

West Midlands Combined Authority Overview & Scrutiny – 04/09/2023

[Agenda for Overview & Scrutiny Committee on Monday 4th September 2023, 10.00 am :WMCA](#)

Agenda items:

3. Chair's Remarks

Reminder from the chair that O&S is non political and aims to get the best outcomes for the West Midlands.

Laura informed us the decision had been made that the £14m grant from Government for the 7 constituency areas for social housing fund would be divided by 7 equally if the bid is successful, each area now needs to put forward their own business case.

6. English devolution framework - scrutiny protocol progress update:

Report has been delayed and guidance is that the report will be published at the end of September. Officers will send to Members as soon as it is published. A report will come back to us once officers have compared current arrangements with the protocol, initial thoughts are that WMCA would measure up well.

Terms of reference for MP – Mayor O&A sessions are being drawn up as this is a brand-new function. First meeting expected in Autumn.

7. Affordable homes programme:

Homes England is looking to invest up to £400m in West Midlands before 2026. This will give opportunities to fill skills gaps and fill the gap where private development is waning due to the cost of living and inflation slowing the rate of purchases.

There will be a mix of all tenures, however, work is to be done on the levels of social rent to affordable rent to affordable purchase or rent to buy.

The team are working on identifying projects including redevelopment of estates. This will give WM an opportunity to fast track many projects which were already in the pipeline, especially brown field sites. There is a good chunk already identified towards the initial £200m but to get to the £400m will be a challenge.

If private developers want to sell properties which were allocated to private over to affordable then Homes England and WMCA will work with them and associations, taking into account if it is also the right decision for the area. The affordable homes programme does not fund developer's contribution through Section 106 as this remains the developer's responsibility to fund.

8. Affordable Housing Supply Strategy:

Housing supply strategy has been delayed due to the devolution deal and changes this will bring to the strategy. Even though the housing supply strategy is on pause, progress is still being made and work on delivery has not stopped.

Members asked for benchmarks and KPI's to be developed.

I asked for a section within the strategy to cover biodiversity gain so that we are not just delivering zero carbon well insulated homes but homes in beautiful areas which benefit both the residents and the natural world. This is now going to be included.

9. Affordable Housing Pilot:

WMCA are working to dispose of land for 100% affordable homes to be developed on the site. WMCA would have no controls but will have reporting to assess success of the pilot.

Concerns were made over the build quality of some of the suppliers as they are only building them with a 60-year life expectancy.

Loan to Woking Borough Council: This is from surplus cash deposits held in advance of needing to be spent. These were not new funds handed to a different region. These are part of the normal treasury management operations. Even when in section 114 territory, councils are still very safe institutions as they are underwritten by the Government. This would give better interest rates for the Council and competitive interest rates for the council in question. Short term cash lending between authorities is usual and done through a broker.

With Woking the deal had been struck before the section 114, so still had to go ahead, however, Woking have not defaulted and are still more secure when compared to banking Institutions.

WMCA have since tightened reigns and will not deal with any council who has stated they are in financial difficulty. Can no longer forward a deal for more than a month. As a result, WMCA will have more money in our current account, and now unlikely to get as high a rate of return on investments, which will likely cost £300k a year in lost revenue.

Councillor Emma Marshall

Redditch Borough Council's Representative to the West Midlands Combined Authority Overview and Scrutiny Committee