



West Midlands
Combined Authority

WMCA Housing and Land Board

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| Date | Thursday 6 September 2018 |
| Report title | Social Housing Green Paper Update and Response |
| Portfolio Lead | Councillor Mike Bird – Housing and Land |
| Accountable Chief Executive | Deborah Cadman |
| Accountable Employee | Gareth Bradford, Director of Housing and Regeneration email: gareth.bradford@wmca.org.uk |
| Report has been considered by | |

Recommendation(s) for action or decision:

The WMCA Board is recommended to:

Note the information provided regarding affordable and social housing in the region.

Agree the key elements of a WMCA approach to social and affordable housing, and the basis of a collective response to the Social Housing Green Paper.

1.0 Purpose

- 1.1 To update constituent and non-constituent members of the West Midlands Combined Authority Housing and Land Board on progress in the development of Social Housing proposals and evidence base.

2.0 Background

- 2.1 The Housing Deal agreed by the West Midlands Combined Authority and Her Majesty's Government in March 2018 set out a range of measures to support the delivery of new homes in the region. The deal, totalling £350m in funding, included ambitious targets to deliver 215,000 new homes by 2031, increasing the annual rate from 10,000 to 16,000. The deal also contained an agreement by central Government to "work with Housing Associations on new ways to finance and build affordable housing to rent or buy in the West Midlands". During the negotiations leading to the deal the WMCA emphasized to Government that increasing supply of affordable and social housing was critical to delivering the overall targets, and whilst specific commitments to affordable housing policy and investment were not detailed in the deal, this would be an area that the Authority would return to in due course.
- 2.2 Housing affordability is a particular challenge in the West Midlands, with rapid growth in employment, large scale investment and the desirability of the region having effects on house prices and the housing rental market. While the number of new homes delivered in the region is growing year on year, demand continues to outstrip current supply and prices continue to rise. This has implications for the region's labour market, productivity, competitiveness and social mobility, alongside wider consequences on health and wellbeing, homelessness, community cohesion and attractiveness.
- 2.3 The current situation is likely to be magnified further by demand arising from HS2, the Commonwealth Games 2022 and Coventry City of Culture 2021. Therefore delivering new affordable homes remains crucial to promoting the welfare of our communities and delivering inclusive growth. It is vital that housing strategy is fully aligned with jobs, skills, infrastructure, and public services to maximise the benefits of the region's growth and investment.
- 2.4 The Ministry for Housing, Communities and Local Government (MHCLG) published its Green Paper "A new deal for social housing" on August 14th 2018 (included as Appendix 1), setting out the Government's commitment to "getting more of the right homes built in the right places, sold or rented at prices local people can afford". A short summary of the key points and questions raised in the Green Paper is included as Appendix 2. Consultation on the Green Paper is open until 6th November 2018.
- 2.5 With the agreement and implementation of the WMCA Housing Deal and the subsequent publication of the social housing Green Paper, it is timely to reopen dialogue with Government to discuss how the Combined Authority can increase investment, supply and quality of social and affordable housing in the region.

Progress so far

- 2.7 In order to support proposals for new investment in housing in the West Midlands, a detailed analytical case is being developed. The WMCA Housing and Regeneration team, working closely with the Inclusive Growth team, LEPs and local councils, has started to bring together a robust analysis of the economic and social consequences of the lack of affordable and social housing in the region. Preliminary dialogue with housing associations and professional bodies is also underway. This analysis will bring together key data from a wide range of sources to evidence the current situation

regarding housing in the region, and the economic, social and community benefits of investment in housing alongside developments in infrastructure, transport and employment. This will enable policy alignment across housing, transport and industrial strategy to maximise the benefits of investment for our communities.

- 2.8 As part of this evidence review gaps in current information are being identified, and work is ongoing to further improve the breadth and quality of the information available to inform Combined Authority decision making.

Next steps

- 2.9 The Housing and Land Board are invited to discuss these matters in order to (a) inform any collective response to the Social Housing Green Paper; (b) consider the development of the evidence base, ensuring that Combined Authority has the right information to make the case for change in the region; and (c) inform the key elements of next stage of negotiation on social housing investment and delivery with HM Government.

3.0 Financial implications

- 3.1 The immediate actions detailed in this report will be delivered through existing resources.

4.0 Legal implications

- 4.1 The Housing and Land Delivery Board is not a decision making body, but will make recommendations to the WMCA Board as appropriate.

5.0 Equalities implications

- 5.1 There are no direct equalities implications arising from this report. Equalities Impact Assessments will be undertaken at the appropriate stages of the development of the evidence base and analysis.

6.0 Other implications

7.0 Appendices

Appendix 1 – “A new deal for social housing”, MHCLG Green Paper
Appendix 2 – Summary briefing of MCLG Green Paper