



Housing & Land Delivery Board

Date	20 th July 2022
Report title	Levelling up: Trailblazer Devolution Deal - Update
Portfolio Lead	Housing & Land – Councillor Mike Bird
Accountable Employees	Gareth Bradford, Executive Director of Housing, Property & Regeneration Rob Lamond, Head of Strategy & Analysis, (Report Author)
Previous reports	<ul style="list-style-type: none">• April 2022: Housing & Land Delivery Steering Group and Housing & Land Delivery Board• June 2022: Consideration by Housing & Land Delivery Steering Group

Recommendation(s) for action or decision:

The Housing & Land Delivery Board is asked to:

- a) **Note** the progress made since the last meeting of Housing & Land Delivery Board on the development of the Housing, Property and Regeneration proposals within the West Midlands Trailblazer Devolution Deal;
- b) **Discuss and endorse** the current version of these proposals as set out in this paper;
- c) **Note** the ongoing extensive internal and external engagement programme supporting development of and testing these proposals, and **welcome** the ongoing engagement and input from Delivery Steering Group members in this process; and
- d) **Note** the direction of travel set out for the further development and refinement of the TDD proposals.

1.0 Purpose

- 1.1 At the meeting of the Housing & Land Delivery Board in April 2022, an initial paper on the implications of the Levelling Up White Paper and the resulting potential devolution proposals between WMCA and the Department for Levelling Up, Housing and Communities, was discussed and clear steers provided by the Board on each of the suggested proposals brought to them. Since this meeting, work to develop, refine and consult upon these proposals in line with the Board's clear steers has continued.

- 1.2 The purpose of this paper is to provide the Housing & Land Delivery Board with a further update on the work taking place around the formation of the Housing, Property and Regeneration proposals within the West Midlands Trailblazing Devolution Deal.
- 1.3 The asks set out in the paper are designed to respond to the work of the Housing & Land Delivery Board since 2017, its delivery track record and the problems it has encountered with current funding rules from Government. The proposals are seeking to provide the tools, regional context and resources needed to achieve the Board's overall goal of unlocking the land, property and investment potential in the West Midlands to secure more homes, jobs, land release and developments.

2.0 Background

- 2.1 The Levelling Up White Paper (LUWP) was published on 2 February 2022, defining levelling up as '*increasing opportunity across the UK and reducing disparities between and within regions*'.
- 2.2 The LUWP sets out 12 levelling up '*missions*' and makes the case for long-term '*system change*' involving more effective spatial considerations in policy-making and further devolution to empower local decision-making. These missions of levelling up, to be achieved by 2030, are set out in Appendix 1.
- 2.3 The LUWP announced three key policy initiatives relating to the Housing and Land Portfolio of the West Midlands:
- a further allocation of £28m from the Brownfield Housing Fund to WMCA on the back of the West Midlands strong track record to date
 - identification of Wolverhampton as one of the first two places identified for transformational regeneration support
 - an invitation to WMCA to negotiate a Trailblazer Devolution Deal.
- 2.4 The announcement on deepened devolution across the UK, particularly for the West Midlands and Greater Manchester, provides an opportunity for WMCA to seek ambitious changes to its devolved powers and resources, strengthening the region, creating opportunities for future success and driving forward local and regional priorities to bolster economic recovery and build a fairer, greener, healthier West Midlands.
- 2.5 Following the publication of the LUWP, WMCA has engaged with key partners and stakeholders across the region to understand the opportunities, barriers and possibilities that a further devolution deal could unlock for the region, WMCA and its partner organisations; and developed initial draft proposals to be included in the Trailblazer Devolution Deal.

3.0 Progress Update

- 3.1 The emerging Trailblazer Devolution Deal was considered and discussed by the Housing & Land Delivery Board at its meeting in April 2022 with clear steers provided. Private sector insight and steer has been provided by the industry-led expert Public Land Taskforce, the Town Centre Taskforce and a '*Devolution and Levelling Up*' special meeting of the Commercial Property Taskforce.
- 3.3 In line with the Board's endorsement of the initial proposals, a sub-group of housing and regeneration officers across the region was established to develop and refine the proposals relating to housing, property and regeneration, and two sessions have been

held with local authority and other public sector representatives from across the region. The wider devolution deal proposals have also been considered in a number of forums with local authority partners including a Senior Local Authority Officers Group on 4 May 2022 and the West Midlands Metropolitan Local Authority Chief Executive Officers Group on 11 May 2022.

- 3.4 Following the meeting of the Housing & Land Delivery Board in April 2022, several iterations of the proposals pertaining to Housing, Property, Regeneration and Investment matters have been produced to reflect the comments and input received. A specific focus has been on the range and variation of opportunities and challenges across the region, and the identification of compelling case studies for inclusion. We would like to thank members of Delivery Steering Group, the taskforces and wider regional representatives for their thoughts, insights and contributions, and encourage continued dialogue with partners as we continue to develop these proposals.

4.0 Latest Proposals

- 4.1 The table below sets out the **headline proposals and their fundamental aims** at present as a guide for further discussion at Housing & Land Delivery Board:

Table 1: Housing and Regeneration Core Proposals for Discussion with Government

Flexible and innovative funding regime: A pioneering Single Regeneration Funding Package (or “Fund”) building on the success of existing Devolved Housing and Land Funds by overcoming the limitations of existing funds which are ring-fenced with constrained output targets and move to a funding programme which enables and supports long-term private investment to unlock whole system interventions (e.g. estate renewal) and the necessary flexibility to tackle different issues facing different parts of our region of 4.2 million people.

Affordable Housing: Securing a bold funding package to support and accelerate affordable housing delivery that meets local housing needs across the region with the powers equivalent to those available to the Greater London Assembly [to complement the existing work of Homes England and housing associations across our region].

Investment Zones: Government support and endorsement for local designation of dedicated Investment Zones which go beyond the current Enterprise Zone and Freeports model and build on the work of the 2022 Investment Prospectus – to maximise coordinated public and private sector investment, to support local accountability, to achieve transformational ‘levelling up’ by making available a suite of regeneration, fiscal and financial mechanisms and flexibilities such as business rate retention, development orders, new delivery vehicles, etc.

Land Reform Programme: Government support, backing and endorsement for WMCA delivering the Housing & Land Delivery Board’s Public Land Charter and recommendations of the West Midlands Land Commission and Public Land Taskforce; adopting a bold approach to tackling fragmented land ownership, with the region by default having first access to any HMG land disposal in our region and undertaking corridor based disposal of public land; a regional testbed for new powers over CPO, a new approach to best value and more effective regime for disposal of public land sites.

Table 2: Additional Wider Proposals

We are currently co-developing a set of additional proposals with our five taskforces, officials across HMG and Housing & Land Delivery Steering Group. These are at an earlier stage of development but are highlighted here for visibility and to scope interest.

Centres for Excellence

- (1) a regional observatory for Housing, Land, Property and Regeneration Data, Analysis and Intelligence;
- (2) a regional Academy of Placemaking; and
- (3) a National AMC and Future Homes Standard Institute.

(4) Exploring the potential to go further and faster than national regulatory requirements on modular construction and net zero homes

4.2 The above proposals are set out in more detail in the Housing, Property & Regeneration team's Position Statement and continue to be developed and refined. We welcome the support of the Housing & Land Delivery Board in developing these proposals.

5.0 Next Steps

5.1 Following discussion and soundings at this meeting, the proposals will be developed further in dialogue with HM Government, officer working groups and our industry-led taskforces during the summer of 2022.

5.2 The WMCA Housing, Property and Regeneration Team, supported by the dedicated Delivery Steering Group sub-group and wider engagement programme, will continue to develop the devolution deal proposals further and ensure feedback informs WMCA's overall Trailblazer Devolution Deal Process. In line with the request by the Housing & Land Delivery Board, a dedicated sub-group of the Board Members is being established.

5.3 As set out in section 4.2, the team also welcomes any support in refining the framing of the proposals.

6.0 Financial Implications

6.1 There are no direct financial implications as a result of the recommendations within this paper. There will be, in future, financial implications associated with securing and deploying future funding as a result of the Devolution paper, which will be funded from existing Housing, Property & Regeneration budgets.

6.2 Any WMCA investment into the devolution agenda would be governed and administered through the WMCA Single Assurance Framework and in line with the accounting and taxation policies of the WMCA and HMRC.

7.0 Legal Implications

7.1 Section 113A(1)(a) of the Local Democracy, Economic Development and Construction Act 2009 gives the CA a power of competence appropriate for the purposes of carrying-

out any of its functions. Part 4 of The West Midlands Combined Authority Order 2016 (2016 No 653) confers that the functions relating to any Economic development and regeneration in the constituent councils are exercisable by the CA. Part 3 of The West Midlands Combined Authority (Functions and Amendment) Order 2017 confers the functions corresponding to the functions of the Housing Community Agency (now Homes England) has in relation to the combined area.

7.2 It is noted that the purpose of this paper is to provide updates on the implications of the Levelling Up White Paper published by HM Government in February 2022, and to inform discussion at the meeting regarding the potential proposals for negotiation between WMCA and the Department for Levelling Up, Housing and Communities. Legal advice may be required going forward in relation to any new powers being sought by WMCA and to support the negotiations with the Government in regard to the Devolution Deal. This will/should be sought as and when required.

8.0 Equalities Implications

8.1 Equalities matters lie at the heart of the Government's levelling up agenda and Delivery Steering Group is asked to consider how best these might be addressed in the Trailblazer Devolution Deal as it is refined over coming months.

9.0 Inclusive Growth Implications

9.1 The Government's Levelling Up White Paper defines 'levelling up' in terms of increasing opportunity across the UK and reducing disparities between and within regions. Both matters present significant opportunities for inclusive growth and the Delivery Steering Group is asked to consider how best these might be addressed in the Trailblazer Devolution Deal as it is refined over coming months.

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.

Appendix 1: Levelling Up White Paper – Missions

- By 2030, pay, employment and productivity will have risen in every area of the UK, with each containing a globally competitive city, with the gap between the top performing and other areas closing.
- By 2030, domestic public investment in Research & Development outside the Greater South East will increase by at least 40% and at least one third over the Spending Review period, with that additional government funding seeking to leverage at least twice as much private sector investment over the long term to stimulate innovation and productivity growth.
- By 2030, local public transport connectivity across the country will be significantly closer to the standards of London, with improved services, simpler fares and integrated ticketing.
- By 2030, the UK will have nationwide gigabit-capable broadband and 4G coverage, with 5G coverage for the majority of the population.
- By 2030, the number of primary school children achieving the expected standard in reading, writing and maths will have significantly increased. In England, this will mean 90% of children will achieve the expected standard, and the percentage of children meeting the expected standard in the worst performing areas will have increased by over a third.
- By 2030, the number of people successfully completing high-quality skills training will have significantly increased in every area of the UK. In England, this will lead to 200,000 more people successfully completing high-quality skills training annually, driven by 80,000 more people completing courses in the lowest skilled areas.
- By 2030, the gap in Healthy Life Expectancy (HLE) between local areas where it is highest and lowest will have narrowed, and by 2035 HLE will rise by 5 years.
- By 2030, well-being will have improved in every area of the UK, with the gap between top performing and other areas closing.
- By 2030, pride in place, such as people's satisfaction with their town centre and engagement in local culture and community, will have risen in every area of the UK, with the gap between the top performing and other areas closing.
- By 2030, renters will have a secure path to ownership with the number of first-time buyers increasing in all areas; and the government's ambition is for the number of non-decent rented homes to have fallen by 50%, with the biggest improvements in the lowest performing areas.
- By 2030, homicide, serious violence, and neighbourhood crime will have fallen, focused on the worst-affected areas.
- By 2030, every part of England that wants one will have a devolution deal with powers at or approaching the highest level of devolution and a simplified, long-term funding settlement.

Sourced from <https://www.gov.uk/government/publications/levelling-up-the-united-kingdom>