



Housing & Land Delivery Board

Date	10 July 2023
Report title	Town Centres: Update and direction
Portfolio Lead	Housing & Land: Councillor Ian Courts
Accountable Employees	Gareth Bradford - Executive Director of Housing, Property & Regeneration (Accountable Director) Patricia Willoughby - Head of Policy & Planning, Housing, Property & Regeneration (Senior Reporting Officer)
Report has been considered by	<ul style="list-style-type: none">• May and June 2023: Delivery Steering Group

Recommendation(s) for action or decision:

The Housing & Land Delivery Board is recommended to:

- a) **Consider and endorse** the proposal for WMCA to produce, in collaboration with local authorities and other stakeholders, **a prospectus or equivalent supporting guide to support the delivery of, and investment in, locally-led projects in Town Centres**, helping those projects make the case to access public and private funds and ultimately support delivery on the ground; and
- b) **Support** the proposal for WMCA to work with the Town Centres Taskforce and Delivery Steering Group to consider the precise nature and form of the prospectus or guide, to be brought to a future meeting of the Housing & Land Delivery Board for consideration.

1.0 Purpose

- 1.1 In May 2023, the WMCA launched the West Midlands Investment Prospectus, showcasing £20bn of opportunities for Investment into projects across the region. In addition, during 2022 WMCA launched the Public Land Charter which, in turn, led directly to the case for a change to public land in the Deeper Devolution Deal of 2023. This paper brings the Board up to speed on the latest thinking about a similar specific prospectus/guide to **support locally led town centre projects and build on the funding already being invested in those projects** (in line with Objectives 3.3 and 3.4 of the Housing & Land Delivery Board).

2.0 Background

- 2.1 At the meeting of the Housing & Land Delivery Board in April 2023, Members expressed continued concern about the scale and pace of town centre recovery and repurposing and asked how WMCA could best support and add value to the substantial and wide-ranging efforts of local authorities, many of whom have been very successful in securing funding from HM Government and are actively taking forward projects which will have a transformational impact on their town centres.
- 2.2 Members asked officers to consider whether WMCA, working in partnership with local authorities and other interested organisations, could provide support and help for more substantial and wide-ranging town centre investment and project delivery, across the region as a whole.

3.0 Work to date and latest thinking

- 3.1 Following the meeting of the Housing & Land Delivery Board in April 2023, work has continued between WMCA and local authorities, developers and investors to develop and refine a pipeline of locally-led projects for each local area, specifically including town centre projects, to help those projects access devolved Housing and Land Funds and meet the mandatory criteria set by national Government for those funds.
- 3.2 In addition to that pipeline work, local authorities and WMCA have worked together to map out all the different projects that are happening on town centres across the region and what bespoke support WMCA could provide in each area.
- 3.3 At meetings of the Delivery Steering Group in May and June 2023 and at meetings of the Commercial Property Taskforce and Town Centre Taskforce, this issue was discussed. Firstly, in terms of where WMCA could 'add value' in the town centre space, the consensus was that any activity by WMCA should be focused on:
- attracting investment and supporting delivery
 - showcasing the substantial and varied sources of West Midlands funding for town centres and how this is being spent
 - attracting and de-risking investment in town centres, and
 - highlighting the potential of individual sites.
- 3.4 Secondly, in terms of what documents or products should be produced, key messages from the discussions were:
- **There is no need for WMCA to produce any further town centre 'strategy' documents.** Nationally, there are many town centre strategies and town centre toolkits, all of which reflect consistent themes and identify essential interventions.
 - **The responsibility for delivery and recovery in town centres is not the sole responsibility of one organisation** – local authorities, WMCA, the private sector, communities and statutory bodies all have a role to play.
 - **The region is not starting with a blank sheet.** Town centres funding from HM Government, across the region as a whole, equates to nearly £500m and WMCA has a pipeline of projects in, adjacent to or near town centres, all at various stages of progression in accessing devolved Housing and Land Funds.
 - **The private sector needs to see the de-risking of investment opportunities,** perceiving many town centre projects as high risk so any documentation needs to help reassure private investors and create clear investible propositions.

3.5 These points have also been made consistently by WMCA's Town Centres Taskforce. Members of the Taskforce have highlighted the key barriers to investment and have worked with a number of local authorities through workshops to see how these barriers could be overcome. Their view is that town centre planning and master planning is not the problem. **What is needed particularly is an understanding of the funding landscape, the investment proposition and project-based activity.** The Taskforce is confident that the private sector will invest if the right conditions are evident and see huge merit in the additional funding, flexibilities and opportunities which derive from the Deeper Devolution Deal.

3.6 Taskforce members have enthusiastically welcomed the significant funding that is flowing into West Midlands' town centres e.g. Future High Streets Fund, Towns Fund, Levelling Up Funds but have highlighted **the need for a collective source of information displaying funding totals, where the funding is going, what projects are being supported and what projects are ready for investment, etc.** They consider that the absence of such information can create barriers to private sector investment, as investors are often unaware of the potential for investment within West Midlands' Town Centres. **They consider that this is an area where WMCA could offer real support and added value, reflecting the views of the Housing & Land Delivery Board and Delivery Steering Group on where WMCA can offer added value to this agenda.**

4.0 A way forward

4.1 **The Deeper Devolution Deal has the potential to support WMCA and its partners in transforming town centres** through the regeneration of derelict sites and brownfield land and offering new flexibilities in relation to public land. The new arrangements with Homes England also give WMCA unique powers to increase the provision of affordable housing in town centres. The Town Centres Taskforce sees the new devolution deal as a significant new opportunity to tackle town centre recovery.

4.2 The consensus of the engagement we have undertaken since the meeting of the Housing & Land Delivery Board in April 2023, is that we should look to create a prospectus/guide, building on the £20bn Investment Prospectus, to map out town centre projects and funding already going in or planned; specifically encourage investment and support delivery in Town Centres across the region; help town centre projects better access new public funds such as the devolved Housing and Land Funds; and ensure that these projects are "*investible propositions*". This would be a focused piece of work developed in partnership by WMCA, local authorities, the taskforces and the West Midlands Growth Company, designed specifically to attract additional, largely private sector, investment to support the delivery and implementation of town centre projects.

4.3 This responds to the specific need for clarity on what is being done and what support is available, thereby reducing perceptions of perceived risk and consequential lack of investment. Acknowledging that there is no need for a town centre strategy, initial work would have two main strands of activity:

- an evidence and research piece relating to funding and current activity on projects; and
- how WMCA can offer additional support and added value, particularly but not exclusively, in light of the Deeper Devolution Deal.

4.4 A collaborative process is needed to oversee the research and co-develop the document, and thereby ensure that it demonstrably adds value in line with the feedback provided. Subject to further consideration, the document could be launched at a

notable industry event later in 2023 setting out the region's collective ambition for town centres and how funding has been allocated to achieve shared goals, including bringing empty town centre buildings back into use, driving increased town centre footfall, creating new jobs and employment, and increasing town centre accessibility.

- 4.5 The document could also set out how WMCA will use the new tools and levers secured in its devolution and funding deals with Government, Strategic Partnerships with national and international developers and investors, unique land disposals initiative with government, new affordable housing settlement and the extensive brownfield funding programmes which are critical to WMCA's 'offer' in town centres. Together with local authority and HM Government initiatives, these tools could be effectively deployed to showcase investment opportunities in West Midlands' town centres.

5.0 Next steps

- 5.1 If agreed, the next steps would be to:
- undertake further research around existing funding streams and projects already taking place thereby establishing an easily accessible database and platform on which further investment can be encouraged/actioned
 - articulate the opportunities and interventions for locally led town centre projects, and
 - prepare the necessary documentation to support this activity.
- 5.2 The material would be developed and refined further with local authorities, WMCA's taskforces and other stakeholders, and presented in draft to the Housing & Land Delivery Board for consideration in autumn 2023 together with a programme of work including widespread engagement.

6.0 Financial Implications

- 6.1 It is noted that the purpose of this report is to advise the Board on plans to produce a prospectus/guide, similar to the Investment Prospectus, to support locally-led town centre projects and build on the funding already being invested in those projects.
- 6.2 This activity will be undertaken from within the existing resources. Further details on the progress of the proposals, including emerging financial implications, will be reported to future meetings of the Housing & Land Delivery Board before onwards approval by any other relevant Board.

7.0 Legal Implications

- 7.1 It is noted that the purpose of this report is to update the Housing & Land Delivery Board on the latest thinking about creating an investment prospectus/guide to support locally led town centre projects and build on funding already being invested on those projects.
- 7.2 The work envisaged by this report is research based with a view to help in bringing investment into the area. It does not create any direct legal implications at this stage, however, care should be taken over the wording of the prospectus/guide to ensure that it is factually and legally correct. Legal advice would be sought at appropriate stages in the development of the document if required. If WMCA does invest directly in any of the projects envisaged by this paper, there will be legal implications and WMCA's internal assurance systems would need to be followed supported by specific legal advice as and when required.

8.0 Equalities Implications

8.1 There are no immediate equalities implications in relation to this report.

9.0 Inclusive Growth Implications

9.1 The proposed Town Centre programme is set to regenerate town centres post-pandemic in an equitable way, maximising economic benefits, housing quality and job/skills opportunities across the region's communities.

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