

## Housing & Land Delivery Board

<b>Date</b>	23 January 2023
<b>Report title</b>	Quarterly Report on 2022/23 Housing and Land Portfolio Deliverables, Progress on Housing and Land Annual Business Plan and Proposed High-Level Deliverables for 2023/24
<b>Portfolio Lead</b>	Housing and Land - Councillor Mike Bird
<b>Accountable Employees</b>	Gareth Bradford, Executive Director of Housing, Property & Regeneration (Accountable Director) Rob Lamond, Head of Strategy & Analysis (Report Author)
<b>Previous reports</b>	Quarterly monitoring and performance reports have been considered since 2018 by both the Housing & Land Delivery Board and Delivery Steering Group

### Recommendation(s) for action or decision:

The Housing & Land Delivery Board is recommended to:

- a) **Note the positive progress** to in achieving the Housing and Land Portfolio's approved Annual Deliverables in Q3 2022/ 2023;
- b) **Note** the key performance highlights set out in Section 3.0;
- c) **Note the positive performance and effective deployment of WMCA's Devolved Housing & Land funds** illustrated by the schemes summarised in the confidential annex to this report. Many of these schemes are now in delivery phase, having progressed through to the end of the process which shows the role of WMCA in unlocking, accelerating and problem solving on '*difficult to deliver*' schemes; and
- d) **Consider and endorse** the draft High Level Deliverables for the Housing and Land Portfolio for 2023/24 (attached as Appendix 1 to this report) prior to consideration by WMCA Board on 10 February 2023.

## 1.0 Purpose

- 1.1 The purpose of this paper is to:
- **provide the regular quarterly update** on deliverable progress, and,
  - **seek endorsement for** the proposed High Level Deliverables for 2023/ 2024.
- 1.2 The paper updates the Board on progress on achieving the 2022/2023 High Level Deliverables for the Housing and Land Portfolio as co-developed with the Housing & Land Delivery Steering Group and Delivery Board throughout 2022 and agreed by WMCA Board in February 2022. As with previous years, the portfolio's annual deliverables were co-developed with local authorities, industry taskforces and other partners in the region. They are fully informed by, and aligned with, the Housing & Land Covid-19 Recovery Strategy (approved by the Housing & Land Delivery Board in September 2020), the WMCA Business Plan and the WMCA Aims and Objectives. **During the third quarter of 2022/2023, strong progress has been made against deliverables. The report provides an executive summary of the progress made.**
- 1.3 The paper in addition sets out the **proposed High Level deliverables for the Housing and Land Portfolio in 2023/2024** and seeks endorsement for these prior to their consideration by the WMCA Board on 10 February 2023. These deliverables directly support the implementation of WMCA's Strategic Aims and Objectives approved by the WMCA Board in November 2021.

## 2.0 Background

- 2.1 As part of the formal process to determine WMCA's budget, levy and precept levels, the WMCA Board approves each portfolio's annual deliverables. The Deliverables for the Housing and Land Portfolio for the financial year 2022/2023 were agreed by WMCA Board on 11th February 2022.
- 2.2 The annual deliverables of all portfolios directly contribute to the WMCA Aims & Objectives (the Corporate Strategy). The Housing and Land Portfolio deliverables work to achieve the following Aims of the Corporate Strategy:
- **Aim 3:** To connect our communities by delivering transport, and unlocking housing and regeneration
  - **Aim 4:** To reduce carbon emissions to net zero, enhance the environment and boost climate resilience.
- 2.3 The Housing and Land Portfolio deliverables work to achieve the following objectives under these Aims:
- **Objective 3.3:** We will invest in and support housing and regeneration schemes across the region, working closely with the private sector and local authorities to unlock and accelerate sustainable delivery
  - **Objective 4.2:** We will be national pioneers in advanced methods of construction, zero carbon housing and brownfield regeneration and delivery, informed by research at the National Brownfield Institute
- 2.4 The table in section 4.0 sets out each of the 2022/2023 approved Housing and Land High Level Deliverables alongside a summary of progress to date and, where appropriate, information on next steps.

- 2.5 In response to feedback from the Delivery Steering Group and the Housing & Land Delivery Board, and to provide both forums with an update on the delivery of the first High Level Deliverable in the table ("*Deliver our nationally leading brownfield regeneration and housing delivery programmes*"), the appended document (included in the private section of the agenda) provides a synopsis of the schemes which have been approved for investment to date or which are in the system and on the path to approval. Due to commercial confidentiality, we are unable to provide exact details of schemes which are yet to be approved.

### **3.0 Key Highlights during Q3 2022/23**

- 3.1 During the third quarter of 2022/2023, good progress has been made on all of the High Level Deliverables (HLDs). The summary table in section 4.0 gives an update against each HLD; this section highlights particularly notable advancements that have been made.

#### *West Midlands Place Pilots*

- 3.2 In Q3 2022, the Cabinet Office approached the Housing, Property Regeneration team to deliver an 18 month pilot programme in collaboration with the Office of Government Property and the Local Government Association. The purpose of the programme is to address how central and local public sector bodies manage and utilise their estate; support public sector partners to explore opportunities to optimise investment; and explore the opportunities around co-location, property disposals and relocations and land assembly across the West Midlands.
- 3.3 The programme includes a series of workshops, the first of which took place on 28<sup>th</sup> November 2022. This was the first of its kind in the country and presented the opportunity to shape the whole debate with Government around the future of public estate, public land policy and development.
- 3.4 The workshop brought together property directors and experts from across Government bodies, Local Authorities and the wider public sector, with representatives from every WMCA constituent Local Authority and the majority of non-constituent authorities in attendance. The high level of interaction revealed a clear willingness from all involved to collaborate in order to tackle commonly experienced issues.
- 3.5 The Housing, Property & Regeneration team is now working on a network to develop the relationships and networks that were formed during the event; collating and analysing the data gathered across the day to inform the next steps; and working to ensure that the programme continues to strengthen and expand potential opportunities across the West Midlands for all involved.
- 3.6 The first workshop concluded that a further session should be organised around public land and buildings in town centres. This will take place on 31 January 2023 and will focus on how public land and buildings can be used to support town centre regeneration and public services.

#### *Private & Public Sector Engagement and Pipeline Building*

- 3.7 Positive progress has been made working with investors, developers and other potential partners to develop new Strategic Partnerships that will deliver greater investment and delivery across the region. WMCA is working to create collaborative, non-binding

agreements with credible developers, investors and other partners that commit to contributing to a more prosperous and better-connected West Midlands which is fairer, greener and healthier.

- 3.8 WMCA has also been working closely with Local Authorities and strategic partners to build a pipeline of regeneration projects that identifies areas for delivery and demonstrate the region's priorities and capacity to deliver. Regular engagement has identified a range of opportunities and priorities which forms part of the wider work of WMCA to unlock greater devolved funding for the region.

#### *Trailblazer Devolution Deal*

- 3.9 In February 2022, WMCA was invited to negotiate a 'Trailblazer Devolution Deal' with HM Government allowing WMCA to seek ambitious changes to its devolved powers and resources; strengthening the region; creating opportunities for future success; driving forward local and regional priorities to bolster economic recovery; and build a fairer, greener, healthier West Midlands. An intensive work programme including wide-ranging public and private sector engagement has been in operation to genuinely co-develop these devolution proposals including extensive work to shape Housing, Property & Regeneration asks of Government to unlock the land, property and investment potential in the West Midlands to secure more homes, jobs, land release and development. The current proposals have received widespread support and endorsement from public and private sector landowners and partners throughout the intensive engagement process.
- 3.10 During September and October 2022, WMCA and local authority partners worked at short notice and with great collaboration to deliver submissions for the West Midlands Investment Zone proposals by the deadline of 14th October 2022. Whilst the new Government has signalled its intention to review investment zones, the concept of Levelling Up Zones remains a core element of the region's asks for further devolution to the West Midlands. The efficient, productive and timely collaboration between local authorities, WMCA and wider partners has put the region in a strong position for further stages or ongoing development of the agenda. Work is continuing on the construction of a comprehensive database on these zones.
- 3.11 Dialogue is also ongoing with the Black Country Consortium regarding their development pipeline database and all of the region's universities or their representatives have been approached in line with Government's ambition to engage them directly in the growth agenda. This ongoing, collaborative process will provide the region with an excellent basis for further dialogue and proposals to Government in due course.

#### **4.0 Progress and current activity: Summary table**

- 4.1 Table 1 summarises the key activities on housing and land deliverables up to and including Q3 of the 2022/3 financial year.

*Table 1: Q3 progress update on Housing and Land Portfolio High Level Deliverables 2022/23*

High Level Deliverable	Q3 Update
<b>Housing Deals: Delivery of key requirements and output targets of Housing Deal &amp; subsequent deals with HMG</b>	<p>Regular performance updates on the delivery of the Land Fund (£100m), Brownfield Housing Fund (£130m in total, comprising £84m awarded in November 2020 and £45m awarded February 2022) and National Competitive Fund (£24m) are programmed on a quarterly basis with DLUHC alongside meetings with key civil servants in line with the successful approach taken during the Land Fund monitoring.</p> <p>As per the entry below, we also continue to support local authorities with local plan progress and evidence, as part of the Local Plan monitoring requirement of the 2018 Housing Deal.</p> <p>The region continues to progress the wider requirements of the Housing Deal including the establishment of the National Brownfield Institute in Wolverhampton, the partnership working with housing associations through West Midlands Housing Association Partnership (see below) and leveraging £millions of private sector leverage through the investments made through the Single Commissioning Framework.</p>
<b>Local Planning: Supporting Local Planning Authorities with evidence for Local Plans and policy requirements</b>	<p>As part of the 2018 Housing Deal, the Housing, Property &amp; Regeneration Team is required to report on a monthly basis to the Department of Levelling Up, Housing &amp; Communities (DLUHC) on the progress of Local Plans in the West Midlands region and progress towards meeting the target of 215,000 dwellings by 2030.</p> <p>Throughout Q3, we have continued to work co-operatively with our constituent and non-constituent Local Authorities to support Local Plans progress and evidence.</p>
<b>Policy Development: Develop and collaborate on Board approved policy development work and masterplanning</b>	<p>WMCA maintains frequent engagement with DLUHC and Whitehall more broadly on emerging policy issues and priorities including employment land, Advanced Manufacturing in Construction and affordable homes.</p> <p>As set out below, WMCA's industry led taskforces (town centres, commercial property, Future Homes, public land) act as critical friends and sounding boards for policy development. For example, the Town Centre Taskforce recently undertook a series of workshops with individual local authorities to look at the opportunities and challenges in individual town centres.</p> <p>Working groups set up through the Delivery Steering Group on specific policy areas (e.g. Employment Land, Future Homes, Public Land, Trailblazer Devolution Deal) have been established with local authority representation.</p>

	<p>The Housing, Property &amp; Regeneration team is working closely with colleagues in TfWM to address shared priorities and establish joint approaches to investment in the region.</p> <p>Work continues internally to develop and refine a number of strategies and to provide support on masterplans for key development areas.</p>
<b>Brownfield Regeneration: Deliver our nationally leading brownfield regeneration and delivery programme</b>	<p>This is an ongoing, extensive programme of investments, interventions and disposals. An increasing number of projects are now on site or in the delivery phase and many schemes are continuing through due diligence processes ahead of Investment Board decisions in Q3 2022/2023 (summarised in confidential Dashboard). We have also continued to build our pipeline of schemes with new, exciting projects entering the system every week.</p> <p>Delivery of the 2018 Housing Deal Land Fund programme remains ahead of trajectory to exceed the delivery target of 8,000 new homes, and the programme for the new Brownfield Housing Fund (BHF) and National Competitive Fund (NCF) forecasts both performing ahead of schedule too.</p>
<b>Covid Recovery: Implement the approved Housing &amp; Land Board Covid19 Recovery Strategy</b>	<p>The Housing &amp; Land Delivery Board's approved Covid-19 Recovery Plan (September 2020) continues to inform all the deliverables in this report and the work of the WMCA Housing, Property &amp; Regeneration Team including the work on business cases for HM Government, the approaches to Public Land and Employment Land, and the development and implementation of a town centre strategy.</p> <p>The project pipeline developed as part of the Covid-19 Recovery Strategy is constantly updated and reviewed with local partners at our regular 6-weekly engagement meetings and informs funding schedules and project identification for the SCF. Business cases to HM Government and inclusions are reviewed on a regular basis with local partners through an extensive suite of bilateral conversations.</p>
<b>Housing Sector Insights: Run a series of industry led taskforces to provide critical insight and support</b>	<p>The Housing, Property &amp; Regeneration Team runs a number of industry-led expert advisory taskforces to shape, challenge, lobby for and influence WMCA policy.</p> <p>In Q3, the Commercial Property, Public Land, Town Centre and Future Homes Taskforces continued to operate and act as a vital resource and advisor to WMCA, with quarterly meetings taking place throughout October, November and December. The Taskforces remain key sounding boards in the development of the Trailblazer Devolution Deal proposals and in securing support for the West Midlands approach to Housing and Land matters.</p>

<b>Partnership Ventures:</b> <b>Establish a series of new partnerships, ventures and joint ventures with public and private sector partners</b>	<p>WMCA continues to work with developers, investors and other potential partners to establish Strategic Partnerships. Good progress is being made and new partnerships are planned to be launched in 2023, unlocking further private sector investment, regeneration schemes and wider policy commitments across the West Midlands. This includes scoping a Strategic Place Partnership with Homes England that aims to align resources and funding to unlock greater housing delivery for the region.</p> <p>Work remains ongoing with housing association partners to establish a new partnership approach for affordable housing delivery.</p> <p>WMCA is continuing discussions with public and private sector partners to create new joint ventures and delivery vehicles building on current joint ventures including Help to Own and the Friar Park Joint Venture.</p>
<b>Funding Opportunities:</b> <b>Deliver and submit compelling business cases for additional funding from HMG</b>	<p>Following the publication of the Levelling Up White Paper in February 2022, extensive discussions have been taking place with HM Government around the Trailblazer Devolution Deal and opportunities for the region to seek further support and funding to secure regional priorities.</p> <p>WMCA has also been in frequent dialogue with DLUHC officials to co-develop proposals for further funding for the region following the Budget and Spending Review announcements made by HM Government in Autumn 2021 regarding the £1.8bn funding to be made available for brownfield regeneration across England.</p>
<b>OPE Programme:</b> <b>Oversee delivery of the regional One Public Estate Programme (OPE)</b>	<p>We have continued to submit tri-annual OPE Performance reports on the relevant dates as well securing successful approval from the Cabinet Office and Local Government Association for the T3 2021/22 and T1 2022/23 OPE Performance reports.</p> <p>Following the success of the above which provide the Cabinet Office and Local Government Association with a high level of visibility and, therefore, confidence in the delivery of our OPE Programme, this has put us in a strong position to successfully bid and secure OPE 8 funding worth £320K; OPE 9 funding worth £325K; OPE Self &amp; Custom Build funding worth £1.845m; and £5.6m worth of BLRF 2 funding in the pipeline.</p>
<b>AMC Investment:</b> <b>Deliver AMC investment attraction campaign and investment business case to HMG to accelerate</b>	<p>Negotiations and engagement with developers and investors looking to establish new AMC facilities in the region are continuing.</p> <p>The AMC Taskforce has now been re-launched as the Future Homes Taskforce with a wider remit. An exercise has been undertaken by specialist consultants to identify the most achievable and beneficial aspects of the AMC Routemap, AMC Charter and Zero-Carbon Homes Routemap.</p>



<b>growth in regional AMC industry</b>	
<b>Zero Carbon Homes: Support delivery of milestones in charter and routemap for Zero Carbon Homes in line with #WM2041 and support partner-led Net Zero neighbourhood plans</b>	As per the above, the Future Homes Taskforce has commissioned work to identify the most achievable and beneficial aspects of the Zero Carbon Homes Routemap and is considering how best to implement these changes through its programme of work.

## **5.0 High Level Deliverables for 2023/24**

- 5.1 The draft High Level Deliverables for the next financial year (2023/2024) are set out in Appendix 1. These are attached for comment and endorsement by the Housing & Land Delivery Board prior to their consideration by the WMCA Board on 10 February 2023. The draft deliverables reflect and develop current workstreams and provide flexibility for new programmes, specific to the Housing and Land agenda, to be developed through the year in line with priorities identified by the Housing & Land Delivery Board.
- 5.2 As for the current financial year (2022/23), the Housing & Land Delivery Board will continue to receive quarterly performance updates on progress against each of the agreed High Level Deliverables alongside detailed papers on specific items throughout the forthcoming year (2023/24).

## **6.0 Financial Implications**

- 6.1 There are no un-budgeted financial implications as a result of the recommendations within this report. The majority of the work to achieve the Deliverables will be undertaken through in-house resource and any external support requirement will be funded from the existing Housing, Property & Regeneration budget.
- 6.2 Any WMCA investment to meet the Housing and Land Portfolio Deliverables will 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 10.1 and schedule 3 of The West Midlands Combined Authority Order 2016 No. 653 (the Order) confers economic development and regeneration functions to the WMCA in the Combined Authority area. Schedule 3 sets out a duty under section 69 of the 2009 Act for the Combined Authority to prepare an assessment of economic conditions.



- 7.2 By virtue of section 113A of The Local Democracy, Economic Development and Construction Act 2009 as amended by section 13 The Localism Act 2011 the WMCA may do anything it considers appropriate for the purposes of the carrying-out of any of its functions.
- 7.3 Section 22 (i) of the West Midlands Combined Authority (Functions and Amendment) Order 2017 expressly states that the power to pay grant is a function exercisable only by the Mayor with Section 22 (2) requiring the Mayor to seek the assistance of members and officers in the exercise of this function.
- 7.4 There are no direct legal implications identified as a result of this report. However, the proposals set out in this report will have legal implications and risks in the future which will be considered at the appropriate time through future reports as necessary.

## **8.0 Equalities Implications**

- 8.1 There are no immediate equalities implications in relation to this report. However, individual strategies and delivery schemes will need to take into account local area needs and local stakeholder needs to ensure the schemes benefit local residents, including harder to reach groups. To that effect, equality impact assessments will need to be conducted to understand demographics, key inequality issues and how investment can help address key inequality gaps. Engagement and consultation with key equality stakeholders is also crucial.

## **9.0 Inclusive Growth Implications**

- 9.1 The High-level Deliverables have been developed in close consideration of Inclusive Growth principles and are themselves neutral when it comes to inclusive growth. However, implications will arise as investments are made and strategies are devised, in terms of who benefits from those investments and in who is involved in shaping and contributing to them. As such, any programmes should be devised with the responsibility to deliver inclusive growth.

## **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: Draft Housing and Land Portfolio High Level Deliverables 2022/23

AIM	OBJECTIVE	DRAFT HIGH LEVEL DELIVERABLE
<b>To connect our communities by delivering transport, and unlocking housing and regeneration</b>		
3.3	We will invest in and support housing and regeneration schemes, working closely with the private sector and local authorities to unlock and accelerate sustainable delivery	Delivery of prescribed requirements, measures and output targets of the 2018 Housing Deal & subsequent funding deals and agreements with HMG
		Supporting Local Planning Authorities with evidence requirements for Local Plans and other policy requirements
		Develop and support Board approved policy development work e.g. Masterplanning and West Midlands Design Charter
		Lead, manage and deliver the WMCA's' nationally leading brownfield regeneration, housing and land programmes
		Work closely with all local authorities across the WMCA and developers/ investors/ HMG agencies to develop a strong regeneration and development project and investment pipeline
		Organise and lead a series of industry led taskforces to provide critical insight, challenge, advocacy and support to the work of the Housing and Land Board
		Lead WMCA Strategic Acquisitions, Disposals and Asset Management programmes
		Establish new and strengthen existing partnerships, ventures and joint approaches with public and private sector partners across the whole of the region to deliver local priorities
		Support and enable Affordable Housing Delivery across the West Midlands including new partnerships and pilot approaches
		Deliver and submit compelling business cases for additional funding and support to the West Midlands from HMG
3.4	We will support and deliver coordinated investment packages with our partners across key corridors and	Oversee and manage the development and delivery of the regional One Public Estate and Place Pilots Programmes
		Produce the annual West Midlands Investment Prospectus and deliver associated partner engagement
		Support local authorities and other partners on policy, projects, funding bids and investment plans in town centres
		Lobby/engage with HMG on behalf of the region on a diverse range of housing, land and regeneration matters

	local, town, and city centres	
		Lead the development and coordinate the delivery of a Single Property and Estates Strategy including a single asset register for the WMCA Estate
		Deliver a comprehensive programme supporting the effective implementation of the public land charter through collaborative working with the Cabinet Office, LGA, industry taskforces & local partners
		Leading the development and negotiation of the approved Housing and Land Board asks of the Trailblazer Devolution Deal
To reduce carbon emissions to net zero, enhance the environment and boost climate resilience		
4.2	We will be national pioneers in advanced manufacturing in construction, zero carbon housing and brownfield regeneration and delivery, informed by research at the National Brownfield Institute	Develop, lead and support the preparation of a landmark West Midlands Future Homes Strategy
		Deploy devolved Housing and Land Funds in accordance with the principles and targets of the approved AMC and Zero Carbon Homes Charters