated partnerships/delivery vehicles or corporations** especially in urban centres and around public transport hubs on Metro and HS2 to make that happen. We need major investment from Central Government to support the unlocking of a swathe of public land sites in the region – hence our asks and the flag here for further work on this agenda.

Our approach

In order to address these challenges and opportunities we will:

- **Develop and deliver a comprehensive business case to HMG for new public land transformation funding (£100m)** with the support of a new expert public land advisory group (see below), enabling the region to knock down the barriers to public land release and value realisation and supports the creation of new delivery vehicles, public/private partnerships on public land.
- **Establish a Public Land Board** to enable join-up of ownerships allowing the ability to think innovate, swap or pool assets, develop ways to cut across competing public sector objectives, and secure quick decision making at the regional level. Currently, no single public body has overall strategic responsibility for all public land within the West Midlands. To help address this a Public Land Expert Advisory Group (PLEAG) is proposed to act as a single regional public land taskforce that reports to the newly set up Public Land Board.
- **Develop a single comprehensive single public land disposals plan, map and pipeline** for the region that Government and investors can have total confidence in. This will identify **opportunities for release/development in the public estate** where these have been previously too difficult to contemplate, they will drive out development and income potential and show a clear route to market.
- **Review of and mapping all public assets** and what could these be worth in the development market, their proximity to infrastructure, what could they generate in terms of housing/employment/commercial outputs, what they could leverage in terms of private sector investment, how could they be developed to secure inclusive growth and community wellbeing etc.

- Develop a **public land development investment prospectus** that gives private sector confidence to invest in public land opportunities and thus leverages significant private sector investment and alignment of adjoining ownerships. The public sector is tackling risks which they can tackle better/more cheaply than the private sector – enabling the public sector to be more demanding of the private sector
- **Align WMCA and other regional investment funds** and private sector funding to specifically unlock/leverage surplus public land for development and drive subsequent delivery (especially where there are viability challenges/infrastructure challenges etc).
- **Expand membership of OPE programme** to connect with MoD; NHS; DfT and other funding streams and engage new members such as Higher Education, Church landholdings, utilities into the broader Public Land approach
- **Creating a virtuous circle and partnership premium for public bodies** as a national exemplar for other areas to follow –created by i) helping public bodies to maximise receipts on sites they have identified for disposal but not made work ii) leveraging out more receipts from those public land and property opportunity sites which only we can identify iii) supporting innovation e.g. community right to build, advanced methods of construction.

Game Changer 6: Town Centre Transformation

Ambition – to take the bold steps necessary on land, investment, support and governance to achieve a complete economic transformation in our urban centres that responds to the dramatic structural and cyclical changes we saw in town centre economies before Covid19 but which have been accelerated and augmented by the lockdown. The West Midlands will show its ability to pioneer a new approach to the issue of how our town centres can thrive in a digital age.

Our strategy is focused on creating a new economic model for town centres centred on the promotion of town centre living. Working closely with local authorities we will engage local communities and businesses so that they drive the transformation. Our town centres will become the places where we deliver our wider inclusive growth agenda and where local communities shape the future. Town Centres will continue to be the places where people meet to conduct business, access services, socialise and live but the mix of activities will be more varied and a great focus will be paid to offering an “experience” you can’t get online. The function of the town centre hasn’t changed; it’s how we go about making the changes and creating the mix of uses that’s different.

Context

Town centres have been at the heart of West Midlands society for generations. But in recent years town they have been facing the impacts of acute structural and cyclical changes - with retail activity often limited to the working day. More recently, online retailing and a declining demand for retail space within the town centre, alongside growing support for town centre living and experience has set in train a number of changes to our urban centres.

The pandemic has driven a complete shift in the economy of our town and urban centres. Most town centre businesses have now been closed for 3 months with town centre businesses closed the moment the lockdown restrictions were imposed and many of those “experience” land uses (e.g. food and retail) particularly impacted. There is a lot of speculation about the true impact of Covid19 on town centre businesses but most industry figures agree it has been ‘dramatic’.

BPF and Revo suggest that we are probably looking at a further 15-20% oversupply of retailing on top of the pre-Covid 19 figure. Furthermore, the fall in income received by town centre businesses has been so significant there is a real threat that many town centre businesses may not reopen when they are allowed to do so. The restrictions to the public transport network are being acutely felt in town centres whose access to the bus and rail network is a key selling point. This is all likely to leave to empty buildings which either need demolition or repurposing, a reluctance of investors to invest into town centre businesses and urban spaces, significant falls in value of town centre premises, and a whole suite of interventions and public investment required to bring town centres back to life after lockdown. With the march of digital retailing growing each day questions will grow around the demand and viability of physical retail and commercial premises in town centres.

The pandemic has caused us all to re-think how we work, live and socialise. With travel restricted, people are spending more time in their local neighbourhood, getting to know places in a way not possible when commuting and calling for a higher quality environment, in and outside their homes, with better access to open space, local amenities and stronger community links. Identifying how we can support this ‘new norm’, and the projects needed to kick start and consolidate the momentum for change are critical next steps. Clear strategy and targeted interventions will allow us to use devolved housing and land funds efficiently and effectively.

Our Approach

The West Midlands is pioneering a new approach to how town centres thrive in an age of change.

Our town centres sit at the very heart of our local and business communities. Most are important transportation hubs, they are the places where we do business, they are often the centre of civic life with town halls, libraries, educational institutions and community facilities where people access services. Many are the focus of leisure and culture activities at the heart of communities. All have a long history with much loved buildings and open spaces. They are vested with too much value, too many resources and assets to leave their future prosperity to chance.

The WMCA is working with local authorities, businesses, communities, and the wider public sector to adapt and refocus its work on Town Centres following the Covid19 outbreak. The impact of the pandemic and its resulting restrictions have further challenged the fundamental purposes of local centres, but also bring opportunities for the reimagining and revitalisation of their place in society. As behaviours and public

perceptions change, the scope for radical reimagining widens. It is crucial that the region, combining its resources, assets and expertise, seizes this moment to transform the opportunity into reality through visible delivery and change on the ground.

To drive this change, the approach of the CA and partners is guided by a set of principles for town centre renewal:

- Creating a rich tapestry of mixed uses, giving multiple reasons for visiting town centres
- Devising a new economic model for town centres with 'town centre living' at its heart
- Improving the physical fabric, celebrating distinctiveness and providing more green space
- Maximising the potential of vacant and underused land
- Creating new public/private/third sector partnerships
- Managing our town centres actively, organising events and curating the experience
- Securing the devolution of powers from central to local and regional government

A key part of our Covid19 recovery plan will be to change the look and feel of our town centres so they are more inclusive, vibrant and low carbon with greater town centre living and use of low carbon modes of travel front and centre. These modern day "market towns" will be where people of all ages and backgrounds can come together to meet, socialise and interact in safe open spaces. They can also provide new premises for the post Covid19 economy – hubs for start up/incubators/remote working closes to places for social interaction and engagement.

In order to address these challenges and opportunities **our town centre recovery plan** will:

- **Develop and deliver a comprehensive business case to HMG for new town centre transformation funding (£100m)** worked up with the regional Town Centre Taskforce which will specifically support and unlock a comprehensive **pipeline of town centre projects** agreed with the Housing and Land Board. It will need to align with and complement existing Town Centre Funding from HMG such as the Future High Streets Fund and allow for devolved accountability for delivery so that we can support locally focused initiatives, including events and attractions which drive footfall into town centres and improvements to public realm.
- **Amend the Single Commissioning Framework** so that devolved housing and land funds explicitly supports town centre regeneration and promotes **town centre living** and enhanced development density, as proposed at April's Housing and Land Board
- **Develop a more detailed town centre toolkit** which identifies a range of interventions implemented elsewhere which can be deployed in town centres in the region
- **Support existing and new Town Centre Transformation Boards** which have been set up in the region to oversee the development of strategy, secure funding for investment in defined projects and take the lead on branding, marketing and communications.
- **A supportive planning policy framework** – adapting and refining existing town centre policy so that it addresses the immediate challenges and opportunities of Covid19. Requires greater clarity in national planning policy and guidance.
- **Timely planning decisions** - rapid decision-making on planning applications in town centres (eg for town centre living), and use of mechanisms such as local development orders and simplified planning zones to reduce planning risk and support new development such as **flexible business floorspace in central locations** which can provide space for entrepreneurial activity and business start-ups
- **Identify and support 'town centre champions'** (proposal from the Town Centre Taskforce)
- **Seeking HMG funding to support the co-ordination of town centre activity at a local level** - all public, private and community agencies will need support in the early stages of town centre project definition, development and delivery
- **Continue to maximise the impact of the Town Centres Taskforce**, accessing their expertise in co-developing town centre strategy and interventions across the region
- Explore the potential for **new delivery vehicles** to support the physical transformation of the built environment of our town centres
- Create a **town centre investment framework** to support the creation of investable propositions aligned with local priorities
- **Develop a comprehensive business case to HMG for new town centre transformation funding (£100m)** co-developed with the regional Town Centre Taskforce, local authorities and Commercial Property Forum to specifically support and unlock a comprehensive pipeline of town centre projects agreed with the Housing and Land Board. This approach will need to align with and complement existing Town Centre Funding from HMG such as the Future High Streets Fund and allow for devolved accountability for delivery so that we can support locally focused initiatives, including events which drive footfall into town centres and improvements to public realm.
- Seek HMG funding to **support the co-ordination of town centre activity at a local level** - all public, private and community agencies will need support in the early stages of town centre project definition, development and delivery. Recognising the need for revenue funding to be spent on projects, task and finish key personnel rather than long term posts.
- Lobby HMG to allow WMCA to **take greater account of social return on investment** as opposed to economic based models to support levelling up agenda
- Work with communities and local authorities to **co-create Town Centre Investment and Transformation plans**, providing both investable propositions and the means for sustainable community involvement

- **Invest in a small number of key buildings at critical locations** within each town centre and curate the process of investing in, transforming and securing occupiers for each building
- **Maximise the impact and role of the Town Centres Task Force**, accessing their expertise in co-developing town centre strategy and interventions across the region and leading a network of Town Centre Champions
- Create a **town centre investment framework to support the creation of investable propositions** aligned with local priorities.
- **Amend the Single Commissioning Framework** so that devolved CA housing and land funds explicitly support town centre regeneration, promote town centre living and enhanced development density.
- **Create a new funding portal** for investors and owners seeking funding for town centre development projects
- **Explore the potential for new delivery vehicles** to support the physical transformation of the built environment of our town centres.
- Stimulate the potential for **long term, patient investment** by the private sector through early public sector investment, sharing risk, opportunities and rewards with trusted and enduring partners.
- Provide confidence in private sector to take risks and invest through the **creation of a modern public land disposals and development strategy for town centres** including a reset of best value to prioritise a long-term approach to social and economic value
- As part of town centre transformation plans mentioned above, create a **Town Centre Investment Prospectus** for each town centre, to illustrate investable propositions aligned with local priorities
- **Explore joint ventures/Special Purpose Vehicles/investment vehicles/REITS** for the institutions, funders and community groups to co-invest
- Lobby HMG to **secure greater capital and revenue funding to support regeneration and renewal of town centres** that complement existing locally focused initiatives, including events, festivals and public realm improvements which drive long term value change
- Providing **support for community-based models of regeneration** and community activities supporting local needs around high streets and town centres.

Game Changer 7: Enterprise and employment land

The Context

Prior to the pandemic, the business environment in the region was buoyant and perceptions of the West Midlands were growing, being seen as one of the best places to invest. However, Covid-19's dramatic impact on the global, national and regional economy is likely to accelerate certain trends, including the decline of retail on the high street; an increase in part-time homeworking; productivity unlikely to get better any time soon; and the downturn in migration likely to accelerate.

In addition, many businesses are now depleting cash reserves and taking on debt to survive, and there is considerable impact on international business connections, especially in the Higher Education sector, automotive, property and manufacturing.

Thus the commercial property sector is facing significant disruption. Transactions in non-residential property in April 2020 were below the levels seen during the financial crisis in 2009, with a 46.8% decrease on the previous year. The lockdown period has seen retail sales volumes decline and footfall plummet. However, some sectors such as online sales and warehousing have seen considerable growth based on changed habits and restrictions on movement. The longer-term impact of these changes are yet to be seen.

All of these factors have consequences for the use and need for employment land in the region, and implications for enterprise growth, technological change and sustainable economies. ***Feedback from our expert groups indicates the view that the WMCA and its partners need to fundamentally reassess our approach to employment land and maximise the emerging opportunities for the region.***

Our Approach

There are five basic propositions which underlie our approach;

- We are a globally important centre for manufacturing, R & D, logistics and services in key growth sectors of the economy. High quality sites, capable of attracting major international firms, need to be available immediately to capture businesses, investors and developers who are operating across a global platform
- We have a significant and growing SME sector which form part of the supply chain for larger enterprises. They need suitable land and premises, in the right locations, relative to their customers, in order to continue this growth.
- The lockdown has accelerated the move towards home-working, part-time or full-time. Most homes are not designed with home-working in mind and many sole traders and small businesses will want to interact with others as relaxations in social distancing provide greater opportunities for working outside the home. We want to be at the forefront of innovation for remote-working, creating flexible, adaptable floorspace, occupiers to concentrate on running their businesses.
- Changing retail patterns and the increase in online retailing has been well-documented. Less so are the requirements of the logistics and distribution industry which supports this major change. Traditionally, the logistics industry has focused on large floorplate usage,

however the impact of the pandemic has resulted in increasing demand for 'last mile' distribution depots and larger office functions. Understanding, and making provision for, the needs of this rapidly changing industry will become increasingly important.

- We want to transform the physical environment of our traditional industrial areas. We are proud of the rich industrial heritage of the West Midlands but locations suited the needs of the nineteenth and twentieth century industries are not necessarily best-suited to the needs of the twenty-first. There is also a great deal of vacant, derelict and underused land in these areas and employment could be consolidated on to the most suitable sites.

Our local authorities, which have statutory planning responsibilities, are already tackling these matters. The Combined Authority will support them in this work by providing a regional perspective on needs and through use of our funds to support rationalisation and amalgamation of sites.

In order to address these complex challenges and lead the future of employment land, we will:

- **Develop and deliver a comprehensive business case to HMG for revised policy and greater local accountability on Enterprise Zones**, as promoted by Birmingham City Council and the Commercial Property Forum
- **Identifying the land and property requirements for the industries of the future** including technology, R&D, green growth industries, health & life science to inform future funding and support
- Develop an **Employment Land Prospectus** with local authorities and the private sector, identifying and promoting strategic employment sites to attract new and diverse employment opportunities from reshoring of manufacturing, localised supply chains, and food supply businesses
- **Develop new strategies** to encourage clustering of related activities at key sites maximising the benefits of symbiotic relationships
- Working with local authorities and our expert taskforces and sounding boards, identify a **comprehensive pipeline of employment sites** that can be brought forward in the restart/recovery/renewal phases
- **Develop a business case to secure funding to provide 5G connectivity** to key employment sites
- **Amend the Single Commissioning Framework to support the provision of incubator and co-working spaces** through the use of public sector land
- **Identify opportunities for creative industry hubs in city and town centre locations**, making use of vacant or underused land
- **Review the Regional Design Charter to ensure it adequately promotes high quality employment provision e.g. environmental standards**
- **Supportive policy environment for the industries of the future in line with the Local Industrial Strategy**
- Explore the development of **new Enterprise Zones** and review the rules on existing Enterprise Zones to make maximum contribution to Covid19 recovery and lobby HMG for appropriate changes to EZ policy. We will work in partnership with the commercial and community sectors to develop a new model that delivers good design, health and wellbeing and environmental benefits alongside jobs and economic growth.

SECTION B

THE PURPOSE OF THIS SECTION IS TO SET OUT THE RANGE OF INTERVENTIONS PROPOSED FOR EACH OF THE GAME-CHANGER PROPOSALS. IT REMAINS IN DEVELOPMENT AND SUBJECT TO CHANGE AS CONDITIONS CONTINUE TO EVOLVE AND EMERGE

Covid-19: Housing and Land Portfolio Economic Recovery Implementation and Interventions Plan

Director: Gareth Bradford

Portfolio Lead

Cllr Mike Bird, Leader of Walsall Council

Key Performance Indicators	Start on site within 12 months; funding agreements; major policy interventions to secure green recovery and building back better; new USP around AMC; nationally leading brownfield regeneration programme; secure new ££ from Government							
Game Changer	Effects/market conditions	Possible interventions	Category	Timescale	Powers required	Cost	Status update	Comments
Brownfield Regeneration	<p>Impacts on Investment and Delivery from Covid-19</p> <ul style="list-style-type: none"> HM Government criteria for VFM/BCR already difficult on stalled BF sites, likely to become even more so Potential for builders/investors focusing on greenfield “easy to develop” suburban sites rather than brownfield “harder to develop” sites. Grant rates escalating to make schemes viable Possible slowing of nationally recognised progress made by region in unlocking stalled sites and greater number of stalled sites Escalating costs and declining values on sites. Concerns January 2020 values may not recover for 2+ years Uncertainty about level of demand for home purchasing 	<p>Secure “letter of support/authorisation” from HMG for revised approach to VfM/BCR in immediate post-C19 period with greater priority to start on site within next 6-12 months</p> <p>Extend the breadth of WMCA brownfield regeneration programme to more explicitly include employment sites</p> <p>Secure outstanding HMG funding for brownfield and infrastructure investment</p> <p>Secure new £200m Urban Transformation Fund following Budget 2020 announcement and submission of business case in February 2020</p> <p>Establish/expand existing loan funds/guarantees (currently £140m for commercial & £70m for</p>	Delivery - where we have the levers to deliver on behalf of the Government.	Restart	Requires amended powers/guidance	HMG ask is around £350m	<p>WMCA continues to invest in brownfield sites – most recently over £15m of grant and loan investment at April’s Investment Board</p> <p>Awaiting further news from HMG on outstanding funds</p> <p>WMCA and other CAs are pushing HMG for quick release of outstanding HIF and brownfield funds and to release new brownfield funding announced at Budget 2020</p>	

		residential respectively) for this purpose.						
	Local Planning Capacity <ul style="list-style-type: none"> Planning process plays significant part in time taken for development to occur LAs report their resourcing is under considerable strain which is impacting on planning processes 	Secure Fast track planning approach (end to end) supported by HMG to accelerate on-ground development in immediate return to work Secure additional local planning capacity which can be deployed to work on key brownfield regeneration projects	Enabling - supporting activities being delivered by WMCA and partners.	Restart	Requires amended powers/guidance		CA deployment of specialist planning expertise via SCF has led to quicker & more efficient planning decisions on schemes	
Affordable Housing delivery	<ul style="list-style-type: none"> Stalling sites RP investment plans under threat Pipeline & business plan disruption Cashflow & borrowing capacity of RPs Homes England funding to RPs stalling (supply agreements) Viability issues impacting on s106 contributions 	Create new Affordable Housing Delivery Vehicle: opportunity for CA vehicle to directly affect: <ul style="list-style-type: none"> Brownfield regeneration AH Delivery provision “Key worker” emphasis Young workers/ first homes 	Delivery - where we have the levers to deliver on behalf of the Government.	Restart	Existing		DevCo legal structures & business case in development Asset identification underway	<p>Affordable housing traditionally seen as counter-cyclical. However, many RPs’ business plans now predicated on cross-subsidy from market sales etc</p> <p>CA/WMHAPI DevCo has potential to be significant delivery arm & regional player: Risk however that potential partners will be wary of investing in Joint Venture due to market volatility and reduced investment appetite</p>
		Securing a devolved regional allocation of the National Affordable Housing Programme to “uplift” AH contributions which are frequently below 20% SCF minimum	Enabling - supporting activities being delivered by WMCA and partners.	Recovery	Requires changes to powers, funding & structures	£300m annual fund		<p>Post Covid 19 emphasis may be on homes for key/essential workers, young adults & families most affected by economic impact (see IFS report)</p> <p>The current NAHP is too focused on London and South East – need to lobby HMG for a regional slice/pot</p>
	Homelessness	Securing devolved regional allocation of MHCLG additional funds for ongoing accommodation and long-term support to people made or at risk of homelessness	Enabling - supporting activities being delivered by WMCA and partners.	Recovery		TBC		Explore Co-developing model with LAs to acquire units and support in line with Housing First model
Business and investor partnerships	Covid-19 Investment Impacts <ul style="list-style-type: none"> Investor retrenchment/nervousness/risk appetite Investors needing significantly more public sector intervention and risk sharing for same level of pre-Covid private sector investment 	To create an updated WM Investment Prospectus showcasing key investment opportunities in the region in the light of Covid 19, including key WMCA and OPE assets.	Delivery - where we have the levers to deliver on behalf of the Government.	Recovery	Existing		Being developed	<p>Does the post-C19 environment provide an opportunity to establish a regional financial body to co-invest, provide assurance & secure local ambitions?</p> <p>Could this be a joint private/public</p> <p>Review of the PRS model as part of a</p>

<ul style="list-style-type: none"> Investors have access to significant global capital funding but need to see “match ready/oven ready” projects to invest in rather than those with high upfront capital investment risks or a long way from delivery Region will need to be selective in working with national (and a few International) investors who have a sound track record of working closely with local councils/public sector and those with a track record of investing in the region 	WMCA and WMGC (with Commercial Property Forum) prioritise key projects from the regional sites pipeline that can attract forward Funding from Investors and capable of creating compelling clearly defined investment propositions to enable delivery at pace	Enabling - supporting activities being delivered by WMCA and partners.					post Covid-19 response Investment models as part of Re-thinking how transport, residential and manufacturing lives together in safer and more secure places	
	Commercial Property Forum to be held on monthly basis & online forum for engagement, sounding & intel sharing	Enabling - supporting activities being delivered by WMCA and partners.	Restart	Existing	Minimal	In place		
	WMCA to sign further Commissioned Partnerships with selected partners , sending a clear message that we will place inclusive growth at the beginning of the investor dialogue.	Delivery - where we have the levers to deliver on behalf of the Government.	Recovery	Existing		2xSPs existing & more in progress		
	Investor Engagement Protocol with WMGC – to engage with forward thinking investors	Enabling - supporting activities being delivered by WMCA and partners.	Restart	Existing				
	Engagement with key academic institutions e.g. Aston Business School to drive innovation and policy development	Enabling - supporting activities being delivered by WMCA and partners.	Recovery					
	New partnerships in different sectors – e.g. with utility companies, food manufacturers, logistics	Delivery - where we have the levers to deliver on behalf of the Government.	Recovery	Existing		To be developed		
	Further of work on more long-term funding mechanisms and solutions	Enabling - supporting activities being	Recovery	Requires new structures & funds		Evidence gathering underway		

		<ul style="list-style-type: none"> Regional Investment Fund/Bonds/Bank? HMG backed Infrastructure guarantees Regional revolving Infrastructure Funds Tax Increment Financing (TIF) 	delivered by WMCA and partners.					
Supporting AMC, high quality design and Zero Carbon	<ul style="list-style-type: none"> Influx of cheap international modular products could distort the market and prevent UK supplier growth. Future social distancing restrictions might lead to de-risking in design- limiting on site labour hours & increasing the level of pre-manufacturing Risk of reduction in quality of design and placemaking due to cost/risk measures 	<p>New AMC strategy requires uptake of AMC on all SCF schemes or those benefitting from new Covid-19 investment programmes</p> <p>Secure Government funding and support for our Advanced Methods of Construction strategy and programme including support for new AMC factories in the region</p> <p>Support for AMC Academy proposals</p> <p>Small Sites Innovation Programme – identifying small sites in WMCA ownership and options to release these for the development of community/self-build/local SME projects</p>	<p>Enabling - supporting activities being delivered by WMCA and partners.</p> <p>Delivery - where we have the levers to deliver on behalf of the Government.</p>	Restart	<p>Existing but requires new HMG funding</p> <p>May need planning regulatory changes to support AMC facilities</p>	<p>No direct cost to WMCA as this is SCF leverage (like 20% affordable housing etc)</p> <p>Business case to HMG to be developed</p>	<p>Possibility of investing in/acquiring AMC factory or providing land from WMCA/OPE asset portfolio with a deferred land payment to accelerate pace of delivery & embed wider SCF approach</p> <p>Approach recommended by Mark Farmer and AMC Expert Panel</p>	
	<ul style="list-style-type: none"> Concern that Developers/Investors will reduce the energy efficiency/carbon reduction element of schemes in order to save costs 	<p>Launching the new zero carbon homes taskforce</p> <p>Creating a bold zero carbon homes strategy and routemap for all new homes in the region</p> <p>Requiring/supporting schemes to provide zero carbon homes under WMCA's SCF</p>	<p>Delivery - where we have the levers to deliver on behalf of the Government.</p>	Restart				<p>We are commissioning the new zero carbon homes strategy and delivery programme as requested by Housing and Land Board</p>

Public Land and OPE Programme	<ul style="list-style-type: none"> Uncertain National and Regional development outlook Investment in development slowing down Site progression slowing down Risk of stagnation & continuing downward trajectory Danger of loss of “extras” e.g. proper placemaking, design quality, affordable housing as builders retrench to basic standardised products Danger of builders/investors focusing on greenfield “easy to develop” suburban sites rather than brownfield “harder to develop” sites. Focus on growth “at all costs” Loss of appetite for strategic/structural change 	<p>Creation of a single public land disposals strategy and programme for the region building on the disposals protocol agreed under OPE</p> <p>Explore the creation of new asset backed delivery vehicles using public sector land as equity investment. Requires a different approach to sharing risk in re-structured public-private partnerships</p>	Delivery - where we have the levers to deliver on behalf of the Government	Recovery	Existing powers but new powers around SPVs/LLPs would help	Set up costs don't need to be particularly high	Joint venture with Sandwell MBC at Friar Park established Proposals being developed for Inclusive Growth Corridors		
		<p>Public Land Taskforce – similar to AMC Expert Panel, Town Centre Taskforce and Zero Carbon Taskforce. Expert led advisory group to champion and drive a bold new public land programme</p>	Enabling - where we have the levers to deliver on behalf of the Government.	Restart	Existing powers	Set up costs and secretariat	Asset Strategy & Disposals work ongoing		
		<p>Co-ordinated public/private sector responses through Strategic partnerships/ collaborations and formal joint ventures and delivery vehicles created to restore market confidence</p>	Enabling - supporting activities being delivered by WMCA and partners.	Restart	Existing		As above under		
		<p>Use of CA interventions/assets/ policy objectives as leverage</p> <p>Zero carbon building commission</p> <p>Reinvention and renewal of place agenda</p>	Delivery - where we have the levers to deliver on behalf of the Government.	Recovery	Existing powers & structures		SCF review underway Key workers identified in Regional Affordable Housing Definition	Ambitious policy objectives of CA & partners may be in vanguard of “new normal”, e.g. Key worker housing: new models of delivery & investment	
Town Centres	<ul style="list-style-type: none"> Existential challenges to town and city centres – what are they for in a post Covid-19 world? How will we manage town 	The WMCA to broker new thinking on town centre renewal and economy across the region e.g.	Enabling - supporting activities being delivered by	Restart	Existing		Recovery Plan being developed Town Centre Delivery & Investment Plans to	Empty units, reduced rents, business rates all predicted to hit town centres especially hard Risk that housing market downturn could	

<p>centre reopening that respects social distancing</p> <ul style="list-style-type: none"> We need a fundamentally different relationship between business and local councils/WMCA/localities. A team approach to business transformation. Town centre/ high streets directly impacted by C-19, exacerbating difficult retail environment & change of usage Home working (for those who can) likely to change working patterns & possibly reduce requirement for commercial property outside of key locations Impact on Mixed use developments Landlord Rent - British Property Federation reports that a significant of town centre businesses may never reopen. The move to online retailing for nearly all consumer goods has been significantly accelerated by the lockdown restrictions. SME business in town centres severely impacted by lockdown restrictions Viability of town centre developments radically changed because risk/reward equation has completely change and ability to access private finance Values of commercial in retail units radically changed Digital retailing has fundamentally impacted on business turnover and rationale for physical retail and commercial premises in town centres Delays to key infrastructure projects and upgrades 	Regional Urban Centres Framework	WMCA and partners.				be approved & ongoing	affect delivery in repurposing also Commercial property income reportedly badly hit
	Lobby HMG to simplify and accelerate funding for the transformation of Town Centres	Influencing - activity that is creating a step change and/ or influencing partners.	Restart	Existing	Minimal		Online shopping seeing major increase Growth in leisure/ destination usage: what will C19 mean for this sector? Remote working likely to be more common, however drop in/mixed use spaces may be more viable – but WeWork etc shows dangers Also worth noting impact of remote working may have on transport/housing corridors
	Strengthened criteria in the SCF on town centre recovery and town centre living as a criteria for investment	Delivery - where we have the levers to deliver on behalf of the Government.	Restart	Existing			
	Property acquisitions/land assembly & change in usage by WMCA especially where town centre businesses are no longer viable/vacant.	Delivery - where we have the levers to deliver on behalf of the Government.	Recovery	Existing powers, requires more funding		Town centre investments e.g. Pipe Hall, Nuneaton etc already approved	
	Creation of Local Development Orders to tackle fragmented ownership Explore creation of Town Centre Enterprise Zones and public/private sector Boards	Enabling - supporting activities being delivered by WMCA and partners.	Recovery	Needs amended powers/guidance		Options appraisal as part of TC Recovery Plan	
	Creation of Single disposals strategy for all public land in town centres including a complete re-evaluation of best value methodologies to prioritise activity on sites within 6-12 months	Delivery - where we have the levers to deliver on behalf of the Government.	Restart	Existing powers, requires amended guidance		CA Asset review ongoing & disposals strategy in progress	
	One Public Estate: footprint of Universities, Colleges etc as anchor institutions in our town centres – how to maximise legacy assets & purpose	Enabling - supporting activities being delivered by WMCA and partners.	Recovery			OPE work programme	

		Explore possible creation of SPVs and or Town Centre REITs to provide new funding models and collateral for developments	Delivery - where we have the levers to deliver on behalf of the Government.	Recovery	Existing		Options appraisal as part of TC Recovery Plan	
		Repurpose buildings/zones to de-risk planning	Influencing - activity that is creating a step change and/ or influencing partners.	Recovery	LA planning powers			
		Acquisitions/ land assembly/ land disposal by public sector to support resilience and recovery	Delivery - where we have the levers to deliver on behalf of the Government.	Restart	Existing			
	Social infrastructure and community assets	Supporting and nurturing social entrepreneurs & community business	Enabling - supporting activities being delivered by WMCA and partners.	Recovery	Existing			
Enterprise and Employment Land		Identifying key locations for the industries of the future, e.g. technology, R&D, green growth industries, health & life science	Enabling - supporting activities being delivered by WMCA and partners.	Recovery	Existing			
		Explore proposals for Enterprise Zones and investment prospectus programmes for key locations	Enabling - supporting activities being delivered by WMCA and partners	Recovery	Existing			
		Develop employment land prospectus	Delivery - where we have the levers to deliver on behalf of the Government.	Restart	Existing			
		Support incubator and co-working space locations identified in key transport hub locations	Enabling - supporting activities being delivered by	Recovery	Existing			

			WMCA and partners					
		Employment land pipeline and mapping programme, including identification of key infrastructure needs e.g. 5G	Enabling - supporting activities being delivered by WMCA and partners.	Recovery	Existing			

Section C: Investment and development opportunities

Project Criteria [Using **Recharge the West Midlands Criteria** as agreed by Leaders and the Mayor]

- Timing, investor and delivery readiness - a) Restart projects able to see physical impact/delivery on site within 6 - 12 months b) Recovery projects able to see tangible impact on site/implementation within 12-24 months c) Renewal projects able to see impact beyond 24 months.
- Game changer contribution - the importance/contribution of each project to our "game changers" – e.g. public land reform, affordable housing provision, brownfield regeneration.
- VFM and the contribution to overall regional economic recovery in terms of GVA
- Contribution to wider themes of inclusive growth, levelling up and responding to climate change.

Project assessment and review work is ongoing and is not yet in a format ready for discussion and review by the Housing and Land Board. Below shows how we would seek to present the information and we would welcome any Board steers on this format/additional categories.

Below is an *index of investment and development projects* from across the West Midlands region. They include promoters from Constituent and Non-Constituent authorities. They are all at varying stages of maturity and as with the WMCA Investment Prospectus categorised as Current Opportunities, Coming Soon and Ones to Watch.

PROJECT PROPOSALS RECEIVED FROM LOCAL AUTHORITIES & UNDER REVIEW

CURRENT OPPORTUNITES			
Project	Sector	Description	Status
COMING SOON			
ONES TO WATCH			



Housing & Land Delivery Board

Date	7 September 2020
Report title	Covid 19 Recovery Discussion Paper: Town Centre Living and Regeneration
Portfolio Lead	Councillor Mike Bird, Leader, Walsall MBC
Accountable Employees	Gareth Bradford, Director of Housing & Regeneration (Accountable Director) Patricia Willoughby, Head of Policy (Housing & Regeneration) (Accountable SRO and report author)
Report has been considered by	13.08.2020: Housing & Land Delivery Steering Group 18.08.2020 & 25.08.2020: Town Centres Policy Working Groups

Recommendation(s) for action or decision:

- 1) The Housing Land & Land Delivery Board is asked to **consider and endorse** the town centre living and regeneration *policy principles and typology of interventions* set out below.
- 2) The Housing and Land Delivery Board is asked to **note** that as the Board previously discussed this policy paper is informing the region's Comprehensive Spending Review submission to HMG (Autumn 2020), future business cases to HMG for town centre and brownfield regeneration investment by WMCA and local authorities, and is informing decisions by the WMCA over devolved housing and land funds through its landmark Single Commissioning Framework; and
- 3) The Housing and Land Delivery Board is asked to **note** this paper has been co-developed with officers from across the region on the Housing and Land Delivery Steering Group as well as private sector partners and industry representatives on the Commercial Property Forum and Town Centre Taskforce.

1.0 Purpose

- 1.1 At the last meeting of the Housing & Land Delivery Board (6 July 2020), Members commissioned the production of a town centre recovery paper specifically on addressing the issue of 'town centre living'. This request arose in the context of a discussion on the Housing & Land Portfolio Covid19 Recovery Strategy & Implementation Plan where the regeneration and repurposing of our town centres and the need to attract further HMG and private investment into these centres is identified as one of the "game changers" for the recovery from Covid19.
- 1.2 The purpose of this paper is to set out a **number of high level strategic town centre recovery policy principles and interventions** that have emerged in discussion with our Task Forces, HMG, expert industry forums and officer working groups to support town centres to recover from the Covid-19 lockdown.
- 1.3 In line with the commission of the Housing & Land Delivery Board, the approach which we have sought to take to developing this policy paper includes:
- A collaborative approach whereby the town centre Covid19 recovery policy paper is collectively developed and shared by WMCA, local authorities, other public sector organisations, and
 - Identified specific initiatives, interventions and other actions to support successful regeneration and repurposing of our town centres that can feed directly into regional and local business case and delivery plans, and
 - This policy paper and suggested interventions can inform WMCA's asks of government in forthcoming fiscal events and other funding rounds

2.0 Challenges Facing West Midlands Town Centres

- 2.1 The Covid-19 pandemic has clearly exacerbated the challenging and entrenched circumstances which our town centres were already facing before the pandemic hit. The latest review by Bill Grimsey (Covid-19 Supplement for Town Centres, June 2020) highlighted the following key statistics:

On retailing (which comprises 5% of GDP and employs 2.9m workers)

- 47% of retailers at significant risk of failure
- 18% have negative balance sheets with a combined shortfall of £2.2bn
- 107 major failures since start of 2018 affecting 126,000 jobs and 5,700 shops
- Average financial health rating of only 36 out of 100

On retail property

- 42% drop in retail property investment between 2014 and 2018
- Retail property investment totalled only £200m in first half of 2019
- 78% drop in shopping centre investment between 2014 and 2018

On pubs and restaurants (which comprise 5% of GDP and employ 3.2m workers)

- 59% of pub and club operators at significant risk of failure
- 27% have negative balance sheets with a combined shortfall of £2bn
- Average financial health rating of just 28 out of 100

- 2.2 Town centres lie at the very heart of our local and business communities and are a massively important part of the portfolio of many property and pension

funds. A potential acceleration in the spiral of decline therefore requires an acceleration in the speed and scale of the response by the public sector.

2.3 Discussions at the Town Centres Task Force, the Commercial Property Forum and the DSG Covid-19 Recovery Working Group over the last year have focused around the idea that town centres need to be carefully nurtured and managed to drive regeneration, repurposing and inclusive growth.

Whilst each town centre is unique, **typical challenges** that have been identified and evidenced and on which the proposals in this paper respond to include:

- **The acceleration in online retailing.** ONS statistics show that internet sales, as a percentage of total retail sales, have increased from 11.8% in July 2015 to 31.2% in June 2020 but this masks significantly higher percentages in certain age groups and retail operators e.g. John Lewis announced on 30 July 2020 that the company intends to increase its online trading to 60% with former shops being considered for residential development.
- **Reduced representation of national multiples and their concentration in bigger, often out-of-centre, locations.** The British Retail Consortium reported in April 2020 that Retail Parks continue to fare better than High Streets and Shopping Centres due to their extra space, on-site parking, and broader mix of food and non-food retailers, but this was still not enough to prevent a slight increase in vacancy rate (from 8.2% in Q1 2020 to 8.3% in Q2). This compares with 12.2-12.4% in town centres, the eighth consecutive quarter of increasing vacancy rates, from Q2 2018. PwC state that sectors which have been particularly hard hit by closures are fashion, restaurants, estate agents and pubs, all of which have been strongly represented in town centres.
- **Fewer offerings in the town centre and lower value uses occupying empty retail space - poorly located, poor quality retailing space is likely to disappear.** In *Retail Trends 2020* PwC reported that 2019 had the slowest rate of spending growth since 2010, largely driven by Brexit uncertainty. Also, that the industry faced large-scale business restructuring: 85,000 jobs lost, a third of FTSE 350 CEOs changing, and 9,169 store closures.
- **Distinct consumer trends away from 'shopping' to 'experiences' - the 'new norm' will be more about engaging with consumers, value, the rise of influencers, social media, being relevant and being sustainable.** A study by Harris Group found that 72 per cent of millennials (aged 24 to 38) would rather spend their money on an experience or an event than buying things, and this is reflected in the shift towards leisure, arts, culture and dining on high streets. Social media is a key driver.
- **Recognition that town centres aren't just about shops.** Many recent publications (Sir John Timpson, Grimsey, academic and industry publications) recommend that town centres need to become community hubs with dining, leisure, cafes, medical centres, arts, entertainment, offices and affordable housing.
- **Poor quality environment often exacerbated by concerns relating to safety and security – health and wellbeing issues arising from lockdown have brought an enhanced awareness that green space is vital.** Grimsey reports that according to

a poll carried out earlier this year by Nationwide, more than two thirds of people say their high street has declined in the last five years, with 21 per cent saying it no longer meets their needs and is an unpleasant place.

- **Actual or perceived reductions in accessibility and lack of infrastructure.** Grimsey reports that it's not just young people that town centres no longer properly cater for. He cites a report by the charity, Anchor, which showed that 60% of older people are worried about the lack of seating that is provided in shopping areas for them to rest. The closure of public toilets, poorly lit areas and inadequate access to transport also contribute to an unwelcoming environment that's at odds with the idea of age friendly neighbourhoods, including families with young children.
- **Understanding the wide-ranging impact of technology facilitating working from home, ecommerce, home food delivery, medical consultations at home, etc. - less need for physical space, both for retail and offices.** Research on this topic is gathering pace, conclusions are varied and there is insufficient data to establish clear trends. One possible outcome, however, is that well-managed town centres and high streets could fare better than city centres as workers spend more time in their local area and create a market for additional services including office hubs and service centres.
- **Rising Business Rates and inflation coupled with declining real wages and stagnant growth. Research by the British Retail Consortium shows that retail accounts for 5% of the national economy but pays 25% of business rates.** In October 2019, over fifty major retailers called on the Government to put business rates at heart of the promised new economic package. The letter, coordinated by the British Retail Consortium, has been signed by major retailers including the CEOs of supermarkets, food-to-go, fashion, homeware, and department store retailers.

3.0 **Feedback from Town Centre Taskforce and Commercial Property Forum**

3.1 The Town Centres Task Force and the Commercial Property Forum have expressed support for the region showing leadership and direction in town centre recovery and renewal. They have expressed strong views on the role of the public sector in making this agenda happen and be coherent and coordinated. A key central argument they make is that to unlock private sector investment and restore confidence, the public sector needs to de-risk schemes in town centres and offer co-investment to the point where the private sector can engage constructively and invest. A key area identified being the need for the public sector to consider more strategic land assembly and investment interventions in our town centres.

3.2 Public sector support is seen as being critical in the following areas:

- Overcoming fragmented land ownership through land assembly and acquisition
- property development and management of existing assets
- statutory planning, licensing, environmental health and other regulatory matters
- providing clarity on housing land supply including affordable housing
- the delivery of healthcare, social and community facilities
- providing business support, skills and training
- delivery high quality public transportation, highways and car parking
- creating effective systems for taxation, business rates

3.4 The above feedback has been very helpful in framing our town centre recovery policy paper, interventions and the key principles underpinning it.

4.0 **Key Town Centre Recovery Policy Principles**

3.1 Based on work to date, there appears to be a high degree of consensus emerging from discussions with local authorities, the Town Centre Taskforce and Commercial Property Forum on a set of key principles that should underpin any regional town centre Covid19 recovery policy paper and interventions.

Principle 1: Strong promotion of and investment in Town Centre Living in the heart of our town centres, including directly supporting higher density low carbon living in those centres.

3.2 A specific policy and investment driver that directly promotes and supports schemes for more residential development and living in our town and urban centres, repurposing empty floorspace to provide residential uses and support higher density. General consensus is such schemes should be heavily promoting the use of sustainable modes of travel rather than high car parking provision. The ask being that the Single Commissioning Framework is amended to specifically support this principle.

Principle 2: Encourage mixed use development schemes to come forward in town centres, giving greater reasons for visiting the town centre

3.3 A rich tapestry of mixed uses could be supported across our urban centres to underpin the life and vitality of our centres. Central to this principle would be extending the range of land uses at ground and upper floor levels and including new homes, affordable and market right in the heart of our urban centres. New models of co-working could be encouraged with conversion of suitable premises, targeting buildings or spaces in locations that enhance civic pride and encourage complementary uses nearby. A specific point raised by all stakeholders has been the challenges and opportunities presented by greater moves to remote working which this principle can respond to.

Principle 3: Focus on the importance of placemaking and take a holistic view of town centres

3.4 A key feedback of the Town Centre Taskforce was the need to embrace and consolidate the unique and distinctive qualities of each of our town centres, enhancing their historic character whilst adapting them so they are more inclusive, vibrant, resilient and low carbon. A holistic programme of interventions should be developed for each centre under this principle so that town centres support people of all ages and backgrounds to come together to meet, socialise and interact in safe open spaces.

Principle 4: Maximise the development potential of vacant and underused land in town centres

3.5 A clear programme is established for accelerating the redevelopment of redundant retail premises and vacant/underused land and buildings as homes, workplaces and community hubs or social spaces.

Principle 5: Manage the town centre actively, organise events and curate the experience offer so town centres can compete and serve their communities

- 3.6 A key feedback of the forums we have engaged is that public sector co-ordination of activity in town centres is needed in the short term – with resources and a business plan for each centre. Streets and neighbourhoods could be supported with festivals, campaigns and events which celebrate local character and drive footfall. Improvements to the physical fabric could help re-establish civic pride and cater for local needs supported by evidence.

Principle 6: Create new public/private/third sector partnerships

- 3.7 New public/private/third sector partnerships could helpfully be established to drive forward the transformation process in each centre and that local community groups and businesses should be clearly engaged, and have a critical role, in that process.

Principle 7: Develop a new approach to property, optimise the use of public land across a wide variety of agencies

- 3.8 Where town centre development is no longer viable other uses can come forward in line with the town centre vision/business plan and a land disposals plan. Publicly owned land could be pooled with compulsory purchase orders used as necessary. Public sector agencies could collaborate to form new partnerships with the private sector to deliver change.

Principle 8: Secure specific funding from Central Government for Town Centre activities

- 3.9 There was a clear consensus from the Town Centre Taskforce and Commercial Property Forum that given the importance of town centres to the national and regional agenda, additional specific funding, with an appropriate revenue element, should be sought from Central Government, complimenting and supporting bids from local councils to towns funds.

Principle 9: Explore the devolution of powers from central to local and regional government

- 3.10 Devolved powers and funding from central to local and regional government will allow greater control and investment to revive town centres. This directly feeds into the regional asks through the devolution white paper and comprehensive spending review.

Principle 10: Town Centres should support sustainable modes of travel

- 3.11 Local councils, TfWM and WMCA actively working together to design and shape town centres to reduce the impact of the car and promote better integrated public transport solutions – including maximising opportunities for densification around town centre transport hubs. The ‘20 minute’ city is an idea which is becoming more popular: local people being able to access their day to day needs within a 20 minute walk of their home.

4.0 Possible town centre interventions for the Covid19 Recovery Plan

Several interventions have been suggested in various discussion groups for this town centre recovery policy and the supporting Covid19 recovery plan, project pipeline and interventions.

These are feeding directly into local delivery plans, asks of HMG and business cases to the Single Commissioning Framework. They are listed below as a sample of the sorts of interventions being considered. A successful, long term strategy for regeneration would involve many of these interventions at some stage. For the avoidance of doubt these are just a *sample* gathered from the stakeholder engagement to date.

The suggestion is that the interventions would be incorporated into the Portfolio Recovery Strategy & Implementation Plan and as appropriate into funding bids to HMG. Interventions for consideration include:

Better Understanding 'town centres' post Covid19

- **A post C19 detailed town centre audit** so that the place and its assets - people, land and buildings can underpin a positive business plan for change and a strong evidence base that can be used for asks for new investment
- Linked to the above undertake a **review of the way town centres are physically designed** and what they currently and should offer to local residents and businesses
- **Develop a detailed town centre toolkit** which identifies a range of interventions which can be deployed in town centres
- **Linked to the above produce a library of case studies** showing good practice and key lessons of town centre interventions
- Creating *bold business plans* for each town centre (Town Centre Restructuring Plans) to **provide clarity and certainty to communities, businesses and investors**

Delivery of key town centre projects and deployment of investments

- **Create a new funding portal** to assist anyone seeking town centre funding for development projects eg through WMCA devolved housing and land funds
- Create a **Town Centre Investment Prospectus** for each town centre, to illustrate investable propositions aligned with local priorities and create real private sector confidence in that investment pipeline.
- Provide a **supportive funding environment for town centre businesses** – for example through a town centre business support programme or expansion/deployment of existing loan funds to support small builders
- **Embolden criteria in the SCF** for those companies wishing to develop mixed use schemes and town centre living schemes
- **Encourage and support community-based models of regeneration** and community activities supporting local needs
- **Prioritise public investment in a small number of key buildings** at critical locations within each town centre as gateway location
- **Invest resources in the co-ordination of local activity** with a view to creating self-funding organisations in the medium to longer term.

Land and property

- Undertake land assembly, acquisition and CPO in our urban centres in line with clear business plan and development strategy
- Explore the potential for **new delivery vehicles in town centres** to enable comprehensive regeneration to take place.

- Set up **joint ventures/SPVs/investment vehicles/REITS** creating income generating assets for the public sector and ways to attract private investment.
- **Creation of town centre public land disposals and development strategy** prioritising activity on sites within 6-12 months and a long-term approach to value.
- **Create strategic, long-term partnerships between councils and investor-developers.** Local authorities and experienced development partners can act together as strategic institutional investors.
- **Consider property/institutional ownership** to remove barriers to temporary use of vacant floorspace and add flexibility of tenure/occupation

Creating a pro-active and supportive planning regime

- **Explore a simplified planning policy framework** – adapting and refining existing town centre policy so that it addresses the immediate challenges and opportunities of Covid19.
- **Explore a town centre zoning system** to support a fast-track planning process.
- **Support timely planning decisions**
- **Consider fast-tracking certain types of application** e.g. for town centre living.
- **Consider local development orders, simplified planning zones and other mechanisms to reduce planning risk.**
- **Promote** more residential development on non-core sites and on upper floors, higher density development around transport nodes, low car communities, take the lead on delivering a green agenda.

Governance and clarity of decision making

- **Establish a Town Centre Transformation Board** with representatives from the public and private sectors, local businesses, local community groups and young people.
- **Support BIDs** to take the lead on branding, marketing and communications.
- **Establish thematic project groups** to support the work of the Board
- **Identify and support ‘town centre champions’**, build a sense of trust, ownership, community engagement and accountability.
- **Continue to maximise the impact of the Town Centres Task Force**
- **Amend the Single Commissioning Framework in line with the principles set out above.**

The Asks of Government

- **Develop and deliver a comprehensive business case to HMG** for new town centre transformation funding (£100m) which will specifically support and unlock a comprehensive pipeline of town centre projects and that adds to and compliments existing Government funding programmes
- **Work collaboratively to support local bids for town centre funding from HMG** (Future High Street Fund, Towns Fund)
- **Lobby Government on Green Book review** to consider how expenditure in one area (e.g. public realm improvements) could reduce costs in other areas (e.g. reduced NHS costs, pollution reduction)

- **Seek Government funding to support the co-ordination of town centre activity at a local level** – eg early stages of town centre project definition, development and delivery.
- **Lobby Government to allow WMCA to take greater account of social return** to support levelling up agenda.
- **Explore the potential for changes to fiscal regimes** supporting start up businesses and SMEs.
- **Explore potential for collaboration with government** on town centres delivery model/regional pilot programme.

5.0 Next steps

- 5.1 All comments and feedback will be taken on board as this paper continues to evolve and feed into investment decisions and asks of HMG.
- 5.2 The overarching principles and supporting interventions will be incorporated into the Housing & Land Portfolio Recovery & Implementation plan (see separate paper), the Comprehensive Spending Review asks of HMG (Autumn 2020), the Covid19 project pipeline (ongoing development), amendments to the Single Commissioning Framework and forthcoming business cases to HMG.

Thereafter, the themes and interventions will be developed in more detail, prioritising them into short, medium and long term interventions as part of an enhanced toolkit and action plan to be used as the basis for individual town centre regeneration and renewal strategies.

6.0 Financial Implications

- 6.1 There are no direct financial implications from the information contained in the report. Funding for future programmes will be analysed on a case by case basis and projects on which funding is sought will need to demonstrate a clear relationship with the direct outputs required by the Single Commissioning Framework, namely:
- brownfield land remediation
 - new homes delivered
 - new commercial, retail or employment floorspace delivered.

7.0 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 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 Any co-investments including grant and/or loan funding from WMCA will need to comply with the criteria and governance systems set out in the WMCA Single Commissioning Framework and will need to be considered on a case by case basis

8.0 Equalities Implications

- 8.1 There are no immediate equalities implications in relation to this report. However, individual strategies and delivery schemes will need to consider local area needs and local stakeholder needs to ensure the schemes developed through the delivery vehicle benefit local residents, including harder to reach groups. To that effect equality impact assessments will need to be conducted to understand demographics, key inequality issues and how investment can help address key inequality gaps. Engagement and consultation with key equality stakeholders is also crucial.

9.0 Inclusive Growth Implications

- 9.1 The proposals themselves are neutral when it comes to inclusive growth. However, implications will arise as investments are made and strategies are devised – in terms of who benefits from those investments and in who is involved in shaping and contributing to them. As such, any programmes should be devised with the responsibility to deliver inclusive growth. The Inclusive Growth Framework can be as a guide to shape this process.
- 9.2 Current governance arrangements are satisfactory for building a strategic picture, but the shaping and delivery of specific programmes will need to involve a wider variety of stakeholders in order to be inclusive.

10.0 Geographical Area of Report's Implications

- 10.1 The recommendations of this report apply to the whole of the WMCA area.

11.0 Other implications

- 11.1 None.

12.0 Schedule of Background Papers

- 12.1 None.



Housing & Land Delivery Board

Date	7 September 2020
Report title	Covid 19 Recovery Discussion Paper: Public Land
Portfolio Lead	Councillor Mike Bird, Leader, Walsall MBC
Accountable Employees	Gareth Bradford, Director of Housing & Regeneration (Accountable Director) Gurdip Nagra, Strategic Delivery Advisor (Housing & Regeneration) (Report Author)
Report has been considered by	n/a

Recommendation(s) for action or decision:

- The Housing Land & Delivery Board is asked to **consider** the public land policy paper being produced in line with the commission from the Housing and Land Board as part of the Covid19 Recovery Plan and endorse the key “policy principles” set out.
- The Housing and Land Board is asked to **agree** that this work should inform the region’s forthcoming bid to the CSR and bid to the next funding round for the One Public Estate Programme (OPE 8)
- The Housing Land and Delivery Board is asked to **note** the work to co-develop this paper with Delivery Steering Group, OPE groups and the Commercial Property Forum

1.0 Purpose

- 1.1 This paper considers the role of public land and its disposal in our wider Covid19 recovery plans and how a new approach to public land disposals and development can support delivering the Housing and Land Board Business Plan and key policy

objectives. Bringing land forward and investing to secure 215,000 new homes and 500,000 new jobs falls within the remit of the Housing and Land Delivery Board.

- 1.2 The scope of this paper is to consider some ***overarching policy principles to public land*** that compliments the disposals programmes and strategies of each individual public sector partner thus adding real value to what is already happening in the region. Each individual public sector partner will of course retain authority over their own land but this work is looking for the opportunity for more joined up working, collaboration and co-investment through a shared set of principles across all public sector organisations
- 1.3 There has been a wide-ranging consensus among those we have engaged with for this work. A new innovative and collaborative approach to public land release with public sector partners working together on land disposals and assembly across the West Midlands would provide numerous benefits to all involved individually and collectively. Working together will allow the pooling of resources and knowledge sharing to enable a more effective joined up strategy and compelling proposition to investors and HMG based around a key set of shared principles. We have already seen the benefits of joint ventures for example between the WMCA and land of individual local authorities to maximise income returns and development delivery.
- 1.4 There is also clear agreement that this work should feed directly into the “asks” of HMG through the Comprehensive Spending Review – we know much public land in the region needs enabling funding for it to be developable. We also know that developing underutilised land in public ownership offers a real sizeable opportunity to build more homes and create more jobs that are much needed in the West Midlands.
- 1.5 The exploration of how public land is used builds on discussions with both Delivery Steering Group (DSG) and the Commercial Property Forum (CPF) on providing the West Midlands with the impetus it needs to deliver on housing and employment provision especially during Covid19 recovery. The key recommendations here will link into the WMCA Economic Recovery Strategy and Implementation Plan with an emphasis on public land disposals, the One Public Estate (OPE) Programme and the WMCA’s own strategic asset plan/disposals plan.
- 1.6 For the purposes of the paper public land is defined as ‘land that is owned or in use by a public sector organisation, or company or organisation in public ownership or land that has been released from public ownership and on which housing, employment or commercial development is proposed’.

2.0 Background

- 2.1 It is widely understood that any approach of requiring different public sector partners to dispose of their land in a particular way with no incentive and/or little support or enabling investment creates all the wrong incentives and fails to supply sufficient land suitable to build new homes and create future jobs and realise our regional economic ambitions. This is even more challenging given the management and disposing of public land and property assets is a complicated process involving estate teams, finance, legal, accounting officers and others with each playing a key role in the process.
- 2.2 The West Midlands Land Commission report (2017) recommended ‘more productive use of the Public Estate’ should be a key aspect to any housing and regeneration activity in the region. It suggested engaging strongly as a single combined entity with the One Public Estate programme and undertaking a ‘Land Audit’, under which all public

land and relevant private sector bodies would be asked to justify their asset strategies for *operational, strategic and surplus land*. The key finding from the report was based on experiences elsewhere that land supply to meet housing and employment needs could be partly met from more effective utilisation of the public sector estate.

- 2.3 MHCLG has also supported releasing surplus public sector land for new homes to increase the shortfall of available land for development. Further to the Public Land for Housing Programme other initiatives such as the Land Release Fund have made development possible on public land otherwise unusable and in effect increased the net land supply.
- 2.4 The One Public Estate (OPE) is an established national programme delivered in partnership by the Office of Government Property within the Cabinet Office and the Local Government Association. An OPE partnership is hosted through the WMCA made up of a number of public sector partners that work together and take a strategic approach to asset management. The West Midlands Partnership is the biggest OPE partnership nationally. The OPE is a focused programme with a narrower remit around individual project delivery than is proposed in this paper.

3.0 The Scale of the Opportunity

- 3.1 The total amount land in the West Midlands in public ownership amounts to approx. **5,713 hectares**. This land is managed by various public sector organisations with some joined up working but no single overarching coordinated approach, programme, policy principles or governance.
- 3.2 Feedback from DSG, the Commercial Property Forum and Housing and Land Board showed there were real opportunities in the context of the Covid19 Portfolio Recovery Plan to support a more comprehensive and joined up approach to public land development and delivery in the region.

It is widely recognised that there is simply not enough land allocated for development in the West Midlands to meet all the future housing and employment needs of the region's projected population. A review of the public estate would be beneficial in indicating the scale of land that could be made available and the investment/interventions needed to bring it forward for development. Indeed there was a real consensus among all groups engaged in our Covid19 recovery work for an up-to-date assessment to be carried out of all publicly owned land in the West Midlands identifying and drawing to the fore available surplus public sector land that could be repurposed.

- 3.3 There was also consensus that public sector bodies should work more closely together on their asset management programmes, particularly on the agreement and implementation of a shared set of principles and sharing best practice on managing different assets.

An issue identified throughout was the need to seek further HMG investment into resourcing local capacity to manage wide-ranging land and property assets

4.0 Public land reform proposals, principles and ideas

A number of public land ideas and proposals have come forward in the work on Covid19 recovery planning from across our stakeholder groups.

The Housing and Land Board today is asked to **endorse some of the key policy principles underpinning this public land recovery policy**:

- Early discussions between public land partners and developers should be initiated, supported by WMCA, to offer genuine development opportunities to the market for development and investment in line with a clear pipeline of prioritised opportunities for release
- Identify and map more public owned *surplus* land across the region available for development of housing and commercial provision, including identifying the identified barriers to development on a site by site basis such as remediation of brownfield land, transport access, services, obtain planning consent, site clearance etc.
- Adopt a consistent approach, wherever possible and practical, across public land partners in the region on asset disposals.
- Providing clear governance and decision making on public land disposals
- Public sector partners should work together on their asset management strategies to collectively make best use of public land and property. Identifying ways to minimise the operational needs for office, building, car parking space and sharing property between public sector partners
- WMCA signposting public land partners to the WMCA Single Commissioning Framework when seeking to purchase/invest in public land/assets and unlock their development and income potential. This will assist in overcoming cases there may be viability issues
- Public land assets should be kept under continuous review to collaboratively identify surplus or underutilised assets in line with the time periods in the C19 recovery plan. A public land taskforce should be able to advise, support and act as a critical friend.
- Public land should be sold at 'best value' unless it can be demonstrated the local area will benefit through economic, social or environmental improvement.
- The method of disposal should be determined by each public sector partner for their own land. A public land taskforce should be able to advise, support and act as a critical friend.
- Explore interim uses where surplus public land is unlikely to come forward for development in the short term that could generate income, create activity and safeguard the site for future use.
- Ensure valuations of public land from suitably qualified persons prior to disposal to forecast potential receipts
- Measures to enhance the value of public land before disposal will be taken such as obtaining outline planning consent, remediation of the site, providing access etc
- Seek further HMG investment into unlocking public land opportunities including resourcing local capacity to manage land and property assets

4.1 Related to this there has been growing support for a ***few specific interesting proposals*** which the Housing and Land Board is asked to consider today:

- Take forward the recommendation of the 2017 Land Commission and provide *an up-to-date assessment of all publicly owned land* in the West Midlands revealing available surplus public sector land that could be repurposed for uses such as housing for example

- Develop a *WMCA land prospectus* to give private sector more confidence and certainty over WMCA land it owns or has recently acquired
- Create an *expert public land taskforce* to work alongside WMCA to support public sector partners to unlock public land potential equivalent to the ones set up for AMC, commercial property, town centres and zero carbon. The proposal for an expert public land taskforce would i) enable join-up of ownerships allowing the ability to think laterally and to swap or pool assets ii) develop ways to align public sector objectives iii) secure quick decision making at the local level iv) support decision making on what is surplus land
- **Expand the current OPE programme to create a more wide-ranging group of public sector partners by expanding** membership of OPE programme to connect with MoD; NHS; DfT and other funding streams and engage new members such as Higher Education, Church landholdings, utilities etc.
- Identify *quick wins* of public land sites which may be accelerated for development
- Collective map public assets and key infrastructure provision (eg transport) to provide more information on development potential (housing/employment/commercial outputs) and infrastructure needs
- Maximising the amount of land available for development through public land disposals will be a key contributor to our Covid19 recovery plans and delivery new homes and jobs needed in the West Midlands
- Public sector focus on infrastructure to enable development by aligning WMCA, other regional investment and private sector funding.

5.0 Financial Implications

There are no direct financial implications from the information contained in the report. The Single Commissioning Framework provides a single set of criteria and governance systems that will be applied to all applications for available devolved WMCA Housing, Land and Property Development funds, together with a consistent process and timelines for decision.

5.2 All new commissions must be approved at Sites Pipeline, then follow the Commissions Pathway

5.3 All disposals of Land must follow the Disposals policy following approval at JAB.

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 the functions corresponding to the functions of the Housing Community Agency has in relation to the combined area.

The contents relate to informal discussions which may or may not lead to the need for further legal input and contractual arrangements. Legal will provide assistance and support as and when requested.

7.0 Equalities Implications

7.1 There are no immediate equalities implications in relation to this report. However, individual strategies and delivery schemes will need to take into account local area needs and local stakeholder needs to ensure the schemes developed through the delivery vehicle benefit local residents, including harder to reach groups. To that effect equality impact assessments will need to be conducted to understand demographics, key inequality issues and how investment can help address key inequality gaps. Engagement and consultation with key equality stakeholders is also crucial.

8.0 Inclusive Growth Implications

8.1 None at this stage.

9.0 Geographical Area of Report's Implications

9.1 The recommendations of this report apply to the whole of the WMCA area.

10.0 Other implications

10.1 None.

11.0. Schedule of Background Papers

11.1 None.



Housing & Land Delivery Board

Date	7 September 2020
Report title	Advanced Manufacturing in Construction (AMC) Routemap
Portfolio Lead	Councillor Mike Bird, Leader, Walsall Council
Accountable Employee	Gareth Bradford, Director of Housing & Regeneration, WMCA Patricia Willoughby, Head of Policy (Housing & Regeneration) Senior Reporting Officer, WMCA Rachel-Ann Atterbury, Policy Advisor, Report Author
Report has been considered by	A presentation covering the structure and broad contents of the routemap was given to and endorsed by Delivery Steering Group. (13 August 2020)

Recommendation(s) for action or decision:

The Housing & Land Delivery Board is asked to:

- 1) **Agree** the structure and format of Part 1 of the AMC routemap (Appendix 1)
- 2) **Agree** the proposal to explore options for implementing the routemap's recommendations between now and the October meeting.
- 3) **Note** the intention to complete Part 2 of the routemap over the coming month, and bring both parts of the routemap to be agreed at the October meeting
- 4) **Note** the routemap is directly informing negotiations underway with HMG on securing a £50m enabling fund to support Advanced Manufacturing in Construction

1.0 Purpose

- 1.1 The purpose of this paper is to update the Housing & Land Delivery Board on the work undertaken by WMCA, the AMC Officer Working Group and Expert Advisory Group in

producing a bold routemap for accelerating the Advanced Manufacturing in Construction industry and takeup in the region.

2.0 Background

- 2.1 At its 15 January 2020 meeting, the Housing & Land Delivery Board received an update on the work on AMC in the region - a key programme under the Board's Annual Business Plan and central to delivery of other programmes such as brownfield regeneration, housing delivery, inclusive growth and zero carbon homes.

Despite opportunities presented by the AMC sector, there are still a number of barriers to uptake - the majority of which exist at a national scale. Central to this issue is that the AMC industry is still in its infancy and escalating production at a local or regional scale is likely to require significant changes to traditional construction processes, including skills programmes, financing, procurement and approaches to standardisation. For this reason, it is not possible to simply raise the AMC pre-qualification target and expect the market to deliver.

- 2.2 It was agreed, therefore, that WMCA would develop a **comprehensive AMC routemap and strategy**. The routemap would set out the purpose of and aspiration for AMC in the region, and detail the key steps required to deliver these aspirations in the short and medium term. The routemap would ensure the region's approach focuses not just on investing in more AMC units, but on wider changes to the construction industry in the West Midlands that also deliver inclusive growth, social value, quality and improved environmental performance. It

- 2.3 To ensure that the routemap is accessible to those less familiar with the AMC sector, but robust enough to inform credible actions, a two-part structure was proposed and agreed by the Board in April 202:
- Part 1 - An Executive Summary - which would be a standalone, focussed and accessible document. The summary would broadly address the opportunities and challenges provided by AMC, and the key strategic and policy drivers for the West Midlands. As well as this, it would suggest short, medium and long term actions, with recommended next steps.
 - Part 2 -A detailed report – which would underpin the summary, providing a comprehensive and robust evidence base and analysis of the AMC sector in the West Midlands.

- 2.4 In July 2020, a presentation was given to the Board detailing the research undertaken to date to clarify the position of the AMC sector in the region and inform the routemap. The research strands reported covered the following areas:

- **Economics:** Collating information on the current size and potential growth of the AMC sector, scale of the local proposition, understanding the local construction sector and quantifying potential AMC benefits.

- **Local supply chain:** High-level mapping of the local AMC eco-system, including manufacturers, contractors and supply chain partners.
- **AMC/MMC skills:** Analysis of the local skills and training environment with a focus on current AMC/MMC provision.

- 2.5 Based on this research undertaken and the extensive input from the AMC Expert Advisory Panel and Officer Working Group, Part 1 of the routemap (Appendix 1) has been produced and WMCA is seeking comments on this part of the routemap today from the Board. This has been subject of engagement and co-development with DSG, AMC Officer Group and AMC Expert Panel.
- 2.6 Part 2 of the routemap will include the detailed findings of the research and analysis, will be brought to Board in October.
- 2.7 Concurrently, WMCA has been developing a business case for an AMC Acceleration Fund, to facilitate uptake of AMC in the West Midlands and establish the region as a centre of excellence for digital and advanced construction technologies. This additional funding would support growth of the region's AMC skills, supply chain, innovation and reasearch as well as delivery of AMC units on the ground.

3.0 Next steps and Implementation

- 3.1 WMCA will make any necessary amendments to Part 1 of the Routemap between now and the October meeting, at which point both parts of the routemap will be finalised. WMCA will look to formally launch the routemap in Winter 2020/21.
- 3.2 Subject to the Board's agreement, WMCA, in collaboration with the officer working group and expert advisory group, will begin to explore options for implementing the recommended short-term actions in Part 1. This will enable early progress to be made ahead of the routemap's launch this Winter.

4.0 Financial Implications

- 4.1 There are no direct financial implications from the information contained in the report. The Single Commissioning Framework provides a single set of criteria and governance systems that will be applied to all applications for available devolved WMCA Housing, Land and Property Development funds, together with a consistent process and timelines for decision.
- 4.2 WMCA investment in any proposed Advanced Manufacturing in Construction projects would be governed and administered through the Single Commissioning Framework, WMCA Assurance Framework and in line with the accounting and taxation policies of the WMCA and HMRC.

5.0 Legal Implications

- 5.1 Section 113A(1)(a) of the Local Democracy, Economic Development and Construction Act 2009 gives WMCA 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 WMCA. 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.

- 5.2 It is noted that the purpose of this paper is to update the Housing & Land Delivery Board on its decision to move towards mainstreaming AMC on sites coming through the Single Commissioning Framework for WMCA investment and the decision to produce a new regional AMC strategy and routemap. Legal advice should be sought as and when required in the development of the AMC strategy and routemap. Any additional requirements identified as a result of the research and analysis on the effectiveness of the AMC requirements in the Single Commissioning Framework should be reflected in the relevant funding agreements on a case by case basis through agreed wording.

6.0 Equalities Implications

- 6.1 There is no equality impact in relation to this report.

7.0 Inclusive Growth Implications

- 7.1 The research presented at this meeting will be used to inform WMCA's approach to growing the AMC sector in an equitable way, maximising economic benefits, housing quality and job/skills opportunities across the region's communities.

8.0 Geographical Area of Report's Implications

- 8.1 The research presented applies to the whole WMCA geography. The proposed AMC Charter and routemap would be used to guide WMCA investment decisions across the whole geography of the WMCA area.

9.0 Other Implications

- 9.1 There are no other implications.

10.0 Schedule of Background Papers

- 10.1 There are no background papers.

West Midlands Combined Authority

Roadmap for Advanced Manufacture in Construction

Draft for Consideration by WMCA Housing and Land Board
August 2020



Introduction

WMCA committed to increasing the uptake of advanced construction technologies in WMCA's 2019/2020 Annual Plan, in response to the findings of the Land Commission and Farmer Review which highlighted the role that advanced construction technologies could play in accelerating housing delivery.

This definition has been adopted by the Board, to connect to the West Midlands' rich heritage of manufacturing and innovation, and to signify the standard to which the WMCA should aspire in the future, as part of a number of decisions including supporting the establishment of an AMC Expert Advisory Panel, and the approval of a series of principles to guide the development of an AMC Roadmap for the region.

This draft Roadmap for AMC has been prepared for consideration by the Housing and Land Board following a series of meetings of the Expert Advisory Panel, chaired by Mark Farmer – CEO of Cast Consultancy and MHCLG's champion of modern methods of construction in home building – and of the AMC Working Group, made up of representatives from councils across the WMCA region. Both groups have been supported and enabled by research commissioned to understand and map the current situation in relation to AMC in the region, including auditing the current AMC supply chain "eco-system" in relation, understanding the potential for AMC growth, and developing a picture of the knowledge, skills and training needs for AMC.

The Roadmap distils the information that has been collated and created during this process into a draft, high-level, document for the Board's consideration ahead intended publication in late 2020. It is intended to set the frame for future action in the region, balancing ambition for growth and change with some of the known barriers that still exist and that are set out in the document. In doing so, it seeks to set an appropriate long term, 10-year, vision across a number of strands of activity, and then develops a series of short and medium term steps that could enable that vision to be realised.

This Roadmap will be further developed to incorporate feedback, and as such the Board is asked to consider and comment on this report ahead of final publication.

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Why change?

Challenges in the construction sector

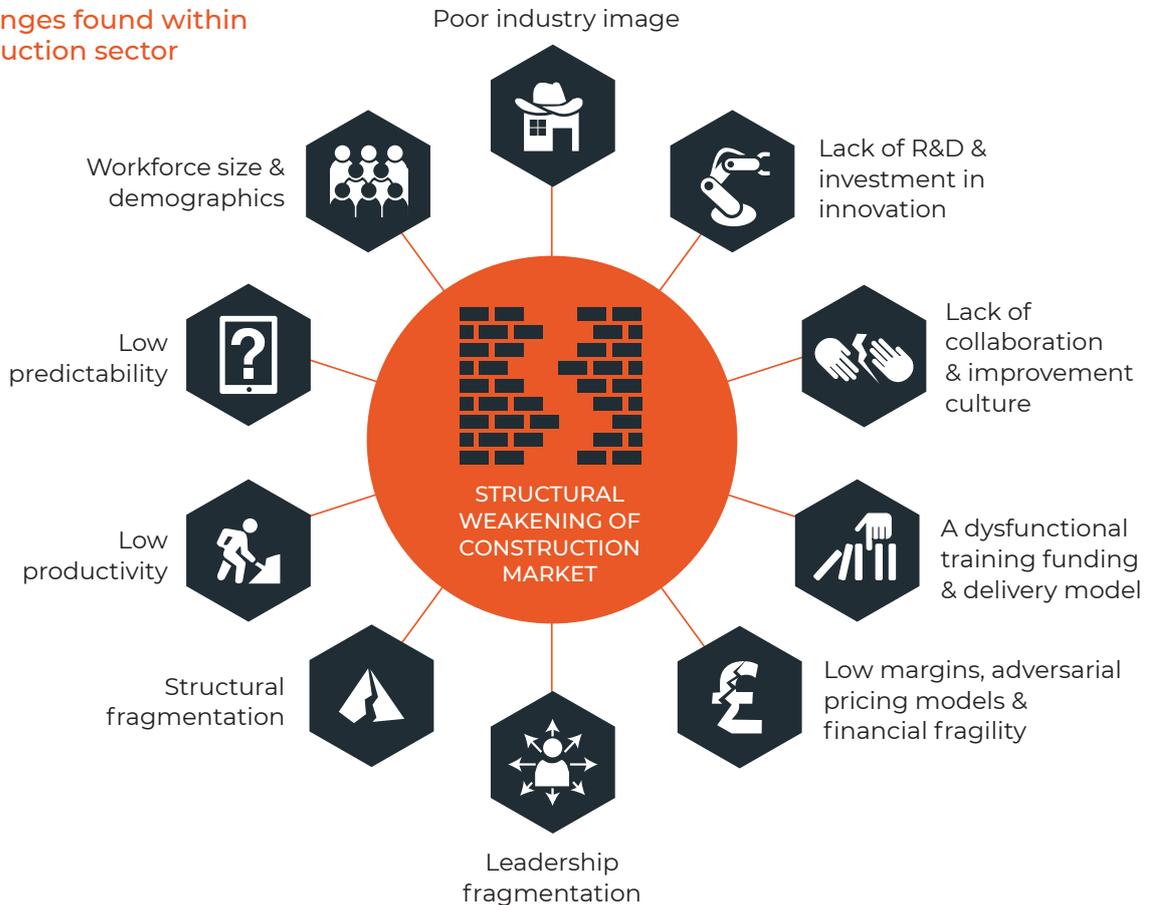
The UK construction and housebuilding sector faces severe structural challenges that act as a drag on productivity and innovation. The resulting impacts range from a sector wide culture of short-termism, to new homes not being seen as consumer products in the same way as other large purchases people make, to being a contributing factor to the UK-wide under supply of new homes relative to housing need.

These challenges impact on the ability of the WM to deliver 215,000 and change is required to achieve the quality, pace and performance in housebuilding that the region needs

“The Government is determined to build a stronger, fairer Britain where people who work hard are able to get on in life...we will diversify the housing market, opening it up to smaller builders and those who embrace innovative and efficient methods.”

– Fixing our Broken Housing Market (2017)

The challenges found within the construction sector



Advanced manufacture in construction

What is AMC?

Modern Methods of Construction (MMC)

A term defined by MHCLG to cover a broad range of pre-manufacturing techniques in construction. Pre-manufacturing encompasses work executed away from the final workforce including in remote factories, near site or on-site “pop-up” factories. These techniques are alternatives to traditional house building and aim to improve quality, programme efficiency, and reduce material waste in construction. It also includes on site labour productivity measures including digital tools and innovative materials and processes.

Advanced Manufacture in Construction (AMC)

A term which covers a sub-set of the technologies described as MMC. AMC techniques are typified by the fundamental use of digital technology throughout the process, from design through to component manufacture and assembly, and the use of automation and high-performance materials where appropriate to drive quality, performance and mass-customisation through standardised processes. AMC techniques will also learn from, adopt and evolve manufacturing processes already established in other sectors.

The potential benefits of AMC over the long term include:

				
<p>Financial benefits with increased speed in construction</p>	<p>Tackling the skills shortage by changing workforce needs</p>	<p>Reducing cost and improving site efficiencies</p>	<p>Making offsite homes a viable alternative through mass production</p>	<p>Benefit the Zero Carbon agenda by reducing construction waste</p>
				
<p>Achieve a fast weathertight envelope</p>	<p>Improving health & safety with increased oversight</p>	<p>Future proofing skills and jobs using technology</p>	<p>Assisting a national, economic & industrial strategy</p>	<p>Making the sector attractive to a more diverse workforce</p>



Delivering in the West Midlands

While AMC has significant potential to drive a range of long term benefits to the construction sector by focussing on growing AMC use around the West Midlands, we see considerable wider benefits to the region. Specifically, AMC can supporting four of our existing policy goals for sustainable and inclusive manner growth:

Accelerating housing delivery:

WMCA's housing trajectory aims to increase annual housing completions to nearly 18,000 homes per year by 2031. We have a good track record of delivery, with more than 16,000 homes delivered in 2019, up 15% on the previous year, but nonetheless need to maintain and expand upon this level of delivery to maintain the trajectory we need to achieve. In addition, fully 80% of the homes in our trajectory will be built on brownfield land, requiring potentially length remediation ahead of construction.

AMC offers a number of potential solutions – the increased speed of delivery on-site, compared to traditional methods, can offer a partial balance to the time taken on remediation for instance, and specialist MMC developers can offer additionality in new supply to augment the output of other methods of construction.

Investing in regional and inclusive growth:

The WMCA approach to social value recognises the importance of local businesses within our communities in terms of job creation and wealth generation. We are committed to ensuring local businesses are provided with the skills to compete and offered the opportunity to work within our supply chain. We are also committed to promoting growth and development that ensures our communities develop new skills and gain meaningful employment.

AMC represents a significant growth opportunity for the UK and we are committed to securing the West Midland's share of that opportunity by utilising and growing our manufacturing base to supply our housing need. We also advocate collaboration between WMCA and other authorities around the country to support for our businesses to take advantage of the national growth trend, and not rely solely on demand from our region.

Delivering a zero-carbon future:

In June 2019, WMCA declared a climate emergency, and has set a challenging 80-year carbon budget. As a region, we have committed to taking urgent action to cut harmful emissions, but the impacts of climate change are already being felt and will continue to impact upon the health and wellbeing of our residents and natural resources.

To ensure it contributes its part to the Paris Agreement, WMCA has agreed net zero carbon emissions by 2041. Advanced manufacture in construction, in controlled conditions, offers great potential to move towards carbon neutral homes. AMC processes minimise construction waste, achieve very high standards of in-use energy performance, and can minimise construction vehicle movements, with follow-on air quality benefits. By committing to AMC in new homes, WMCA and partners will be making a conscious and proactive step towards achieving its zero-carbon ambitions.

Design that reflects the character, context, and aspirations of our communities:

The West Midlands is a diverse region with a distinctive set of places all sat within a landscape of high-quality natural environments, an extensive river and canal network and a unique geological heritage. It is also 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. 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.

Great design can have a huge and positive impact on the quality of life and wellbeing, and we see advanced manufacture in construction as a key enabler in making that vision a reality. We want to harness the opportunity that manufacture brings to create a product-led mindset, championing high-quality, design flexibility and consumer choice.

The scale of the opportunity

In developing this Roadmap, we have analysed the current output of the AMC sector across the UK, focussing in particular on MMC category one 3D volumetric solutions and on MMC category two 2D panellised solutions, which are currently the two solutions in focus with the WMCA, as both are now required on 200+ home sites funded by the SCF. The two figures opposite demonstrate the outcome of this analysis, and map that against the UK-wide housing need that has been stated by the Government.

Figure 1 shows that there were approximately 44,000 new homes delivered using volumetric and panelised solutions last year, with the vast majority of these utilising a panellised approach. Our analysis has identified that volumetric providers currently have significant capacity within their existing manufacturing base, which would allow for the production of 15,000 homes from current facilities. Using this, and drawing in other industry forecasts, we estimate that the number of homes developed using these two systems could more than double in the coming ten years, from 44,000 to more than 100,000 annually.

As shown in Figure 2, even at 100,000 new homes annually from these two types of AMC, there would still be significant scope for growth within traditional methods of delivery before AMC started to replace traditional construction, if the UK is to hit the 300,000 home per year target.

AMC, therefore, is clearly a sector with significant growth potential, and the opportunity to provide additional housing supply rather than necessarily competing with traditional construction methods.

By way of comparison, our work has estimated that the WM AMC sector has capacity to deliver around 4,500 new homes using AMC today – roughly 10% of the UK-wide output – and that presently it is delivering around 2,000 to 2,500 homes per year from that capacity. Approximately 12,000 homes per year have been delivered, on average, over the past seven years in the region and so this level of output is equivalent to approximately one in six of every new homes in the region, although of course much of the AMC output could have been exported out of the region.

WMCA's housing trajectory shows that the current 12,000 home per year average needs to increase to nearly 18,000 homes per year by 2031, and so were the sector in the region to double its output, to 5,000 homes per year, it could do so and not replace traditional construction on the assumption that the 18,000 home target is met and traditional construction remains stable.



National growth potential for MMC

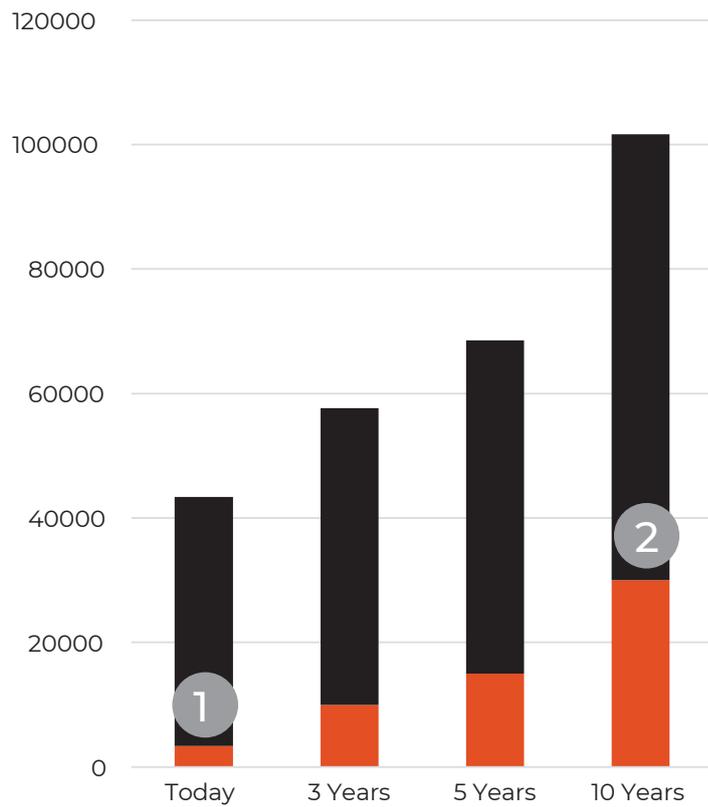


Figure 1 ■ Volumetric ■ Panelised

Building capacity for a growing housebuilding sector

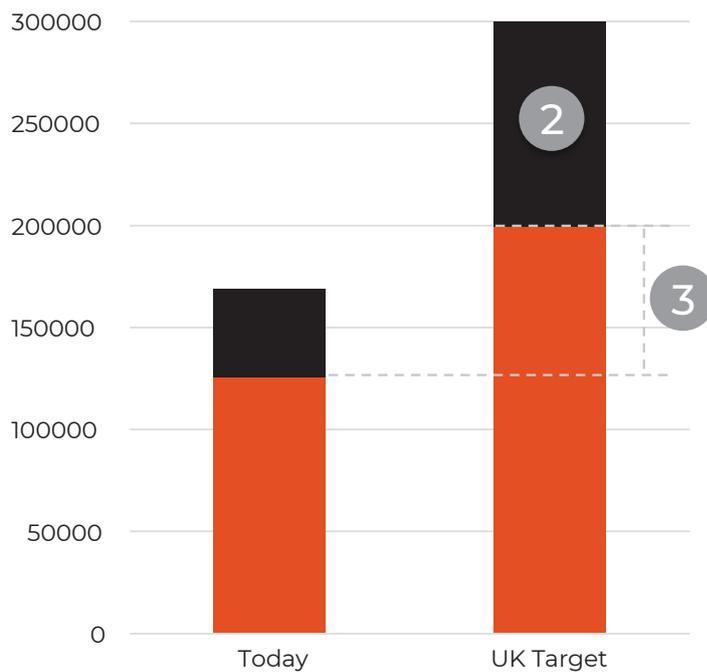


Figure 2 ■ Other Housebuilding ■ MMC

1

3,300 volumetric & 40,000 panelised homes in 2019

2

30,000 volumetric homes & 71,000 panelised homes by 2029

3

Further 70,000 homes opportunity before MMC replaces traditional construction output

Building on the West Midlands' unique strengths

The WM is uniquely well placed to take a leading role in the introduction of pre-manufacture, and especially advanced manufacture, into the construction sector.

The strengths and opportunities set out opposite provide the region with an excellent foundation on which to build its roadmap for the next decade of AMC investment.

WM economy and construction sector

- WM has a high value construction sector relative to comparator regions, employing 55,000 people across 10,300 businesses.
- There are signs of an advanced manufacture cluster forming in the region, particularly in the Black Country – there are already 58,000 jobs across 1,900 businesses and this has the potential to drive upstream activity for AMC.
- WM has a notable concentration of AMC-related activities – 44 companies in a range of sectors including renewables, sustainability, logistics and supply chain, represents a concentration of nearly three times the national average.

AMC sector

- WM is one of the key hubs of AMC nationally, underpinned by strong advanced manufacture capability and transport infrastructure.
- Nine Tier 1 AMC residential manufacturers are located within the region, and are committed to capacity building within the local supply chain.
- There is already a strong supply chain which could be equipped to diversify its offering to support growing AMC capability and capacity.
- There is an opportunity to develop the AMC sector as a nationally leading “vanguard” to bring together manufacturing and construction and also to balance negative structural changes in other sectors such as automotive.

Policy environment

- WMCA has signalled support for AMC through a commitment to deliver at least 20% AMC on any site funded by the strategic commissioning fund of 200 homes or more.
- Nationally significant partnership commitment to deliver 10,000 AMC homes with national developer/manufacturer Urban Splash.

R&D, skills and qualifications

- WM is home to a uniquely relevant collection of R&D and HEFE institutions which are clear assets in support of AMC including the MTC and Wolverhampton, Coventry and Birmingham City Universities.
- The WMCA has a legacy of skills in manufacturing and innovation, with key actors in a position to drive the agenda forward, including WMCA Skills Board/West Midlands Skills Advisory Panel.
- Dudley College is the national exemplar in AMC skills delivery and is already exporting programmes nationally, and other UK-leading training partnerships include those between MOBIE and the HEFE sector.
- There is a strong policy focus on investment in STEM skills and boosting productivity. The opportunity is for the growth of new technologies acting as a catalyst for digital skills in construction which can become a specialism for the WM economy.





Addressing the barriers and challenges

While there are a unique combination of strengths and opportunities, these need to be balanced against a series of barriers and challenges which will need to be addressed in order to maximise the impact of investment and growth in the AMC sector.

A number of these are UK-wide challenges which WMCA and partners will not be able to address alone, but nonetheless they are included here as they will inform the pace and focus of the 10 year roadmap.

WM economy and construction sector

- There has been recent decline in the region's construction sector, from nearly 60,000 jobs in 2015 to 55,000 today.
- The WM construction economy is less productive than comparator regions and the national average, with output per full time employee of £67.6k in WM compared to £78.5k nationally.

AMC sector

- UK-wide, the AMC sector is still relatively young, and is made up of a number of emerging manufacturers with varying levels of capacity and experience.
- AMC can present challenges in relation to funding, insurance and warranty. UK-wide efforts including an MHCLG working group are addressing these, and there have been recent positive changes as a result including NHBC's new "NHBC Accepts" route for AMC products, but nonetheless these challenges need to be recognised.
- UK-wide, there has been a relatively large investment into productive capacity, a large proportion of which is currently unutilised. Similarly, the WM AMC sector is currently estimated to be operating at c50% of capacity.
- Sustainable growth of the sector will require intelligent commissioning practice, smarter procurement models and likely will require demand growth to run slightly ahead of manufacturing growth in the medium term.
- The WM AMC sector is made up of manufacturers of a range of sizes, and a key challenge is to ensure the growth of SME manufacturers as part of a varied production economy.

Capital cost, procurement and process

- Given the young nature of the sector and lack of scale economies, AMC products can be more expensive in terms of initial capital expenditure on a like-for-like basis compared to traditional house building.
- The full value of AMC-led development requires a different procurement approach from the start, for clients and commissioners to adopt a design for manufacture approach from the outset and to engage manufacturers early to maximise the benefit of manufacturing efficiencies.
- The challenge for the WM in maximising the use and value of AMC is to develop approaches to development process and procurement that better enable AMC. These will include balanced scorecard procurement models that prioritise the total cost of ownership on an equal basis to up front capital cost.

AMC skills and jobs development

- There is a need to balance UK-wide growth of AMC with benefits to the WM regional economy. There needs to be a joined up approach to demand and supply planning to ensure WM plans are integrated into the national picture as far as possible to avoid 'cannibalising' markets.
- Relevant training provision for AMC is limited UK-wide. Only 82 qualifications have potential relevance and two qualifications in Innovative/Manufacturing were withdrawn due to lack of take up.



Roadmap for advanced manufacture

LONG TERM VISION (10 year objectives)

SHORT TERM ACTIONS (practical steps for years 1-3)



ACCELERATED HOUSING DELIVERY

AMC drives scale and pace in housing delivery across the WM. Integrated AMC-specific developers create additional supply models, while AMC plus brownfield remediation unlocks land that would otherwise be unviable to deliver. "Traditional" construction delivery models can incorporate hybrid on-site AMC approaches to improve speed, quality, productivity, and worker safety.

- Implement 20% minimum AMC categories 1 & 2 on large sites.
- Explore measures of pre-manufactured value (PMV) as recommended by the Construction Leadership Council, as the basis for providing additional funding for projects that can demonstrate an uplift in PMV, across all seven categories of MMC.
- Develop appraisal/funding methodology to enable additional funding where AMC proportion is increased.
- Explore use of Value Tool as being developed by Construction Innovation Hub (CIH).
- Identify and aggregate land assets that might enable 100% AMC housing delivery to create scale and momentum.
- Engage and support AMC-led integrated developers which might create true additionality in supply and diversify the housing market.



QUALITY AND CHOICE IN NEW HOMES

Advanced manufacture combines standardised processes with both standardised and customisable products to improve consumer choice. Digitally enabled development creates a golden thread for quality and components from conception through assembly to in-use performance monitoring. Advanced materials and design enable WM to achieve carbon zero objectives in new home delivery.

Bring together architects, planning professionals and manufacturers to develop a programme of design-quality led AMC product development. Focus areas could include:

- Enabling a standard specification for AMC from public sector clients and drive use of Construction Quality Planning (CQP) as defined by Construction Innovation Hub (CIH).
- Design code approaches to planning that enable consumer choices around a standardised "chassis" that might link to an accelerated 'type approval' process linked to pattern books.
- Develop a strategy connecting AMC to the proposed planning reforms.



ADVANCED MANUFACTURE GROWTH

The regional manufacturing sector is the leading location for AMC manufacturing in a now-significant UK-wide industry. Existing manufacturers, including SMEs, play a significant role as part of this sector, alongside new entrants who have been deliberately attracted to the WM. All AMC categories are represented, to enable agility and flexibility in delivery models.

- Play an enabling role across the wider public sector in the WM region to create a transparent and aggregated future pipeline of AMC development land, and use this to support the managed growth of the existing manufacturing sector.
- Secure Government investment and identify land for an expansion of manufacturing capacity in the region ensuring that this is complementary to existing capacity and focuses on consolidation and additionality.
- Begin to explore options for aggregated models of delivery that could be enabled by interoperability between AMC systems (see below).



MEDIUM TERM ACTIONS (practical steps for years 4-10)

- Expand focus on AMC by encouraging other AMC categories through SCF funding – encouraging AMC as part of hybrid traditional/manufacturing-led development.
- Deliver aggregated public land pipelines (see below) as part of programmatic approach that creates certainty for sector and scale and pace in delivery.
- Identify opportunities for AMC and brownfield remediation to combine with new appraisal methodology to unlock unviable sites.

- Develop structured partnerships with AMC manufacturers around a common specification for new homes and transparency of future pipeline.
- Build on the initial steps (left) by:
 - creating incentives for manufacturers to improve on that standard in relation to e.g. quality, cost or carbon performance.
 - connecting these partnerships with the R&D theme below to explore for instance advanced material use and structured performance testing to enable co-ordinated product development.
- There is great scope for proposed planning reforms focussed on digitised planning process to benefit AMC-led development because they incorporate digital design from initiation and are therefore better placed to integrate their current approach with new digital planning processes. This workstream could also ensure adequate planner education and awareness of AMC.

Utilise the expanded AMC focus of WMCA funding (above) and the previously developed options to implement an aggregated approach to AMC delivery that might incorporate the following features:

- Co-location of SME manufacturers.
- A move to more of a platform-based approach to delivery which does not damage previous investments made by high quality offsite manufacturing businesses with a promotion of more inter-operability between providers, drawing on the work of MTC.
- A greater focus on component-led sub-assembly delivery as additionality to volumetric modular AMC, which would still be delivered by larger Cat 1 manufacturer/ developers.

LONG TERM VISION (10 year objectives)

SHORT TERM ACTIONS (practical steps for years 1-3)



SUPPLY CHAIN ENGAGEMENT

The wider supply chain base in the WM grows in parallel with the manufacturing base. Component and material specialists form strategic partnerships with AMC manufacturers UK-wide. There is clarity of the end-to-end supply chain incorporating design through to operation and WM enjoys a specialism in supplying those services to digitally enabled AMC developments. There is increased 'virtual' integration of multiple businesses, including SMEs and products that are consolidated into sub-assemblies and building systems that can be used by SME developers and larger developers and contractors.

- Explore co-location for regional SME manufacturers and supply chain companies single new facility above.
- Develop a comprehensive map of local supply chain capacity linked to the standardised specification referenced above.
- Broker collaborative partnerships between supply chain companies and AMC manufacturers and potential for aggregation of ordering combined between manufacturers.
- Develop a collaborative forum between AMC manufacturers and potential commissioners of AMC homes in the public, private and housing association sectors to provide an opportunity to build knowledge, connections, trust and understanding.
- Engage the local AMC supply chain in the emerging programme of retrofit, as AMC solutions (across all categories) will be very well positioned to drive the speed and efficiency of activity in this area.



KNOWLEDGE AND SKILLS DEVELOPMENT

The WM retains its stand-out strength in delivering industry-leading pathways to employment in AMC through partnerships between industry, further education and higher education. Partnerships across the region bridge the gap between construction and manufacturing, to develop new roles that operate at the interface between the sectors. End-to-end digital delivery knowledge and skills requirements are well understood and provided for.

- Develop a comprehensive AMC skills proposition, drawing on existing strengths, that offers a qualifications at all levels from level 2 to post-graduate.
- Map the end-to-end AMC delivery process, and the digital skills requirements at each stage, and develop action plans to address core teaching skills and curriculum coverage gaps, for instance through additional funding for tutor recruitment.



R&D PARTNERSHIPS BETWEEN GOVERNMENT, INDUSTRY AND HIGHER EDUCATION

R&D partnerships make a significant contribution to national and regional AMC growth by tackling some of the biggest barriers to AMC growth. For instance R&D partnership to enable interoperability between AMC systems, developing a robust evidence base and showcasing "best in class" AMC development, and supporting AMC product development through testing, advanced materials development and by enabling consumer feedback to influence design. This should align to national initiatives to improve the data and evidence base related to innovative construction and should build confidence in the finance and insurance underwriting markets. New entrants and SMEs are actively encouraged into the regional AMC sector to drive innovation and introduce new approaches.

- Develop a forum or partnership vehicle through which cross-sector links and delivery can be enabled – potentially by maintaining the AMC advisory group
- Key focus areas in the short term could include:
 - Building the evidence base for AMC development, including by linking to Homes England existing work in that regard.
 - Supporting the development, testing and optimisation of the standardised AMC specification.
 - Enabling pre-competitive collaboration between manufacturers, and connecting to national efforts in that regard such as through the MTC at Coventry or the AMRC in Sheffield, both part of the High Value Manufacturing Catapult.
- Connecting the WMCA and partners to the AMC-related activities being undertaken across the UK, particularly in other combined authority regions, to maximise collaboration, value and growth in the AMC sector UK-wide.
- Explore and support opportunities to develop high-profile sites and other projects which will generate national interest and enable local manufacturers to demonstrate their systems to the widest possible audience.



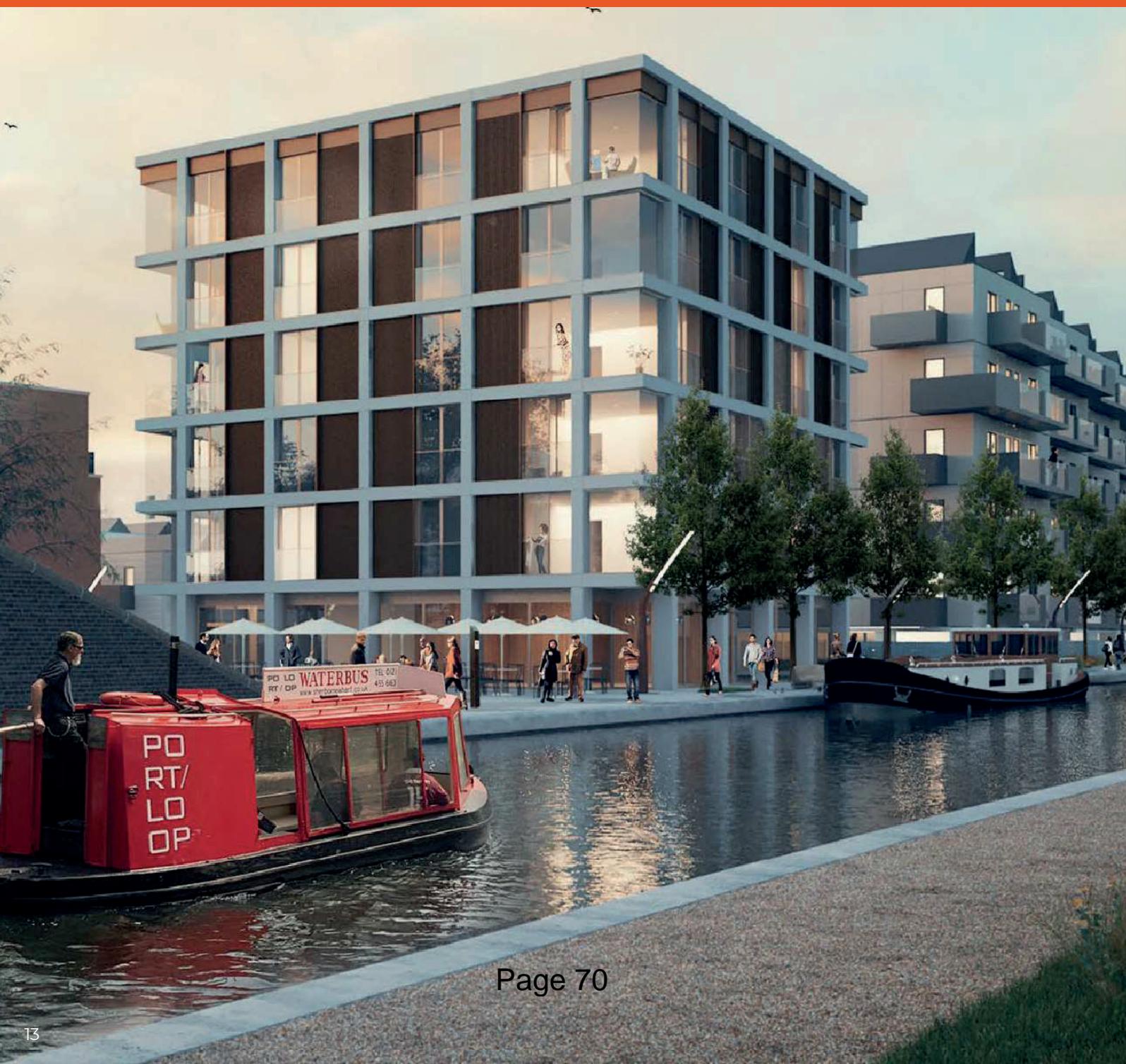
MEDIUM TERM ACTIONS (practical steps for years 4-10)

- Develop bespoke partnerships with supply chain companies where necessary to enable their expansion to meet the demands of a growing AMC market.
 - Broker collaborative partnerships between supply chain companies and AMC manufacturers to enable component design and development to support AMC product development.
 - Focus support and effort on models with the greatest potential for scalability, across the WM and beyond including the potential for IP technology transfer domestically and internationally.
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- Implement WM-wide approaches to apprentice and trainee sharing/placements between AMC manufacturers.
 - Target AMC training pathways on other WM-based sectors under-going structural .
 - Broker partnership working between CITB, local FE colleges, local universities and the MTC designed to break down the barriers between manufacturing and construction skills training.
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- Long term programme to be developed through the forum (left) and the outputs of early stages, but features could include:
 - Developing connections between AMC and the WM specialism in brownfield regeneration, to create true additionality in housing supply including links to the proposed National Brownfield Institute.
 - Connecting WM manufacturers to developments in advanced materials research, where this might drive improvements in cost, speed, performance and sustainability.

West Midlands Combined Authority & Urban Splash: A memorandum of understanding

WMCA and Urban Splash have established a long-term partnership commitment, which is codified in a Memorandum of Understanding (MOU) and which supports the ambition for House by Urban Splash to deliver 10,000 homes by 2031 - 5% of the WMCA overall housing target, including on the *Port Loop* urban regeneration masterplan, pictured.

The MOU sets out *House by Urban Splash's* commitment to AMC as a default construction approach. *House by Urban Splash* has made significant investment into AMC since 2012, including establishing a factory in Alfreton, East Midlands. The MOU and the developments it will lead to are evidence that the vision of this Roadmap is already translating into real, practical delivery.



Woden Road, Wolverhampton

This development at Woden Road in Wolverhampton is just one of many high-quality and highly-sustainable developments to have been manufactured and assembled by West Midlands based LoCaL Homes, part of the Accord Group.

Woden Road consists of 91 houses and 21 apartments, all of which were constructed using LoCaL's *Eco 200* system at its factory near Walsall before being assembled on site. The project achieved outstanding speed of delivery – with 86 of the homes built in 86 days – excellent environmental and energy performance, and fantastic value for money with all above ground works being completed for less than £1,000 per square metre.



National Brownfield Institute

University of Wolverhampton (UoW) has invested £100 million in the new Springfield campus, to host its world-class school of Architecture and Built Environment and the planned National Brownfield Institute (NBI), which was recently awarded £14.8759m from the Government's Getting Building Fund.

The NBI will research soil and groundwater contamination and ways of regenerating contaminated land. NBI will also use knowledge from other research centres at UoW to help assess new construction methods and will enable AMC use in the region in a range of ways, including by coordinating research into new remediation technologies. It will advocate for AMC use as the additional speed of delivery will partly counteract the time required for brownfield remediation, a crucial factor as around 80% of the WM housing pipeline is on brownfield land.



Acknowledgements

