

Recommendations for the new Mayor of the West Midlands

The people of the West Midlands will vote for a new Mayor on the 6 May. The West Midlands has been very successful in improving the rate of housing delivery over the last four years. However, there remains an issue of capacity to accommodate new housing supply. It is acknowledged that some of the local authorities in the West Midlands will struggle to meet all their housing needs within their administrative area. The total shortfall could be in the region of 30,000 homes by 2038 (according to a calculation made by 14 local authorities in the West Midlands in 2020¹) but possibly higher than this following the Government's new way of assessing housing need. The majority of this unmet need is generated within the City of Birmingham City and the four local authorities of the Black Country – constituent members of the combined authority.

The West Midlands also needs to provide more family homes. Too much supply in recent years has been in apartments. For example, some 68% of housing supply in the City of Birmingham recently has been one-and-two-bedroom dwellings, mostly apartments.

Post-election, we look forward to working with the Mayor and the Combined Authority to help deliver all types of homes. However, it is clear that there are major challenges on the horizon. To ensure that the region builds the housing it needs and supports constituents, the Home Builders Federation recommends the following:

- The new Mayor should commit to preparing a joint spatial plan for the seven local authorities of the West Midlands combined authority area. An up-to-date spatial plan for the region will coordinate land allocations for future housing supply with transport and environmental investment projects. Currently, there is too little strategic coordination, and this is a major brake on housing delivery. This plan will also help attract additional government investment.
- HBF acknowledges the difficulty associated with accommodating the 35% housing uplift for the cities of Birmingham, Coventry and Wolverhampton. The Combined Authority should encourage other local authorities in the wider combined authority family to accommodate an element of this increase just as Solihull Council is doing with the current targets.
- As owner-occupation remains the tenure of preference for most households, the Mayor should work with housebuilders to explore ways to support those who hope to become first-time buyers in the West Midlands.
- Adopt a Mayoral Community Infrastructure Levy to secure contributions from developments to fund transport and nature-based projects.
- Establish an advisory panel involving house builders and training providers to discuss the construction skills requirements of the region.
- Acknowledge the economic and social value of new housing development. New housing generates many significant financial and tax benefits for the national and local economy and is a significant employer. According to research by HBF in 2018², housebuilding contributed £38bn in economic output to UK economy in 2017/18

¹ Greater Birmingham and Black Country Housing Market Area Need and Housing Land Supply Position Statement, September 2020

² *The Economic Footprint of House Building in England and Wales: Home Builders Federation; July 2018*

including £19.2bn GVA. The home building industry makes a considerable contribution to employment, supporting around 772,000 jobs in 2018/19 (based on 225,000 net housing additions) – direct, indirect and induced employment.

About the HBF

The Home Builders Federation (HBF) is the principal representative body of the house building industry in England and Wales. Our members account for over 80% of all new housing built in England and Wales in any one year. Recent research by the Government has estimated that housebuilders have made a significant contribution to the nation's infrastructure, providing some £21 billion towards infrastructure of all types including affordable housing since 2005. Housebuilders were responsible for delivering 52% of all the affordable homes provided in England in 2019-20.

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