

WMCA and Dudley MBC Joint- Working and Co-Investment

Around housing and regeneration policy, business cases, investment and
delivery matters

WMCA Presentation at Dudley MBC Future Council
Scrutiny Meeting - 16 March 2022

High Level Deliverables 2022/23



How our Deliverables link to the WMCA Corporate Aims and Objectives

Aim 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

Delivery of key requirements and output targets of Housing Deal & subsequent deals

Supporting Local Planning Authorities

Develop policy development work and supporting masterplanning

Deliver our brownfield regeneration and delivery programmes

Implement the Covid19 Recovery Strategy

Run a series of industry led taskforces

Lead Strategic Asset Acquisitions, Disposals and Management

Establish a series of new partnerships ventures, and joint ventures

Support and enable Affordable Housing Delivery

Deliver compelling business cases for additional funding

Oversee delivery of the OPE

Summarised
H&R
Deliverables
for 2022/23

Aim 3.4 We will support and deliver coordinated investment packages with our partners across key corridors and local, town, and city centres

Produce and launch 2022 WM Investment Prospectus and deliver programme of investor engagement and developer relationships

Support and enable Town Centre regeneration and repurposing through investment and enabling work

Support delivery of milestones in charter and routemap for AMC (Advanced Manufacturing in Construction)

Lobby/engagement programme with HMG on behalf of the region on housing, land and regeneration matters

Programme of acquisitions and disposals of land in line with the public land charter

Aim 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

Deliver AMC (Advanced Manufacturing in Construction) investment attraction campaign and investment business case to HMG to accelerate growth in regional AMC industry

Support delivery of milestones in charter and routemap for Zero Carbon Homes in line with #WM2041 and support partner-led Net Zero neighbourhood pilots

WMCA and Dudley Working Together Housing, Land and Regeneration



Goal = **aligning** WMCA Housing and Land priorities, resources, objectives, deliverables and tools with local authority priorities, objectives and resources for **maximum impact and added value**.

Four key areas we have successfully worked on with Dudley over recent years:

1. **lobbying/influencing HMG, supporting locally led funding bids and securing critical new funding** to support housing and regeneration – most notably the £100m Land Fund; work on £85m HIF bid; £84m Brownfield Housing Fund and £24m Brownfield Regeneration Fund, Levelling Up regeneration proposals

2. **Deploying funding** we have secured and using our relationships with HMG, developers and investors to enable with Dudley colleagues the **delivery of a range of different and complex projects** large and small like Portersfield and Cookley Works.

3. Driving forward **key delivery-focused strategies** to support Dudley's activity and leadership – AMC Strategy and routemap, acquisition and disposal strategies, zero carbon strategy and routemap, a regional investment prospectus. Also engagement of **key taskforces** e.g. town centre taskforce.

4. Co-developing the **Single Commissioning Framework with Dudley colleagues** including key requirements for investment such as minimum affordable housing, AMC commitments, explicit local planning authority support and intervening where there is market failure in support of LPA Policies



£600m+ of Housing And Land Funds with more to come...



£100m Housing Deal Land Fund

£84m Brownfield Fund



£17m Brownfield Extension

£28m Brownfield Funding (Awarded from Levelling Up)



£24m from the National Competitive Brownfield Housing Fund



£50m Brownfield Land & Property Development Fund (BLPDF)

£70m Residential Investment Fund (RIF) – LOAN FUND



£165m Housing Infrastructure Fund

£140m Commercial Investment Fund (CIF) – LOAN FUND



Deploying funds through a Single Portal (SCF)

H&R funds are deployed into housing, regeneration and commercial schemes and projects through our bespoke funding portal and framework called the Single Commissioning Framework (SCF):

The SCF is a transparent, robust and efficient process with proportionate due diligence and independent viability appraisal at its core

This allows us to give investors and developers ready access to housing, land and property development investment to achieve the delivery of quality placemaking and inclusive growth, where scheme viability is challenging, or when investment is not readily available elsewhere

OVERARCHING REQUIREMENTS UNDER SCF

In order to unlock our funds, a number of criteria must be met.

Essential criteria

Developers should have a proven track record of commercial and/or residential development delivery.

WMCA can only intervene as the “funder of last resort” in schemes with demonstrable market failure, defined as:

When projects or schemes cannot come forward under existing market conditions without public sector intervention.

Schemes must:

- achieve a target investment rate that averages £10k-£15k per unit
- include a minimum of 20% “Affordable Housing” defined as:

In line with National Planning Policy Framework (NPPF) and/or through a more locally targeted approach to meet a specific need in the relevant local area with the assessment of affordability based upon household income levels in the local area

- have demonstrable commitment to AMC
- provide security on investments
- provide clawback and overage provisions

Additional criteria

Schemes should:

- adopt a “brownfield first” approach to the development of land
- support the densification at key transport nodes and planned public transport corridors
- support town centre regeneration demonstrate compliance with [Inclusive Growth Toolkit](#)
- demonstrate compliance with [Regional Design Charter](#)
- demonstrate output apportionment

Investments in the Dudley MBC area

Project Name	Applicant	Unit Outputs	Job Outputs	Funding Type	Funding Amount	Approval Date	Press Release
Parkes Homes - Gornal	Parkes Homes	10	15	Loan	£1,120,000	Dec-18	
WD (Cakemore Ltd)	Warmflame Developments Ltd		107	Loan	£3,600,000	Jun-19	Link
Dudley Institute of Technology	Dudley College		150	Grant	£2,121,000	Oct-19	Link
Former Cookley Works	Lovell	71		Grant	£1,020,000	Dec-19	Link
Cavendish House	Avenbury	28		Grant	£724,000	Jan-20	Link
Portersfield	Dudley MBC	415	500	Grant	£6,300,000	Jan-20	Link
Brierley Hill Access Link	Dudley MBC			Grant	£225,000	Dec-21	
Dudley Brownfield Land Phase 2	Jessups	121		Grant	£2,711,111	N/A	
Music Institute	Richardson	600	138	Grant	£7,155,951	N/A	Link
Narrowboat Way - Site Investigation	Blackacres			Grant	£30,246	N/A	

TABLE SHOWS: Approved investments from WMCA's devolved housing and land funds in the Dudley MBC area



**Over 1,200 homes and over 750 jobs
supported to date in the Dudley MBC
Area...**



Cavendish House Demolition

Trindle Rd, Dudley DY2 7AT

£724,000 investment unlocking 28 units



Institute of Technology

Dudley DY1 4AE

£2,121,000 investment unlocking 150 jobs



Cookley Works

Leys Road, DY5 3UA

£1,020,000 investment unlocking

71 homes with 20% affordable



Portersfield

Dudley, DY2 7AT



An artist impression of the proposed Portersfield development in Dudley. Photo: Avenbury (Dudley) Ltd

£6,300,000 investment unlocking...

500 jobs

415 homes

20% affordable

Forthcoming Schemes

in the Dudley MBC area, co-developed with DMBC team

A number of identified schemes and projects in the joint pipeline for potential investment from WMCA's devolved housing and land funds

Over
1,300
Homes

Town centre schemes and development opportunities that could unlock over 1,300 homes

Over
300
Jobs

Over 300 jobs projected for creation in the pipeline for the Dudley MBC area





Investment Prospectus 2022

COMING SOON
03
COMING SOON
03

DY5 Dudley's Business and Innovation Enterprise Zone

DY5 covers 50 hectares, with its main focus offering office, technology, leisure and residential. High density mixed use development opportunities will be an attractive outcome. Location is far ahead of other industrial zones in terms of investment and has delivered major gains in value of investment. Further investment is encouraged to deliver future commercial and residential opportunities.

The enterprise zone is set to benefit from major infrastructure investment, improving connectivity and adding to the vibrant business of the area. The West Midlands Local Enterprise Zone will provide a further boost to the wider West Midlands by 2025. The enterprise zone is also home to new M42 motorway. 'Reconnection', which opened in 2021 providing a new route for freight and passenger traffic to the region, including sound production, lighting and stage. In 2022, the Merry Hill Shopping Centre will be the first of the DY5 Enterprise Zone. Merry Hill is a new 300 million investment in the upgrading and expansion of the regional retail and leisure.

THE FACTS

- Promoter: Dudley Council
- Size: 4800+ GVA
- Sector: Mixed use Industrial, Residential and Office
- Location: Dudley
- Investment Type: Development partner, Equity Investor
- Programme: 2020-2027
- Planning Status: Planning permission granted for a Local Enterprise Zone Order and an outline planning application for a Local Enterprise Zone Order and an outline planning application for a Local Enterprise Zone Order.
- Website: www.dudleybusinesszone.org.uk

BACKGROUND

DY5 covers 50 hectares, with its main focus offering office, technology, leisure and residential. High density mixed use development opportunities will be an attractive outcome. Location is far ahead of other industrial zones in terms of investment and has delivered major gains in value of investment. Further investment is encouraged to deliver future commercial and residential opportunities.

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DESCRIPTION

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PROMOTER AND PARTNERSHIPS

The promoter, Dudley Council, is bringing forward the plans working closely with the Black Country Local Enterprise Partnership, West Midlands Combined Authority and private sector partners.

LOCATION

Dudley is undergoing a leading transformation with over 1000 of investment on site planned for development in the coming years.

It is the historic capital of the Black Country, a region located in the heart of the West Midlands and the corner of the UK, it is close to the M6 and the M56, just 15 kilometres from Birmingham City Centre and easy reach of Birmingham Airport.






COMING SOON
04
COMING SOON
04

Dudley Town Centre

A town centre offer that is seeking partners for mixed-use developments across a comprehensive investment programme.

OPPORTUNITY

Dudley Council is seeking investors/developers to work in partnership with the local authority, West Midlands Combined Authority and Historic England to bring forward a comprehensive programme of development of residential, retail, leisure and employment projects across Dudley Town Centre.

This comprehensive investment programme includes the following projects:

- Planned retail, leisure and residential scheme
- Housing and employment scheme

THE FACTS

- Promoter: Dudley Council
- Size: 4800+ GVA
- Sector: Mixed Use, Housing, Employment, Retail and Leisure
- Location: Dudley Town Centre, various sites
- Investment Type: Development Partner
- Programme: 2020-2027
- Planning Status: Various planning status
- Website: www.dudley.gov.uk

BACKGROUND

The aim is to improve economic performance of the town centre and capture the 4.6 billion of investment potential in the town centre over the next 10 years.

The investment programme takes a multi-dimensional approach and includes developing the wider economy, promoting residential, leisure, commerce and housing use within the town centre, and improving connectivity in the town, with direct connections to national and international rail and airport hubs.

Improvement to the town environment includes the preservation of heritage assets and on-site heritage opportunities and buildings. These will create a vibrant town centre and provide the private sector to invest into the town, bringing investment back into use and improve access to the town centre.

The recently completed Dudley Town Centre and Dudley College will be the first of the investment programme. Dudley College will be the first of the investment programme. Dudley College will be the first of the investment programme.

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DESCRIPTION

The project comprises a number of site-specific sites in a town centre location. The investment programme will be delivered through Dudley Town Centre will be the first of the investment programme.

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PROMOTER AND PARTNERSHIPS

Dudley Council is developing a programme with support from the Black Country Local Enterprise Partnership, Historic England, Midlands Energy, Transport for West Midlands, National Transport for Centre, Black Country Manufacturing Group and Local Enterprise Zone, Dudley Zoo and Castle, Black Country Living Museum, Dudley College of Technology and the University of Worcester.

LOCATION

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Unlocking the potential of the West Midlands

West Midlands Combined Authority

INVEST IN OUR FUTURE



2022 INVESTMENT PROSPECTUS

- Economy - £119 billion per annum
- Total population - 4.7 million
- Working age population - 2.9 million
- Total area - 7,700 square kilometers

The Dudley Town Centre is a major development in the heart of the Black Country, just 15 kilometres from Birmingham City Centre and easy reach of Birmingham Airport.

Levelling Up White Paper

Housing and Regeneration

Extension of Brownfield Housing Fund

- £28m allocation to the WMCA

£1.8bn Brownfield & Infrastructure Funding “*to regenerate underused land and deliver transport links and community facilities*”

HMG Regeneration policy programme to focus on:

- a. transformational projects;
- b. high street rejuvenation; and
- c. green spaces





For more info please contact

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Questions and comments