

Overview & Scrutiny Committee

Housing and Land Update

11th January 2021

The role of WMCA in Housing and Land

Terms of Reference for Housing & Land Delivery Board, agreed November 2017



- Provide co-ordination and direction on strategic matters relating to the housing and employment development needs of the region. Provide the forum for facilitating strategic conversations between the local authorities around the supply of the right land, in the right places to deliver the homes and jobs the population and the economy needs to grow in a sustainable way.
- Commission a 'spatial expression' of land supply and use, and develop a collective understanding of the key housing and employment development needs of the region.
- Develop and implement a strategy for accelerating housing growth and employment across the region. Ensure alignment between WMCA led strategies and programmes e.g. transport, One Public Estate, and West Midlands Growth Company.
- Recommend bids for government funding to the WMCA Board.
- Collaborate with those external organisations that also have responsibility for housing delivery and policy.
- On behalf of the WMCA lead dialogue with Government on the West Midlands housing devolution / housing deal agenda. As part of devolution negotiations with Government to lead on developing propositions and asks that relate to housing delivery.
- Commission and publish research on housing and employment land to inform decisions made by the WMCA Board.

Terms of Reference for Housing & Land Delivery Board, revised November 2020



- To review, monitor and approve the Housing & Regeneration Annual Business Plan, ensuring that it demonstrates a clear golden thread to the WMCA Strategic Objectives, highlighting prioritisation considerations where appropriate and supporting and challenging delivery of the Plan.
- Consider the Housing & Regeneration Portfolio Project Pipeline in order to monitor its content, providing feedback to the Business Area and performance managing project development
- To consider and advise upon major policy change within the Housing & Regeneration Portfolio
- To performance manage the delivery of projects detailed within the Housing & Regeneration Portfolio Project Pipeline at Portfolio level, ensuring effective and appropriate challenge to the Business Area and stakeholders
- To provide co-ordination and direction on strategic matters relating to the portfolio needs of the region.
- To provide the forum for facilitating strategic conversations between the local authorities, stakeholders and WMCA
- To provide oversight of the Local Plans Monitoring Dashboard

Terms of Reference for Housing & Land Delivery Board Nov 2020, continued

Support Housing & Land Portfolio Holder by:

- Providing advice and support to WMCA activity
- Helping engage with wider stakeholder networks and activity
- Identify and scale up existing good practice within the WMCA area
- Identify and secure resources to deliver new opportunities
- To provide co-ordination and direction on strategic policy and delivery matters relating to the housing and employment development needs of the region.
- To agree to review of the Single Commissioning Framework
- To provide the forum for facilitating strategic conversations between the WMCA and local authorities around the supply of the right land, in the right places, to deliver the homes and jobs the population and the economy needs to grow in a sustainable way.
- To develop and implement a strategy for accelerating housing growth and employment across the region.
- To ensure alignment with other WMCA-led strategies and programmes e.g. transport, skills, One Public Estate and the West Midlands Growth Company.
- To recommend and endorse bids for government funding to the WMCA Board.
- To collaborate with those external organisations that also have responsibility for housing delivery and policy.
- On behalf of the WMCA, to lead dialogue with the Government on the West Midlands housing devolution/housing deal agenda, and as part of devolution negotiations with Government, to lead on developing propositions and asks that relate to Housing, Land and Regeneration policy and delivery.
- To commission and publish research on housing and employment land to inform decisions made by the WMCA Board.

Housing & Land Deliverables 2020/21, agreed by WMCA Board in February 2020: Part 1

High Level Deliverable	Activity
Brownfield Investment & Acquisition Programme	Intervene, acquire, unlock and invest in priority brownfield sites across the region along public transport corridors that suffer from identified market failure to bring them forward for housing and employment delivery
Inclusive Growth Corridor Programme	Wave 1: Support local partners in finalising and launching the Corridor Delivery and Investment Plans for Walsall to Wolverhampton & West Bromwich to Dudley. Launch Expression of Interest for next wave of Corridor Plans and upon selection create wide-ranging Corridor Delivery and Investment Plans and Programmes
Local Plans	Provide assurance to HMG on Local Plan progress under the Housing Deal by mapping local plan activity in the region and supporting local councils with the evidence base for local plans and duty-to-cooperate activities
Affordable Housing Policy and Delivery Programme	Affordable Housing Delivery Vehicle Regional Affordable Definition Affordable Housing Deal with Government
Town Centre Regeneration Programme	Intervene, acquire and invest in town centre sites in pilot town centres to support the regeneration and repurposing of those town centres
Town Centre Policy Programme	Wave 1: Support local partners in finalising and launching the Town Delivery and Investment Plans for 5 pilot town centres in Wave 1 Launch Expression of Interest for next wave of Town Centre Pilots and upon selection create wide-ranging Town Centre Delivery and Investment Plans and Programmes

Housing and Land Deliverables 2020/21, agreed by WMCA Board in February 2020: Part 2



High Level Deliverable	Activity
Town Deals	Support local councils and LEPs in securing effective 'Town Deals' with Government Co-develop business cases to Government Support development of town investment plans that meet Government requirements
WM Investment and Developer Frameworks	Update(s) to Single Commissioning Framework to respond to new policy and delivery experience Launch of West Midlands Investment Prospectus Expansion of Commissioned Partnership Programme
WM One Public Estate Programme	Completing mapping of OPE land Launch OPE Single Disposals Plan Development and submission of OPE Business Case to Government
Housing Deal	Providing compelling business cases to Government on brownfield regeneration, housing delivery and local plan progress to secure next tranches of Land Fund in Spring 2020 and Winter 2020
AMC Programme	Strategy Launched Advisory Group established Delivery Programme Launched
Land & Transport Delivery Programme	Working closely with transport colleagues and local partners to secure new and maximise planned investment in transport infrastructure to open up new areas for development and regeneration
Design Charter	Regional Design Charter launch in Q1 2020 and embed Charter into Single Commissioning Framework
National Development Projects	Continue to work with local partners to bring forward nationally significant development schemes – e.g. National Brownfield Institute in Wolverhampton
Climate Change Delivery Programme	Strategy Launched Advisory Group established Delivery Programme Launched

Housing and Land Delivery Board Commission – April 2020

Good progress was made in progressing the different workstreams the Board had set out in its Business Plan throughout 2019 and early 2020.

Meeting of 27th April 2020 discussed Covid19 and how the portfolio should respond.

As a result the Board commissioned WMCA via its Housing and Regeneration Directorate working with its local authorities and expert taskforces to lead:

- The preparation of a comprehensive **Portfolio Recovery Plan** that focused on a clear identification of the problems, opportunities and interventions in each of the major programmes of work in the Board's Approved Annual Business Plan

Housing and Land Covid-19 Recovery Plan

Co-development of a Housing and Land Portfolio Recovery Plan with

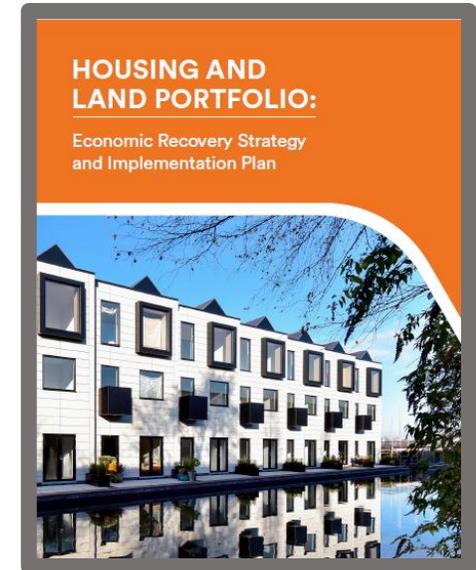
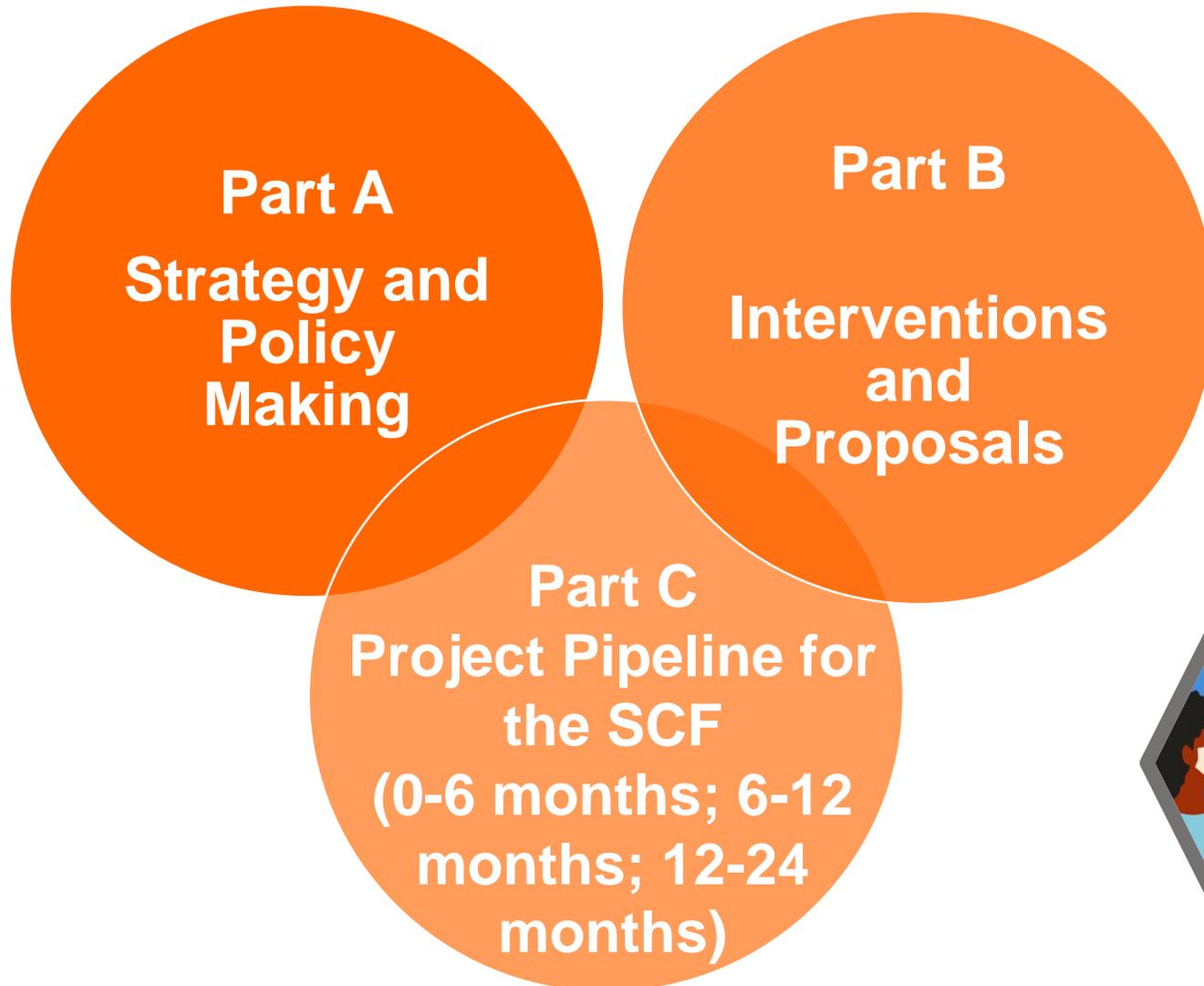
- Officer working groups (overall portfolio recovery planning, AMC, zero carbon)
- Homelessness Taskforce
- Commercial Property Forum
- Regional Town Centres Taskforce/AMC Expert Panel

Informed by local data, market trends, demand and needs identified by local authorities, public and civil sector partners, and the private sector

Themes for “game changing” interventions

- Brownfield Regeneration and research
- Affordable Housing Policy and Delivery
- Business and investor partnerships
- Advanced Manufacturing in Construction, High quality design and Zero Carbon
- Public Land/One Public Estate
- Town and Urban Centres
- Enterprise and employment land

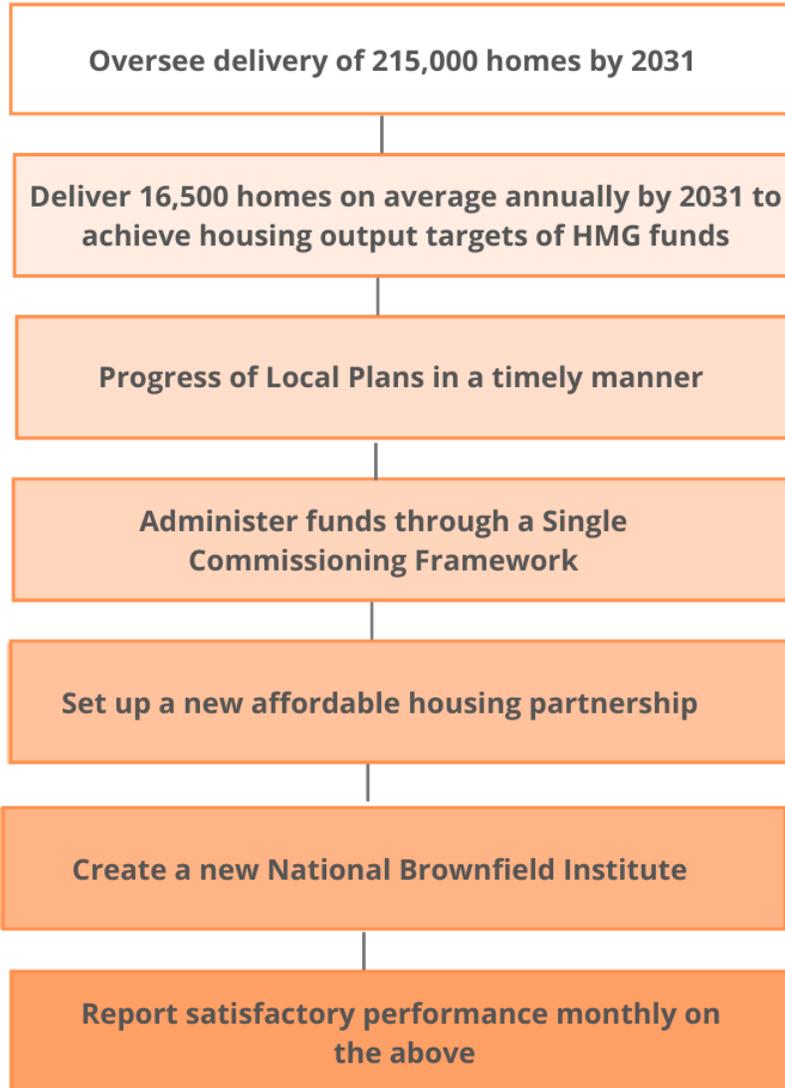
H&L and Business Plan Covid-19 Recovery



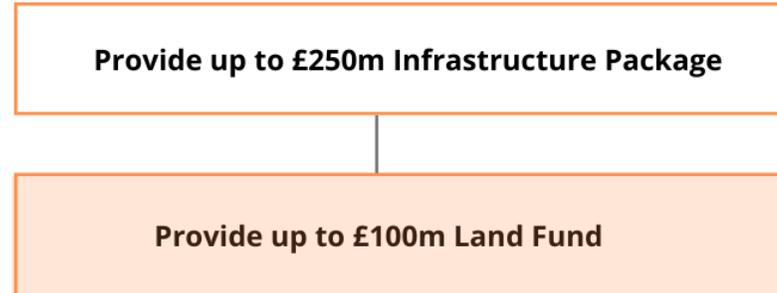
Housing & Land Funds

Terms of The Housing “Deal”

The West Midlands Will...



HMG Will...



Over £450m of Housing And Land Funds

Our funding portfolio includes:



£50M Brownfield
Land & Property
Development Fund
(BLPDF)

£70m Residential
Investment Fund
(RIF) – LOAN FUND



£140m Commercial
Investment Fund
(CIF) – LOAN FUND

£84m Brownfield
Fund

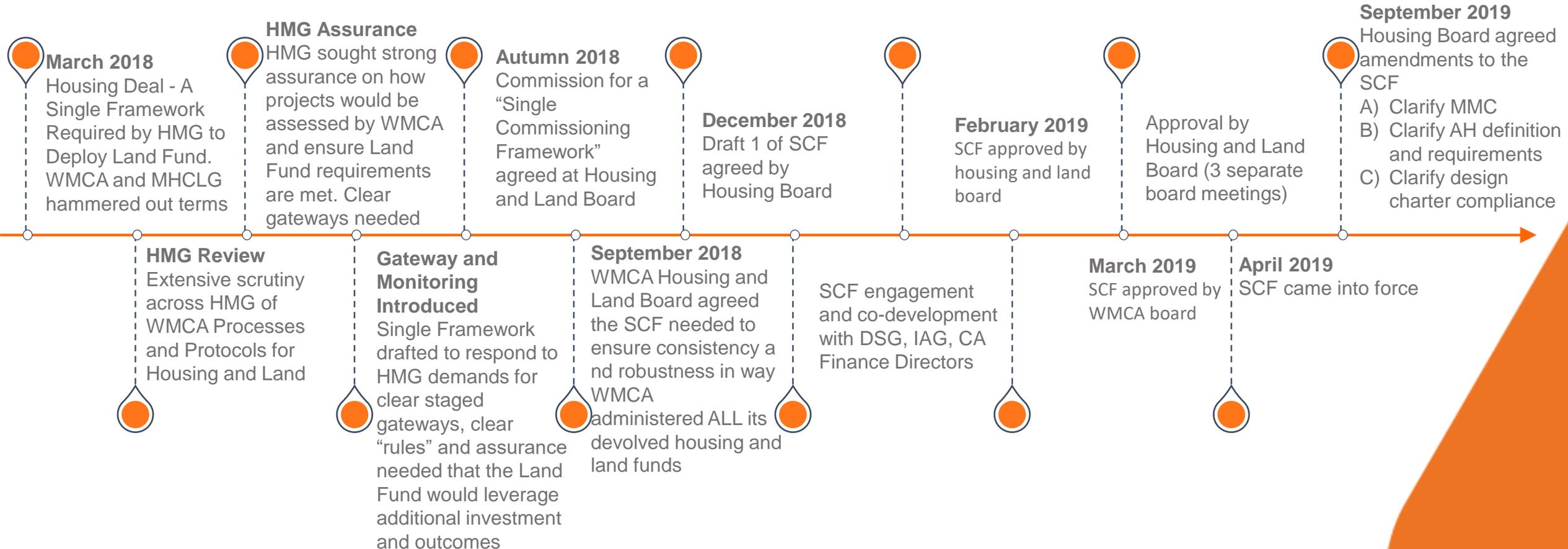


£100m Housing Deal
Land Fund

WMCA has a portfolio of funds available to unlock and accelerate schemes which meet prescribed criteria.

...and the £250m Housing Infrastructure Fund alongside a further £24m recently secured from HMG to deliver housing on brownfield sites. We continue to seek new funding from HMG including a £50m AMC Fund, £400m Affordable Housing Fund and £200m Urban Transformation Fund.

Single Commissioning Framework: History



The Rules of the Game...the MUST HAVES.

WMCA as a Funder of Last Resort

Only Intervene in Schemes that can Demonstrate 'Market Failure'*

Average Intervention Rate expected of £10-15,000 a Unit

20% Affordable Housing

Commitment to Advanced Manufacturing in Construction

Security on Investments

Clawback and Overage provisions



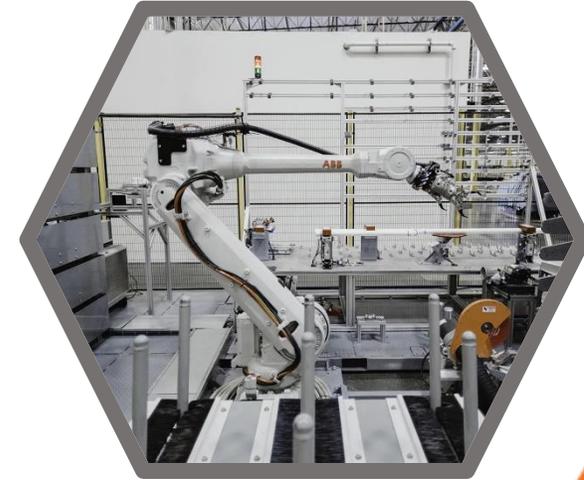
***AGAINST HMT
DEFINITION OF MARKET
FAILURE**

Further Detail on Criteria

Affordable Housing – defined in Annex 2 of the National Planning Policy Framework (NPPF) and/or through a more locally targeted approach of meeting a specific need in the relevant local area and with the assessment of affordability based upon 35% of lower quartile household income levels in the local area (i.e. WMCA Locally Affordable Homes)

West Midlands Design Charter is part of our region's ambition to encourage creative design and innovation to flourish, as we build a future that delivers inclusive growth for all of our communities

Schemes are required to support the uptake of **Advanced Manufacturing in Construction (AMC)**



Staged Gateway and Decision Making Process

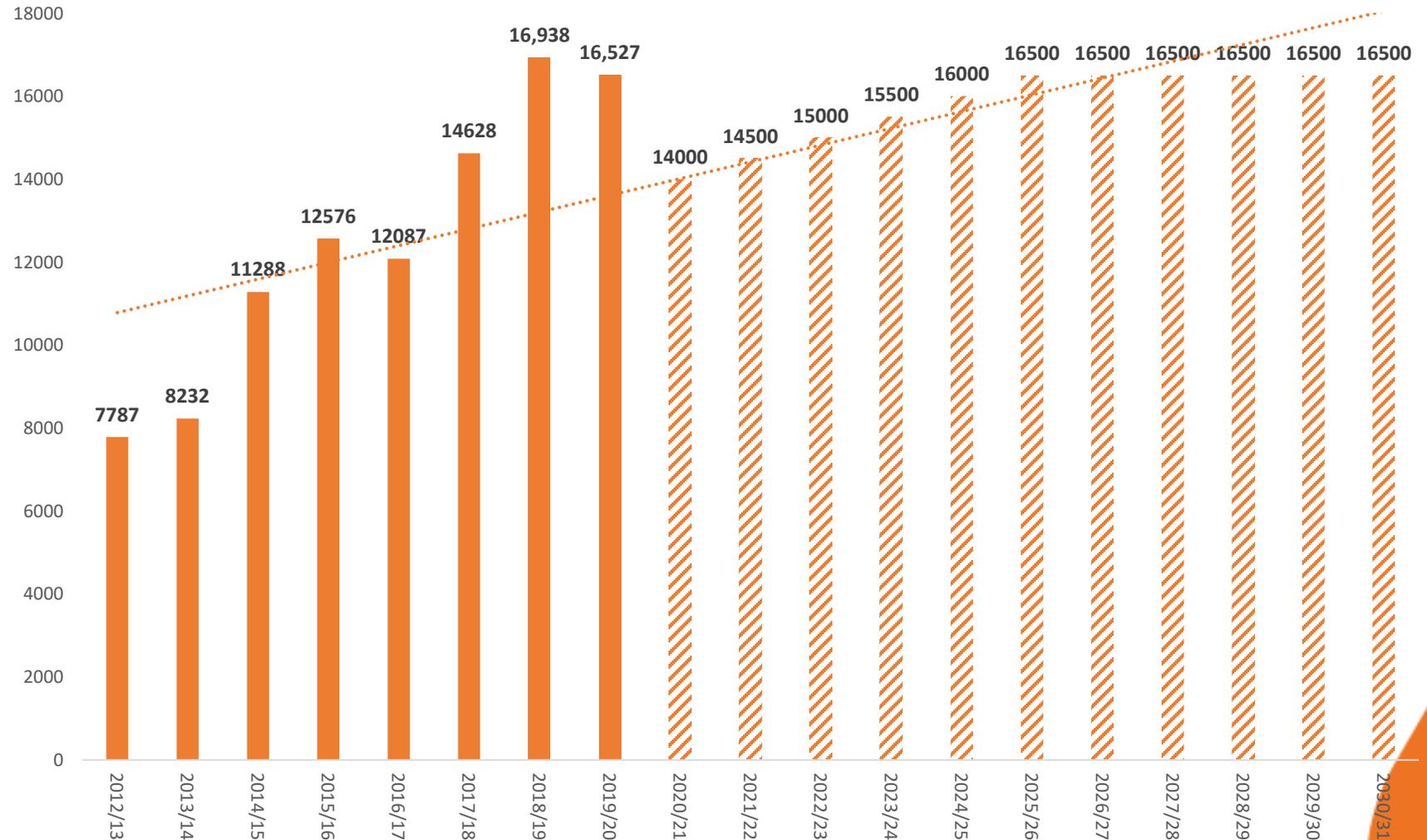
The Single Commissioning Framework Created a Staged Gateway Process for Decision Making on Devolved Housing and Land Funds based on best practice across the UK in deploying land, housing and infrastructure funds

Decision making and approval gateways for Single Commissioning Framework (SCF)

Gateway Stage	Description
Triage	Pre SCF process (verbal discussion, guidance, informal support, pre-app meetings and advice)
Gateway 0	EoI (Expression of Interest) – Eligibility and Pre-Qualification Test – EOI Application Form received for review and recommendation by our New Business Group to H&R Site Pipeline Board
Gateway 1	Formal Investment Application (Full), review, appraisal and approval process leading to a business case paper to IP/IB – reviewed by New Business Group, approved by H&R Site Pipeline Board
Gateway 2a	Investment Panel (IP) Approval or Statutory Officers Panel Approval (AP) [depending on scheme]
Gateway 2b	Investment Board (IB) Approval [not relevant if under delegated limits]
Gateway 2c	Delegated Sign Off (DSO) by Director of H&R and [as relevant] Legal and Finance Directors
Gateway 2d	Sign off of funding and legal agreements
Gateway 3	Disposal of site/development of site
Gateway 4	Contractual commitments with applicant

Delivering in the region

WMCA Additional Dwellings trend and targets 2012/13 to 2030/31



- On track for delivering 215,000 homes by 2031
- Exceeded supply trajectory in 2018, 2019 & 2020
- WMCA has Exceeded Housing Deal Land Fund starts on site each quarter
- Secured additional affordable homes (20% minimum)
- Secured modular constructed homes

How we work

Our key roles

- Developing assets, people and communities
- Investing to support accelerated inclusive growth and new jobs
- Acquiring and remediating brownfield land, repurposing town centres and addressing affordability and key infrastructure issues
- Brokering investment from HMG and the private sector
- Putting the region on the global stage
- Connecting through hard-wired partnership working and collaboration

Maximising impact

Important to note that the WMCA and its Housing and Land Portfolio:

- ***Does not* have statutory planning powers**
- ***Does not* have statutory duties, powers or resources around homelessness or temporary accommodation**
- ***Does not* directly deliver social housing or other types of affordable housing**

However, through its convening and enabling role and its funding programmes the WMCA maximises its impact on a broad range of outcomes

Wider outcomes

- The *minimum* criterion of 20% affordable homes on all Housing & Land schemes invested in by WMCA (affordable housing including social rent, affordable rent, and shared ownership)
- Adopting the Regional Affordable Housing Definition that relates to local incomes and needs, not just market values
- Working closely with local councils on all schemes to ensure local needs, demand and requirements are reflected in proposals progressed via the SCF, and with the Housing Market Area Group of Local Planning Authorities to maintain progress with local plans and the Duty to Co-operate on housing need
- Working with multi-agency and cross-sector partners on the Homelessness Taskforce as part of a whole system approach to this complex issue, adding value at a regional level to the statutory delivery of local authorities – for example securing 25 homes for rough sleepers through the Next Steps Accommodation Programme for 2020/21