

Legal & General announce £4bn investment commitment, working in partnership with West Midlands combined authority

- **L&G makes seven-year multi-billion-pound landmark investment commitment to help the West Midlands Level Up**
- **Includes support for provision of housing of all tenures, including social and modular; commercial property and urban regeneration across multiple sites**
- **First project for the partnership will deliver new affordable homes in the Black Country**
- **Strong innovation focus to drive economic growth across the region**

West Midlands Combined Authority (WMCA) Mayor, Andy Street, and **Legal & General** (L&G) CEO, Sir Nigel Wilson, have today signed a partnership agreement and committed to invest £4 billion in regeneration, housing and levelling up across the West Midlands.

The landmark agreement, L&G's first with a combined authority, sets out a commitment to a seven-year programme of L&G investment building on the region's [2022 Investment Prospectus](#).

The programme is designed to create vibrant, dynamic communities in the region which, by providing attractive environments for people to work, live and play, will further enhance the West Midlands as a driver of UK economic growth. This builds on similar partnership agreements the WMCA has signed since 2018 with organisations such as Lovell and St Modwen.

The clear statement between both organisations combines the respective strengths of the WMCA and L&G. The Combined Authority has a clear and ambitious vision for the region with a strong commitment to Levelling Up, net zero, brownfield regeneration, affordable housing, inclusive growth and devolved powers to deliver on issues from land assembly to infrastructure, both physical and digital.

L&G, which manages £1.4 trillion as the UK's largest investor, has financed over £30bn of regeneration in UK towns and cities outside London, and wants to repeat the scale of this investment. It has already invested over £2bn in the WMCA's region, including the £210m Birmingham Health Innovation Campus and multiple housing projects.

The 2022 Investment Prospectus provides a range of possible development opportunities spread across the region which L&G and other investors can invest in. These prioritise creating thriving and more prosperous places and communities, including "corridors" and city and town centre development.

Alongside investment into new commercial developments, the agreement envisages a major contribution by L&G into climate-friendly projects, local communities and social and affordable housing, including build-to-sell and build-to-rent – providing high-quality homes across the range of tenures.

The agreement will also support the region's target to deliver 215,000 new homes by 2031, as set out in its ground-breaking Housing Deal with Government in 2018, and the WMCA's drive for wider inclusive growth.

Since the Housing Deal was signed, the West Midlands has secured upwards of £600m from Whitehall to drive regeneration with new housing and commercial schemes focussed predominantly on derelict or vacant urban sites, often referred to as brownfield land.

Using a nationally leading 'brownfield first' approach, WMCA investments have unlocked scores of disused industrial sites for new homes and jobs with developers required to make at least 20% of those new properties affordable under the WMCA's own locally applied definition, linked to real world local wages rather than property prices.

The first scheme for the partnership will be The Junction, a brownfield site in Oldbury which has lain empty for over 20 years. The site will be brought back into economic use through the investment of L&G. The development will deliver 234 energy efficient new homes of which nearly 50% will be for affordable housing under the WMCA's local definition.

Andy Street, Mayor of the West Midlands and chair of the WMCA, said: "The unveiling of this £4 billion partnership agreement with L&G is a prime example of how the West Midlands is getting on and delivering Levelling Up. This major investment will help regenerate long neglected areas across the West Midlands, provide affordable homes in the communities where the need is most felt, and supercharge economic growth in the years ahead.

"The scale of the ambition L&G is showing is evident in both the huge sums involved and the breadth of projects envisioned. It is a tremendous vote of confidence in the future of our region from one of the world's biggest investors, and I am delighted L&G came to the table and signed such a monumental agreement with us.

"I cannot wait to see this investment rolled out, projects underway, and the lives of our residents changed for the better."

Sir Nigel Wilson, CEO of L&G, added: "We have been investing across the UK in partnership with cities and universities for a decade. It's part of our 'Inclusive Capitalism' approach and has delivered terrific economic and social results. With Andy and his colleagues as ambitious partners at WMCA, we can take this to a new level.

"The West Midlands economic plan, resources and skills make it an attractive destination for trade and investment from across the world; our role in this is to put UK funds including pension savings to work here so UK savers benefit from UK prosperity."

Cllr Mike Bird, WMCA portfolio holder for Housing and Land and leader of Walsall Council, said: "There's no doubt that Covid has been hard on our regional economy but this partnership brings together public and private sector investment and skills on an unprecedented scale in the West Midlands.

"It also shows how our determination to press on and continue making key investments throughout the pandemic, bringing solid delivery on the ground, has been critical in driving private sector confidence and trust.

"The level of investment that L&G has set out will be an incredible shot in the arm for the West Midlands as we continue our recovery, helping to bring sustainable economic growth that benefits all our communities and supports our ambition to be a net zero region by 2041."

L&G's Director of Levelling Up, John Godfrey, adds: "Towns, cities and regions across the UK can do much, much better – this is the essence of the levelling up agenda. This framework agreement with the West Midlands enables political will to combine with financial resource so policy intentions become deliverable realities. We fully expect this to be an exemplar of what can be achieved with the right mix of devolution and determination."

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Further information

Lauren Kemp
Senior Communications Manager, Legal & General Capital
07946514627
Lauren.Kemp@lqim.com

Notes to editors

Legal & General Group

Established in 1836, Legal & General is one of the UK's leading financial services groups and a major global investor, with over £1.4 trillion* in total assets under management. We also provide powerful asset origination

capabilities. Together, these underpin our leading retirement and protection solutions: we are a leading international player in pension risk transfer, in UK and US life insurance, and in UK workplace pensions and retirement income. Through inclusive capitalism, we aim to build a better society by investing in long-term assets that benefit everyone and have invested over £30bn in levelling-up regional economies, including through major UK-wide regeneration schemes

Across the West Midlands, Legal & General has already invested in a number of major schemes and local businesses including:

- The 3 Arena Central development, the Midlands regional hub for HM Revenue and Customs (HMRC)
- Two Build to Rent schemes within Birmingham's Jewellery Quarter, delivering 600 new homes and 12,000 new jobs
- Onto, an electric car subscription service - now worth £2million a month in revenue.
- The Birmingham Health Innovation Campus with the University of Birmingham, as part of our Bruntwood SciTech joint venture
- Birmingham's first smart-enabled building, Enterprise Wharf
- L&G are the largest provider of affordable homes across the West Midlands.
- Committed £100,000 of funding to support businesses entering or growing in the healthcare, technology and wellbeing sectors

** at 9 March 2022*

West Midlands Combined Authority

Led by the Mayor of the West Midlands, the WMCA brings together 18 local councils and three Local Enterprise Partnerships to oversee the transfer of powers and funding from Whitehall to the West Midlands.

The WMCA is putting these new powers from government back where they belong, in local hands, bringing the region together to build a healthier, happier, better connected and more prosperous West Midlands.

Billions of pounds are being invested by the WMCA to improve the region's transport network, transform its derelict industrial land into new homes and workplaces, support existing businesses and help grow the innovative, green industries of the future.