EXPLANATORY MEMORANDUM TO

THE BIRMINGHAM EAST MAYORAL DEVELOPMENT CORPORATION (ESTABLISHMENT) ORDER 2026

2026 No. 405

1. Introduction

1.1 This Explanatory Memorandum has been prepared by the Ministry of Housing, Communities and Local Government and is laid before Parliament by Command of His Majesty.

2. Declaration

2.1 Miatta Fahnbulleh MP, Parliamentary Under-Secretary of State at Ministry of Housing, Communities and Local Government, confirms that this Explanatory Memorandum meets the required standard.

2.2 John McManus, Deputy Director for Local Growth Delivery Unit, at the Ministry of Housing, Communities and Local Government, confirms that this Explanatory Memorandum meets the required standard.

3. Contact

3.1 Hesham Mansour at the Ministry of Housing, Communities and Local Government. Email: Hesham.Mansour@communities.gov.uk can be contacted with any queries regarding the instrument.

Part One: Explanation and Context of the Instrument

4. Overview of the Instrument

What does the legislation do?

4.1 The West Midlands Combined Authority (Functions and Amendment) Order 2017[1] ("the 2017 Order") conferred on the West Midlands Combined Authority ("the WMCA") in relation to its area, functions that the Mayor of London has in relation to Greater London, including the power to designate any area of land as a Mayoral development area. Schedule 4 Part 4 of the 2017 Order modifies these functions and provides that these are to be exercised by West Midlands Combined Authority 'Combined Authority'.

4.2 Under section 197(1) of the Localism Act 2011 ("the 2011 Act"), as modified by the 2017 Order, the Combined Authority is given the power to designate any area of land in the combined authority as a Mayoral development area, provided that:

- the Combined Authority considers that this is expedient for furthering economic development and regeneration in the combined authority area;

[1] The West Midlands Combined Authority (Functions and Amendment) Order 2017 (https://www.legislation.gov.uk/ukdsi/2017/9780111155349/contents)

- the Combined Authority has consulted the statutory consultees as well as others whom the Combined Authority has considered it appropriate to consult and has had regard to any comments made by these consultees;
- if the Combined Authority disagrees and does not accept the comments made by statutory consultees, has published a statement giving reasons for non-acceptance; and,
- the Combined Authority has laid a document before the combined authority, stating that the Combined Authority proposes to designate an area as a Mayoral development area, and a period of 21 days has elapsed without the combined authority rejecting the proposal.

4.3 Section 198 of the 2011 Act requires the Secretary of State, if notified by the Combined Authority that a Mayoral development area has been designated, to make an Order establishing a corporation for this area. The Secretary of State is required to give the corporation the name notified by the Mayor.

4.4 This Order establishes the Birmingham East Mayoral Development Corporation (MDC), following notification by the Mayor of The West Midlands Combined Authority. This corporation will lead and coordinate regeneration within the designated Birmingham East development area, which is depicted on the map that accompanies this Order.

Where does the legislation extend to, and apply?

4.5 The extent of this instrument (that is, the jurisdiction(s) which the instrument forms part of the law of) is England and Wales.

4.6 The territorial application of this instrument (that is, where the instrument produces a practical effect) is England.

5. Policy Context

What is being done and why?

5.1 The proposed Birmingham East MDC will be established in the East Birmingham /North Solihull corridor which is an area that presents some of the most deep-rooted deprivation challenges - 28.8% of adults have no qualifications, 27.3% have never worked (more than double the national average), and child poverty is almost 50%. Birmingham East MDC will act as a regional economic engine, building on Birmingham's growth plans, which are already underway, providing additional capacity and capability to accelerate delivery. The MDC will act as a single gateway for investors and funding opportunities to ensure major projects connect with infrastructure and the public realm in a single regeneration vehicle. The MDC will deliver priority projects in Birmingham Sports Quarter, Birmingham Knowledge Quarter, Curzon Street, Central Heart, Smithfield and Digbeth. The corporation's boundary[2] is depicted on the map that accompanies this Order.

What was the previous policy, how is this different?

5.2 Currently regeneration is led by Birmingham City Council & West Midlands Combined Authority.

[2] Birmingham East Mayoral Development Corporation Boundary (https://www.wmca.org.uk/what-we-do/birmingham-east-mayoral-development-corporation/)

6. Legislative and Legal Context

How has the law changed?

6.1 The **Localism Act 2011** provides the statutory framework for Mayoral Development Corporations. **Section 198(2)** of that Act requires the **Secretary of State** to make an Order establishing a development corporation once the **Combined Authority** has designated a Mayoral development area and notified the Secretary of State of the designation and the name to be given to the corporation. This Order establishes the Birmingham East Mayoral Development Corporation following notification by the Combined Authority dated 26 March 2026.

Why was this approach taken to change the law?

6.2 This is the only possible approach to give effect to the designation made by the West Midlands Combined Authority.

7. Consultation

Summary of consultation outcome and methodology

7.1 In accordance with section 197 of the Localism Act 2011 modified by the 2017 Order, the Combined Authority held a 6-week consultation between 5th January 2025 to 16th February 2026 on the proposals to designate the Mayoral development area and establish a new Mayoral Development Corporation; consultees included the relevant local authorities and Members of Parliament. The establishment of the Mayoral Development Corporation was supported by 65% of respondents. A report on the responses to the consultation was published on 13th of March 2026[3].

8. Applicable Guidance

8.1 No specific guidance is associated with this instrument.

Part Two: Impact and the Better Regulation Framework

9. Impact Assessment

9.1 A full Impact Assessment has not been prepared for this instrument because no direct additional costs to business, charities or voluntary bodies are foreseen.

Impact on businesses, charities and voluntary bodies

9.2 There is no, or no significant, impact on business, charities or voluntary bodies.

9.3 The legislation does not impact small or micro businesses.

9.4 There is no, or no significant, impact on the public sector.

10. Monitoring and Review

What is the approach to monitoring and reviewing this legislation?

10.1 The functions of Mayoral development corporations are subject to periodic review by the West Midlands Combined Authority and the Secretary of State.

[3] Birmingham East MDC Consultation Review (https://governance.wmca.org.uk/documents/s32296/East Birmingham MDC Consultation Review.pdf)

10.2 This Order does not include a statutory review clause.

Part Three: Statements and Matters of Particular Interest to Parliament

11. Matters of Special Interest to Parliament

11.1 None

12. European Convention on Human Rights

12.1 As the instrument is subject to negative procedure and does not amend primary legislation, no statement is required.

13. The Relevant European Union Acts

13.1 This instrument is not made under the European Union (Withdrawal) Act 2018, the European Union (Future Relationship) Act 2020 or the Retained EU Law (Revocation and Reform) Act 2023 ("relevant European Union Acts").