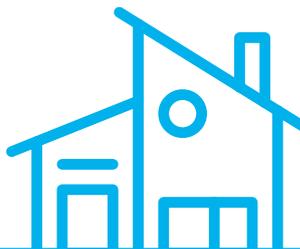
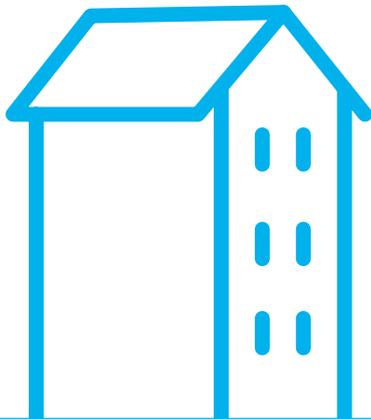
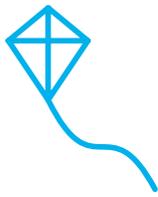


# Building great homes creating great places

**Birmingham leads the way**



**A great city** to live in

## Taking inspiration from our heritage

*“An achievement on the part of Birmingham that has no parallel in this or any other country” – Neville Chamberlain, Chancellor of the Exchequer on the occasion of the completion of Birmingham’s 40,000th council home, 1933.*

*“Housing transforms lives, it transforms futures. It has an impact on people’s physical and mental health, it has impacts on education and much more. The housing crisis can only be fixed through local government intervention and Birmingham City Council is playing a leading role” – Cllr John Clancy, Leader of Birmingham City Council.*

Shenley Lane, Weoley



Birmingham’s radical 19th century mayor Joseph Chamberlain began clearing the city’s slums in 1874, demonstrating that local government could make a positive difference to people’s lives. That heritage was continued into the 20th century, allowing his son Neville to talk about council homes in 1933. Chamberlain Senior understood that poor housing is an economic as well as a social issue. Families living in warm, decent homes tend to be healthier, happier, better educated, and have better jobs, higher wages, and brighter prospects. Improving housing supports inclusive economic growth, boosting the economy, creating jobs.

Joseph Chamberlain’s vision is as true today as it was in Victorian times. Fast forward to 2017 and Birmingham City Council is proud to follow in the footsteps of Chamberlain. The Birmingham Municipal Housing Trust is building more homes than any other developer, delivering over 2,350 new homes for sale or rent since 2009, having 800 homes under construction, and with plans for up to 400 homes for market rent also in place.

This year’s Housing White Paper was an admission from the Government that the housing market is broken – the low level of house building is not the fault of the planning system and the

housing crisis cannot be fixed without a role for local government. Its proposals to encourage smaller developers and to put more pressure on developers to bring forward construction are welcome.

The challenge today is every bit as stark as that in 1874. Some 89,000 new homes are needed to meet growth in jobs and households in the city by 2031 and this will require positive partnership working in the West Midlands by councils, the regional mayor and combined authority, the private house building sector and the Government. But we also need homes that are affordable for the whole population, so we must provide more social housing. In doing so, we want to be bold and to rethink social housing for the modern age. Above all we want to create great neighbourhoods not just great homes.

We will not fail to innovate and meet the challenge. As Chamberlain did 143 years ago, we will do in 2017.

## **Birmingham leads the way**

Today, Birmingham is once again a leader in the provision of decent homes for all. Known for decades as pro-development and a friend to investors, the city council works hard to enable private companies to develop brownfield sites and bring homes to market.



We have established the successful Housing Birmingham Partnership, with political and agency leaders committed to working together on long-term housing aims.

We are also a developer ourselves, providing both social housing and private rental homes through the Birmingham Municipal Housing Trust. Birmingham City Council has built more social housing since 2009 than any other local authority in the UK. Birmingham was also the first local authority to build new homes for sale, and has built more than any other council. We are ambitious for growth but also ambitious for the quality of the homes we provide.

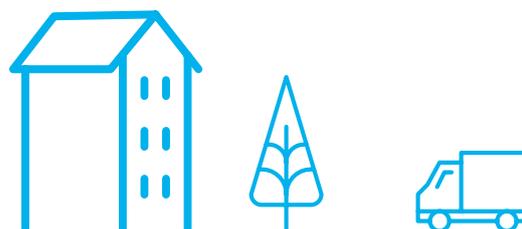
Birmingham pioneered the “buy now, pay later”, approach to the sale of new homes in 2009. This means the council shares with developers some of the risks of development – delays in securing planning permission, fixing bad ground conditions, buying land upfront in a fragile housing market.

In 2016, we developed this approach further with InReach, so that the city council acts as developer and takes all of the sales risk, but also captures all of the profit. The council is currently on site developing 150 new homes using this approach. The homes are selling faster than they can be built and often well before completion. The surpluses generated will be used to build new affordable rented housing to help to meet the needs of some of the 23,000 (as of April 2017) households on the council's housing waiting list.

Earlier this year the city council successfully launched its first 'Brummie Bond' – a £45 million investment by Phoenix Life. This will help to boost our house-building programme, while also benefiting the council from a lower rate of interest than that offered by the Public Works Loan Board.

## Our housing record

- The council has built 1430 new homes over the last three years
- Built 21% of all of new homes in Birmingham since 2011, exceeding our plan trajectory
- A further 1,500 homes will be built by 2020, 800 of which are already under construction
- Raised the standard of new social housing by building all new rented homes to Code 4 of the Code for Sustainable Homes
- Continued to build rented homes at social rents after 2010 when most housing associations moved over to charging "affordable rents"
- Won seven major national awards for innovation and design, as well as being named Midlands Social Housing Provider of the Year 2016 and 2017
- Created the Building Birmingham Scholarship programme, which provides bursaries to young people from deprived neighbourhoods to enable them to enter higher education; the programme is currently supporting 70 young people



- Created investment of £2.12 billion into the economy and generated £2.8 million in additional council tax
- Developed 130 acres of brownfield land

### **Action on rough sleeping**

- Facilitated additional hostel provision for people with dogs
- Established capacity within immediate access hostels for couples
- Established a new network group with charities and volunteers
- Made use of European Social Fund for vulnerable people, furthest from the labour market
- Submitted an alternative proposal to Department for Communities and Local Government for a local authority led supported housing model

### **Empty homes back into use**

- Brought 303 empty homes back into use in 2016/17 as a direct result of pro-active intervention
- Brought 40, four-bedroom empty properties back into use as temporary accommodation for homeless households
- Reduced void turnaround times for council stock so that 99.5% of the stock is available
- Developed 69 new homes on derelict garage sites



### **Helping tenants manage money**

- Developed a triaged, 12-week support package for new council tenants
- Delivered a House to Home scheme that shows prospective tenants how to furnish a property on a budget
- Provided debt advice to council tenants

### **More sustainable investment for housing and public services**

- Generated over £10 million in additional rent to the Housing Revenue Account
- Generated £6.4 million in New Homes Bonus
- Generated over £20 million in capital receipts from the development of homes for sale
- Drawn down £50 million in Government grant and borrowing approvals to build new homes.

## Delivering our vision

To address the challenges we face requires a bold new vision for housing, a strong partnership of local authorities and the private sector, stretching across the city region and a partnership of equals with Government, including significant devolution of decision making and funding. Our aims are simple but ambitious:

- Build enough new homes of all types
- Enable people to get and keep the housing they need and eradicate homelessness
- Improve existing housing and its management.

To do this we will:

### 1. Work collaboratively with our neighbours to support housing delivery

- Look at housing strategically across the West Midlands
- Make sure transport links connect people to jobs
- Work in partnership to maximise the opportunities of devolution

### 2. Enable the private sector to build more homes

- Encourage further investment such as the use of sovereign wealth funds and from capital raised by selling Brummie Bonds
- Extend our partnership approach to the development of new homes for sale in which the council part funds the development and shares the profits
- An upfront agreement with developers to buy a proportion of new homes, reducing sales risk
  - Secure the release of good quality public and private sector sites

Egg Hill Estate, Longbridge



- Provide more opportunities for small and medium-sized builders
- Encourage more self-build and custom-build through the sale of plots and providing practical advice and guidance
- Support delivery of more housing options for older residents

### 3. Maximise the capacity of the council to directly deliver new homes

- Enhanced use of Compulsory Purchase Order powers
- Use council surplus land for direct delivery of new homes
- Develop surplus, under used and poor quality open space where appropriate
- Extend the scope of InReach to increase delivery of private rented homes
- More effective use of New Homes Bonus to drive delivery
- Work with other registered providers to unlock additional investment in new housing



### 4. Eradicate homelessness

- Use our City Homeless Taskforce and continue the Birmingham Trailblazer (better access to private rented accommodation)
- Provide practical help and assistance to enable young people to access and sustain suitable housing
- Work with partners to increase the supply of larger affordable homes
- Provide practical support to access private rented accommodation
- Introduce self-regulation of the private rented sector and a targeted approach to enforcement activity – including selective licensing



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## 5. Agree a new vision for social housing with tenants

- Work in partnership with our tenants, partners and external experts to develop a new vision for the role of social housing in the 21st century
- Find new ways of delivering affordable homes for all
- Give tenants greater control over their homes and neighbourhoods
- Improve repair and maintenance services and safety
- Support and facilitate communities to create better local neighbourhoods

- Secure a Council Regional Housing Deal and an agreement on the future of housing associations and Right to Buy, as part of a Regional Housing Deal with Government
- Invest £169m over three years to improve council homes

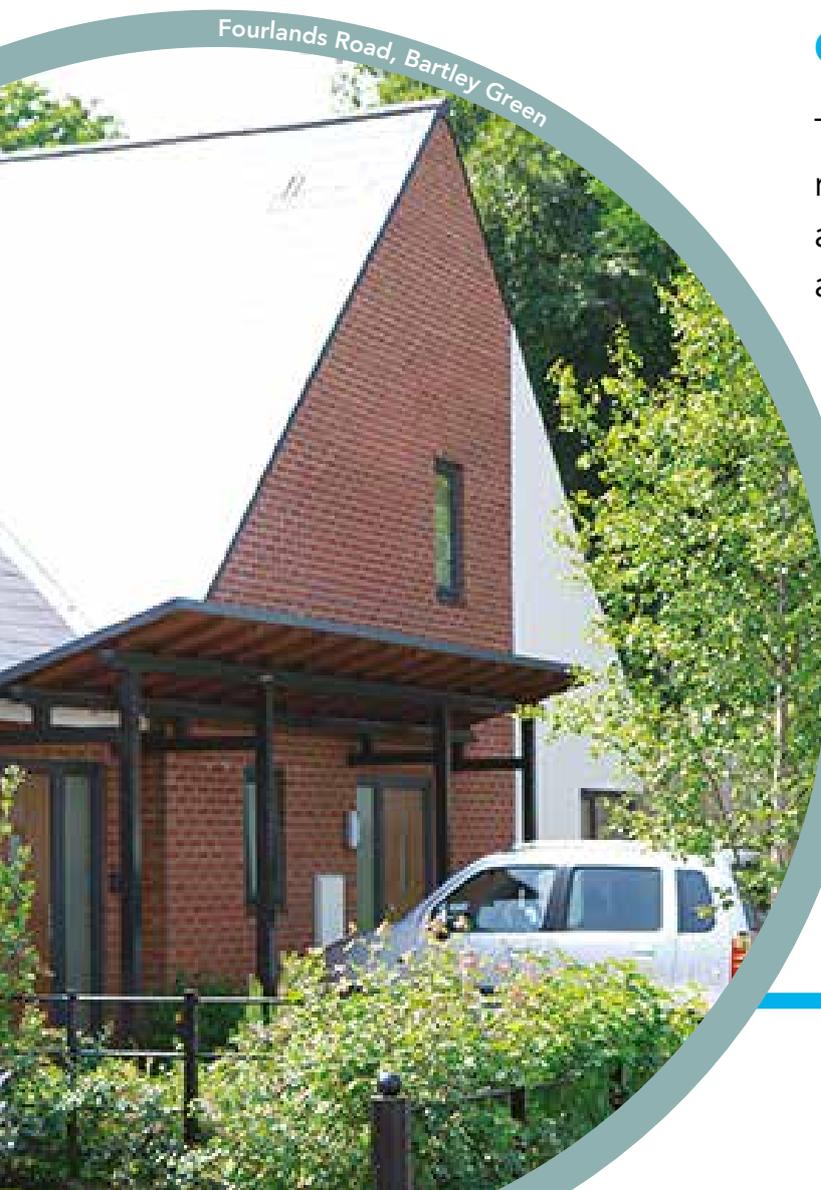
## 6. Agree a Regional Housing Deal with the Government

- Work collaboratively with neighbouring authorities, other social landlords and the regional mayor and combined authority, using our experience to facilitate new housing solutions across the city region.

## Our offer to Government

To deliver our vision for housing will require partnership with Government and substantial devolution of funding and powers.

The White Paper called for local authorities to propose regional housing deals with the Government, setting out how they will deliver more new homes with greater local flexibility and resources. The Conservative manifesto for the election went further and proposed Council Regional Housing Deals to deliver more social housing.



Working with partners in the West Midlands, we have already begun discussions on such a deal and we now want to move quickly to put it in place. We have offered to take on a leadership role to deliver more and better homes and to make our contribution to addressing the national housing crisis. The main parts of this offer could be:



- Working collaboratively with our neighbours to support housing delivery
- Establishing a number of Housing Action Zones – large strategic sites that can provide significant numbers of new homes relatively quickly
- Scaling up Birmingham’s approach to direct delivery of new homes and working with the private sector in a new West Midlands municipal housing company.
- Increased investment in land remediation – bringing back into use sites that are currently too expensive to develop, particularly in the Black Country
- A co-ordinated strategy across public services and Government for making use of redundant public land
- Exploring use of Land Value Capture to ensure that the increased value that comes from public investment in regeneration is captured and recycled into further development
- A Council Regional Housing Deal – using low-cost capital investment to create new council homes for rent and rent to buy in diverse communities with different tenures and different forms of social housing
- An agreement on how Right to Buy will operate across council and other social housing to meet local needs
- Redevelopment of specific estates.



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Providing people with better, more secure and more affordable homes is a big priority for Birmingham. We are ready to work with anyone and to do things very differently to achieve that aim. We have the heritage, track record and ambition needed to lead the nation in tackling our housing crisis. In partnership with Government and the private sector we aim to secure the funding and the powers we need to make a truly historic difference to housing in our city. In doing so we will develop innovative solutions that can be applied across the country.

**Cllr John Clancy**



Leader of the Council  
Birmingham City Council

**Cllr Peter Griffiths**



Cabinet Member for Housing  
Birmingham City Council

Brooklea Grove, Kings Norton



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For any further information about housing in Birmingham

**Contact:**

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