

## **APPENDIX 1 - 'A Strategy for Homes' – the West of England Housing Delivery Strategy**

**2020-30**

### **1. Foreword**

We need more homes of all tenures in the West of England - good quality homes that people can afford, whether they are renting or buying - and we need them delivered at a much faster rate.

We are one of the UK's most prosperous regions with a strong economy worth over £38B per year. In common with other successful areas that attract people to live and work, there are significant housing affordability challenges.

The house price to income ratio across the West of England is 9:1 making home ownership out of reach of many, and the need for rented Affordable Housing is acute.

In 2018, the Government introduced a standard methodology for calculating the housing need in an area and published an updated version in December 2020. Using this methodology, the need for new homes in the West of England area is 6621 per year. This compares with 4,899 delivered in 2019/20. Whatever the housing requirement eventually becomes (this will follow due process through the SDS and local plans), clearly a different approach is needed to increase delivery overall.

A Local Housing Needs Assessment based on current and future demographic trends is underway to set out the size, type and tenure of the homes we need (due to be published in spring 2021).

According to the 2018 needs assessment,<sup>1</sup> over 30,000 Affordable Homes are required to meet need across the West of England to 2036, mostly Social Rent. Affordability has worsened since then and the expectation is that need will be higher now. Aspirational home ownership, which is included in the NPPF 2019 definition of Affordable Housing, will increase the overall Affordable need significantly and will impact on the delivery of social and affordable rented homes for people who can't afford to rent in the private market and for whom house prices are totally out of reach.

It is clear that the targets to meet across all tenures will be demanding, exacerbated by the economic impact of the pandemic. If on top of the need to ramp up delivery, we are to respond successfully to new and different challenges such as high street renewal, the trend to move away from the traditional use of city centres and carbon reduction targets, we will need to re-think our overall approach to delivery and placemaking.

Our Housing Delivery Strategy sets out our ambition to deliver pace, quality and more affordable homes across all tenures and that by taking a strategic approach to longer-term interventions as a joined-up public sector, we will deliver better outcomes for communities and better value for the public purse.

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<sup>1</sup>Strategic Housing Market Assessments for Wider Bristol and B&NES 2018

The strategy is the start of a process to achieve that tangible step-change.

## 2. **Ambition**

The West of England needs to grow to meet the needs of our existing and new communities and to ensure that the region remains a thriving, successful and innovative place where people aspire to live. Housing delivery is a key part of the effective and resilient infrastructure that is needed to support sustainable economic growth.

People need homes that meet their needs, that they can afford, and that are in places with the supporting facilities, environmental infrastructure and connectivity to opportunities including employment, that make them great sustainable places to live for the long-term. In common with many economically vibrant regions, we need to provide more affordable homes of all tenures more quickly to meet the growing demand, particularly social rented homes.

The West of England Combined Authority and its constituent authorities<sup>2</sup>, working alongside North Somerset Council, have a shared priority and expectation that in driving housing delivery, we create sustainable, well-designed, attractive and healthy places that deliver economic benefits and community resilience, support clean, inclusive recovery and growth and respond to the climate and biodiversity emergencies.

Together the authorities are developing a long-term delivery strategy, including a package of funding initially to 2023 to support priority sites where market failure either prevents the housing coming forward quickly enough, or at all. We have established a system of governance that pulls together the relevant public sector partners to enable an efficient, streamlined and coherent route map to increase the pace of delivery of quality homes that are affordable across all tenures.

This Housing Delivery Strategy sets out our housing and regeneration priorities across the region, and how we will intervene at a strategic level to unlock land for development, tackle market failure, increase and accelerate delivery, and take a partnership approach to pull in and coalesce the available funding.

We will complement and build on the specific levers used and investment put in by each local authority individually and other partners such as Homes England, to maximise the impact of working collaboratively, to add value and make a much greater impact.

The key aims of the Strategy are to intervene to deliver pace, quality and affordable homes across all tenures, and to achieve better outcomes than are usually delivered in the market. It does not seek to coordinate what each authority is doing individually or set out a delivery plan for each UA – instead it focuses on the added value from taking a strategic approach.

It sets out:

- how we work collaboratively with funding and delivery partners to focus and align resources and effort

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<sup>2</sup> Bath and North East Somerset, Bristol City, South Gloucestershire

- our regional priorities for investment
- the tools and funding mechanisms available across the stages of development
- how we intend to embrace innovation in construction and delivery and become a Centre of Excellence in Housing Innovation
- a coherent and compelling case to Government and its agencies that the West of England is a priority place with a high level of ambition that attracts investment, backed up with a plan that will deliver

Our Housing Delivery Strategy shows how taking a strategic approach to longer-term interventions as a joined-up public sector will deliver better value for the public purse and better outcomes for communities.

### 3. WECA's role and remit on housing delivery

Under the Devolution Agreement 2016, WECA has planning powers to prepare a Spatial Development Strategy (SDS) which will set the strategic planning framework for the planned growth in the WECA area over the next 20 years, and which is being developed alongside the North Somerset draft Local Plan.

WECA has a specific role and remit to drive growth by co-investing in new homes, accelerating the unlocking of barriers, planning and prioritising investment in infrastructure and establishing a strong partnership to support key large housing sites.

To deliver on this, WECA is able to:

- assemble land, including by Compulsory Purchase Order
  - *we have established a **West of England Joint Assets Board (JAB)** that pulls together public sector landowners including the NHS, blue light authorities and the Cabinet Office as well as all four UA partners. The primary output from the JAB is a pipeline of public sector land that can be released for development and carries the potential to meet other objectives for public benefit such as increased % of Affordable Housing or higher placemaking standards. The JAB will have oversight of a Regeneration and Housing Enabling Fund to take land forward through feasibility and pre-planning stages.*
- form Joint Ventures with landowners, developers and Registered Providers
  - *we have set up a **West of England Housing Delivery Board (HDB)** with Homes England and strategic Registered Provider (RP) partners as well as WECA and the four UAs. The HDB will align intel and resources to deliver agreed shared objectives while maximising the value for the public purse. The partners are well-placed to focus on agreed sub-regional priorities for funding and delivery to unlock sites and maximise value in terms of placemaking and other added value outcomes that are less likely to be achieved on private-sector led development.*

- create Mayoral Development Corporations (with agreement of the relevant UA(s))
  - *this is a potential future option*
- allocate resource from the WECA Investment Fund targeted at sites that need help, i.e. there is either a viability gap or the market cannot deliver at a satisfactory pace
  - *a comprehensive funding package is in place totalling around £40M to be used alongside other public subsidy to support regional priorities up to 2023– see details below.*

WECA and the UAs have created a partnership and a process that enables us to take forward public sector sites identified and/or assembled by the West of England Joint Assets Board (JAB) to the West of England Housing Delivery Board (HDB), which will establish the most appropriate source of capital funding and delivery mechanism for each site. The process is built around public sector land and private sector sites may also be eligible if there is a compelling business case.

The approach provides local autonomy – we decide locally where to focus resources, working together with stakeholders and delivery partners to deliver on a strategic regional strategy.

In high-level terms this is summarised as:

	Joint Assets Board	Housing and Regeneration Enabling Fund	Housing Delivery Board
<b>main aim</b>	assemble public land for development to meet local and regional objectives	to help unlock priority places for growth and regeneration by facilitating and accelerating the feasibility and pre-planning process	accelerate delivery and achieve best outcomes for the public purse by focusing and aligning funding and resources
<b>what is it?</b>	partnership of public sector organisations that own land, and the Cabinet Office	Funding opportunity to provide specific outputs	partnership of WECA, UAs, Homes England and delivery organisations
<b>what does it do?</b>	takes a strategic and collaborative approach to use of public land and seeks to draw in One Public Estate Funding (OPE)	Facilitates sites at feasibility stage and enables projects that will deliver significant benefits over time	agrees funding route(s) and delivery partner(s) and investment in strategic infrastructure where intervention required to unblock

#### 4. The investment package to 2023 for WECA constituent authorities

To support the housing delivery process, WECA and the authorities have put together a suite of financial options that UAs can draw on to acquire land, carry out enabling and facilitating activities to take sites through to start on site stage, and/or plug a viability gap to achieve or accelerate delivery.

The funding is designed to be pulled in where other forms of public subsidy are either not appropriate, exhausted or already part of a comprehensive funding package.

The initial package of funding in place for take up by 2023 is predominantly from the WECA Investment Fund and therefore only the WECA constituent authorities are eligible, with North Somerset able to make use of any funding granted under One Public Estate 8 (see details below).

The UAs can call on the funding at three key stages (land acquisition, enabling and scheme development stage and to enable a physical start on site) subject to meeting gateway and detailed criteria based on:

- the likelihood of delivery with the intervention
- value for money and capacity for grant repayment
- strategic fit and added value.

Detailed proposals for capital funding are subject to a proportionate Full Business Case, and revenue funding to a Feasibility and Development Funding Application.

A prerequisite of the capital funding pots is the presumption that a significant proportion will be repaid to enable each Fund to revolve and be re-used on future schemes.

There is a separate £2M Fund for masterplanning which is primarily for strategic locations for growth and regeneration.

##### **Land Acquisition Fund (LAF)**

This fund was established to enable WECA and the constituent authorities to purchase sites directly to unlock and accelerate the delivery of infrastructure and housing. The funding is available where there is clear market failure and not for speculative land buying.

The principle of the fund is that it should recycle as a revolving acquisition fund to enable the funding to be reinvested over time to unlock more land on priority sites, as well as increase and accelerate delivery.

£24.2M has been allocated to the Fund from the WECA Investment Fund. The first use of the LAF provided £8.3M funding to acquire land at Bath Riverside and enable the delivery of more than 280 new homes, leaving **£15.9M available**.

*criteria for the LAF attached at Appendix 1*

### **Housing and Regeneration Enabling Fund**

The catalyser for the delivery model is the opportunity to establish a Regeneration and Housing Enabling Fund that will provide revenue funding to take sites through the feasibility and pre-planning stage through to start on site. WECA, the UAs and potentially other partners such as RPs will be able to draw on the funding for enabling work such as site referencing (e.g. rights of way, wayleaves etc), survey work and other activities to take the site to planning approval. It can be used to understand viability and infrastructure requirements and to identify the capital shortfall on a project, but not for capital costs per se, and will be payable based on outputs. It can be used to establish Joint Delivery Teams where a suitable case can be made, and where specified outputs can be achieved. The first of these is the Temple Quarter Delivery Team

The Fund can also be used to progress other projects such as Housing Innovation in Delivery which is exploring how to facilitate a 'regional ecosystem' that can support the development of MMC/OSM, whilst looking strategically at how land supply can be aggregated to support and enable that ecosystem.

WECA has bid for One Public Estate 8 (OPE8) funding of circa £500K to establish the Fund based on match funding from the WECA Investment Fund alongside a further £2M providing a total initial pot of up to £3M. The OPE8 funding award is expected to be made in Feb 2021. The OPE8 funding would be used to bring the first sites through the feasibility stage (including in North Somerset) and would be targeted at public sector land, however private sites that deliver priority objectives may also be considered.

*criteria for the Enabling Fund attached at appendix 2*

### **Development Infrastructure Fund (DIF)**

£21M capital funding has been approved to create the Development Investment Fund to fund proposals that can be invested in by March 2023.

The purpose of the DIF is to help unlock tricky development sites by removing the uncertainty and risk of the cost of facilitating infrastructure by providing cashflow upfront with projects expecting to repay, (at least a proportion of costs), to the Investment Fund over time.

The broad outputs of the DIF are to accelerate delivery of regional housing and employment sites that the market will not deliver, or will not deliver at a satisfactory pace, and where by doing so we inject more certainty that the regional benefits of housing and employment will be realised, particularly where there is connectivity.

The basic principle is that up to £15K of grant is available per unit as gap funding and additional funding is available on top or separately on a repayable basis, with the total DIF contribution normally capped at £10M.

Full planning policy compliance will normally be expected, including Affordable Housing, and the proposal must be capable of delivering additionality that would not otherwise be delivered by the market against other strategic objectives, e.g. carbon reduction, improved sustainability, innovation in design and construction. Initially flexibility will be applied, however it is an expectation that the requirements for additionality via delivery of wider qualitative and quantitative benefits will be firmed up as the strategy evolves.

*criteria for the DIF attached at Appendix 3*

## **5. Forging effective partnerships - collaborative working to align input, outputs and outcomes**

Key to success is collaborating and combining with the right organisations to focus our energy and resources on agreed, shared priorities to make the new homes happen. Partners, including RPs and the private sector, will be established on a project-specific basis under the over-arching principle that working collaboratively is efficient, effective and gets a better outcome and will be subject to review ongoing.

### **Homes England**

Homes England is the Government's 'housing accelerator', and in its Strategic Plan 2018-23, commits that where places have ambition, potential for growth and a clear plan, Homes England will combine its tools to partner with them and support delivery:

*'we want to understand places' ambitions and explore how collaboration and innovative delivery could unlock these'.*

[Homes England Strategic Plan.](#)

The Homes England Plan specifically identifies that collaborating with local areas to identify and overcome barriers to growth, such as infrastructure and planning, is a key priority, and working and aligning the delivery of housing with major transport infrastructure projects. As referenced above, we are already working together on a joint delivery approach for Temple Quarter in Bristol.

The Homes England 'place' priorities are to:

- be led by intelligence
- support local ambitions and priorities
- encourage more local-government-led delivery of affordable housing
- understand and address gaps in delivery
- support communities and local economic recovery
- deliver the right homes in the right places.

### **Strategic Partnership**

A key aim of the West of England Housing Delivery Strategy is to work with Homes England to cement our already close and strong relationship into a formal strategic partnership with a strategic support package focused on agreed priority locations and driving delivery.

Our objectives are an excellent fit and we are agreed on the benefit of identifying regional priorities to concentrate our resources on, with proactive agreement on delivery partners.

This is intended to result in agreeing a shared pipeline of development opportunities, collaborating on approaches to accelerated production (e.g. MMC) and aligning funding, capacity and skills.

As part of forging a stronger and closer working partnership, we anticipate a joined-up approach with Homes England to maximise delivery of Affordable Housing by targeting Affordable Housing grant funding towards those sites that are not able to meet planning policy requirements due to viability, as well as identifying sites for 100% Affordable Housing, and that this will be facilitated under the Spatial Development Strategy and local plan policy framework.

### **Funding**

Homes England has various funding programmes available for housing delivery including land assembly, housing infrastructure, loans for SME developers and Affordable Housing programmes, and strategic partnership arrangements are in place with key RPs.

Significant funding is available for Affordable Housing under both the remainder of the current programme which has been extended to 2022 for existing allocations and a new programme of £7.39 billion to deliver up to 130,000 affordable homes outside London by March 2026.

As well as supporting general needs housing this funding can support community-led housing, Move On accommodation, supported housing, rural housing, traveller pitches and the Armed Forces covenant and these make a valuable contribution in increasing the diversity of homes provided to meet specific housing needs.

There are specialised funding pots available to meet specific needs such as community-led housing, ex-rough sleepers, supported housing, rural housing and traveller pitches and these make a valuable contribution in increasing the range of homes provided.

Homes England expects a significant number of homes delivered under these programmes to be via MMC technologies that promote improvements in productivity and quality. This includes a 25% MMC requirement for all Strategic Partners and a 10% MMC requirement for the rest of the programme funded through Continuous Market Engagement (CME).

**One Public Estate (OPE)** is a partnership between the Office of Government Property, the Local Government Association and MHCLG to support collaboration across the public sector to deliver local growth (jobs and homes), integrated customer-focused services and efficiencies (capital receipts and running costs).

The West of England has successfully secured funding from various OPE bids rounds including funding used to establish the Joint Assets Board (JAB). The JAB continues to lead on coordinating OPE submissions including the bid for the current round of funding (OPE8). The JAB's co-ordination role covers the reporting of OPE expenditure against sums awarded, working collaboratively with UA and other public sector partner grant recipients.

Under OPE8, £10 million of revenue funding is available nationally (£2M on a recyclable basis) to fund early-stage project development, such as business case development, feasibility and masterplanning, site assessment studies and project management.

OPE8 is an ideal opportunity to take a strategic, regional approach and to make a more explicit link between OPE8 and housing delivery that aligns with Homes England, and which can be developed further under this Housing Delivery Strategy. WECA on behalf of the West of England Partnership has included £500K to establish the Regeneration and Housing Enabling Fund in a wider bid to OPE8 (total bid £1.71M) to be used to bring sites forward for delivery over the next 5-10 years, based on match funding from the WECA Investment Fund.

North Somerset are part of the OPE Partnership, but clearly not part of the Investment Fund. We will need to work through appropriate access to the fund for North Somerset.

### **Registered Providers**

We have longstanding close and fruitful partnership arrangements in place with RPs in the West of England. The **HomesWest** partnership of 18 major developing RPs has been in place in various incarnations for around 15 years. Partners work at the West of England level to support increased delivery, engage in regional debate, support housing and planning policy development and develop best practice. Partners will also work at a unitary authority level, to meet local affordable housing priorities.

Affordable Housing programmes are increasingly being devolved to RP partners under **Homes England Strategic Partnership** arrangements. These are intended to enable RPs to embark on or expand land-led programmes to increase and accelerate delivery generally. There are five Strategic Partnerships that cover the West of England, offering the opportunity for these RPs to be part of the focused and aligned approach being developed under the Housing Delivery Board, and offering the UAs and WECA access to the RPs' intel and specialist commercial expertise alongside these significant funding allocations.

In the West of England, **LiveWest, Sovereign, Curo and Bromford** have strategic partnerships in place and between them have committed in principle to invest circa £315M in the WofE and to establish a long-term relationship as investment partners.

The basis of this is to use the Homes England funding to deliver 2,100 Affordable Homes by 2024, and to position themselves to take advantage of longer-term opportunities including ability to capture land value for reinvestment for wider public benefit.

## **The Unitary Authorities – in-house development and local housing companies**

**Bristol City Council** has set up a multidisciplinary team to facilitate increased delivery of homes by RPs and developers, and also delivery of homes on Council owned Land.

The proposal brings together all the different disciplines currently working on housing, plus other specialists, to create a single, multi-disciplinary delivery team ('Housing Delivery Team'). They work across the Council and with partners to deliver the housing delivery programme. The team leads the way in making the council's approach more dynamic and pro-active; bringing together existing and new functions.

Goram Homes was set up by Bristol City Council in 2018 to build quality, affordable homes where they are needed the most. Goram Homes works in partnership with the private sector and Bristol City Council to build homes that create communities and that are economically, environmentally and socially sustainable.

Partners are chosen who prioritise making a positive impact on our city. Goram's partners share their values and ambition to improve the areas we work in and help our communities thrive.

**South Gloucestershire Council** has reviewed its land and assets for opportunities to deliver outcomes and benefits that align with the West of England Housing Delivery Strategy, the Council Plan and those identified by the communities the land is situated in.

These sites will form a pipeline to be delivered through a Joint Venture with a third party or third parties that have values that align with the Council's, and in partnership with local ward and parish councils and their communities.

South Gloucestershire Council will work with WECA to unlock land, resolve viability issues should they arise and accelerate delivery in order to deliver outputs and benefits such as:

- Improvements to the whole area,
- Protection and control of its land for the benefit of the wider area,
- Improvements to green infrastructure and biodiversity net gain,
- Carbon neutral place shaping that will achieve targets and objectives in line with the council's climate emergency action plan,
- Any local housing and employment needs, including additional affordable housing, and
- Post Covid-19 living and working environment requirements

**B&NES** has established a local housing company – Aequus Developments Ltd (ADL).

ADL develops on land or property largely within the Council's ownership which consists either of new-build schemes or redevelopment opportunities. This approach has already delivered over 100 homes, including a multi-award winning development in Keynsham. ADL develops to a Council Brief which has enabled the Council to shape development and deliver

significant additional housing, which better meets local need and is constructed to a high standard of energy efficiency. ADL also brings the option to partner with other Local Authorities on a Joint Venture basis.

### **Bristol Housing Festival – establishing a Regional Centre of Excellence in Housing Innovation**

WECA and the Bristol Housing Festival (BHF) are leading a regional discussion with public and private sector partners together with industry leaders to explore a regional centre of excellence in housing innovation. The ambition is to enable the South West to become the UK's leading region in the technology and deployment of zero carbon, quality and affordable homes delivered at pace. There is a compelling case to make, building on local needs, economics, opportunities and existing momentum.

The challenge is to facilitate a 'regional ecosystem' to support the development of MMC/OSM, whilst looking strategically at how land supply can be aggregated to enable it, and how to anticipate and meet the infrastructure needs. Attracting inward investment, jobs, local manufacturing/development of the MMC supply chain and providing more affordable homes is the ultimate goal, while seeking innovative solutions for land tenure and supporting the climate and clean air agendas.

As a result of an initial meeting we have set up two specific streams:

1. **Policy, Commissioning, Land Aggregation and Tenure** - to develop thinking about digital optioneering, commissioning and policy to create a regional context focussed on delivering zero carbon, quality and affordable homes at pace.
2. **Supply Chain, Collaboration, Skills and Industrial Strategy - Developing the Ecosystems for Regional Centre of Excellence** – to develop the ask and offer to the public sector about how the region can support the maturing and collaboration of the supply chain and co-design a regional industrial strategy to support skills, drive efficiency through collaboration in the MMC sector and creating a learning platform for other regions to step off.

### **Alignment with North Somerset**

North Somerset is outside the Combined Authority, however plays a key role in the regional jigsaw. It is integral to the WofE housing market with key transport routes and hubs including the airport and is part of the Local Enterprise Partnership (LEP).

North Somerset works closely with WECA and the constituent authorities in addressing wider regional objectives and is represented on the JAB and HDB. There is a long history of close and successful partnership working, and North Somerset has benefitted from WofE funding streams such as Revolving Infrastructure Fund, Local Growth Fund.

Wherever we can work together collaboratively we aim to do so. This includes close alignment between the WECA SDS and the draft North Somerset Local Plan, currently being developed alongside each other, and sharing much of the evidence base.

Many aspects of this Housing Delivery Strategy cover North Somerset, and although North Somerset is not eligible for the initial LAF or DIF funding package, the strategy process can be applied against future funding streams that do include all four UAs as appropriate.

North Somerset will be able to access the OPE8-funded element of the Housing and Regeneration Enabling Fund.

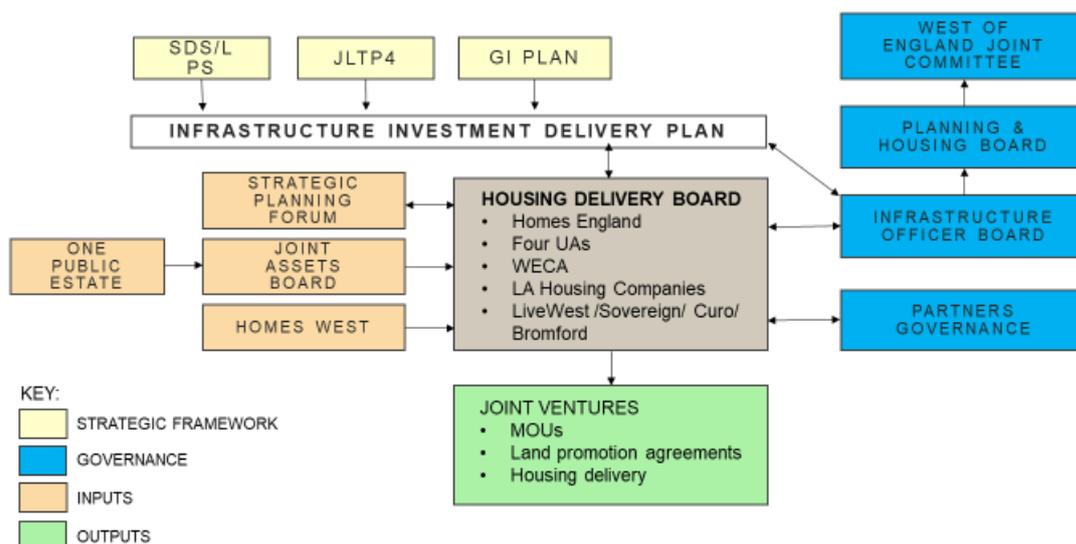
### 6. Governance of the programme and partner commitments - when and where are key decisions made?

The process is one of intel, alignment and endorsement, and preserves each organisation’s specific governance. It works on the basis of info-sharing, trust and cooperation in the pursuit of the shared goal of maximising delivery and optimising the outcomes for the public purse.

The approach requires all parties to bring opportunities and intel to the table so that joint agreement can be reached on what can be achieved, the package of funding required and the best-placed delivery partners. This takes place at the JAB (for land assembly and use of the Housing and Regeneration Enabling Fund) and the HDB (for capital funding and delivery partners).

Proposals are then taken back to the individual organisations’ Boards or Members for approval under the appropriate governance routes.

The governance map and strategic framework is shown in high-level terms in the table below:



## 7. What do we want to achieve?

The Housing Delivery Strategy is focused on delivering outcomes – increased pace, quality homes and affordable homes across all tenures, and includes some metrics of ambition.

WECA is preparing a Spatial Development Strategy (SDS) for Examination in 2022. The SDS will include a deliverable housing requirement for the WECA area following review of opportunities and constraints – a target for the number of homes to be delivered over a 20-year period. This will include a sub-target for Affordable Homes.

This Housing Delivery Strategy has been constructed to accelerate delivery to support the SDS housing requirement and sets the expectation that the funding delivers acceleration and additionality.

Over the period of the Strategy the outputs we are seeking are:

- Pace - achieving a rate of acceleration across the programme that on average enables schemes to start on site 2 years faster than projected
- Affordability:
  - achieving Affordable Housing policy compliance as a minimum across the programme
  - exploring if there is an opportunity to increase the AH % to up to 50% on all suitable sites
  - ensuring that the homes developed are in a range of types and sizes so that market housing is more affordable and within more people's reach
- Quality
  - Initially proposals for WECA Investment funding must demonstrate that they deliver at least one additional key benefit, for example carbon reduction or additional Affordable Housing, or is a flagship for new technologies (e.g. MMC/OSM). This is to allow flexibility while the process is established and to reflect that the economy needs to recover once we are out of the pandemic.
  - Over time the intention is to raise the quality bar to maximise and optimise investment opportunities and embed more quality outcomes, including:
    - Zero carbon
    - Additional affordable housing
    - Additional adaptable or accessible housing
    - Improved Private Rented Sector housing
    - Improved sustainability/enhanced quality
    - Flagship site for new technologies (MMC or other)
    - site is suitable for community-led housing and/or low cost/high quality self-build development.
    - Outstanding design
    - Brings vacant property into use
    - Economic/job impact
    - Innovation or pilot - incl MMC
    - Enhanced green infrastructure

- social value i.e. access to opportunity
  - Other benefits such health, education, inequality, addressing deprivation
- Using the funding currently available, and on the working assumption that a proportion of the funding is taken up on employment sites, the indicative housing targets are:
  - Housing and Regen Enabling Fund (assuming a pot of £2M):
    - To progress 16 sites
    - At least one longer-term project
  - DIF (£21M):
    - Accelerating delivery of 1,200 homes

## **8. Geographical areas of focus**

An aim of this strategy is to establish a list of locations that are agreed priorities for investment so that we can demonstrate that there is a deliverable pipeline sitting behind funding asks.

As a first step, we have identified priority themes that will be used as a checklist against which to assess sites as proposals come forward.

The two overriding themes are growth & placemaking and regeneration, and proposals need to fit within one of these two key categories.

When considering priorities, we will take into account the following:

- Deliverability - sites that can progress quickly with fast intervention
- Strategic longer-term priorities emerging in the SDS and Local Plans including locations prioritised for masterplanning under the separate masterplanning Fund available to assist in identifying potential opportunity and capacity as another route to housing delivery.
- Regeneration priorities – link with post-covid recovery, high streets
- Specific UA priorities
- primary, secondary, specific opportunities eg secondary shopping centres
- public land ownership

## **9. Expanding the toolkit**

Over time, we will build on the foundations set out in this strategy to establish a comprehensive suite of interventions to drive and accelerate delivery and add value.

Under the Devolution Order 2016 the WECA Mayor already has CPO powers and can create Mayoral Development Corporations (both with consent from constituent authority).

The following is a list of potential options that can be explored:

- a. Cashflowing of land receipts to UAs

- b. Shared risk and reward approach – profit sharing pro rata to equity shareholding
- c. Potential model under which public land is sold at red book value subject to planning on a shared uplift basis
- d. Optioned sites – step-in model
- e. Underwriting risk e.g. to support delivery of MMC/OSM
- f. Underwriting of unit sales to incentivise build out
- g. investment in strategic infrastructure where intervention is required to unblock development
- h. Improving viability and delivering policy compliance
- i. Additional AH above policy requirement
- j. Funding of higher standards and/or improved affordability

## **10. implementation and delivery**

The Housing Delivery Strategy is a blueprint for increasing and accelerating provision of new homes over the next ten years.

A programme of priority locations and sites will be worked up to be taken forward under the Strategy and will sit beneath it as part of the Implementation Plan.

The immediate focus will be on agreeing priority themes and locations and identifying and prioritising sites and other proposals for investment using the £40M funding package from the WECA Investment Fund (and OPE8 if approved).

Proposals will be taken to the Joint Assets Board (if they involve public sector land and/or strategic land acquisition) and the Housing Delivery Board for agreement on the delivery mechanism and delivery partners.

Approval will be via the appropriate governance route for each participating organisation.

The Implementation Plan will be developed in 2021 in collaboration with our partners including Homes England.

## **11. Appendices**

### **1. Land Acquisition Fund criteria**

### **2. Housing and Regeneration Enabling Fund criteria (draft)**

### **3. Development Infrastructure Fund criteria**