



West Midlands
Combined Authority

Housing & Land Delivery Board

Date	22 March 2023
Report title	Quarterly Report on 2022/23 Housing and Land Portfolio Deliverables, and Progress on Housing and Land Annual Business Plan
Portfolio Lead	Housing and Land - Councillor Mike Bird
Accountable Employees	Gareth Bradford, Executive Director of Housing, Property & Regeneration (Accountable Director) Rob Lamond, Head of Strategy & Analysis, Housing Property & Regeneration (Senior Reporting Officer) Hannah Worth, Programme Support Officer, Housing, Property & Regeneration (Report Author)
Previous reports	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** in achieving the Housing and Land Portfolio's approved Annual Deliverables in Q4 2022/23 to date;
- b) **Note** the key performance highlights set out in Section 3.0; and
- 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.

1.0 Purpose

- 1.1 The purpose of this paper is to **provide the regular quarterly update** on progress in delivering the 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.
- 1.2 During the fourth quarter of 2022/2023, strong progress has been made against each of these deliverables. The report provides an executive summary of the progress made.

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 10 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 below 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 confidential document 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 Q4 2022/23 to date

- 3.1 During the fourth quarter of 2022/2023, good progress has been made on all of the High Level Deliverables (HLDs) for the year. 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 The Housing, Property Regeneration Team is delivering an eighteen-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 (see separate report on this matter).
- 3.3 Following feedback from the inaugural workshop, a second workshop took place on 31 January 2023, focussing on public services in town centres.

Private & Public Sector Engagement and Pipeline Building

- 3.4 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.
- 3.5 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

- 3.6 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.
- 3.7 The four areas endorsed and proposed by the Housing & Land Delivery Board for inclusion in the Trailblazer Devolution Deal proposals to HM Government are:

- **A Single West Midlands Regeneration Fund** to unlock and accelerate stalled and challenging residential and commercial brownfield sites, and to support town and city centre regeneration. This would help unlock sites in the regional land and development pipeline, as well as leveraging new private investment and delivering new housing supply and commercial floorspace. Potential schemes for this new fund are generally mixed use and commercial schemes which need public funding to be unlocked and accelerated, as well as estate renewal schemes. The fund will tackle the more '*difficult to deliver*' brownfield development sites such as those requiring higher intervention rates or significant upfront remediation i.e. schemes which the current ring-fenced housing output funds and fund criteria prevent us from supporting, accelerating and unlocking.
- **A Land Reform Programme** establishing the West Midlands as a national centre of excellence for public land policy and delivery including the selection of the West Midlands Combined Authority area as one of the five geographical pilot areas for testing the Place Pilots concept. This includes establishing a partnership with HM Government which provides the region with access and significant control and influence over Government department and agency land and decisions on disposals/development of that land in the West Midlands, and the WMCA trialling, with HM Government support and backing, new approaches to best value and public land disposal in line with the Place Pilot and the principles set out in the Regional Public Land Charter.
- **An Affordable Housing Settlement** (with further funding flexibilities) targeted at brownfield sites struggling to achieve local housing need assessment requirements at planning stage. The focus in deploying the funding will be increasing affordable provision on individual sites to meet local needs. There will also be a specific focus on bringing new products to the market across the region (building on the success of Help To Own pilot). This is additional to the funding national Affordable Homes Programme managed by Homes England, which is predominantly focused on RSLs: we are seeking prioritisation of national Affordable Homes Programme funding for the West Midlands. Revenue support is also requested to ensure there is the local delivery and administrative capacity for success of the new funding.
- **Levelling Up Zones:** these proposals provide a transformational opportunity for real system change, public-private co-investment, social infrastructure provision, addressing inequalities and exemplifying the path to net zero. A key principle from the outset has been that there cannot be a '*one size fits all*' approach as every zone is different, alongside the principle of local designation: that Levelling Up Zones are based on a deep understanding of the local economic and community needs and opportunities. Through the Levelling Up Zone development work, the region has come together to develop this pioneering and compelling approach to comprehensive levelling up and work through the detail on measures, sites and investment asks.

3.8 Due to the ongoing and continuously evolving nature of the discussions on the Trailblazer Devolution Deal at the time of writing of this report, further information on the most current position for the Deal and the above proposals will be presented at the meeting of Housing & Land Delivery Board, to ensure accuracy and currency of the information presented to Board members.

4.0 Progress and current activity: Summary table

4.1 Table 1 summarises the key activities on housing and land deliverables in 2022/23

Table 1: Progress update on Housing and Land Portfolio High Level Deliverables 2022/23

High Level Deliverable	Q4 Update
<p>Housing Deals: Delivery of key requirements and output targets of Housing Deal & subsequent deals with HMG</p>	<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 the Department of Levelling Up, Housing & Communities (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>
<p>Local Planning: Supporting Local Planning Authorities with evidence for Local Plans and policy requirements</p>	<p>As part of the 2018 Housing Deal, the Housing, Property & Regeneration Team is required to report on a monthly basis to 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 the first months of 2023, we have continued to work co-operatively with our constituent and non-constituent Local Authorities to support Local Plans progress and evidence.</p>
<p>Policy Development: Develop and collaborate on Board approved policy development work and masterplanning</p>	<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 & 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>
<p>Brownfield Regeneration: Deliver our nationally leading brownfield regeneration and delivery programme</p>	<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 Q4 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>
<p>Covid Recovery: Implement the approved Housing & Land Board Covid19 Recovery Strategy</p>	<p>The Housing & 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 & 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>
<p>Housing Sector Insights: Run a series of industry led taskforces to provide critical insight and support</p>	<p>The Housing, Property & Regeneration Team runs a number of industry-led expert advisory taskforces to shape, challenge, lobby for and influence WMCA policy.</p> <p>The Commercial Property, Public Land, Town Centre and Future Homes Taskforces continue to operate and act as a vital resource and advisor to WMCA. The Taskforces remain key sounding boards in the development of the Trailblazer Devolution Deal</p>

	<p>proposals and in securing support for the West Midlands approach to Housing and Land matters.</p>
<p>Partnership Ventures: Establish a series of new partnerships, ventures and joint ventures with public and private sector partners</p>	<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>
<p>Funding Opportunities: Deliver and submit compelling business cases for additional funding from HMG</p>	<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>
<p>OPE Programme: Oversee delivery of the regional One Public Estate Programme (OPE)</p>	<p>Work progresses to launch the Virtual Hub Solution pilot by April 2023.</p> <p>OPE Board continues to be updated on progress and successes to date; since the start of the programme £19m capital receipts and £5m reduced running costs have been successfully secured.</p> <p>WMCA has also been working closely with the OPE team at the Local Government Association and the Office for Government Property to deliver the Place Pilots programme set out above.</p>
<p>AMC Investment: Deliver AMC investment attraction campaign and investment business case to HMG to</p>	<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>

<p>accelerate growth in regional AMC industry</p>	
<p>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</p>	<p>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.</p>

5.0 Financial Implications

- 5.1 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.
- 5.2 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.

6.0 Legal Implications

- 6.1 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.
- 6.2 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.
- 6.3 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.

6.4 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.

7.0 Equalities Implications

7.1 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.

8.0 Inclusive Growth Implications

8.1 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.

9.0 Geographical Area of Report's Implications

9.1 The recommendations of this report apply to the whole of the WMCA area.

10.0 Other implications

10.1 None.

11.0. Schedule of Background Papers

11.1 None.