



**Housing & Land Delivery Board**

**Monday 4 November 2019 at 10.00 am**

**Minutes**

**Present**

Councillor Mike Bird (Chair)	Walsall Metropolitan Borough Council
Councillor Peter Bilson	City of Wolverhampton Council
Councillor Angus Lees	Dudley Metropolitan Borough Council
Marc Lidderth	Environment Agency
Councillor Joanne Hadley	Sandwell Metropolitan Borough Council
Councillor Andy Mackiewicz	Solihull Metropolitan Borough Council
Councillor David Wright	Telford and Wrekin Council
Councillor Peter Butlin	Warwickshire County Council
Kevin Rodgers	West Midlands Housing Association Partnership

**In Attendance**

Simon Cooper	
Tammy Stokes	
Simon Tranter	Sandwell Metropolitan Borough Council
Janet Neale	Walsall Metropolitan Borough Council
Gareth Bradford	Warwickshire County Council
Carl Craney	West Midlands Combined Authority
Patricia Willoughby	West Midlands Combined Authority
	West Midlands Combined Authority

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

**19. 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), Bill Blincoe (Coventry and Warwickshire Local Enterprise Partnership), Simon Marks (Greater Birmingham and Solihull Local Enterprise Partnership), Karl Tupling (Homes England), Councillor David Humphreys (North Warwickshire Borough Council), Councillor Matthew Dormer (Redditch Borough Council), Councillor Sebastian Lowe (Rugby Borough Council), councillor Ian Courts (Solihull Metropolitan Borough Council) and Councillor Daren Pemberton (Stratford on Avon District Council).

**20. Notification of Substitutes (if any)**

Paul Gascoine had been nominated as a substitute for Karl Tupling (Homes England) and Councillor Andy Mackiewicz had been nominated as a substitute for Councillor Ian Courts (Solihull Metropolitan Borough Council).

**21. Chair's Remarks**

The Chair referred to the low number of reports to be considered at the meeting and commented that members attended meetings in good faith and expected that the contents to be considered should be worthwhile if complacency with regard to the need to attend meetings was to be avoided. He commented that meetings of the WMCA Overview and Scrutiny Committee failed regularly to reach a quorum albeit that a higher level of quorum applied to that Committee and was, in his opinion, was overly prescriptive. He asked the Officers to note his comments and that future meetings should be meaningful. Councillor Angus Lees supported the comments of the Chair on this matter.

Gareth Bradford reminded the Board that at the last meeting a number of major issues had been considered and was likely to be the case for the December 2019 meeting subject to the rules on 'Purdah' not preventing some matters being presented. This purpose of this meeting was to update the Board on progress made on various issues.

The Chair welcomed Councillor Peter Bilson to the meeting after his recent illness.

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

Kevin Rodgers declared a personal interest as an employee of the West Midlands Housing Association Partnership.

**23. Minutes of last meeting**

Resolved:

That the minutes of the meeting held on 30 September 2019 be confirmed as a correct record and signed by the Chair.

**24. Housing and Land Portfolio: Quarterly Update**

Pat Willoughby presented a report which provided a quarterly update on progress with the various workstreams and deliverables agreed previously and as detailed in the 2019/20 WMCA Annual Plan. As referred to earlier in the meeting she advised that a number of reports were scheduled to be considered at the next meeting on 9 December 2019 but that as this fell within the 'Purdah' period this could be subject to change.

She reported that since the report had been prepared requests had been received for the Town Centres Programme to be revised to include the whole of the Dudley, Walsall and West Bromwich Town Centres rather than the specific areas agreed previously. Similarly, a request had been received from Dudley and Sandwell MBC's for the Sandwell to Dudley Corridor to be re-defined as the 'West Bromwich to Dudley Corridor'. Gareth Bradford reported that the purpose of the report was to inform the Board of the progress being made in taking forward the various work areas, on the joint work with respective local authorities and on reports which had been considered by the WMCA Investment Board in relation to matters under the purview of this Board. He reminded the Board that at its last meeting consideration had been given to, inter alia, the following issues:

- Modern Methods of Construction;
- Design Charter; and
- Single Commissioning Framework – Amendments.

He also drew to the attention of the Board the on-going work on Monitoring and Evaluation to ensure an impact on the delivery of housing numbers, land remediation, affordable housing units delivered and value for money from the investments supported.

The Chair commented on the need for a standard definition on the term of 'Affordable Housing' which was sufficiently flexible to acknowledge the differences across the geographical area. Gareth Bradford reminded the Board that such a definition had been agreed previously and was being trialled currently with a report to be submitted to the next meeting with a view to confirming the definition, with amendments, if appropriate. He advised that the definition would also seeking to address the provision of 'Key Worker' accommodation and those seeking employment in the 'Knowledge' economy.

Councillor Angus Lees referred to the £20 million allocated for the Town Centres Programme and whether this funding had been secured and on the extension of the Programme in Dudley to the wider Town Centre and whether £9 million was available for highway improvement works associated with the Town Centre Re-Development proposals. Gareth Bradford explained that any schemes which met the agreed criteria for the Single Commissioning Framework (SCF) could be eligible for funding and that a number of such cases would be considered by the WMCA investment Board at the meeting to be held on 11 November 2019. He confirmed that a sum of £20 million had been earmarked already for the Town Centres Programme by the Investment Board and the proposition before the Housing and Land Delivery Board was that from this some £5 million should be made available for early impact interventions.

Councillor Peter Bilson advised that he supported the recommendations set out in the report but that more specific information was needed on expenditure to date and the remaining funding available. He requested that this be included within the report to the next meeting. Gareth Bradford advised that the report could include details pertaining to expenditure and available resources relevant to the Housing and Land Portfolio but not to the wider Investment Programme.

Councillor Andy Mackiewicz referred to the issue of 'Key Worker' accommodation and asked whether this would only apply to new developments or whether it would include 'Shared Ownership' schemes. Gareth Bradford explained that this issue would be addressed in the report to the next meeting.

Councillor Peter Butlin referred to the issues surrounding the 'Right to Buy' scheme, its effect on the provision of social housing units and the current stance of the Board on this matter. The Chair informed the Board on a 'Right to Own' initiative which was being worked upon by the Housing and Regeneration Team and which could be adopted nationally. This would assess disposable income and staged purchase. He also alluded to an initiative between Sigma Capital and Walsall MBC working with Countrywide on an equity partnership scheme, where the property developer would continue to maintain the garden and Public Open Space areas of developments.

Councillor Andy Mackiewicz commented that any properties developed outside the Housing Revenue Account were not eligible for 'Right to Buy' and that this allowed the development of shared ownership schemes. Gareth Bradford reported that conditions imposed on grants and loans could also preclude 'Right to Buy'. He confirmed the on-going work with Sigma Capital and on the 'Right to Own' initiative.

Councillor Joanne Hadley reported that Officers at Sandwell MBC were looking at options where a tenant expressing an interest in exercising 'Right to Buy' could be offered a sum equivalent to the discount available on their property to enable an alternative property to be purchased on the open market, thus retaining the social unit in the Council's ownership. Gareth Bradford advised that such 'portable discounts' had been explored previously by HM Government. He undertook to include reference to this element in the Affordable Housing Delivery Vehicle report to be submitted to the next meeting.

Councillor Andy Mackiewicz enquired whether the regional affordable and social housing deal referred to in paragraph 3.21 of the report had been circulated to the Board. He also enquired as to the support which would be provided to Local Planning Authorities on Local Plan preparation. Gareth Bradford advised that the Housing and Land Steering Group had considered the regional and affordable social housing deal but agreed to circulate it to the Board. With regard to support on Local Plan preparation he explained that this would be through support in site assessments and that a number of requests for such support had been received to date.

Councillor Joanne Hadley asked if there was any financial support available for progressing work on Modern Methods of Construction (MMC). Pat Willoughby reported on a piece of work which had been commissioned on MMC which would be tested through the Single Commissioning Framework. The Chair counselled caution on being overly prescriptive in relation to MMC in light of the number of alternative methods available currently. Paul Gascoine advised on the initiatives being taken by Homes England on MMC including supporting such developments on land in its ownership. He advised that a flexible approach was required in order to respond to the demands of the market. He reminded the Board that Homes England had provided financial assistance in the past to local authorities for MMC schemes and referred to an example in the local area.

Resolved:

1. That the following items be considered at the next meeting of the Board subject to the issues relating to 'Purdah' being addressed:
  - The progress on acquisitions and investments under the Single Commissioning Framework (SCF);
  - Modern Methods of Construction (MMC) Strategy;
  - Proposal for an Affordable Housing Delivery Vehicle (Heads of Terms);
  - Delivery and Investment Plans for the five 'first wave' town centres;
  - Delivery and Investment Plans for the Walsall to Wolverhampton and West Bromwich to Dudley Inclusive Growth Corridors;
  - Town Centre Toolkit; and
  - Progress on 'early impact' town centre interventions agreed at the September 2019 meeting;
2. That the Sandwell to Dudley Corridor be re-defined as the West Bromwich to Dudley Corridor as requested by Dudley and Sandwell MBC's respectively;
3. That the remit of the Town Centres Programme be expanded to include the whole of Dudley, Walsall and West Bromwich Town Centres as requested by Dudley, Walsall and Sandwell MBC's respectively;
4. That the positive progress in work under the Housing and Land Portfolio in Q4 of 2019 and some of the key programmes being progressed during the remainder of 2019/20 be noted;
5. That it be noted that discussions were continuing with the Housing and Land Steering Group and supported Working Groups on how existing arrangements on engagement, project-based governance and working arrangements could be enhanced further;
6. That a copy of the regional affordable and social housing deal to HM Government be circulated to the Board.

**25. Affordable Delivery Vehicle: Update**

Gareth Bradford and Rob Lamond presented a report which updated the Board on progress in the work agreed previously to work up in principle development of an Affordable Housing Delivery Vehicle with West Midlands Housing Association Partnership and the National Housing Federation to unlock challenging brownfield opportunities in the region and thus providing added value to the work of the WMCA under the SCF. The report recommended agreement of the broad criteria for the Vehicle to help guide the development of a detailed business case.

Councillor Peter Bilson advised that he supported the principle but asked which Housing Associations would be involved, which areas they were active currently in and which sites were under consideration. He expressed concern that there appeared to be no involvement from Homes England or the respective local authorities in this concept. Given that a Limited Liability Partnership was to be established he was also interested to learn of the relationship with the LLP, Homes England and the local authorities.

Councillor David Wright advised that he also supported the principle but queried which Housing Associations would be involved, how the level of public subsidy would be agreed and whether partner Housing Associations would only be allowed to operate in those areas where they had a presence currently.

Gareth Bradford welcomed the questions now posed and assured the Board that similar questions were being raised. He explained that the purpose of the report was to agree the principle of the creation of the Delivery Vehicle and the development of the Business Case. Kevin Rodgers advised that a number of housing associations were interested in participating all of which operated locally. Where a Large Scale Voluntary Transfer had taken place in a local authority area the selection of the preferred Social Housing Provider would be to that organisation. He reminded the Board of the intention to recycle funding for future re-investment.

Councillor Andy Mackiewicz asked as to the opportunity for Arms Length Management Organisations to be involved in the Delivery Vehicle. Gareth Bradford explained that such organisations could seek funding for developments through the SCF subject to such proposals having the support of the respective local authority. He commented that in order to achieve the desired number of housing units at affordable levels there was a need to unlock difficult to develop brownfield sites. He advised that the Delivery Vehicle could be expanded in the future if it was successful.

Councillor Angus Lees asked whether WMCA Officers were in contact with colleagues at Dudley MBC where three difficult to develop brownfield sites had been identified. Gareth Bradford confirmed this to be the case.

Councillor Joanne Hadley commented that given the role of the Black Country area as the heart of the Industrial Revolution many sites were likely to be subject to contamination and the associated remediation costs. Mark Liddeth reminded the Board that grant aid was available from the Environment Agency to deal with remediation of contaminated land. Paul Gascoine assured the Board that Homes England was involved in the development of this initiative and would continue to be. He reported that a similar Vehicle existed in the Greater Manchester Combined Authority and that there were lessons to be learnt from its experiences.

Resolved:

1. That the following be noted:
  - a) That progress between the WMCA and West Midlands Housing Association Partnership / National Housing Federation in developing the Heads of Terms and key criteria for a new regional affordable housing delivery vehicle focussed on increasing the supply of new homes, particularly affordable housing, on some of the most challenging sites in the region;
  - b) The proposed Delivery Vehicle's fundamental principles of reduced risk; shared knowledge and expertise of the vehicle's partners; and developing a range of sites including intervening in instances of market failure to develop brownfield sites in the region;
2. That the draft criteria / principles for the Delivery Vehicle from the WMCA perspective as detailed in section 3.2 of the report be agreed;
3. That subject to the above, the Housing and Regeneration Team work with partners and a focussed working group of experienced local council housing officers to bring forward a Business Case for a pilot phase of the Delivery Vehicle to forthcoming meetings of this Board and the WMCA investment Board. (the aim being to submit the Business Case to the December 2019 meeting of the WMCA Investment Board if possible and appropriate).

## **26. Investments and Acquisitions**

Gareth Bradford reported that over £10 million of grants and loans had been agreed at the October 2019 meeting of the WMCA Investment Board for matters under the Housing and Land Portfolio. The funding was from various sources including the Collective Investment Fund (CIF), Brownfield Land and Property Development Fund (BLPDF) and the Land Fund. He referred to the benefits of the clear criteria contained in the Single Commissioning Framework and on the due diligence process which sought to ensure that value for money was achieved. He explained that while some of the Funds worked on a revolving nature with loans being repaid this was not possible in every case but in such cases additional social value was obtained.

Resolved:

That the report be received and noted.

The meeting ended at 11.10 am.