

West Midlands Insights on Society and Economy

A monthly newsletter on the trends that matter to the West Midlands.

Issue 9, June 2024

1.0 Headlines

1.1 June Editorial

Many would argue that the UK housing crisis stems from a chronic lack of affordability across all tenures, an insufficient supply of new affordable homes, especially social homes, and the dire condition of our existing housing stock.

Since 2020, England has had the highest proportion of inadequate housing in Europe, with 15% of all homes not meeting the Decent Homes Standard, a basic regulatory measure of housing quality (WMCA area 2019 estimate 17%, or roughly 200,000 homes). Damp and mould, and their detrimental impacts on health and wellbeing, are part of the critical issue of poor-quality housing.

In 2023 the West Midlands Combined Authority (WMCA) secured nearly £15 million from the Social Housing Quality Fund (SHQF) to tackle severe damp and mould in social housing properties across the region. The Centre for the New Midlands (CNM) has been commissioned to evaluate the range, scope and scale of organisational and tenant impacts of this funding programme.

We are determined, as a think tank, to work collaboratively with stakeholders and communities to produce rigorous research with, and for, our region. Our recent co-design workshops have been invaluable in helping refine and improve our research tools like our tenant survey and interview protocols.

These sessions, attended by tenants with lived experience of severe damp and mould, academics, health practitioners, charity and civic organisations, have revealed how the topic of damp and mould provides a frame for a plethora of interconnected issues such as:

- the competing demands between developing new homes and improving the quality of existing older stock;
- the importance of trust and communication between landlords and tenants in both gaining access to undertake repairs and understanding how to live with the new technologies and interventions in their homes;
- the inextricable link between housing, health and wellbeing, and the cost of living;
- the overlap between damp and mould interventions and retrofitting homes in the transition to net zero housing.

We need to make the environmental, the social impact and the economic case for improving our housing stock. Poor housing conditions are profoundly harmful to our region and its citizens, particularly vulnerable groups living in poor quality and unsuitable accommodation. Both the development of new social housing and improving the quality of existing housing are crucial to ensure everyone in the West Midlands, and beyond, has access to a safe, affordable and decent home.

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1.2 Coming Up in the Month Ahead

- [LGBTQ+ Pride Month](#) – June
- [Race Unity Day](#) – 9 June
- [Men's Health Week](#) – 10-16 June
- [UK regional trade in goods statistics](#) – 13 June

1.3 National Headlines

- General election called for July
- The UK economy on temporary high
- Infrastructure Commission urges urgent action for growth
- Revitalising English Devolution to tackle incomplete devolution and insufficient powers

General election called for July

Parliament was dissolved on 30 May following the statement by Prime Minister Rishi Sunak calling a general election on 4 July.

The UK economy on temporary high

Latest figures from the ONS revealed that the UK economy grew by 0.6% in the first quarter of 2024, while inflation fell to just 2.3% in April. Nevertheless, [some have warned](#) that the consumer-led growth in the first quarter of the year will be short-lived without further efforts to improve productivity, and inflation is [widely expected](#) to rise again slightly during the summer before returning to the 2% Bank target only at the end of 2025. The 2.3% figure was also higher than anticipated and economists pointed to core inflation remaining sticky. As a result, it is now [less likely that base interest rates will begin to be cut](#) in June as was widely hoped, but some cuts are still anticipated in the second half of the year.

Infrastructure Commission urges urgent action for growth

The UK's National Infrastructure Commission warns that stagnation in infrastructure development over the next five years could hinder economic growth and climate goals. While some progress has been made, challenges persist. Funding shifts, renewable energy growth, and water management issues are highlighted. Urgent action is advocated, including coherent policies and increased public investment. Devolution and water sector reforms are emphasised, alongside railway network assessments. The Commission stresses the need for detailed plans and increased infrastructure investment, especially in the North and Midlands. Failure to act risks impeding future growth and connectivity. The [report](#) calls for decisive action to ensure infrastructure readiness for the future.

Revitalising English Devolution to tackle incomplete devolution and insufficient powers

The [report](#) by the Institute for Government urges the incoming government to revamp English devolution with 30 proposals over five years, addressing incomplete devolution and insufficient powers. Metro mayors have proven their efficacy in boosting regional economies through transport upgrades and urban renewal projects. Recommendations include extending devolution to 85% of England's population, finalizing devolution boundaries, expanding devolved powers, and fostering tax-sharing initiatives. Legal frameworks and electoral reforms are proposed to solidify devolution's foundation. Regular communication between the Prime Minister and metro Mayors are suggested for strategic alignment. Ultimately, the aim is to enhance both Conservative "levelling up" goals and Labour's growth objectives.

1.4 Regional Headlines

- Local Election Roundup
- Net zero transition presents an opportunity to revitalise UK manufacturing
- Richard Parker plans to take back control of regions buses

Local Election Roundup

It was a close-run race in May with Richard Parker, the Labour candidate, pipping Andy Street, the Conservative candidate at the post. With 225,590 votes to Andy Street's 224,082, Richard Parker was duly elected the new Mayor of the West Midlands. In other local election news, Dudley council moved to no overall control; however, the Conservative administration will continue.

Net zero transition presents an opportunity to revitalise UK manufacturing

A new [report](#) by the IPPR presents a case for developing green manufacturing in the UK. Despite historical neglect, the UK retains manufacturing strengths in regions sidelined during services-driven growth. Amidst stagnation and the urgent need for net zero transition, the government must refocus on these regions recommends the report. Investment in green industries, particularly wind and heat pumps, leveraging existing capabilities, is crucial. The West Midlands has a large presence of ordinary manufacturing that is related to the wind and green transport sectors, and some places in these regions also have high levels of employment in sectors related to heat pump manufacturing.

Richard Parker plans to take back control of regions buses

The WMCA has previously allocated over £75 million in subsidies to sustain the region's bus services for 18 months. This funding prevents fare hikes and service cuts that could affect thousands of passengers. With subsidies expiring soon, talks between TfWM and government aim to secure further funding. Mayor Richard Parker [proposes](#) franchising the bus network by 2025 to ensure affordability and reliability, consulting communities for input. Currently, private operators manage routes, but under franchising, TfWM would oversee operations. Rising costs and post-pandemic challenges necessitate exploring more efficient models. Investments focus on greener, integrated transport solutions for a sustainable future.

The West Midlands Insights on Society and Economy (WISE) newsletter is a monthly publication by the West Midlands Combined Authority that sets out the social and economic trends that matter to the West Midlands. The newsletter contributes to our understanding of the economic conditions of the West Midlands, as part of the wider regional research and intelligence ecosystem. Further information is available on the West Midlands research and insights website at wmca.org.uk/research and previous issues are available at wmca.org.uk/wise.

This edition was prepared by Phillip Nelson, Victoria Tidy, and Tawfieq Zakria, and incorporates commissioned content from the Economic Intelligence Unit (EIU) and other regional partners.