



West Midlands Combined Authority

Overview & Scrutiny Committee

Monday 23 November 2020 at 11.00 am

Minutes

Present

Councillor Lisa Trickett (Chair)	Birmingham City Council
Councillor Cathy Bayton (Vice-Chair)	Association of Black Country Authorities
Councillor Ahmad Bostan	Sandwell Metropolitan Borough Council
Councillor Chris Cade	Warwickshire Non-Constituent Local Authorities
Councillor Dean Carroll	Shropshire Non-Constituent Local Authorities
Councillor Peter Fowler	Birmingham City Council
Councillor Robert Grinsell	Joint Coventry/Solihull Representative
Councillor Julian Grubb	Worcestershire Non-Constituent Local Authorities
Councillor Angus Lees	Dudley Metropolitan Borough Council
Councillor Kindy Sandhu	Coventry City Council
Councillor Suky Samra	Walsall Metropolitan Borough Council
Councillor Lucy Seymour-Smith	Birmingham City Council
Councillor Stephen Simkins	Association of Black Country Authorities
Councillor Diane Todd	Staffordshire Non-Constituent Authorities
Councillor Kate Wild	Solihull Metropolitan Borough Council

In Attendance

Allan Andrews	West Midlands Combined Authority
Michael-Akolade Ayodeji	Young Combined Authority
Councillor Mike Bird	Portfolio Lead of Housing & Regeneration
Gareth Bradford	West Midlands Combined Authority
Deborah Cadman	West Midlands Combined Authority
Louise Cowen	West Midlands Combined Authority
Dan Essex	West Midlands Combined Authority
Linda Horne	West Midlands Combined Authority
Rob Lamond	West Midlands Combined Authority
Tim Martin	West Midlands Combined Authority
Lyndsey Roberts	West Midlands Combined Authority

- | Item No. | Title |
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| 85. | Apologies for Absence
Apologies for absence were received from, Councillor Naeem Akhtar (Coventry), Councillor Mike Chalk (Worcestershire non-constituent authorities), Mike Lyons (Greater Birmingham & Solihull LEP) and Sarah Windrum (Coventry & Warwickshire LEP). |
| 86. | Chair's Remarks
The Chair indicated that although the 'Affordable Housing Collaborative Delivery Vehicle: Progress Update' report considered by the Housing & Land Delivery Board on 2 November 2020 had been considered as a private item of business, it was her intention to hold as much of this meeting in public so as to ensure scrutiny was being undertaken in an open and transparent way. She requested members to consider the nature of their questioning and to avoid quoting confidential information in public. |
| 87. | Call In Procedure
(a) Provisions within the Constitution relating to Call In
The Governance Services Manager outlined the requirements for a call in as outlined within the constitution, highlighted the timescales involved and the options available to the committee to take no further action or to refer the report back to the Housing & Land Delivery Board to be re-considered, along with the comments and observations of this committee.

(b) Call In - Affordable Housing Collaborative Delivery Vehicle: Progress Update
The Chair provided an overview of the stated reason for the call-in, which was initiated by Councillor Naeem Akhtar, Councillor Cathy Bayton, Councillor Ahmed Bostan, Councillor Stephen Simkins and Councillor Lisa Trickett, namely:

<i>'The Housing & Land Delivery Board was not made aware of the extent of need and the possibility of specifying a purpose to deliver on social housing requirements. Our concern is that members have not been given the information required to make an informed decision and that this report unduly fetters the opportunity to use such a vehicle to deliver on housing need in the region.'</i> |
| 88. | Affordable Housing Collaborative Delivery Vehicle: Progress Update
The Chair welcomed the Chair of the Housing & Land Delivery Board and the Director of Housing & Regeneration to the meeting and invited them to give an outline of the Affordable Housing Collaborative Delivery Vehicle: Progress Update report considered by the Housing & Land Delivery Board on 2 November 2020. |

The Chair of the Housing & Land Delivery Board reported that his committee had expressed concerns in 2017 that the supply of affordable housing was not matching the housing need of the region. Discussions had been undertaken between WMCA, the West Midlands Housing Association Partnership and the National Housing Federation to take forward the proposals for a bespoke affordable housing delivery vehicle that would help secure affordable housing delivery above and beyond those of the housing associations' committed and approved business plans. At its meeting on 4 November 2019, the board approved a report setting out 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. The report to the board that had been called in by this committee provided an update on the work being undertaken to date, with an expectation that a full business case would be submitted through the WMCA's governance approvals process in January/February 2021.

The Director of Housing & Regeneration indicated that the aims of this project were to bring forward affordable homes that would otherwise not be delivered, allow for the development of brownfield land, and to promote innovative methods of construction. He noted the previous close working between this committee and the Housing & Land Delivery Board, and would welcome this being renewed so as to ensure the views of overview and scrutiny members were able to help shape the development of policies and proposals.

The Chair expressed her concern that there had been little apparent progress in delivering affordable housing for the region since these discussions had commenced in 2017. She considered that the report as presented did not set out the relevant considerations that would enable the Housing & Land Delivery Board to make an informed decision. The Chair also drew attention to the proposed return on investment and questioned the efficacy of this as a means of delivering affordable housing. She enquired whether there was a shared understanding of the purpose for the delivery vehicle so as to ensure that the region and its communities had confidence in the delivery of this policy.

Councillor Cathy Bayton highlighted the lack of governance oversight evidenced within the report for this vehicle and requested reassurance on how this was going to be taken forward, given that the proposals would result in public money supporting a private asset. She also requested a clear understanding on the plan for delivery, referencing how social housing was being addressed within local development plans, which would help enable the demand seen in the region for social housing to be better targeted. She also felt that local authorities had been excluded from the development of the vehicle, suggesting their involvement was key to properly understand differentials in local demand.

Councillor Angus Lees also considered that it would be useful to understand the rate of social housing building that was proposed, and how that compared to the actual demand for social housing.

The Chair of the Housing & Land Delivery Board indicated that the development of these proposals had brought together and strengthened the relationship with housing associations and that the vehicle was not inclusive to just them.

Councillor Lucy Seymour-Smith stressed the importance of getting the detail of the proposed delivery vehicle right at this stage. She expressed her concern at the lack of information on democratic governance and accountability, and was concerned that this was highlighting a disconnect between the WMCA and local authorities. She considered that the proposals needed to demonstrate greater strategic inclusivity to ensure that stakeholders and partners were involved at an early stage and could help address social housing need.

Councillor Ahmad Bostan noted the disproportionate effect on black, minority ethnic and Asian communities within the provision of adequate housing and requested that a full equalities impact assessment was undertaken to ensure that this project addressed these effects. Councillor Kindy Sandhu was disappointed that the return on investment did not focus on helping wealth building in communities and suggested that further detail be provided on how communities had access to the construction work this initiative would support, along with how the investment made was targeting the area of need.

With regard to housing associations, local housing companies and local authorities being able to access brownfield funds to support the development of housing, the Director of Housing & Regeneration confirmed that these bodies did have access to funds. The Chair requested a breakdown on the allocation of funds that had been allocated to private developers, local authorities and housing companies. In response to comments raised on the lack of social housing referenced within the report, the Director of Housing & Regeneration added that the Government defined affordable housing to include social rented housing, shared ownership and 'other'. It was agreed that future reports would refer to affordable housing and social housing.

The Chair of the Housing & Land Delivery Board stressed that his board welcomed scrutiny, and noted that as no formal decision had yet been made on this scheme any comments or suggestions could still be included within the final agreement plans.

The committee highlighted the importance for the business cases justifying this project to be explicit on the purpose, remit and those areas that would be targeted. In relation to potential timescales, the Director of Housing & Regeneration stated that the expectation was that the scheme would roll out during early 2021, subject to appropriate approval process.

The Chair noted that the scheme had sought to bring forward affordable housing, develop brownfield land and to be an exemplar in construction methods but considered that the report had failed to demonstrate how these objectives would be achieved, made no reference to targeting housing need where it occurred, and sought a return on investment at a level that would prevent the delivery of social housing units that were affordable.

Resolved:

That in accordance with the provisions of call-in set out within the constitution, the Affordable Housing Collaborative Delivery Vehicle: Progress Update report be referred back to the Housing & Land Delivery Board for further consideration in order that the members of that board can be assured that the proposals and the full business case provided sufficient evidence that the proposals would deliver on the intended objectives as stated at this committee by the Chair of the Housing & Land Delivery Board and the Director of Housing & Regeneration.

The meeting ended at 12.30 pm.