Public Document Pack

Wednesday, 21 August 2019

To: Members of the Sheffield City Region Housing Board and Appropriate Officers

NOTICE OF MEETING

You are hereby summoned to a meeting of the Sheffield City Regional Housing Board to be held at **11 Broad Street West, Sheffield S1 2BQ**, on: **Thursday, 29 August 2019** at **1.00 pm** for the purpose of transacting the business set out in the agenda.

Dr Dave Smith
Chief Executive

Member Distribution

Councillor Chris Read (Chair)	Rotherham MBC
Tanwer Khan (Co-Chair)	Private Sector LEP Board Member
Neil MacDonald	Private Sector LEP Board Member
Councillor Julie Dore	Sheffield City Council
Councillor Chris Lamb	Barnsley MBC
Councillor Glyn Jones	Doncaster MBC
Damian Allen	Doncaster MBC
Mark Lynam	SCR Executive Team

SCR - Housing Board

Thursday, 29 August 2019 at 1.00 pm

Venue: 11 Broad Street West, Sheffield S1 2BQ

Sheffield City Region MAYORAL COMBINED AUTHORITY

Agenda

Agenda Ref No	Subject	Lead	Page
1.	Welcome and Apologies	Cllr Chris Read	
2.	Declarations of Interest by individual Members in relation to any item of business on the agenda Declarations of Interest by individual Members in relation to any item of business	Cllr Chris Read	
3.	Urgent items / Announcements	Cllr Chris Read	
4.	Public Questions of Key Decisions	Cllr Chris Read	
5.	Minutes of the Previous Meeting	Mr Mark Lynam	5 - 10
6.	Strategic Economic Plan and Local Industrial Strategy Review	Guest	11 - 58
7.	Modern Methods of Construction	Guthrie	59 - 74
8.	Housing Evidence Base	Mr Mark Lynam	75 - 78
9.	Forward Plan 2019/20	Mr Mark Lynam	79 - 80
10.	Any Other Business	Cllr Chris Read	
Date of next meeting: Thursday, 24 October 2019 at 1.00 pm **At:**11 Broad Street West, Sheffield S1 2BQ			

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SCR - HOUSING BOARD

MINUTES OF THE MEETING HELD ON:

WEDNESDAY, 17 JULY 2019 AT 1.00 PM

11 BROAD STREET WEST, SHEFFIELD S1 2BQ

Present:

Councillor Chris Read (Chair)	Rotherham MBC
Tanwer Khan (Co-Chair)	Private Sector LEP Board Member
Neil MacDonald	Private Sector LEP Board Member
Damian Allen	Doncaster MBC
Mark Lynam	SCR Executive Team

Officers in Attendance:

Colin Blackburn	Assistant Director - Housing, Infrastructure and Planning	SCR Executive Team

Apologies:

Councillor Julie Dore	Sheffield City Council
Councillor Chris Lamb	Barnsley MBC
Councillor Glyn Jones	Doncaster MBC
Nick Rousseau	SCR Executive Team

1 **Welcome and Apologies**

Members' apologies were noted as above.

2 **Declarations of Interest by individual Members in relation to any item of business on the agenda**

None.

3 **Urgent items / Announcements**

None.

4 **Public Questions on Key Decisions**

None.

5 **Governance Arrangements and Terms of Reference**

A report was received to summarise the approved governance arrangements for the Housing Board, approved by the Mayoral Combined Authority and the

Local Enterprise Partnership.

Members’ attention was drawn to the 8 week meeting cycle (compared to the 6 weekly cycle of the previous iteration of the Board).

Regarding quoracy, it was noted the current requirement for 7 members to be present is under evaluation, noting this was originally based on the added attendance of non-Constituent district representatives and that these seats are not currently being filled.

It was noted the matter of quoracy is of relevance given that this needs to be met to facilitate the Board’s powers to take decisions on Housing Investment Fund schemes for values up to £2m.

Opinions were sought regarding the attendance of advisory members at Housing Board meetings. It was acknowledged advisors can provide valuable expertise and input to meetings but also recognised it is important to keep the Board ‘strategic’.

Consideration was given to whether Homes England and other agencies such as housing associations should have standing representation at meetings. It was agreed a final decision on advisory attendance should be taken once the Board has become more established.

Consideration was given to whether the Board’s sphere of interest should extend beyond the scope of the housing investment programme. It was agreed it should noting the inclusion in the terms of reference ‘to shape future policy development and priorities on issues related to housing’.

The paper also proposed the schedule of dates for future meetings.

RESOLVED, that the Board:

1. Notes the approved governance arrangements.

2. Notes the proposed future scheduling of Housing Board meetings.

3. Notes the potential to engage a wider membership on an advisory basis

6 **Housing Board Activities And Work Programme**

A report and presentation were received to provide a summary of the areas of activity that the Housing Board has responsibility for.

Additional contextual information was presented to provide information in respect of current activity and past housing delivery trends, housing affordability, energy efficiency, homelessness and government policy.

The Board was provided with a detailed explanation of the SCR’s Housing Fund, noting its scale of ambition and the schemes approved for funding to date.

Noting the types of schemes that have come to fruition via the Fund, consideration was given to whether the SCR should have a dedicated, centralised preparatory fund (and resources) to help the Local Authorities ‘enable’ the development of business cases for future schemes (acknowledging that constrained preparatory funding can often be a delivery barrier for various types of development).

Action: Damian / Mark to consider if provision can be made to discuss this matter at the SCR Chief Executives’ Group.

Members considered how the Board might be best positioned to enable the Local Authorities to take advantage of other new housing initiatives, such as modular building.

A summary of responsibilities for the Board going forward was noted as:

- To shape future policy development and priorities on issues related to housing;
- To develop housing programmes;
- To make investment decisions up to £2 million within the agreed budget and policy on housing, as delegated by the Mayoral Combined Authority (MCA);
- To accept grants and loans with a value of less than £2 million;
- To monitor programme delivery and performance.

The meeting was presented with the dashboard-based approach to how monitoring information will be presented to future meetings.

RESOLVED, that the Board:

1. Notes the current SCR housing activities being undertaken, which fall within the role and remit of the Housing Board;

2. Notes the Dashboard proposals to monitor progress on both the Housing Board’s activities and the SCR Housing Fund investments.

7 **Developing A Housing Evidence Base**

A report was received to inform the Board of proposals for developing a housing evidence base capable in-turn of facilitating a more in-depth exploration of specific strategic housing issues. The report also proposed that Phase 1 of this work be overseen by the Housing Board.

It was noted this aligns with one of the Mayor’s priorities (i.e. the importance of housing availability and quality) and confirmed the scope of this work has been agreed with the Mayor.

It was proposed Phase 1 of this work be undertaken over the next 6-8 months with further phases potentially thereafter and confirmed how it is envisaged the Board would feed into /steer this work.

It was noted that unlike previous housing needs and demands assessments, this study would be less predicated on housing numbers and look in more detail at the mix of the SCR's required housing provision. It was noted it has been suggested there should be two review enquiry strands focussing on known 'needs' and harder to quantify 'demands'. Examples were provided for the types of factor that would be investigated via these enquiries.

The Board questioned whether the Executive Team officers are appropriately resourced to undertake what is likely to be a significant amount of work. It was confirmed likely resourcing requirements are being considered.

It was suggested the study needs to be mindful of housing 'liveability' as well as affordability, to ensure we importantly take account of what people want and how they want to live.

Intentions to make this more than a desktop exercise were explained and it was considered how the private sector and knowledgeable officers within the districts might be able to engage with and support this work.

It was acknowledged this could become a 'vast' undertaking and caution was urged for in terms of keeping the project scope manageable.

RESOLVED, that the Board:

1. Notes the proposals to develop a housing evidence base

2. Notes the proposed approach for undertaking the housing evidence base work and the proposed role of the SCR Housing Board as part of this work

8 **Draft Statement Of Common Ground**

The Board was presented with a summary of the work programme being led by the SCR Heads of Planning Group to develop a draft Statement of Common Ground.

It was noted that within the guise of the existing 'duty to co-operate' (in place between the SCR's Local Planning Authorities) a number of shared initiatives are being developed. This includes a Statement of Common Ground which is intended to record agreements on cross boundary, strategic matters between the authorities. Which districts ultimately sign up to the Statement will be subject to individual authorities' consideration.

RESOLVED, that the Board

1. Notes and supports the work programme being developed by Heads of Planning.

2. Notes the requirement to prepare a Statement of Common Ground and its purpose to both support Local Plans and support Local Planning Authorities at Local Plan Examinations.

3. Supports the draft Statement of Common Ground and

requests it being presented for consideration by each Local Planning Authority ahead of ratification by the MCA.

9 Capital Programme: Scheme for Discussion - Bradwell

Information was presented to enable the Board to take a decision on this scheme seeking grant funding of £370,000 from the SCR to provide 12 affordable homes in perpetuity in the village of Bradwell in the Peak District National Park.

Supporting annexes were provided to present the details of the project.

It was noted that in line with the Sheffield City Region Assurance Framework, the project has been considered by the SCR Appraisal Panel and is recommended to the Housing Board for a policy steer and potentially an in-principle investment decision.

RESOLVED, that the Board:

1. Endorse the principle of the SCR Housing Fund being used to support the Bradwell scheme and invite the Scheme Sponsor to progress to Full Business Case

2. Delegate the final decision to grant fund 12 affordable homes in perpetuity in the village of Bradwell up to £370k, to the Head of Paid Service (or his appointed delegate) in consultation with the Housing Board's Co-Chairs.

10 Any Other Business

No additional matters noted.

In accordance with Combined Authority's Constitution/Terms of Reference for the Board, Board decisions need to be ratified by the Head of Paid Services (or their nominee) in consultation with the Chair of the Board. Accordingly, the undersigned has consulted with the Chair and hereby ratifies the decisions set out in the above minutes.

Signed ....

Name ....

Position ....

Date ....

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HOUSING BOARD

29th AUGUST 2019

STRATEGIC ECONOMIC PLAN AND LOCAL INDUSTRIAL STRATEGY

Purpose of Report

The paper and accompanying presentation provide Board members with the following:

- an overview of the current economic landscape in Sheffield City Region
- emerging evidence and priority areas for SCR

Members will be provided with an understanding of the evidence base and the emerging narrative for the Sheffield City Region (SCR) Strategic Economic Plan and Local Industrial Strategy. The presentation will inform a discussion of the next stage of development of priorities for the economic plan.

Thematic Priority

This paper links to all thematic priorities and the eventual outputs will shape the thematic priorities in the future.

Freedom of Information

This paper may be released under a Freedom of Information request. In this section, it must be clear if the paper has any exemption under Part II of the Freedom of Information Act 2000

Recommendations

That Board members:

- Note the summarised evidence base presented;

- Discuss the emerging areas for prioritisation and agree these as areas for strategy work.

1. Introduction

1.1 The City Region is developing a new Economic Strategy for the region.
The Strategic Economic Plan (SEP) will be a single overarching strategy which will set out the wider socio-economic aspirations and inclusive priorities for SCR over the medium to long term (10 years for the plan and 20 years for the vision).
Falling out of the SEP will be a Local Industrial Strategy (LIS). This will align with the National Industrial Strategy and drive long-term productivity growth. This will be agreed with Government.

The work on the evidence base is reaching completion. This highlights a set of key messages which will shape the emerging priorities for the SEP and LIS. This paper provides a summary of the evidence base, including in relation to 'Housing.'

2. Proposal and justification

2.1 The attached slides, which will be presented to the Board, provides:

- an overview of the evidence base and current challenges; and
- the potential focus of future priorities

The presentation aims to stimulate discussion on the future policy direction and priority areas for SCR and where the LEP/MCA can add most value/impact.

2.2 Given the role of the LEP the analysis has focused on socio-economic data on the economy, productivity, labour market, business base and infrastructure. This aligns with the themes set out in the national industrial strategy and adopts a broader focus around inclusive growth that builds on the City Region's strengths.

2.3 The development of the 2014 SEP and the work undertaken on the LIS documents that have been published illustrate the strengths of a comprehensive and rigorous evidence base when negotiating with government. Following feedback, the evidence base will be further developed in areas where the analysis is lighter (e.g. culture).

2.4 Given the evidence pack's length, a summary is attached as an appendix. An additional, technical evidence document is available for LEP Board members on request.

2.5 Board Members are invited to consider the evidence, particularly in respect of 'infrastructure' issues and activities in relation to the economic strategy.

In the emerging SEP, infrastructure will be considered as part of the "Place" objectives which in turn will complement the "Opportunity" and "Prosperity" objectives. The emerging vision is focused on our "People" (all who live, work or visit SCR). The emerging infrastructure policies aim to transform connectivity (digital and transport), coherent urban centres, viable sub-urban towns and settlements and our cultural offer to deliver sustainable attractive places where people and businesses chose to locate and can thrive.

Further work to develop the propositions will be brought back to the Board for consideration, in accordance with the Board's agreed Forward Plan.

3. Consideration of alternative approaches

3.1 There are no viable alternatives propositions as the LEP/MCA has empowered the Thematic Boards to:

- Contribute to future policy development and priorities
- Develop new programmes;

4. Implications

4.1 Financial
There are no financial implications to this paper.

4.2 Legal
There are no legal implications to this paper.

4.3 Risk Management
Through the development of programmes, appropriate risk measures will be put in place in line with the SCR Risk Management Programme.

4.4 Equality, Diversity and Social Inclusion
The presentation considers all aspects of society to understand where opportunities aren't available or where particular barriers are preventing residents from accessing opportunities.

5. Communications

5.1 All propositions developed by Thematic Boards to support the SEP / LIS will be communicated to and subject to agreement by the LEP / MCA to adopt the new policy.

A communications plan underpins the work to develop the SEP and the LIS and specific work resulting from this. The SCR Corporate Communications plan will reflect agreed LEP, Mayoral and MCA priorities.

6. Appendices/Annexes

6.1 Appendix 1 – Summary of Evidence Base

REPORT AUTHOR	**Jonathan Guest**
POST	**Senior Economic Policy Manager**
Officer responsible	**Felix Kumi-Ampofo**
Organisation	**Sheffield City Region**
Email	**Felix.Kumi-Ampofo@Sheffieldcityregion.org.uk**
Telephone	**T: 0114 220 3416**

Background papers used in the preparation of this report are available for inspection at: 11 Broad Street West, Sheffield S1 2BQ

Other sources and references:

- Strategic Economic Plan Evidence Base – 2019 (Summary Evidence Pack) – Appendix A.
- Relevant documents available on the website: https://sheffieldcityregion.org.uk/explore/resources/

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Appendix 1

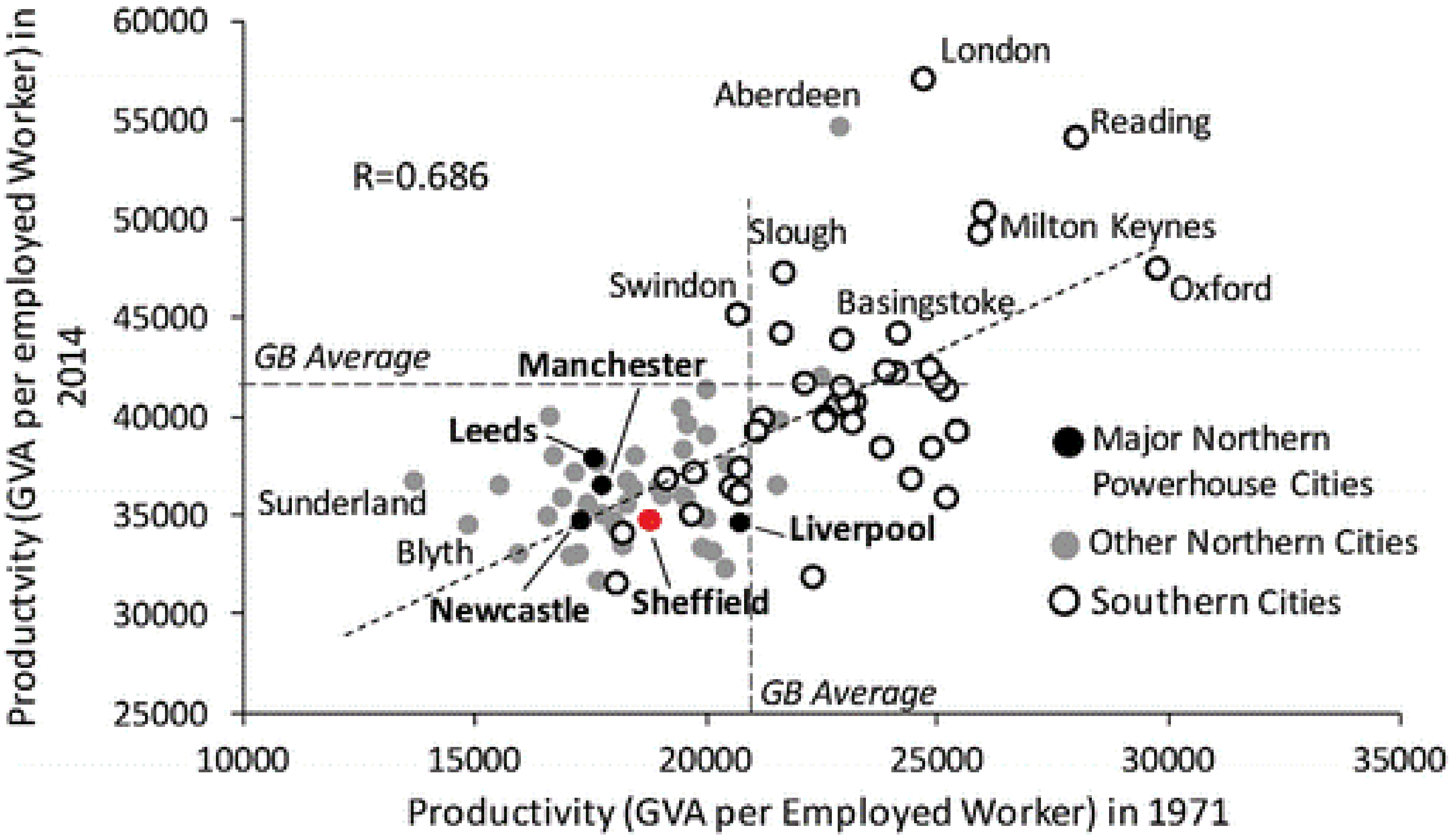
SEP & LIS EVIDENCE

June 2019

Sheffield City Region

THE SCALE OF THE ECONOMIC CHALLENGE

Labour Productivity Across British Cities in 1971 and 2014 (Gross Value Added per employed worker at 2011 prices)



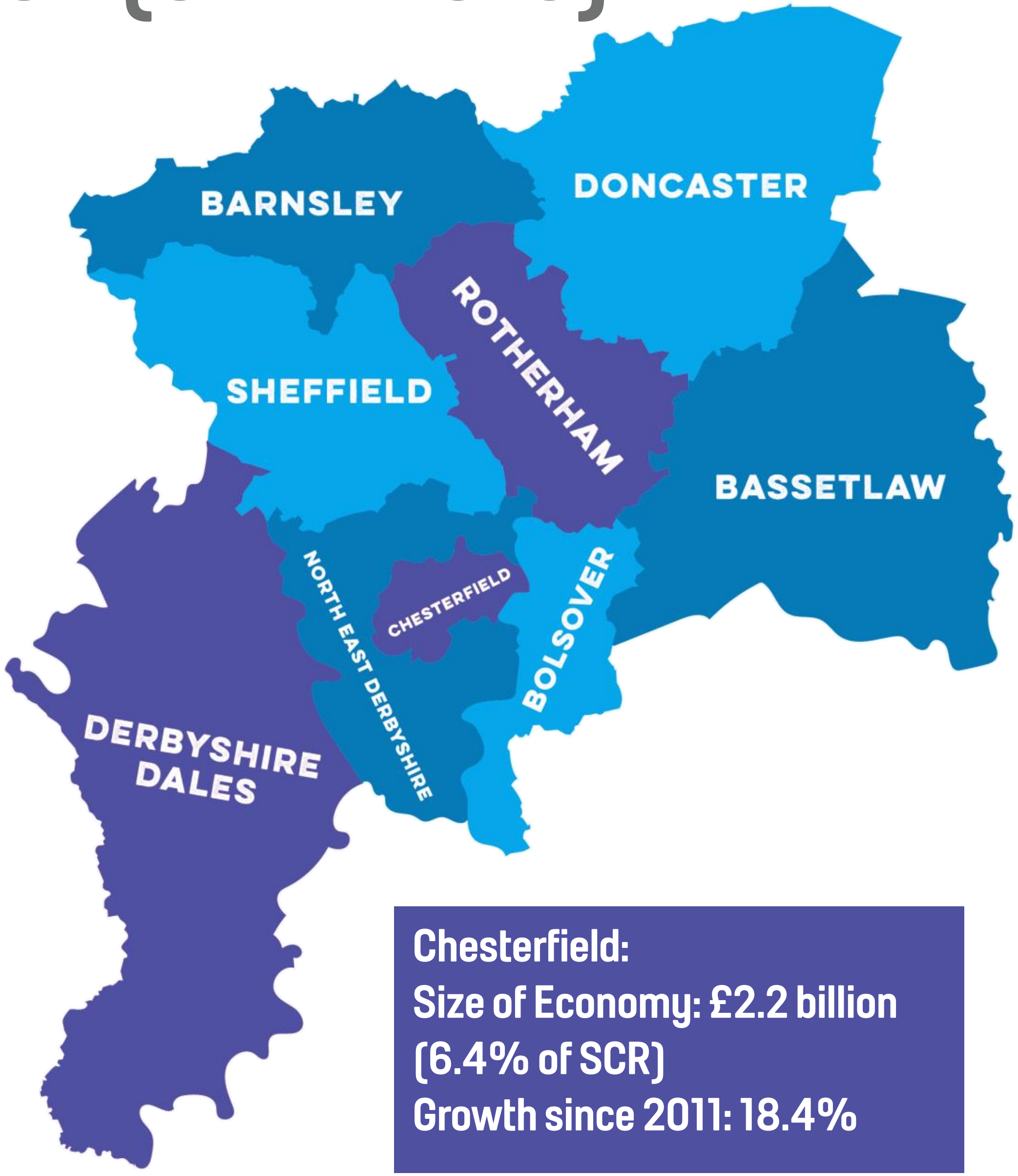
ECONOMIC OUTPUT (GVA - 2016)

Barnsley:
Size of Economy: £3.6 billion
(10.7% of SCR)
Growth Since 2011: 19.6%

Sheffield:
Size of Economy: £12billion
(33.6% of SCR)
Growth since 2011: 11.7%

Derbyshire Dales:
Size of Economy: £1.7 billion
(5% SCR)
Growth since 2011: 12.5%

North East Derbyshire:
Size of Economy: £1.4 billion
(4.3% of SCR)
Growth since 2011: 11.38%



Chesterfield:
Size of Economy: £2.2 billion
(6.4% of SCR)
Growth since 2011: 18.4%

Doncaster:
Size of Economy: £5.5 billion
(15.2% of SCR)
Growth since 2011: 19.7%

Rotherham
Size of Economy: £4.8 billion
(13.3%of SCR)
Growth since 2011: 18.5%

Bassetlaw
Size of Economy: £2.3 billion
(6.9% of SCR)
Growth since 2011: 16.1%

Bolsover:
Size of Economy: £1.5 billion
(4.5% of SCR)
Growth since 2011: 29.1%

Source: ONS GVA Estimates 2018

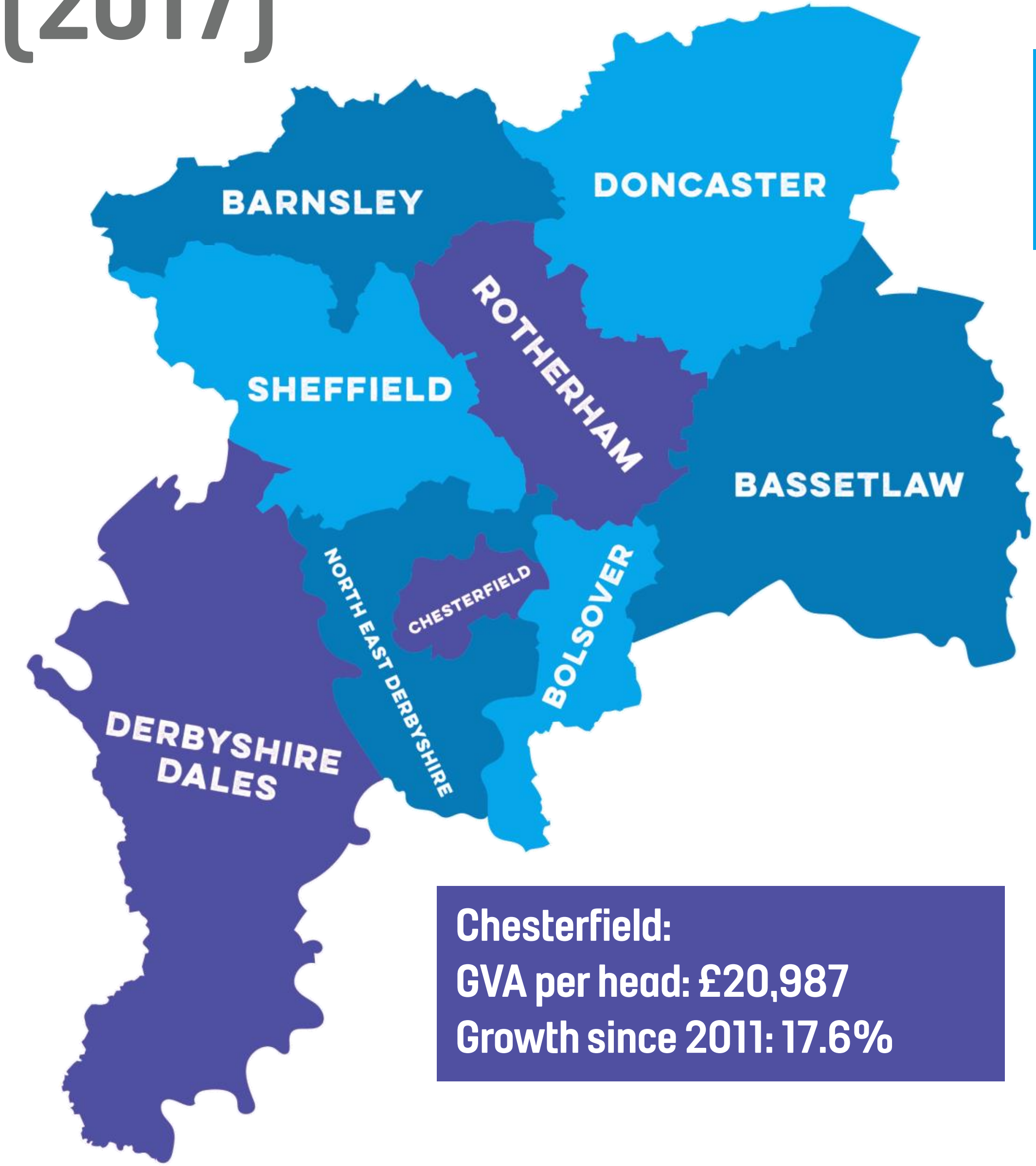
GVA PER HEAD (2017)

Barnsley:
GVA per head: £15,072
Growth since 2011: 15%

Sheffield:
GVA per head: £19,870
Growth since 2011: 7.1%

Derbyshire Dales:
GVA per head: £23,989
Growth since 2011: 12.2%

North East Derbyshire:
GVA per head: £14,676
Growth since 2011: 10.3%



Chesterfield:
GVA per head: £20,987
Growth since 2011: 17.6%

Doncaster:
GVA per head: £16,897
Growth since 2011: 18.1%

Rotherham
GVA per head: £17,289
Growth since 2011: 16.6%

Bassetlaw
GVA per head: £20,446
Growth since 2011: 14.3%

Bolsover:
GVA per head: £19,841
Growth since 2011: 25.7%

Source: ONS GVA Estimates 2018

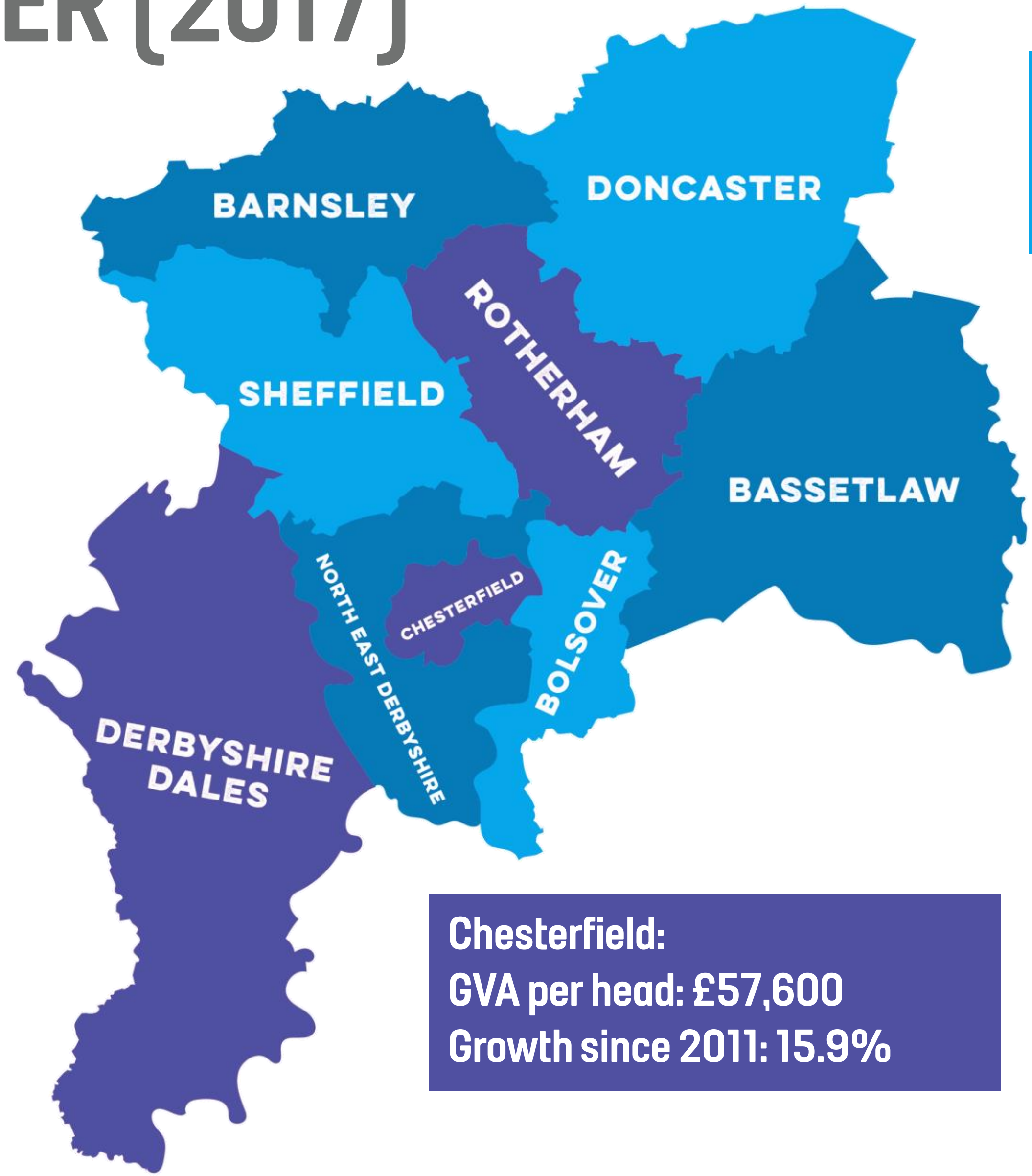
GVA PER WORKER (2017)

Barnsley:
GVA per head: £46,800
Growth since 2011: -2%

Sheffield:
GVA per head: £50,600
Growth since 2011: -1.44%

Derbyshire Dales:
GVA per head: £52,500
Growth since 2011: 10.2%

North East Derbyshire:
GVA per head: £58,000
Growth since 2011: 5.7%



Chesterfield:
GVA per head: £57,600
Growth since 2011: 15.9%

Doncaster:
GVA per head: £48,800
Growth since 2011: 0.12%

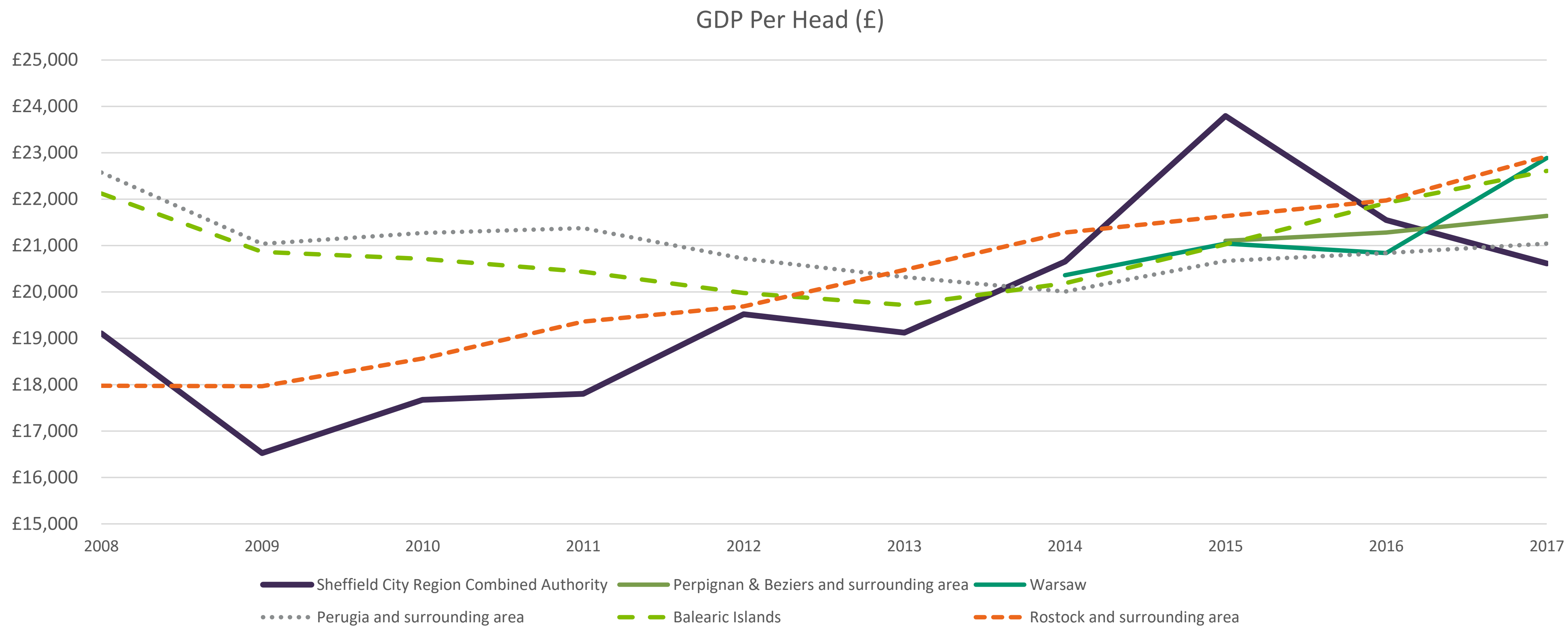
Rotherham
GVA per head: £48,000
Growth since 2011: -0.46%

Bassetlaw
GVA per head: £47,500
Growth since 2011: 0.96%

Bolsover:
GVA per head: £47,800
Growth since 2011: 4.2%

Source: ONS GVA Estimates 2018

EUROPEAN COMPARISONS



Source: Eurostat GDP Regional Estimates 2018

GVA AND GDP COMPARISON - MOVING GRAPHS

[GVA per Hour Worked, 2004 to 2017]

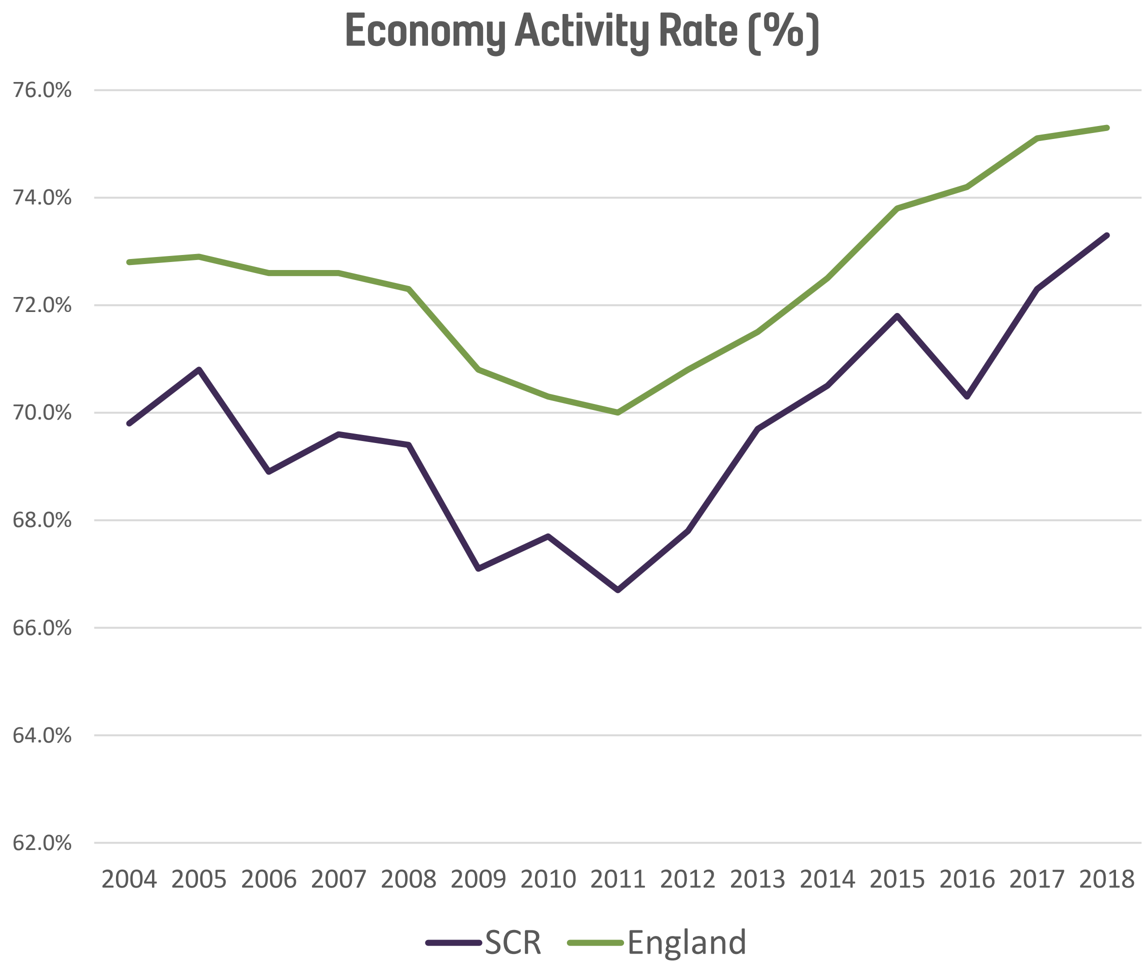
[GDP per Worker, 2008 to 2017]

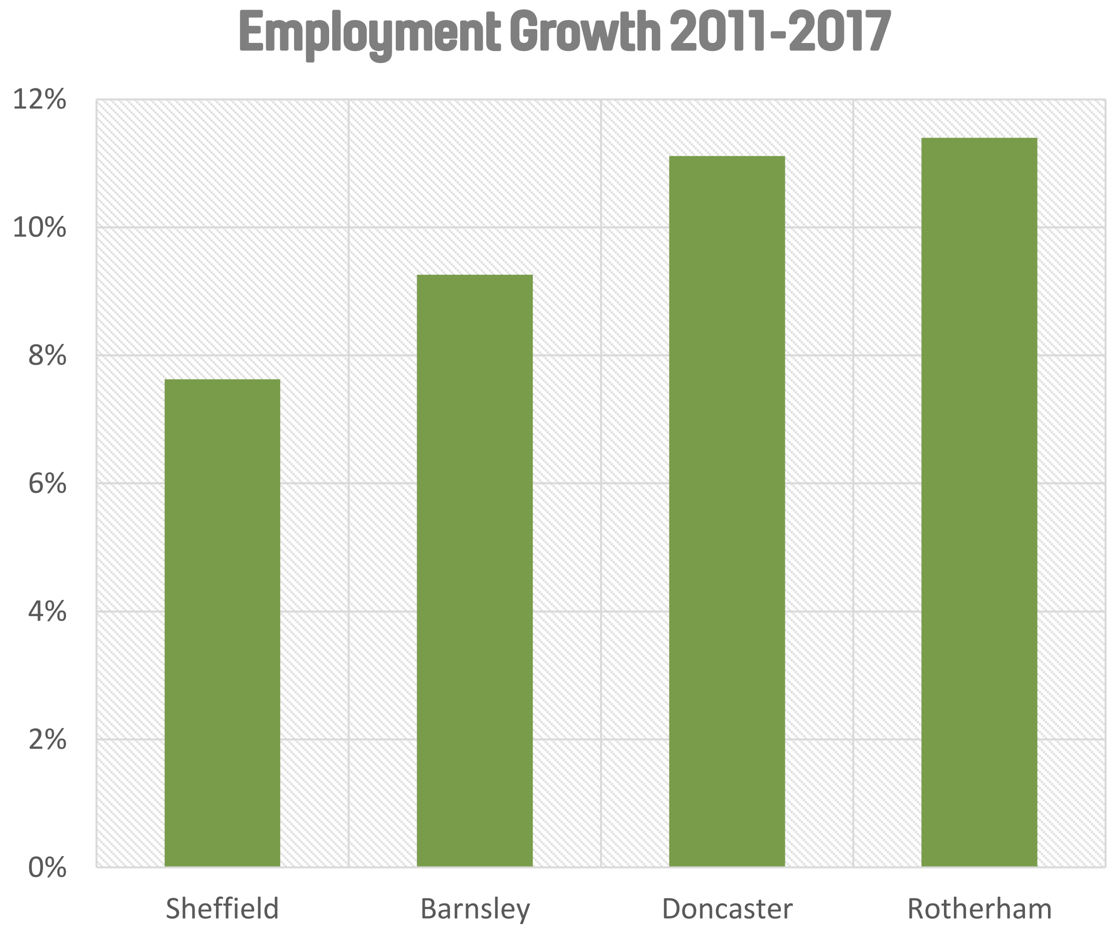
[GDP per Filled Job (£), 2002 to 2017]

SIZE OF OUR ECONOMY

Current Economy (2017/18): £35bn	Size of economy if productivity matched UK (minus London): £40bn	Size of economy if productivity matched UK (with London): £44bn	Size of economy if productivity matched South East: £46bn	Size of economy if productivity matched London: £62bn

EMPLOYMENT





Source: Annual Population Survey 2018 & EMSI 2018

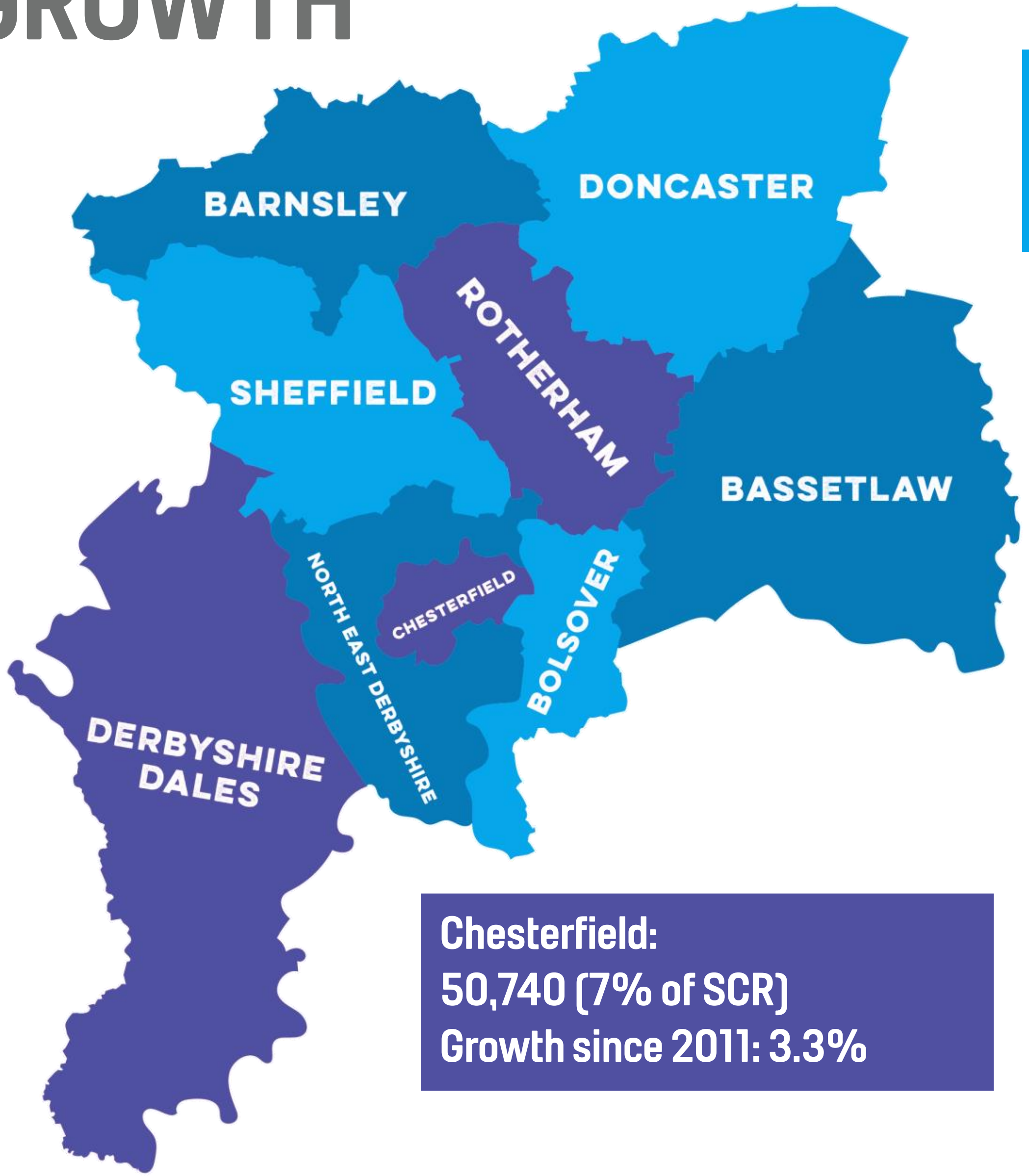
EMPLOYMENT GROWTH

Barnsley:
78,600 (10% of SCR)
Growth since 2011: 9.6%

Sheffield:
255,250 (34% of SCR)
Growth since 2011: 7.6%

Derbyshire Dales:
34,050 (5% of SCR)
Growth since 2011: -4%

North East Derbyshire:
27,540 (4% of SCR)
Growth since 2011: 1.57%



Chesterfield:
50,740 (7% of SCR)
Growth since 2011: 3.3%

Doncaster:
121,350 (16% of SCR)
Growth since 2011: 11.1%

Rotherham
104,443 (14% of SCR)
Growth since 2011: 11.4%

Bassetlaw
50,900 (7% of SCR)
Growth since 2011: 12.1%

Bolsover:
33,130 (4% of SCR)
Growth since 2011: 13.6%

Source: EMSI 2018

EMPLOYMENT GROWTH

Barnsley:
78,600 (10% of SCR)
Growth since 2011: 9.6%

Doncaster:
121,350 (16% of SCR)
Growth since 2011: 11.1%

Rotherham
104,443 (14% of SCR)
Growth since 2011: 11.4%

Sheffield:
255,250 (34% of SCR)
Growth since 2011: 7.6%

Source: EMSI 2018

Economic Activity Rate in SCR:
73.2%

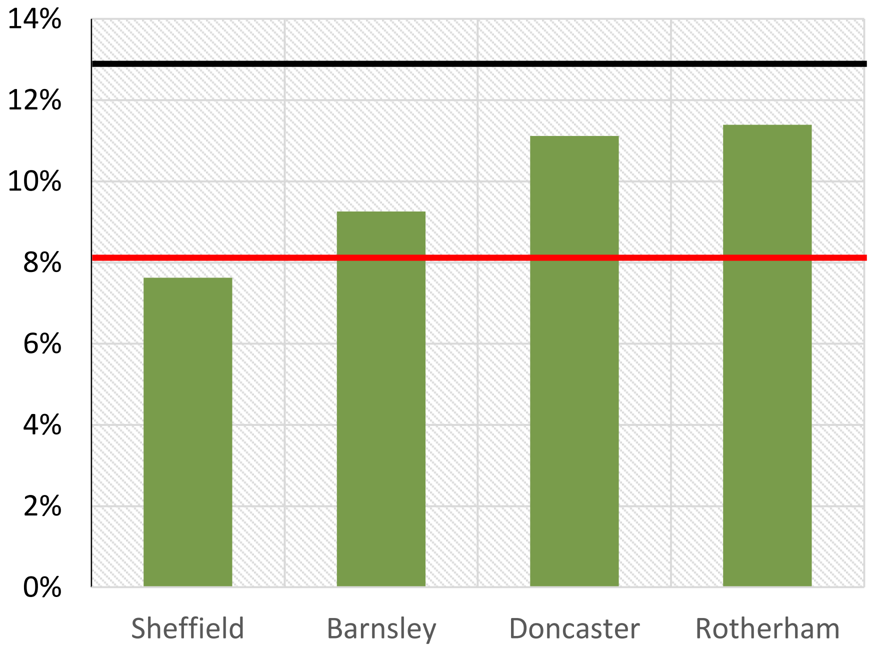
Current Gap (closing since 2016): 1.7%

Economic Activity Rate in England:
74.9%

BUT rise in employment has been in low skill, low pay sectors – jobs threatened by automation

EMPLOYMENT

Employment Growth 2011-2017

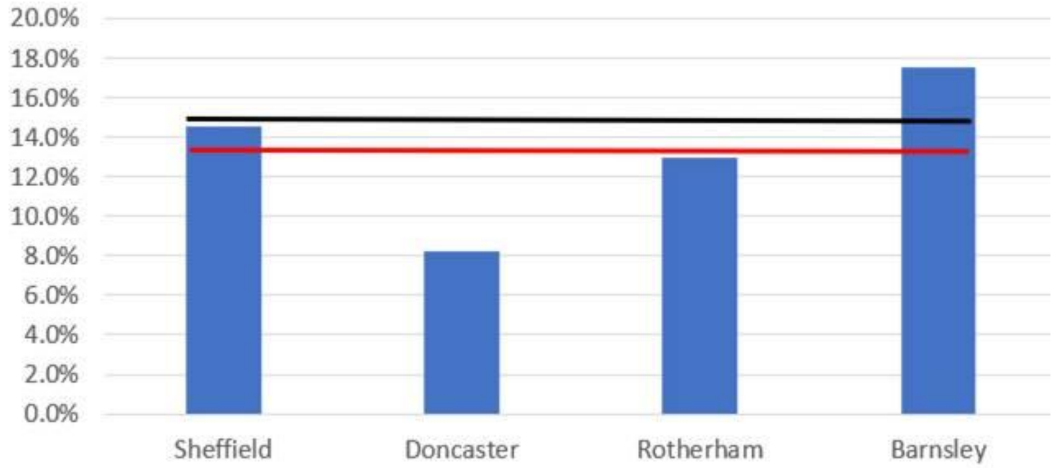


- Barnsley has seen good employment growth with above the national average growth in higher level occupations

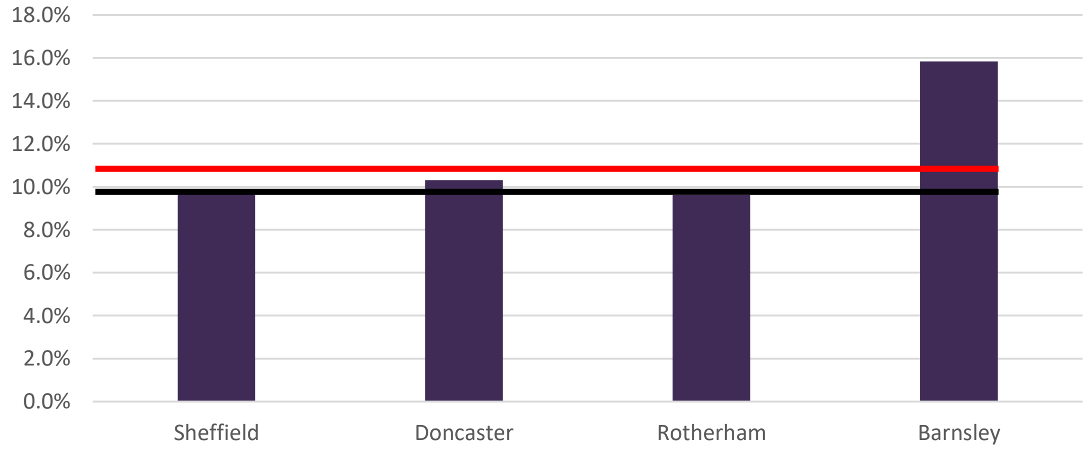
- However, Sheffield's overall numbers rather than percentage change is about the same as the other three districts combined

- Barnsley's employment growth in higher level occupations is positive, but it has seen a high proportion of its growth in low pay sectors

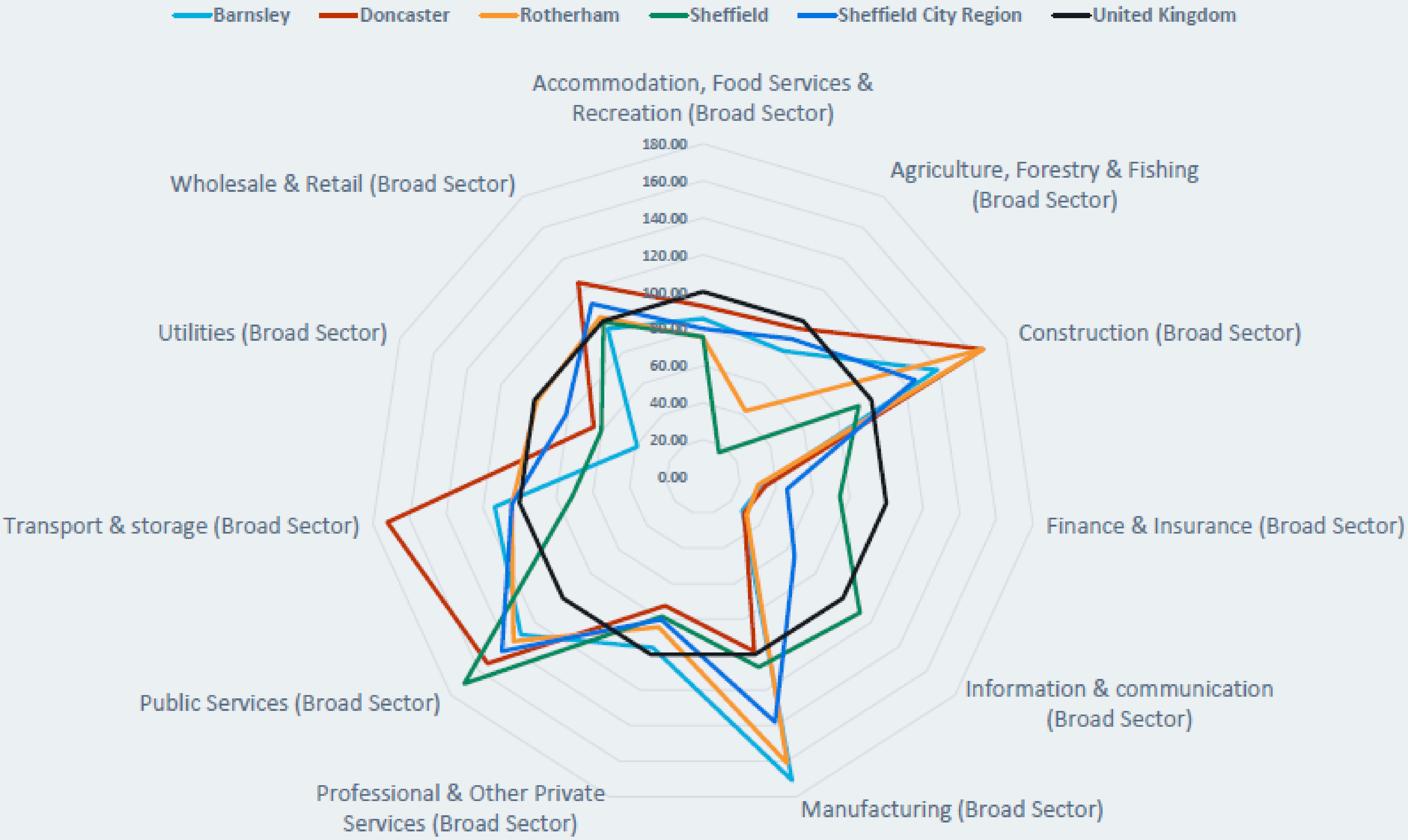
Employment Growth in higher level occupations, 2010-2018



Employment Growth in low pay sectors, 2010-2017



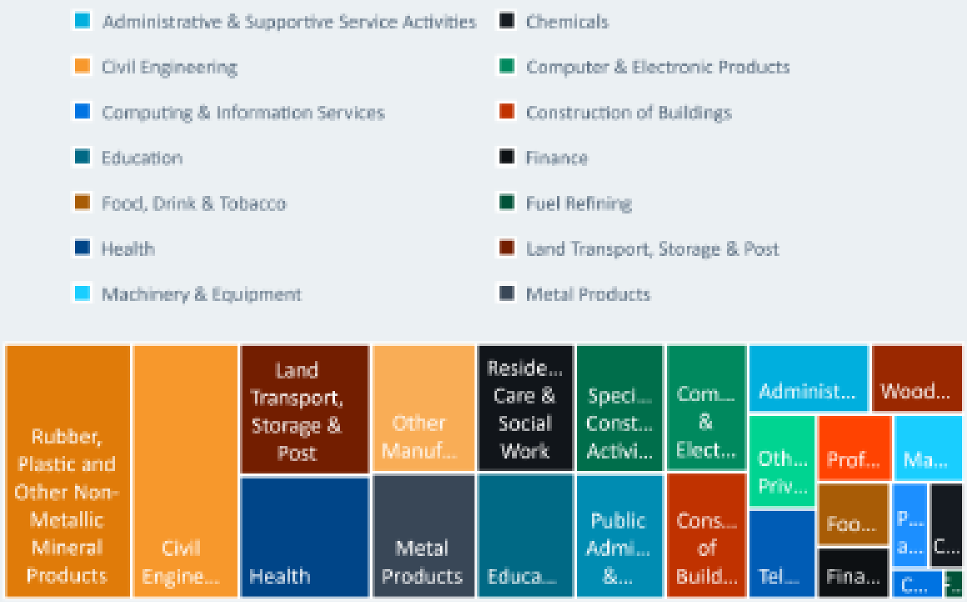
Sector GVA share indexed to UK



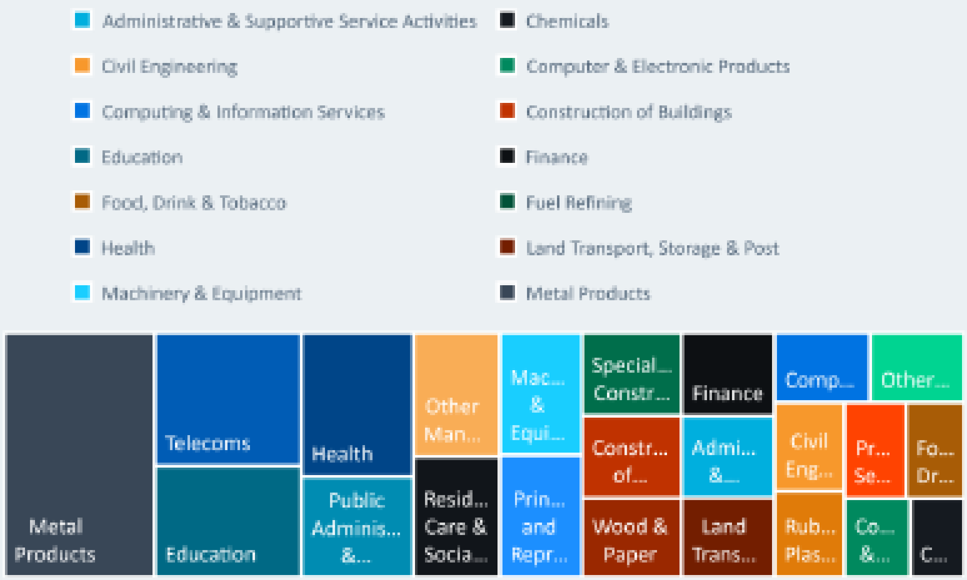
LQs for GVA on detailed sectors

Barnsley

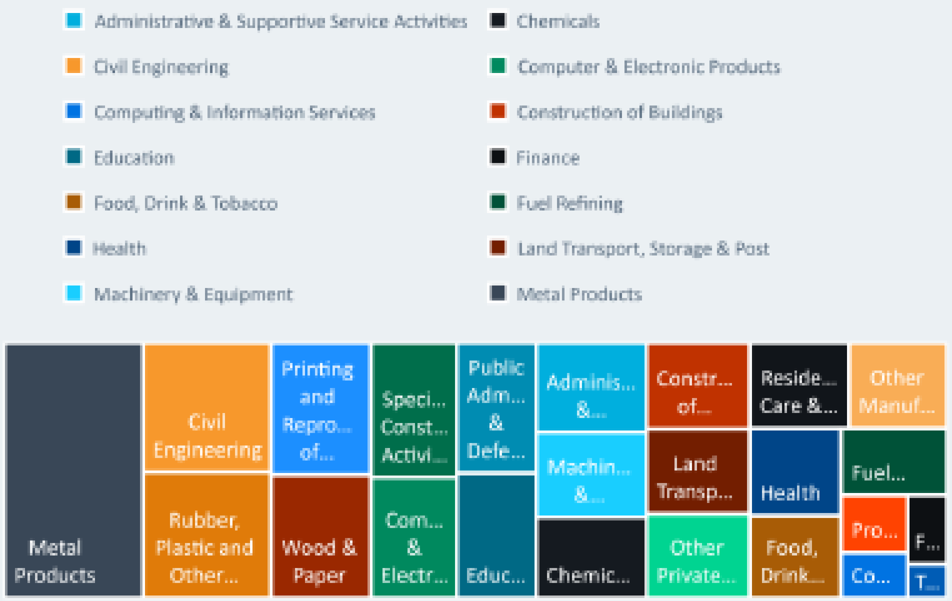
Doncaster



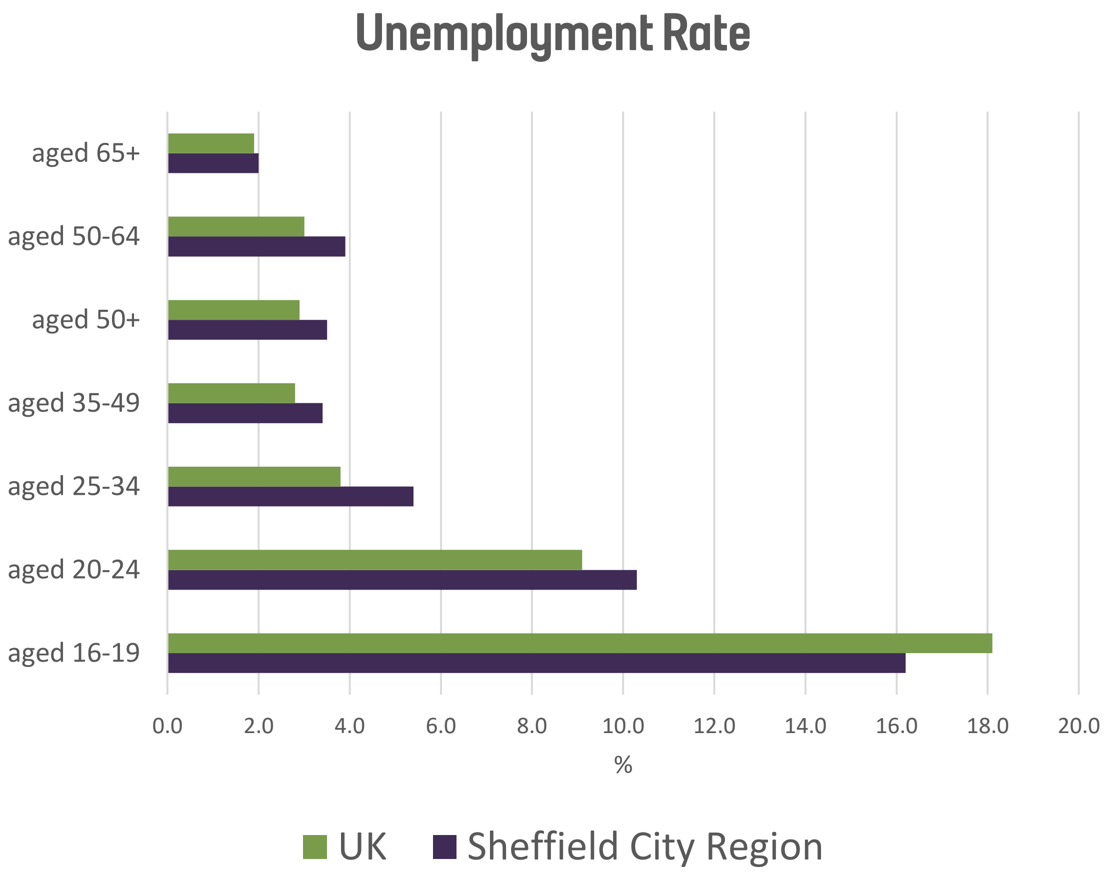
Sheffield



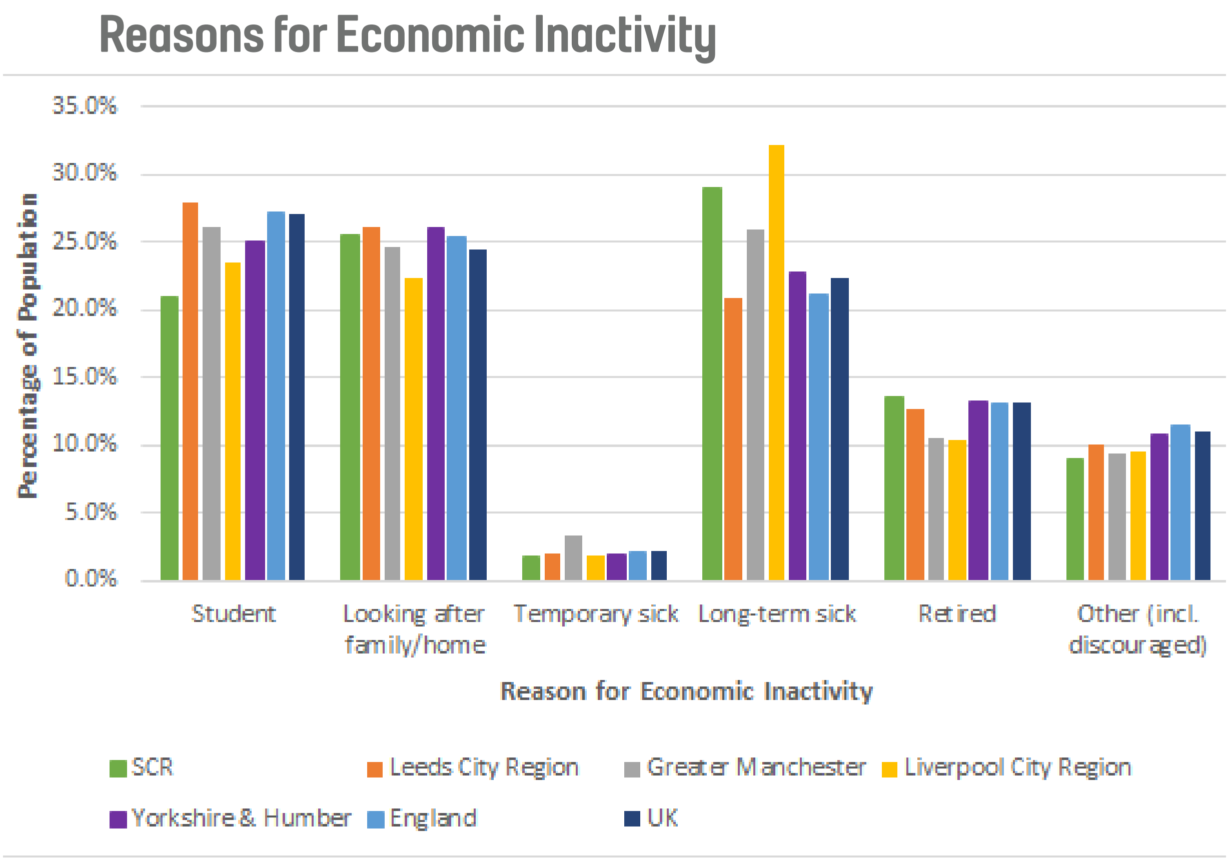
Rotherham



UNEMPLOYMENT & ECONOMIC INACTIVITY



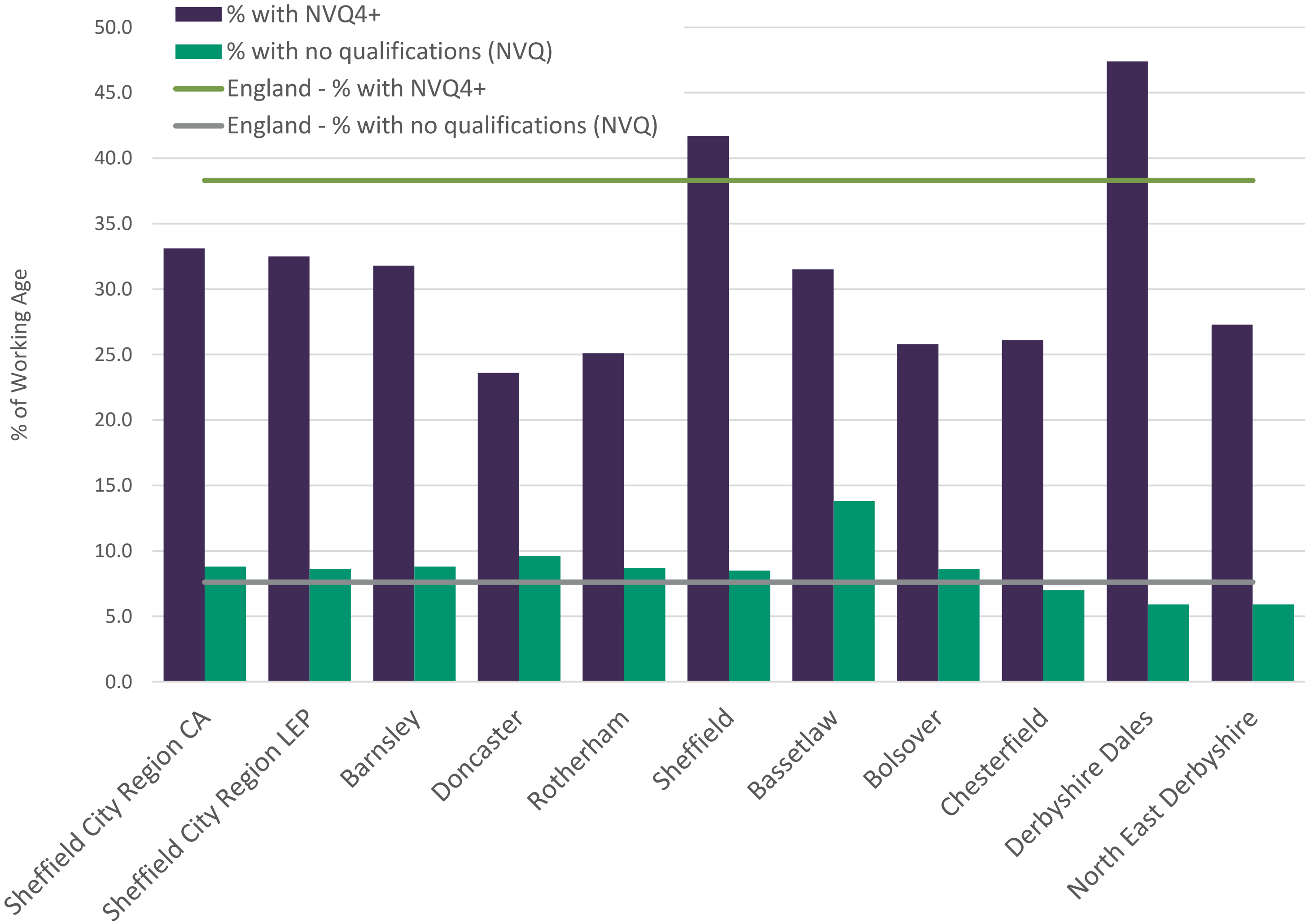
Source: Annual Survey or Hours & Earnings 2018 & Annual Population Survey 2018



Source: ONS – Annual Population Survey 2017

SKILLS

% of residents with NVQ 4 and No Qualifications



Passes in English & Maths (GCSE 2016/17)

Geography	English and maths GCSEs	
	% pupils who achieved a strong 9-5 pass	% of pupils who achieved a standard 9-4 pass
England	40%	59%
Yorkshire and The Humber	41%	62%
Barnsley	39%	60%
Doncaster	39%	58%
Rotherham	37%	59%
Sheffield	39%	60%
Derbyshire	42%	65%
Nottinghamshire	46%	66%

Source: DfE (2018) and Annual Population Survey (2018)

SKILLS IN OUR WORKFORCE

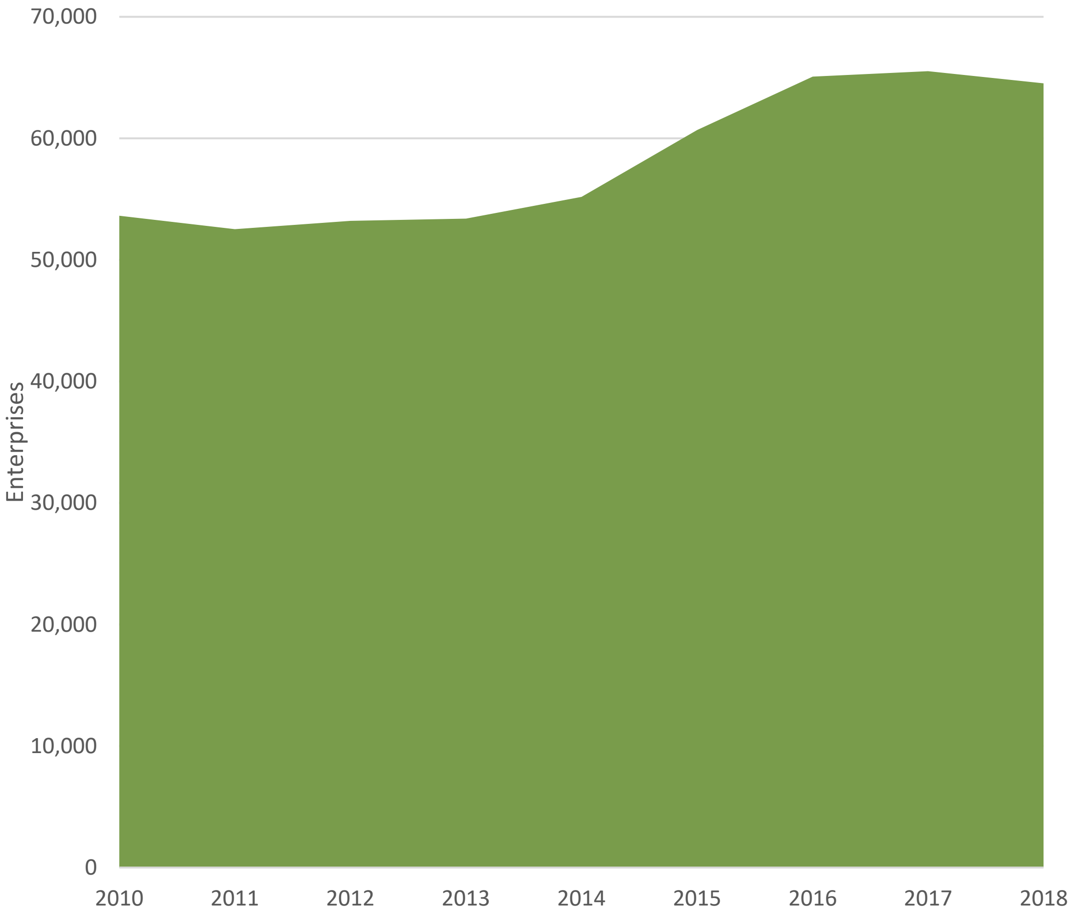
Current High Level Skills in Working Age Population (2017/8):
32.5%
373,100

High Level Skills in Working Age Population if share matched UK levels (38.3%):
439,450

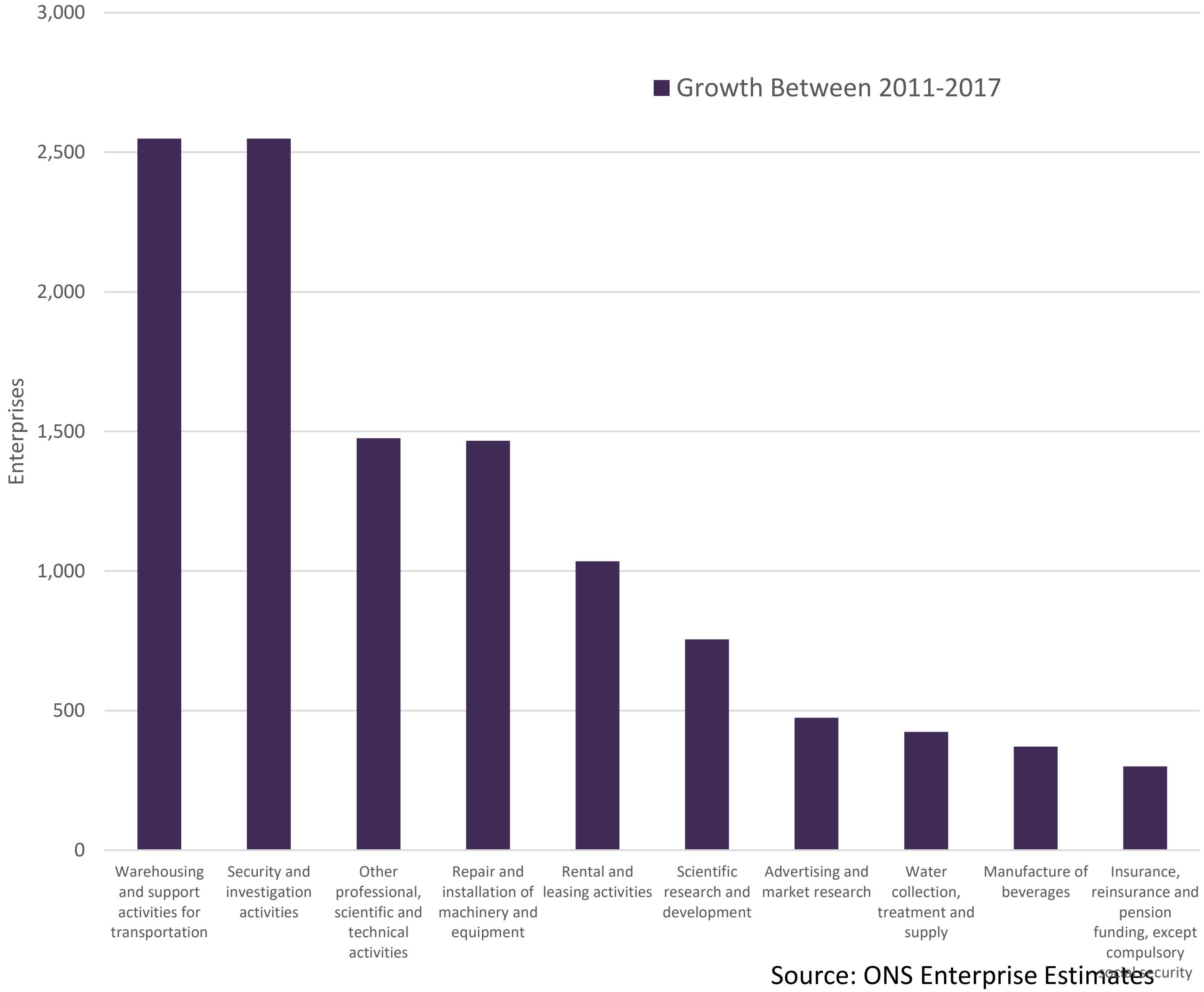
Gap:
66,000 people

BUSINESSES

Enterprises by year in Sheffield City Region



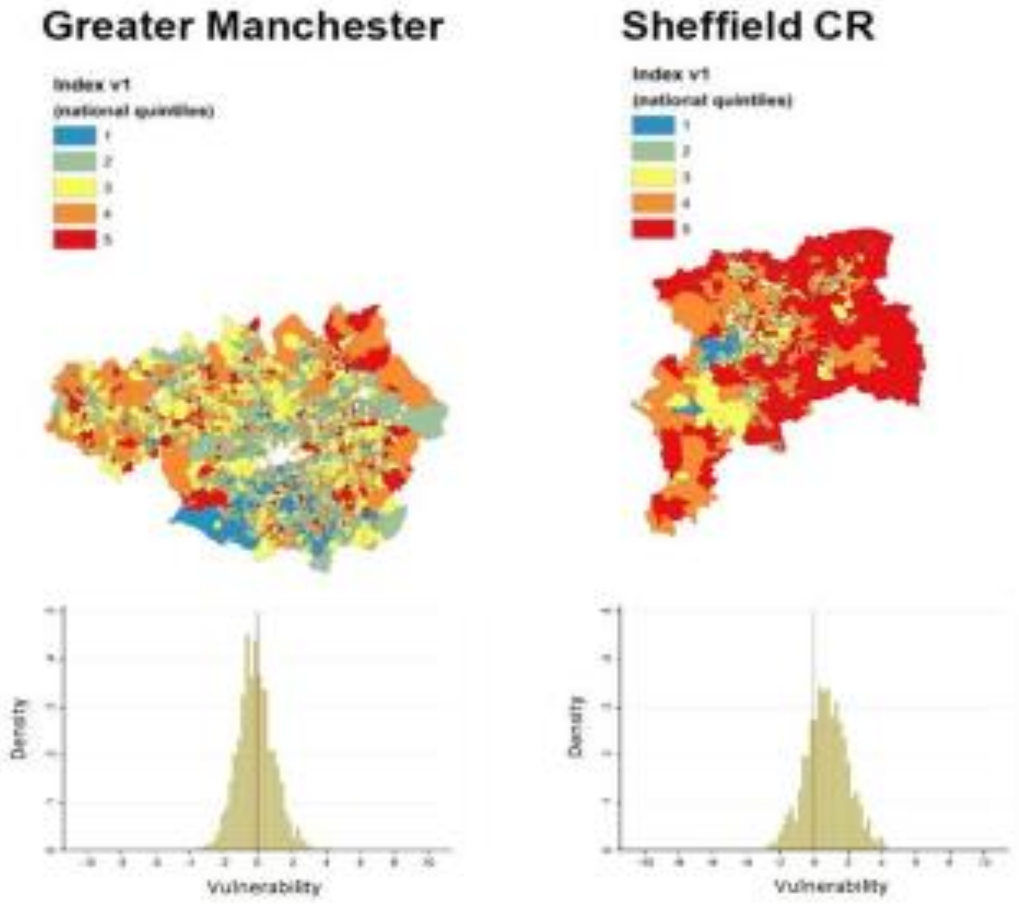
Growth "Sectors" in Sheffield City Region

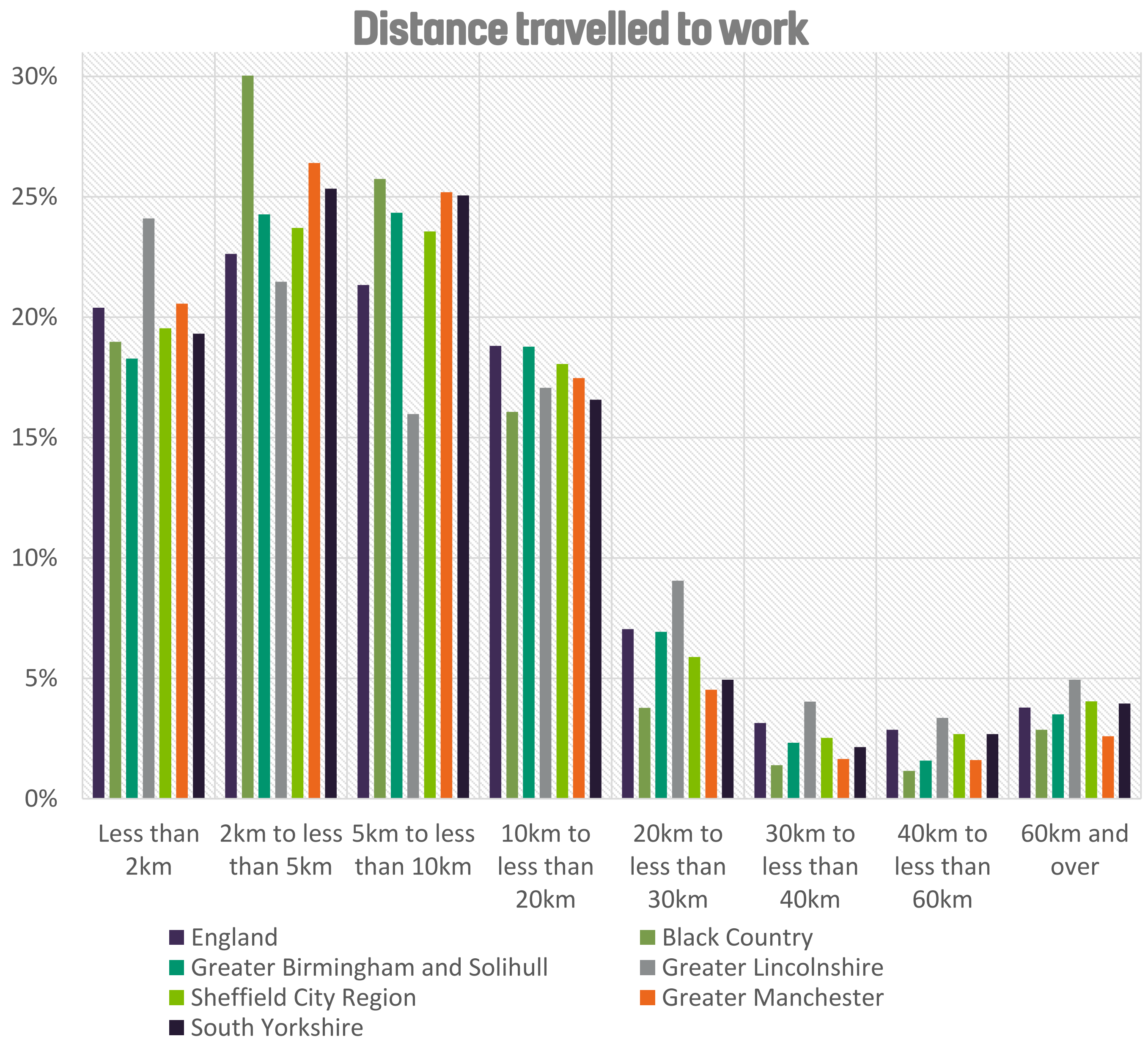


Source: ONS Enterprise Estimates

INFRASTRUCTURE

Vulnerability to oil price change (Red = Highly Vulnerable)

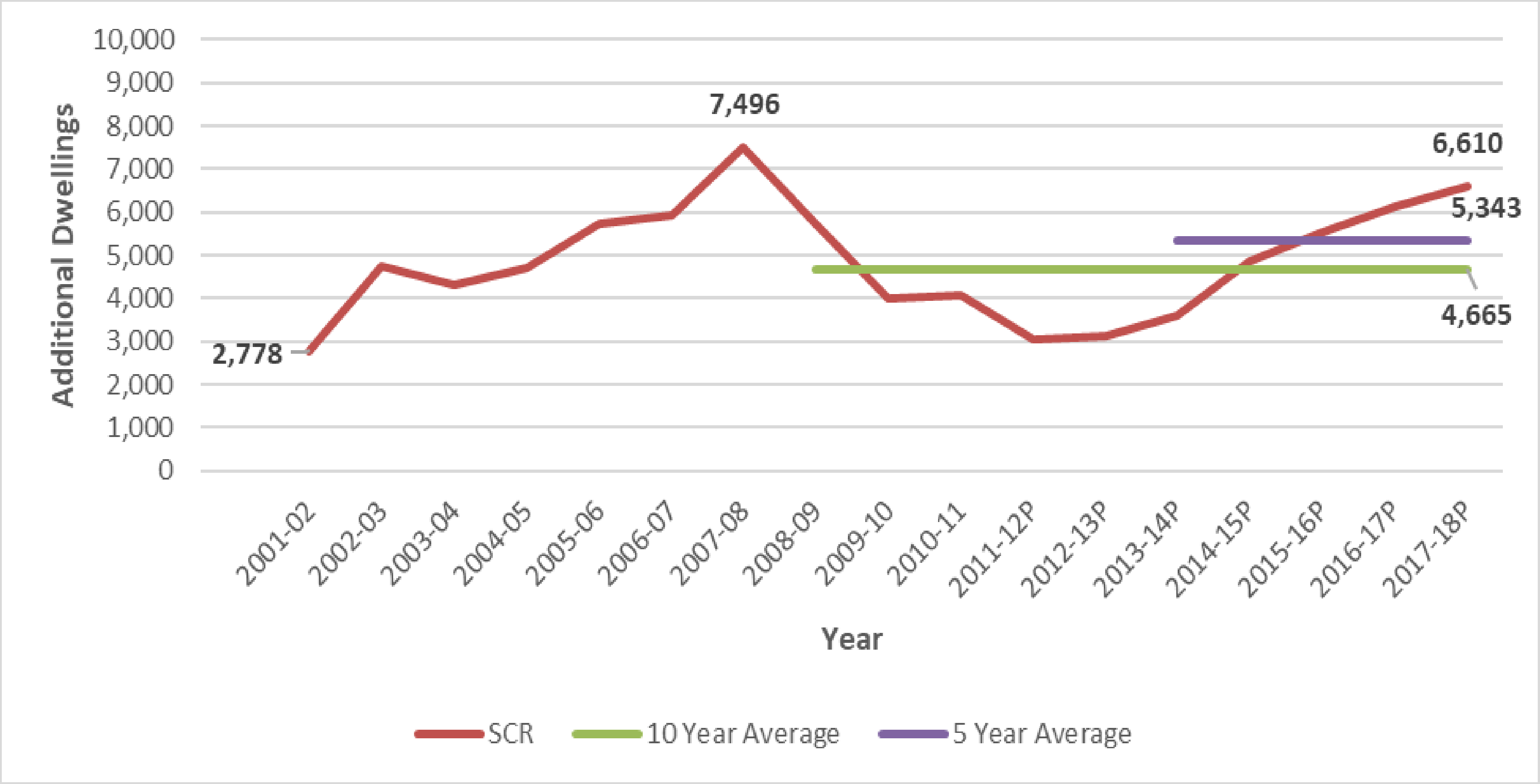




Source: Mattioli, G , Wadud, Z and Lucas, K (2018) Vulnerability to fuel price increases in the UK: A household level analysis. Transportation Research Part A: Policy and Practice, 113. pp. 227-242. & DFT (Yorkshire Figures) 2018

HOUSING

Net Additional Housing



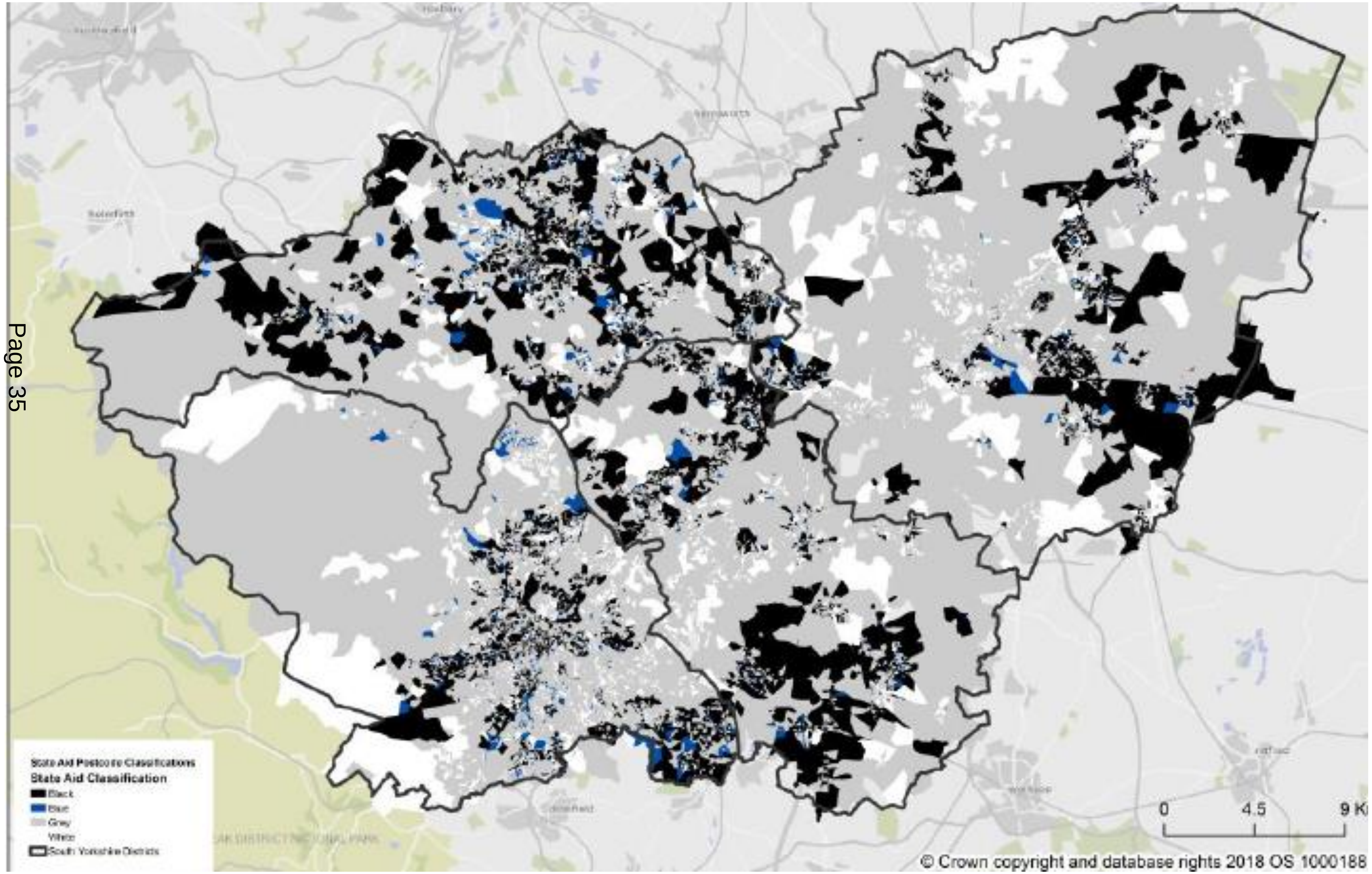
Source: MHCLG Live Table 122; Net Additional Dwellings by Local Authority Districts

Average house prices

Geography	House Price
England	£249,400
Yorkshire and Humber	£162,000
Barnsley	£124,100
Doncaster	£124,100
Rotherham	£140,600
Sheffield	£167,900
Bassetlaw	£158,100
Bolsover	£125,700
Chesterfield	£157,800
Derbyshire Dales	£267,300
North East Derbyshire	£178,600

DIGITAL

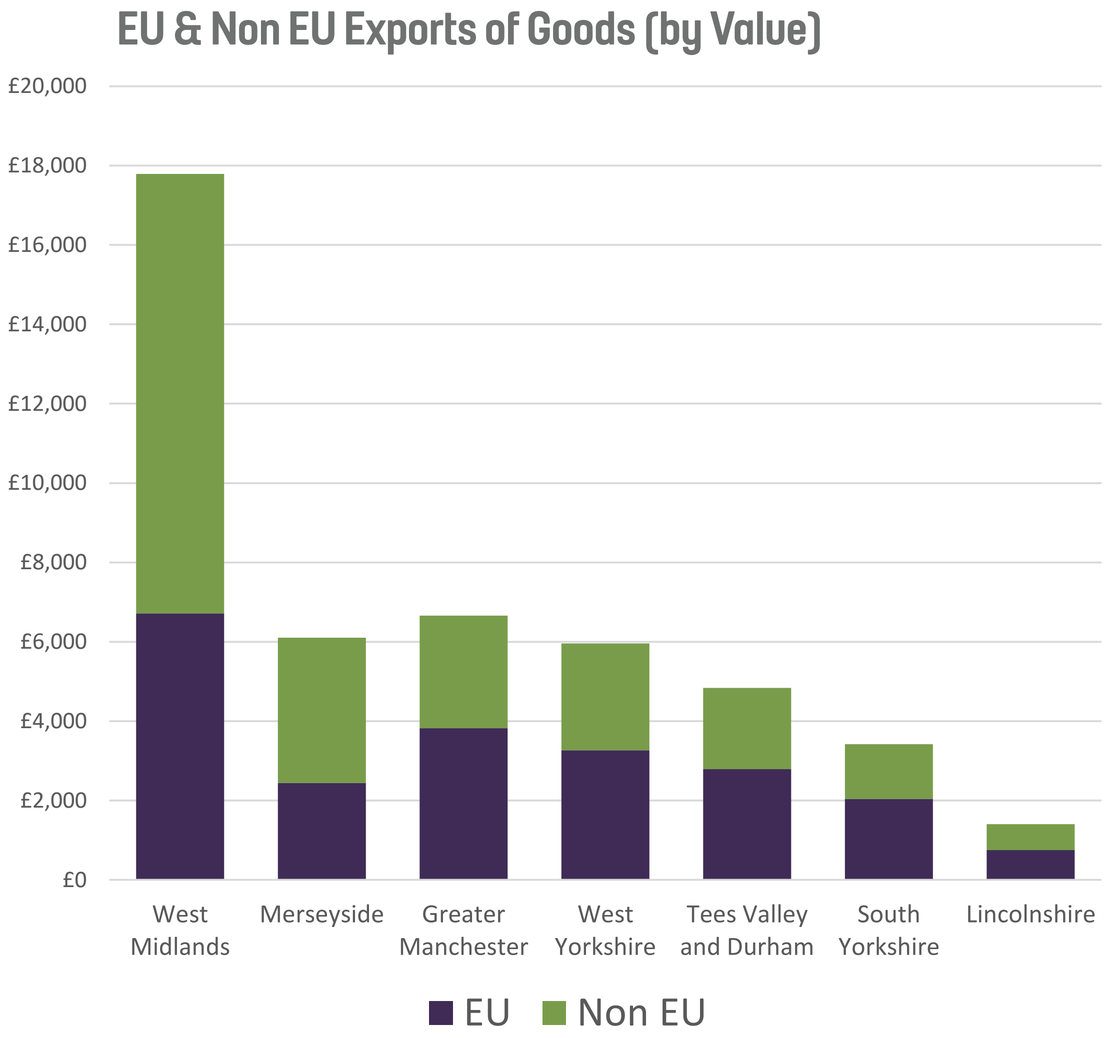
Coverage of superfast broadband (Blue & White = At risk or not covered)

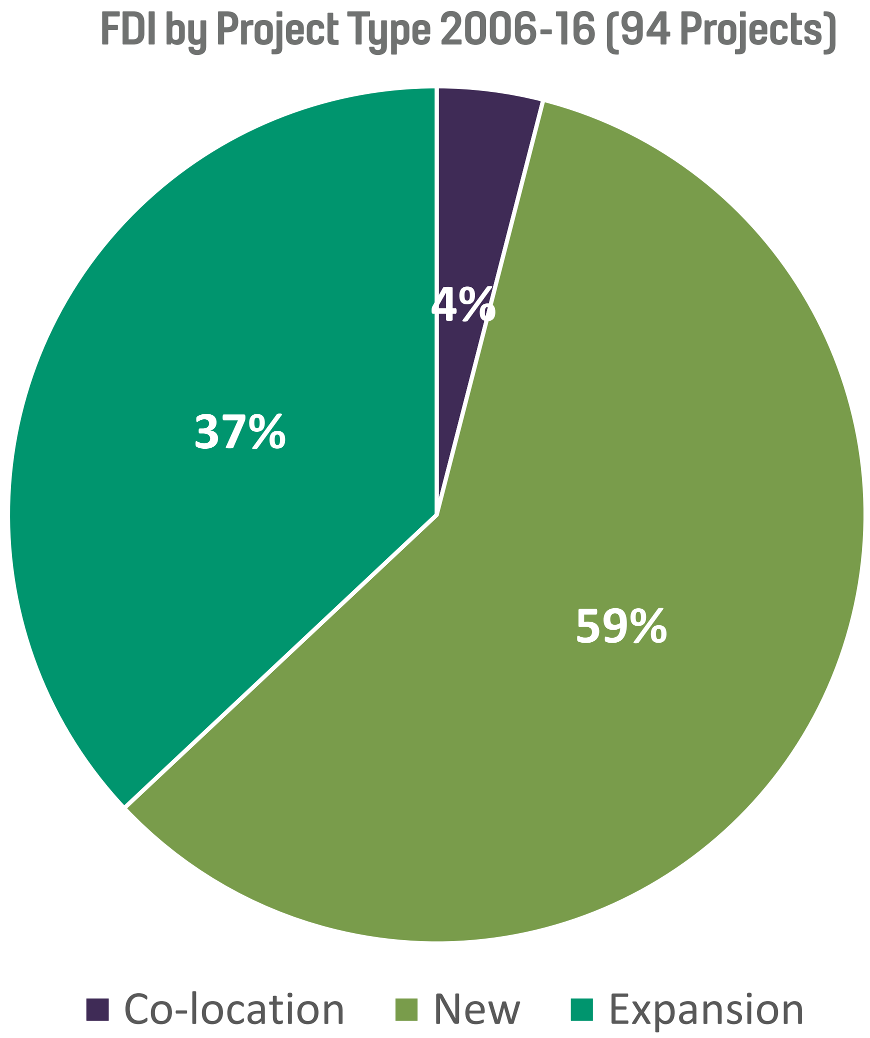


- Although superfast broadband (30mbps) coverage is over 97%, businesses and domestic consumers will require 100mbps to one gigabit connectivity over the next 5-10 years.

This will require full fibre coverage and currently the city region has only half the national average coverage unless FTTP and FTTH investment is accelerated.

TRADE & INWARD INVESTMENT

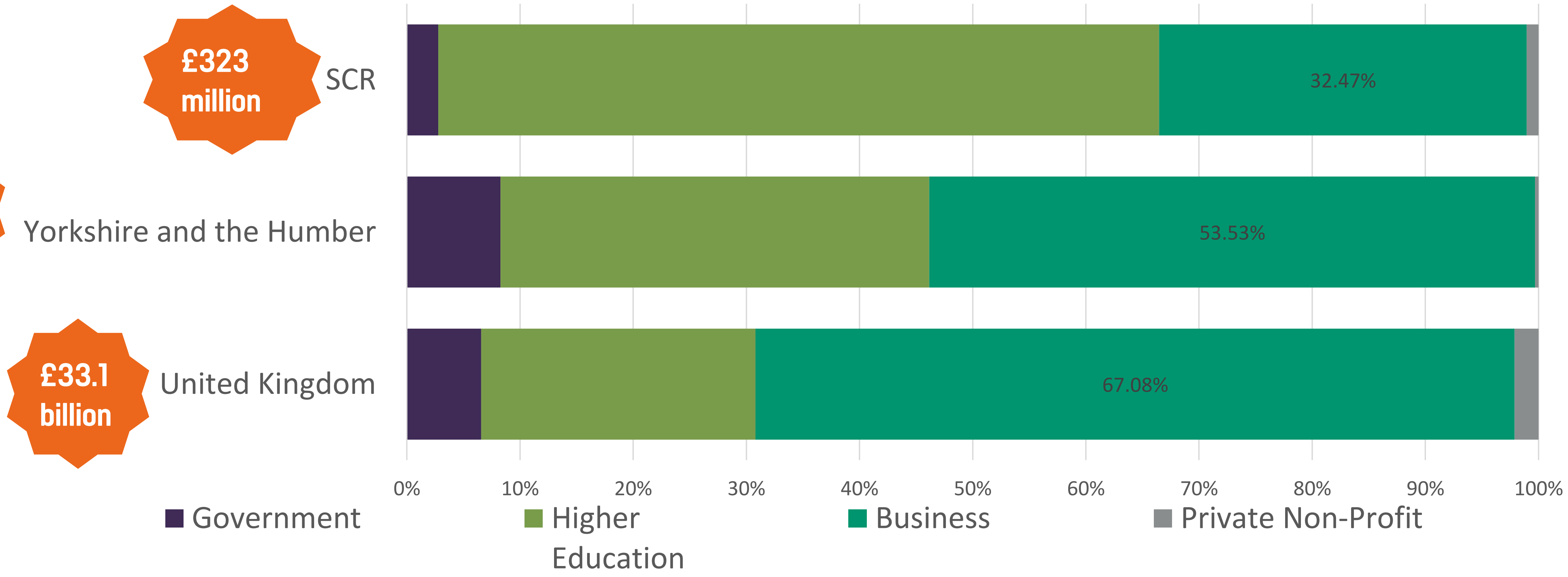




Source: FDI Trends 2016 & DTI Export Estimates 2018

INNOVATION

Make up of investment in UK R&D



Source: ONS (2018) UK gross domestic expenditure on research and development

PRODUCTIVITY

SCR:
£43,500 per worker

UK (without London):
£49,760 per worker

Current Gap (increasing):
£6,260

WAGES

Wages Residents (2018):

- **SCR: £517 per week (annual growth of 1.7%)**
- **UK: £569 per week (annual growth of 2%)**

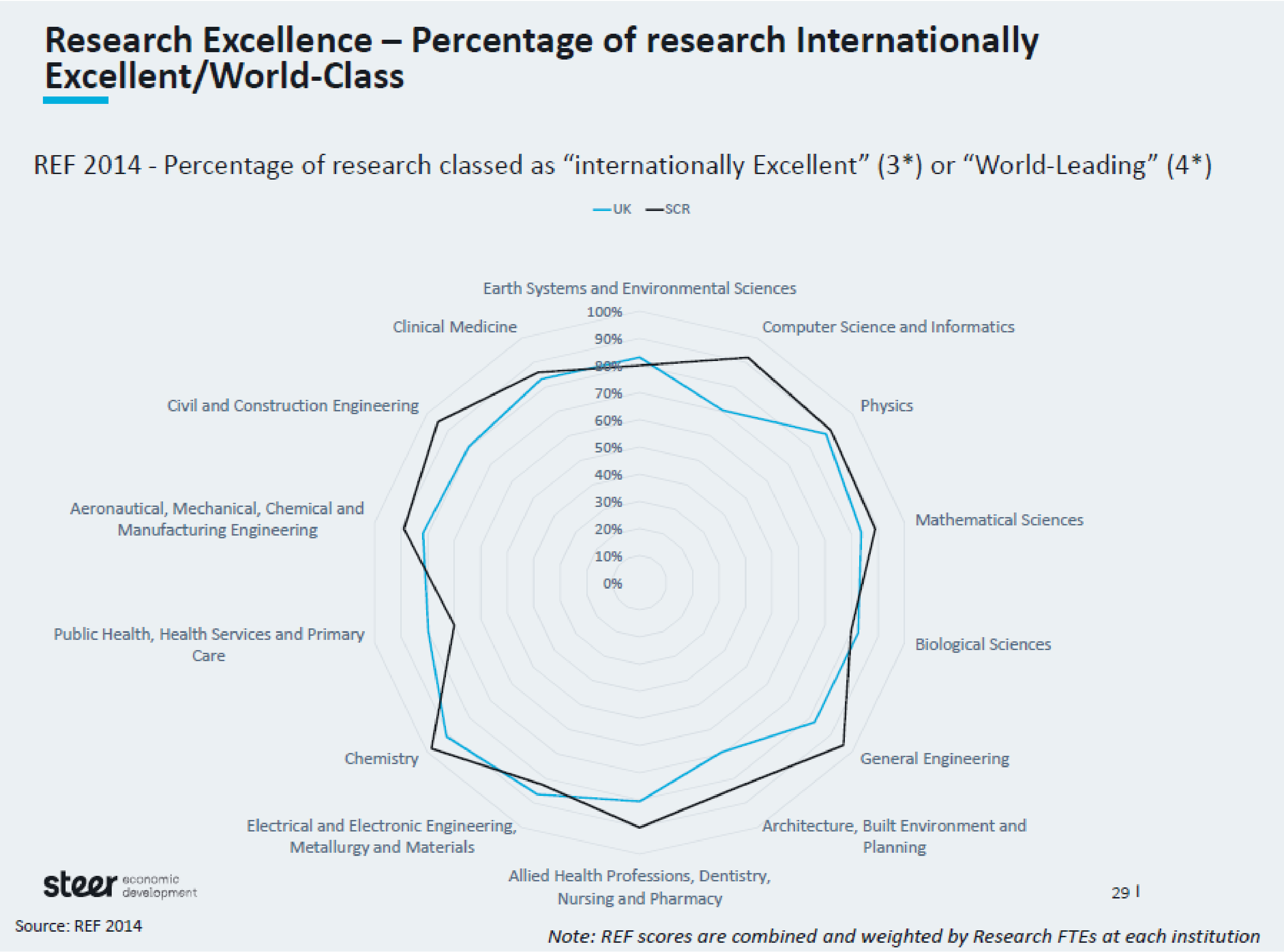
RESEARCH EXCELLENCE & ENGAGEMENT

Unit of assessment name	Multiple submission name	Rank of World Leading research - 4*	Rank of Internationally Excellent research - 3*/4*
General Engineering		3	3
Architecture, Built Environment and Planning		3 (11)	6 (11)
Civil and Construction Engineering		6	2
Biological Sciences		7 (38)	4 (36)
Computer Science and Informatics		7	6
Public Health, Health Services & Primary Care		11	25
Aeronautical, Mechanical, Chemical and Manufacturing Engineering	Mechanical engineering & Advanced manufacturing	11 (33)	4 (33)
Electrical and Electronic Engineering, Metallurgy & Materials	Electronic & Electrical Engineering	12	5
Electrical and Electronic Engineering, Metallurgy & Materials	Materials Science & Engineering	13	13
Aeronautical, Mechanical, Chemical and Manufacturing Engineering	Chemical & Biological engineering	14	4
Chemistry		18	2
Physics		20	11
Mathematical Sciences		20	11
Clinical Medicine		21	8

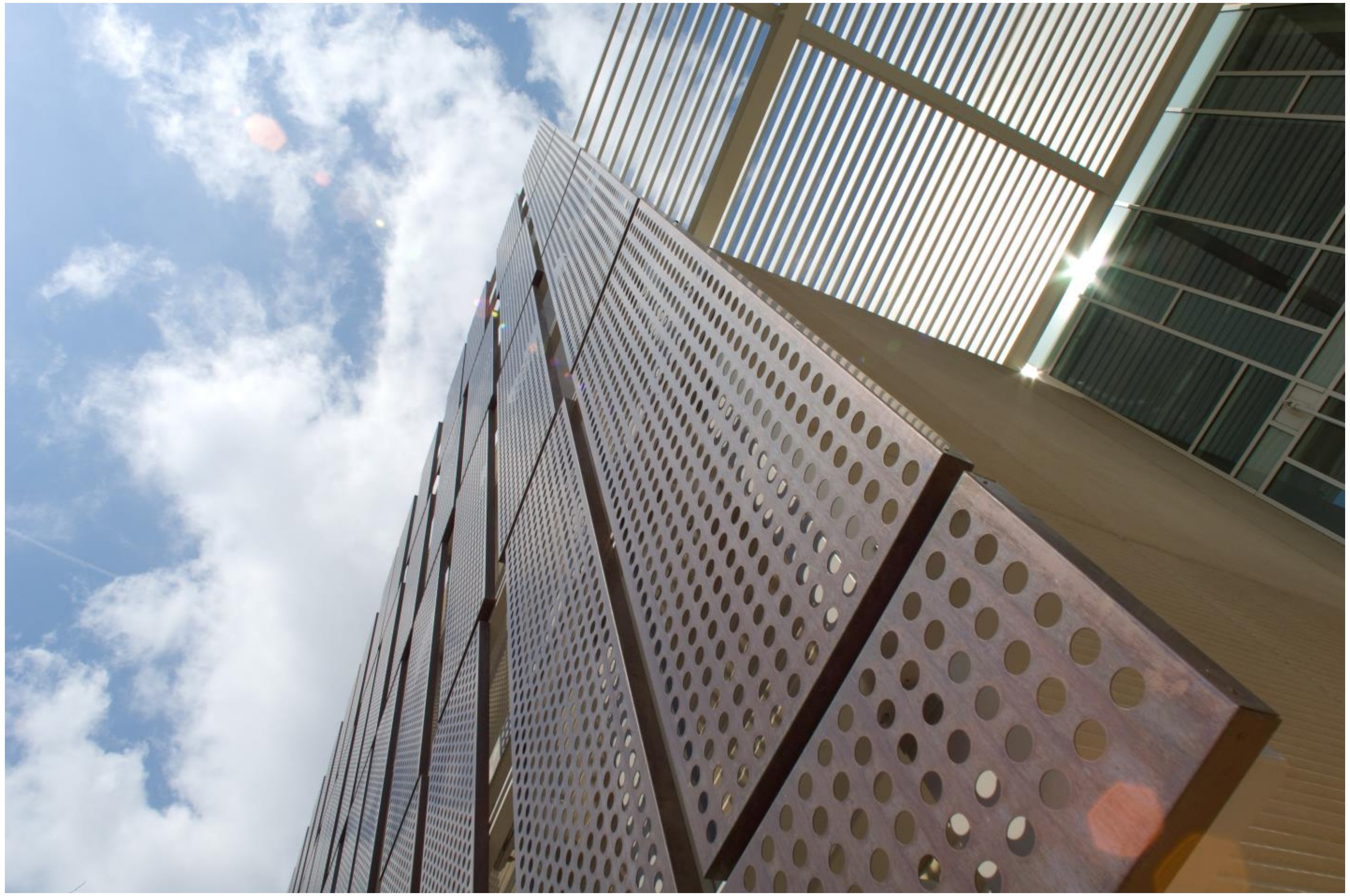
Industry Engagement

University	Number of current KTPs	Rank of number	Value of current KTPs	Rank of value
Sheffield Hallam University	16	10	£1.7m	16
The University of Sheffield	21	7	£2.5m	7

INNOVATION EXPERTISE IN SCR

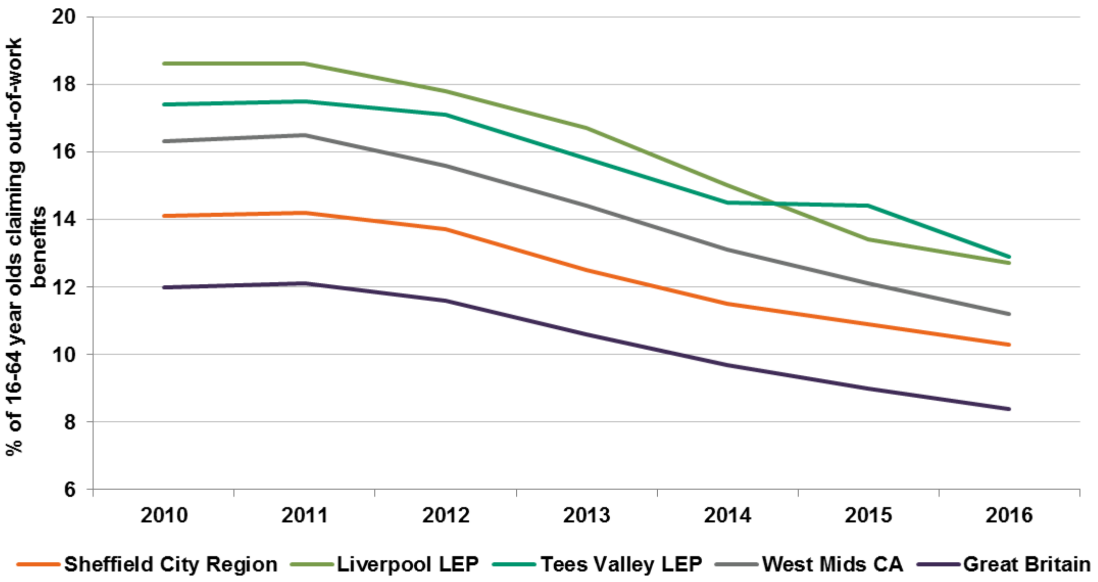


INCLUSIVE GROWTH



OUT-OF-WORK BENEFITS

– Benefit claimant rate as % of 16-64 year olds

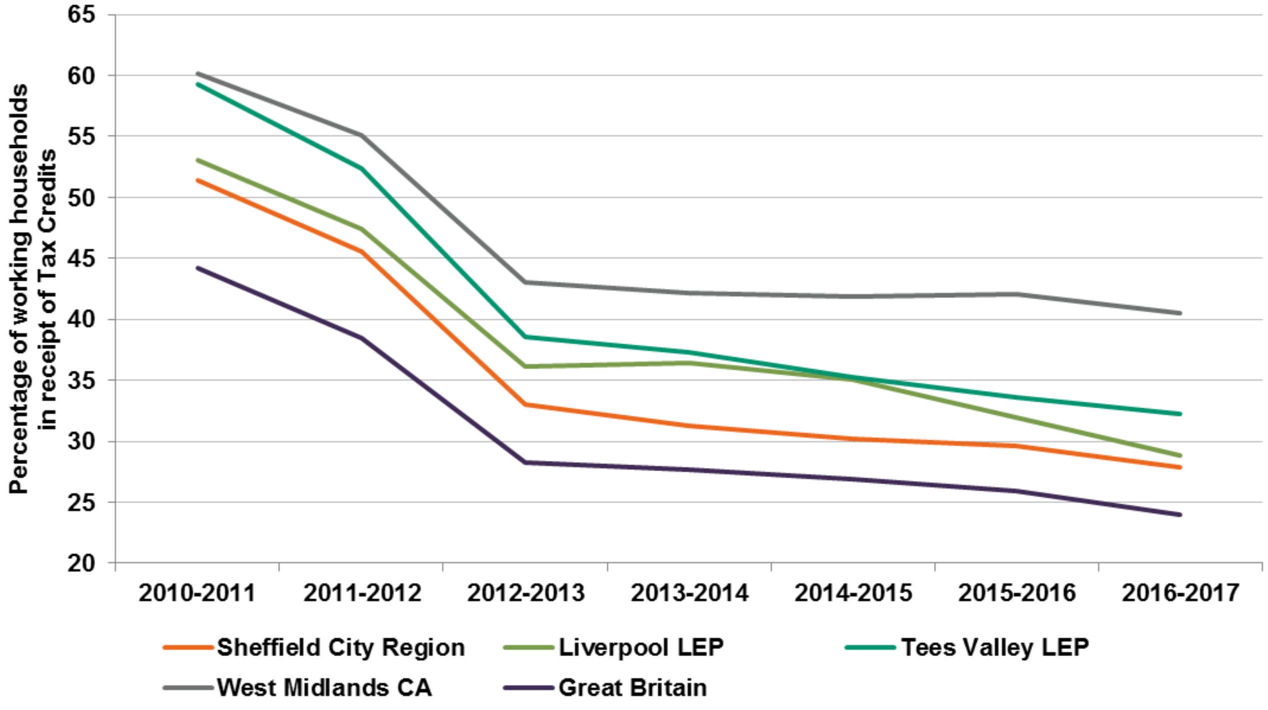


– Source: Department for Work and Pensions

- Working age out-of-work benefits include JSA, ESA and IS for lone parents.
- Between 2010 and 2016, the proportion of the working age population claiming such benefits decreased by 3.8 percentage points in SCR.
- This compares to a fall of 3.6 percentage points nationally and 5.9 percentage points in Liverpool City Region.
- The gap between SCR and the Great Britain average remained virtually unchanged.
- In 2016, 10.3 per cent of the working age population in SCR were claiming out-of-work benefits compared to 12.9 per cent in Tees Valley CA.
- There is a wide variation in claimant rates within SCR ranging from 11.9 per cent in Barnsley to 4.8 per cent in Derbyshire Dales.

IN-WORK TAX CREDITS

– Percentage of working households in receipt of Tax Credits



– Source: HM Revenue and Customs

- The proportion of working households receiving Tax Credits fell considerably post-2010 partly due to new restrictions to the eligibility criteria.
- In 2016, 27.8 per cent of working households in SCR relied on in-work benefits which was higher than the national rate (24 per cent) but lower than the other benchmark areas.
- There is a wide variation in the rates across SCR ranging from 34.6 per cent of working households in Doncaster and 16.4 per cent in Derbyshire Dales.
- The rate of decline in SCR over the period is similar to that seen nationally, in Liverpool City Region and in Tees Valley.
- West Midlands continued to have a high dependency on in-work benefits.

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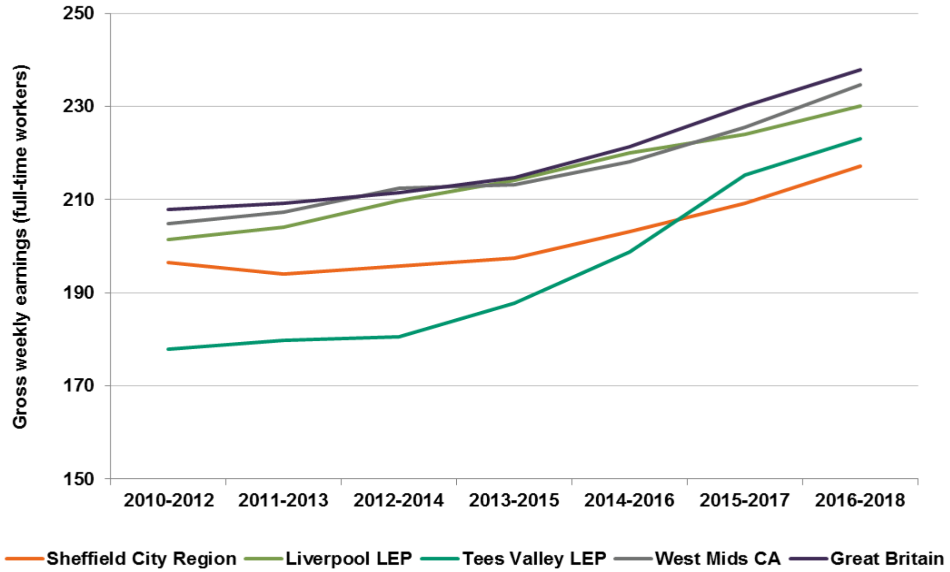
LOW EARNINGS

- The figures represent the gross weekly earnings for residents (before deductions) of the lowest paid 20 per cent of full-time workers.
- The gradual upward trend reflects the sluggish growth in wages and salaries post-2010.
- SCR experienced the lowest increase of areas considered, from £196 to £217 (11 per cent, as against 14 per cent nationally).
- Authorities within SCR CA experienced similar growth to national trends. But, wages for the workers in the lowest 20 per cent in Derbyshire Dales and NE Derbyshire fell over the period (by 12 per cent and 6 per cent respectively).
- Strong growth in Tees Valley meant that this area overtook SCR wage levels by 2015-2017.
- This meant the gap between SCR and the national average grew from £12 to £21 per week compared to Tees Valley which narrowed the gap from £30 to £15 over the same period.

– **Lower quintile for weekly earnings, resident analysis**



– Source: Office for National Statistics Annual Survey of Hours and Earnings

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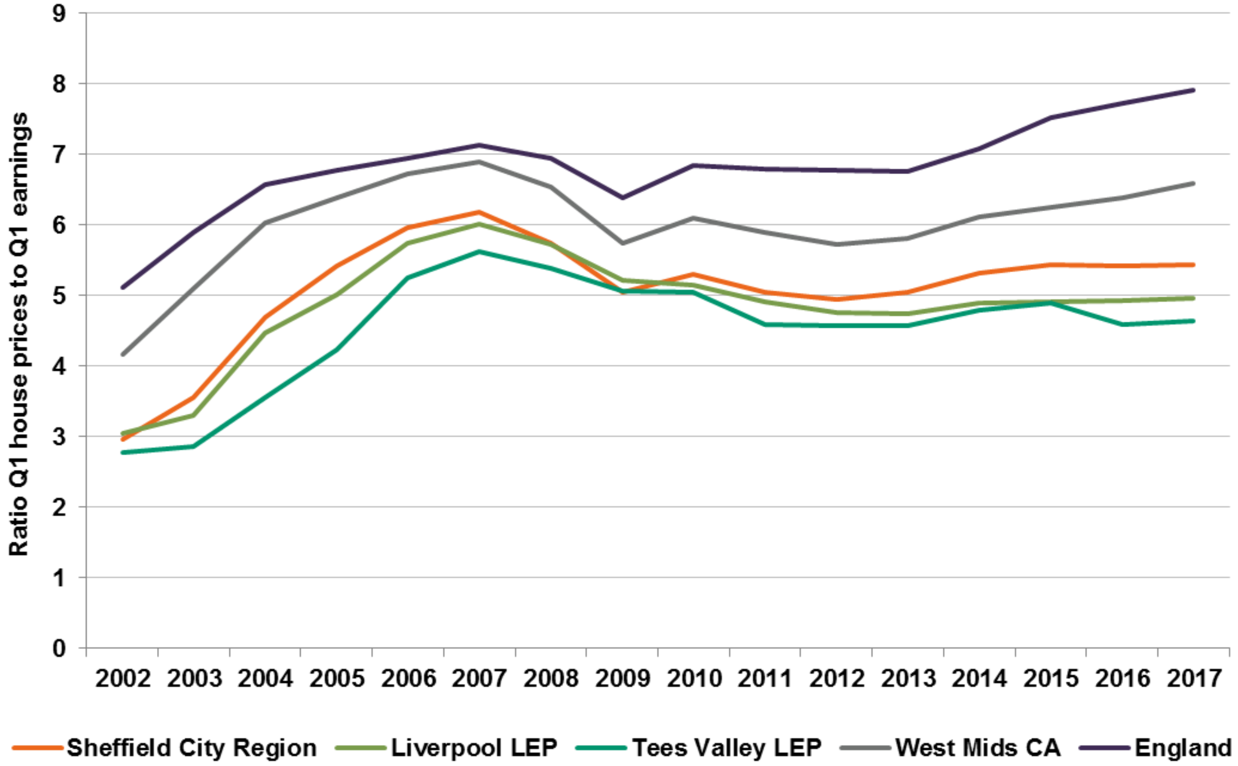
HOUSING AFFORDABILITY

– Ratio of lower quartile house prices to lower quartile gross annual residence-based earnings

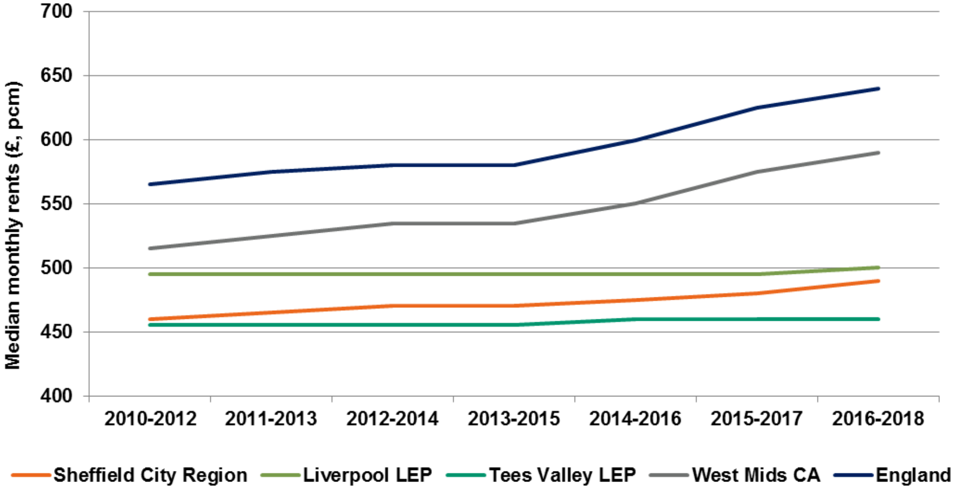


– Source: DCLG Housing Statistics

- Apart from a brief post-crisis dip in 2008/9 the house price/earnings ratio in England has continued to increase (7.9 in 2017).
- This pattern has been mirrored in the West Midlands, albeit at a lower rate.
- In the other three areas the ratio has been more stable in the post-crisis period.
- In Sheffield City Region the ratio increased marginally, from 5.30 in 2010 to 5.44 in 2017.
- Over the same period the ratios for Liverpool City Region and Tees Valley went down slightly, so that both are now below 5.
- In 2017, within SCR the ratio ranged from 4.4 in Barnsley to 7.7 in Derbyshire Dales.

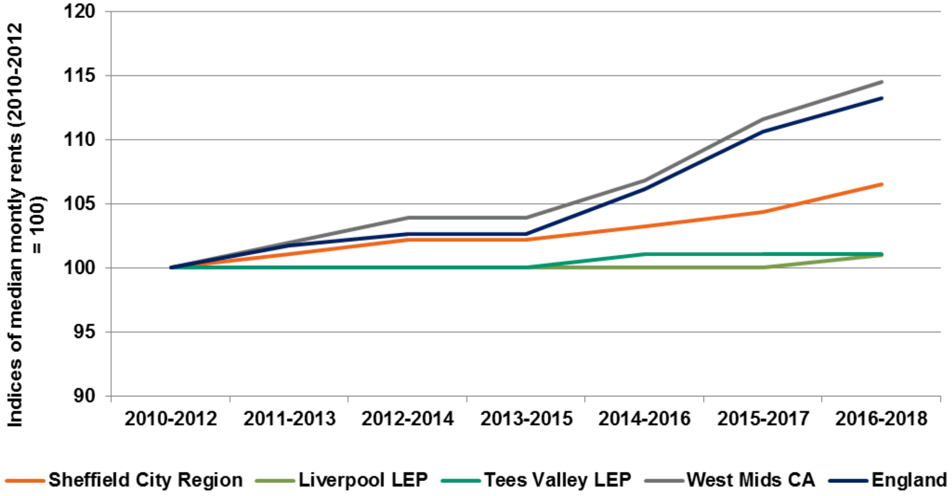
PRIVATE SECTOR RENTS

– **Median monthly rents for private sector two bedroom properties (£p.c.m)**



Source: Valuation Office Agency Private Rental Sector Market Statistics

– **Indices of median monthly rents for private sector two bedroom properties (2010-2012=100)**



- Private rented sector (PRS) rents in England increased slowly during the first half of the decade, but have grown considerably more recently.
- West Midlands is on a similar trajectory, although its median monthly rent has been consistently £50 below the national average.
- Rent levels have were relatively static in Liverpool City Region and Tees Valley each with a marginal increase of just one per cent during the period.
- The median rent in SCR increased by 7 per cent (from £460 to £490) but there is a wide variation within SCR: just 1 per cent increase in Rotherham and 11 per cent in Sheffield.
- This compares with a 13 per cent increase nationally, which widens the gap between SCR and England from £105 to £150 per week.
- Housing Benefit LHA rates for PRS tenants has been frozen since 2016.

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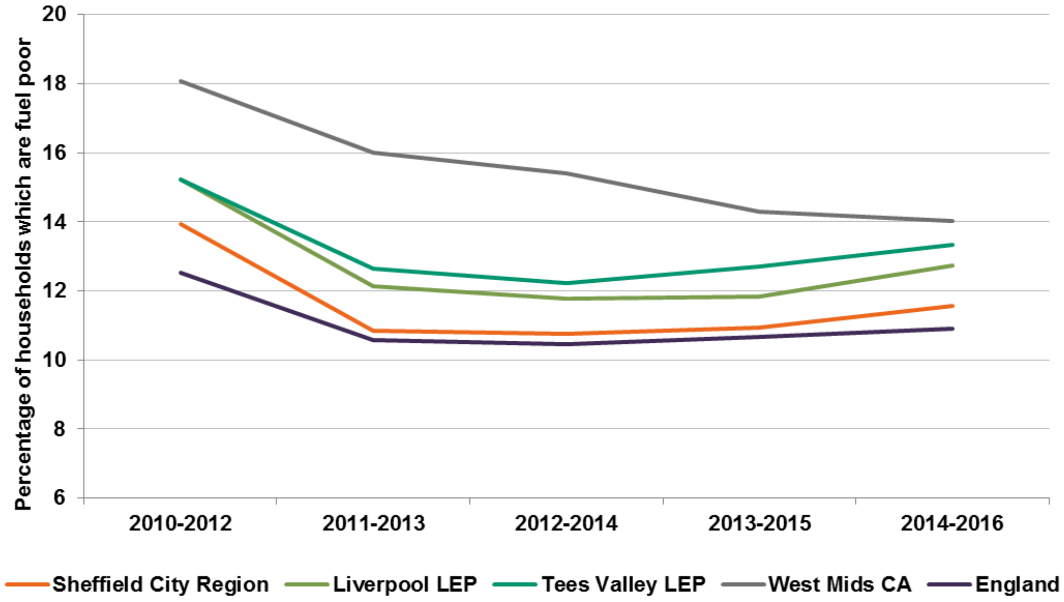
FUEL POVERTY

- A decline in fuel poverty was seen across all areas at the beginning of the period.
- With the exception of the West Midlands, fuel poverty rates increased slightly in all other areas between 2012-2014 and 2014-2016.
- Households in fuel poverty in SCR increased by 8 per cent between 2012-2014 and 2014-2016 compared to 6 per cent in England, 10 per cent in Liverpool City Region and 17 per cent in Tees Valley.
- There are approximately 90,000 'fuel poor' households in SCR equivalent to 11.6 per cent of all households; this compares with 10.9 per cent in England.
- Within SCR, fuel poverty rates range from 10.4 per cent in NE Derbyshire to 12.3 per cent in Sheffield.

– Percentage of households which are fuel poor



– Source: DECC/DBEIS Fuel poverty sub-regional statistics

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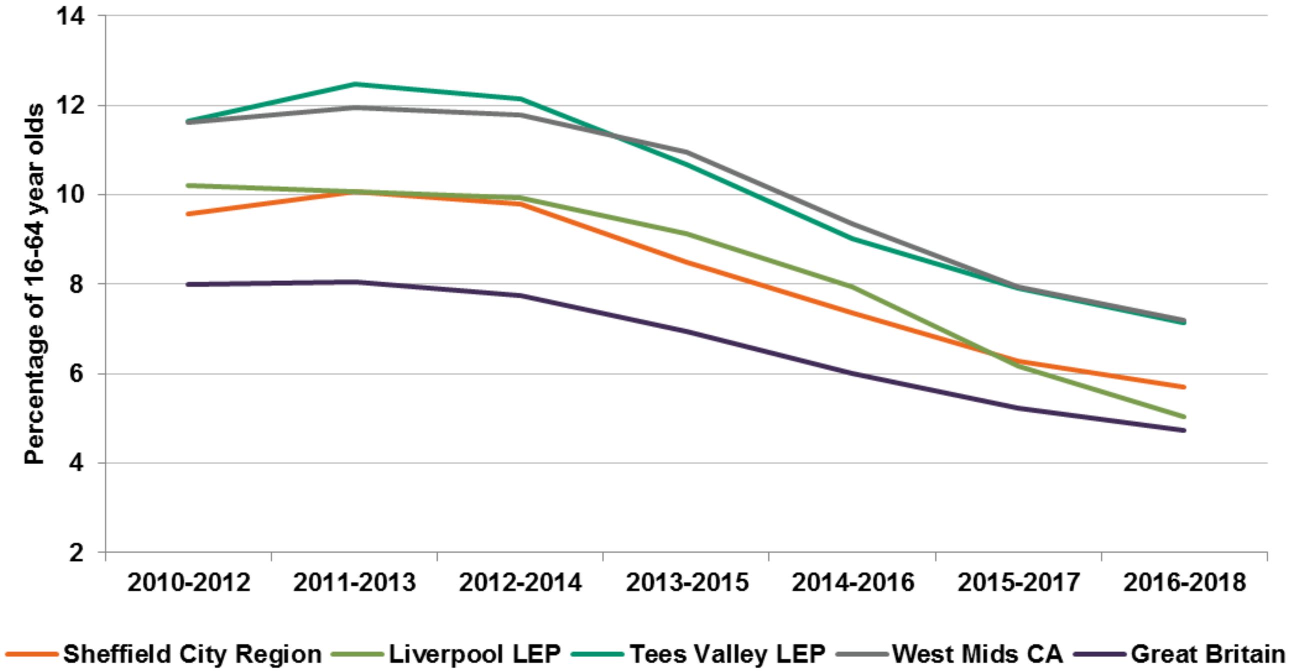
UNEMPLOYMENT

– Unemployment as a percentage of 16-64 year olds



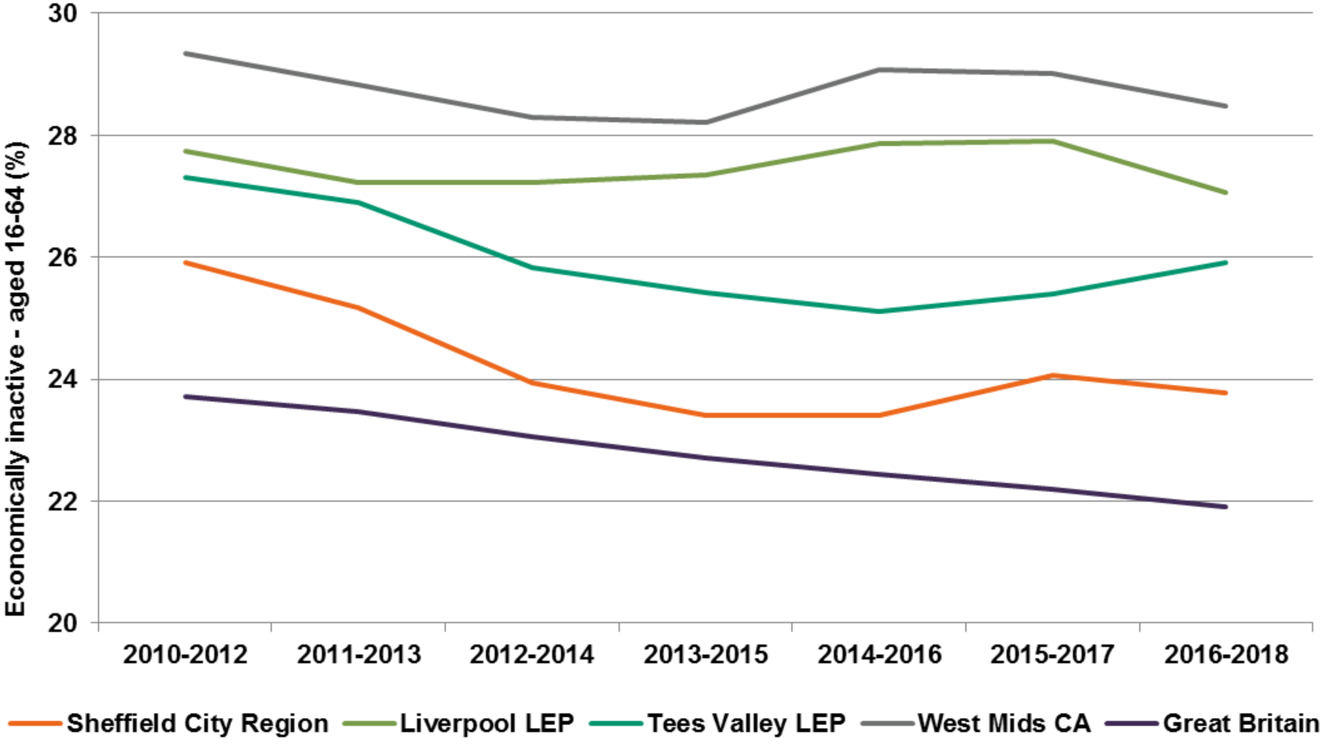
– Source: Annual Population Survey

- These figures relate to all those who are actively seeking work and are able to start work.
- The unemployment rates peaked across all areas in 2011-2013 and have fallen continuously since then.
- Unemployment dropped by 42 per cent in SCR since 2011-2013 similar to the patterns elsewhere: Tees Valley (-43 per cent), West Midlands (-37 per cent) and Great Britain (-39 per cent).
- Unemployment in Liverpool City Region halved over the same period and by 2016-2018 the unemployment rate stood at 5 per cent compared to 4.7 per cent in Great Britain .
- In 2016-2018, the unemployment rate in SCR was 5.7 per cent but ranged from 3.3 per cent in NE Derbyshire to 6.6 per cent in Sheffield.

ECONOMIC INACTIVITY

- Although there has been a steady decrease in economic inactivity rates in Great Britain as a whole, trends in the four sub-national areas have been more variable.
- In SCR the rate fell quickly at first, almost approaching the national average, before increasing again from 2014-2016.
- This means that the current gap between the two remains the same as in 2010-2012.
- The three comparator areas all have higher economic inactivity rates, with Liverpool City Region and West Midlands respectively standing at 3.3 and 4.7 percentage points above Sheffield City Region.

Economically inactive (aged 16-64)



Source: Annual Population Survey

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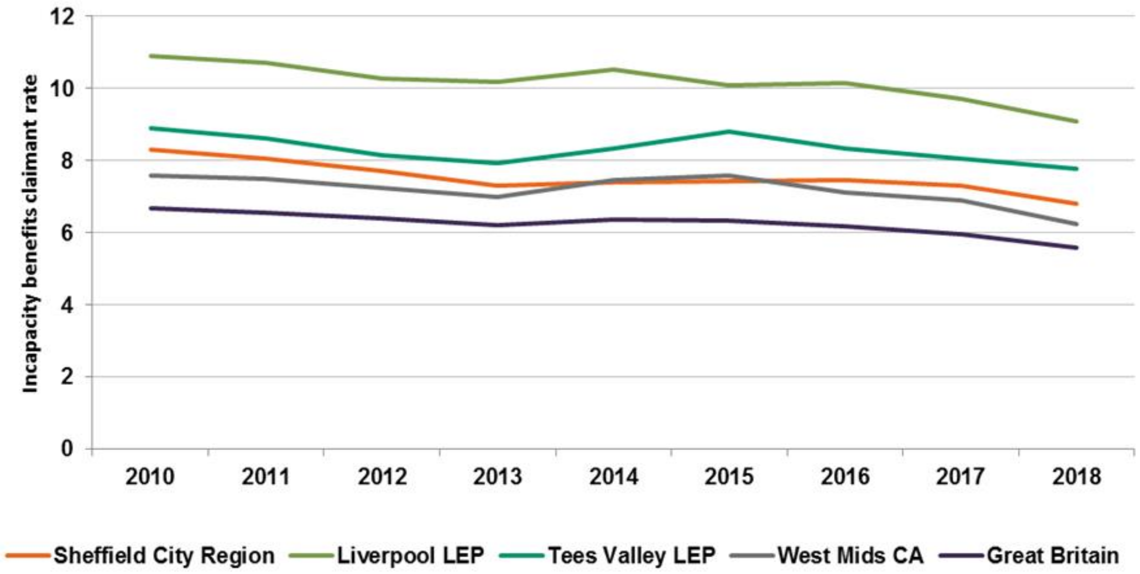
INCAPACITY BENEFITS

- Incapacity benefits claimant rate as percentage of 16-64 year olds



- Source: DWP

- These are income-replacement benefits for those unable to work due to sickness or disability and includes: ESA, it's predecessors IB and SDA, and new claimants of Universal Credit Limited Capability to Work.
- There are 80,000 claimants of incapacity benefits in SCR and they account for two out of three of all out-of-work benefits claimants in SCR.
- Between 2010 and 2018, the claimant rate in SCR decreased by 1.5 percentage points compared to a fall of 1.1 percentage points nationally.
- In 2018, 6.8 per cent of the working age population in SCR claimed incapacity benefits. Whilst higher than the national rate of 5.6 per cent it is far lower than Liverpool City Region with a rate of 9.1 per cent.
- In 2018, the incapacity benefits claimant rate ranged from 8.1 per cent in Chesterfield to 4 per cent in Derbyshire Dales.
- The claimant rate in Barnsley fell the fastest of all SCR districts by 3.4 percentage points to 7.4 per cent in 2018.

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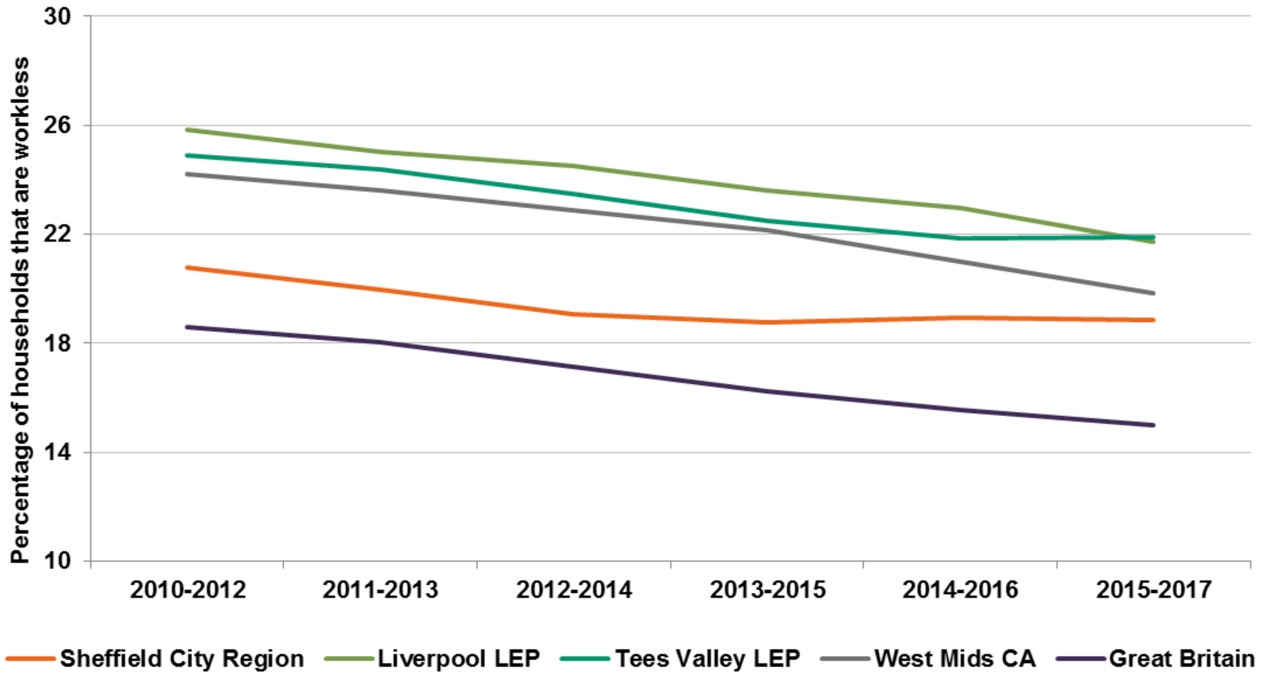
WORKLESS HOUSEHOLDS

- The number of workless households has declined since ~~the~~ recession.
- However, in SCR the rate plateaued in 2012-2014 at around 19 per cent whereas in the other areas and nationally the rate continued to decline.
- The gap between SCR and the national rate therefore increased from 2.6 percentage points in 2012-2014 to 4.4 percentage points in 2015-2017.
- The rates vary widely within SCR with 20.2 per cent of working age households in Barnsley being workless compared to 11.9 per cent in Derbyshire Dales.

Percentage of working age households with no one in work



Source: Annual Population Survey - households by combined economic activity status

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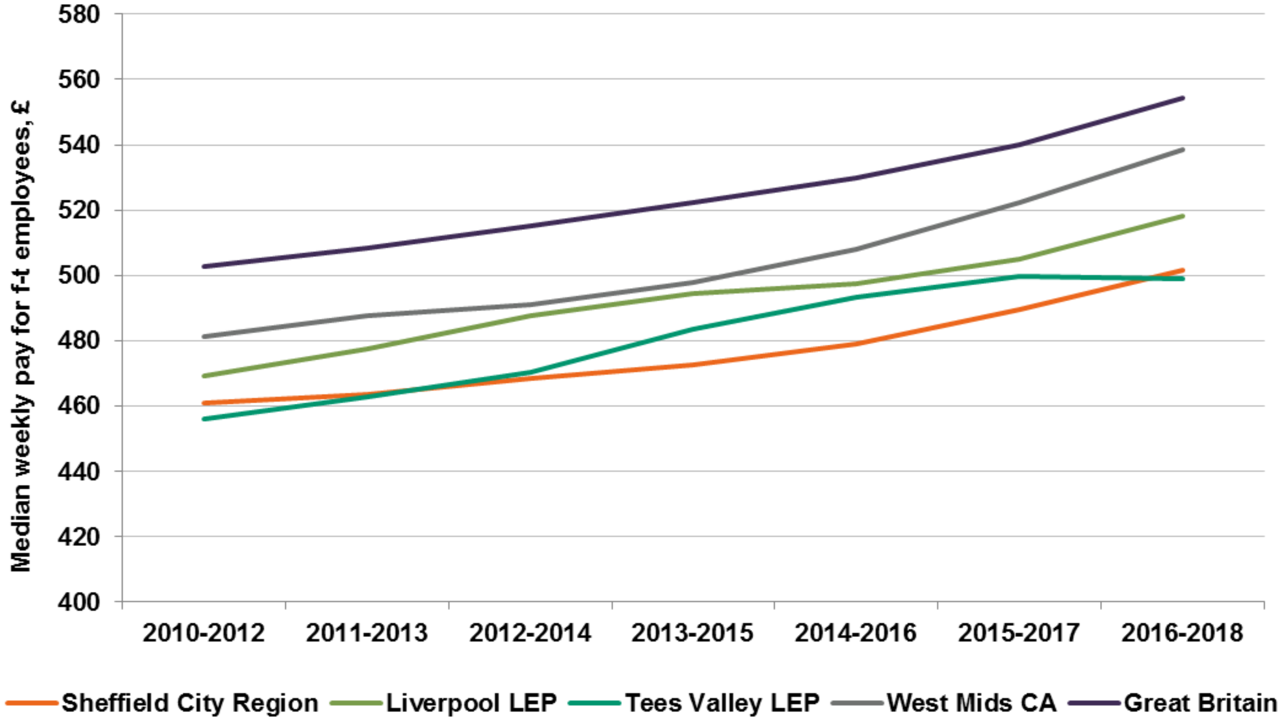
WAGES AND EARNINGS

Median gross weekly pay, full-time employees

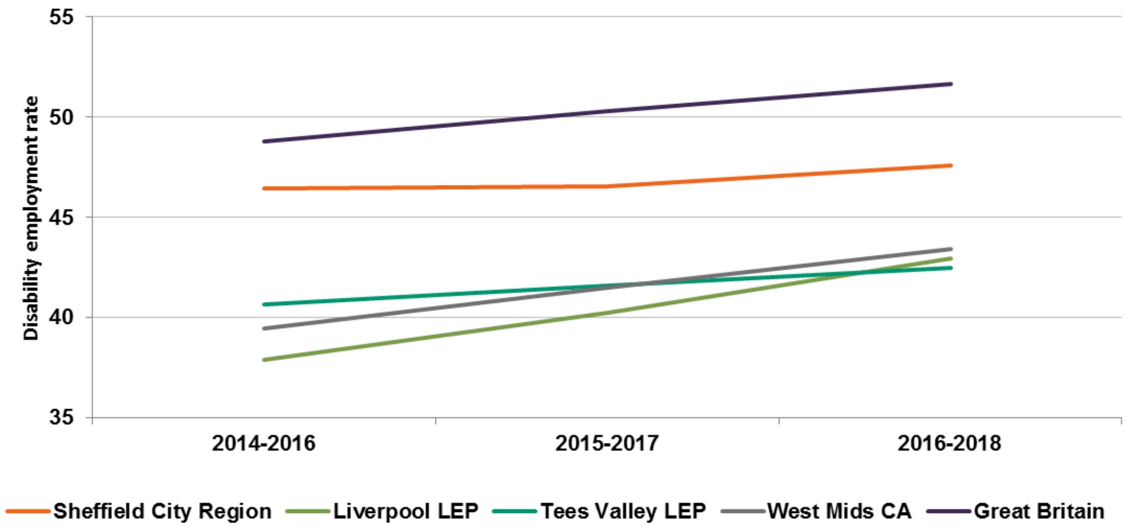


Source: Annual Survey of Hours and Earnings - Workplace analysis

- Median gross weekly pay for full-time employees has grown at a similar pace across areas: 10 per cent in Great Britain and Liverpool City Region, 9 per cent in SCR and Tees Valley, 12 per cent in West Midlands.
- In SCR the median weekly wage is £502 which is £53 lower than the national average. This gap has increased over the period.
- There are big differences within the region ranging from £447 a week for employees in Bolsover compared to £527 a week for those in Sheffield.
- Workers in Barnsley experienced 15 per cent wage growth over the period compared to 3 per cent in Chesterfield.

DISABILITY EMPLOYMENT RATE

- Disability employment rate 16-64 year olds



- Source: Annual Population Survey

- Increasing employment amongst people with long-term health conditions or people with disabilities is a key objects of the Government's Improving Lives White Paper.
- Nationally, employment rates for this group (Equality Act Core or Work Limited disabled) is far lower than amongst the non-disabled in 2016-2018; 51.6 per cent compared to 80.8 per cent.
- National employment rates amongst people with long-term health conditions or disabled people have improved since 2014-2016 by 2.9 percentage points.
- SCR experienced a slower rate of increase over the period of 1.2 percentage points to 47.6 per cent.
- This compares to an SCR employment rate for the non-disabled group of 80 per cent which is closer to the national average for this group.
- However, the disability employment rate in SCR is far higher than in the other comparator areas: Tees Valley, 42.5 per cent; Liverpool, 43 per cent; and West Midlands 43.4 per cent.

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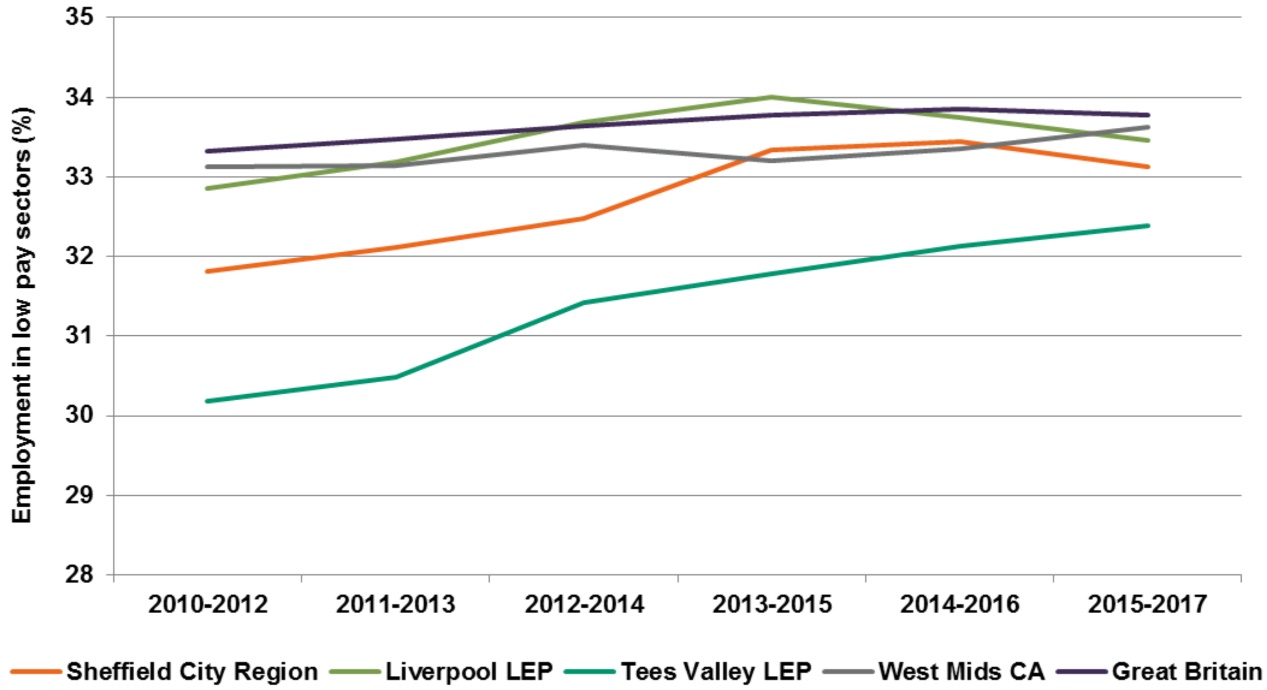
EMPLOYMENT IN LOW PAY SECTORS

- The proportion of employment which is in low pay sectors increased over time in SCR to 33.1 per cent in 205-2017, bringing it closer to the national average (33.8 per cent).
- With the exception of the Tees Valley LEP, SCR is slightly below the comparator areas.
- The 11 per cent growth in employment in low pay sectors in SCR is on par with the 10 per cent seen nationally.
- Within the SCR growth of 4 per cent was seen in Chesterfield and NE Derbyshire and 16 per cent was seen in Barnsley and Derbyshire Dales.

Employment in low pay sectors



Source: Business Register and Employment Survey

Notes: Low pay sectors include 'Wholesale and retail trade; repair of motor vehicles and motorcycles', 'Accommodation and food service activities', 'Administrative and support service activities', 'Residential care activities'.

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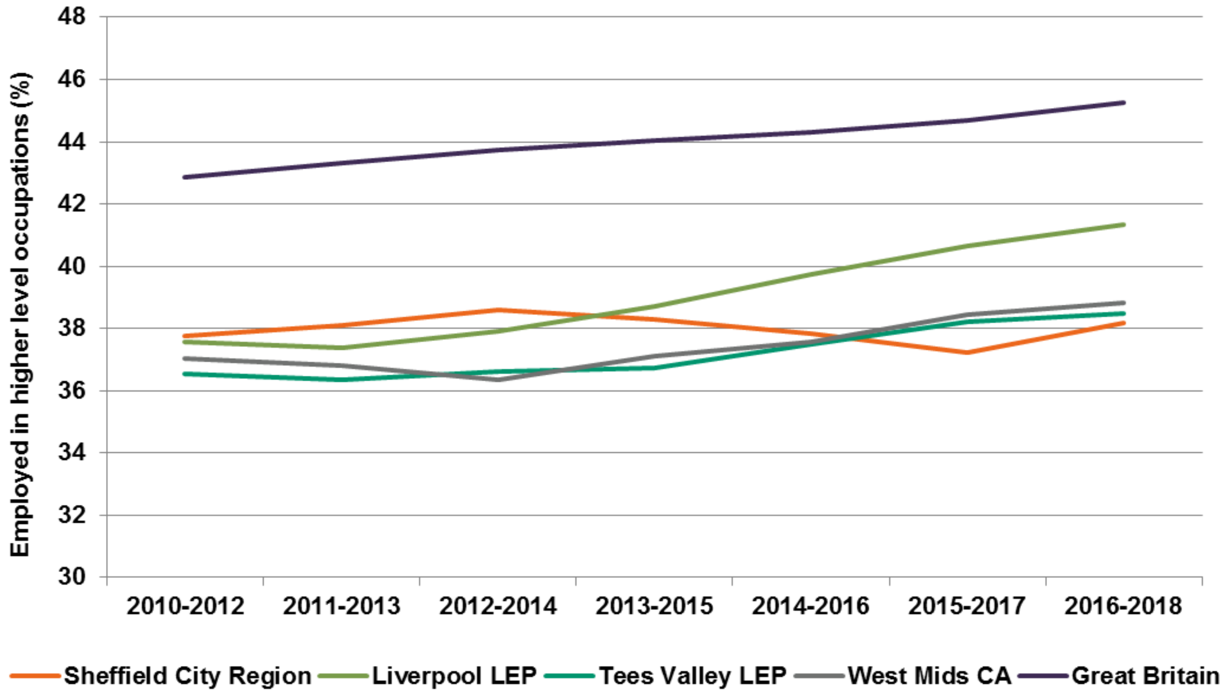
HIGHER LEVEL OCCUPATIONS

Employment in higher level occupations



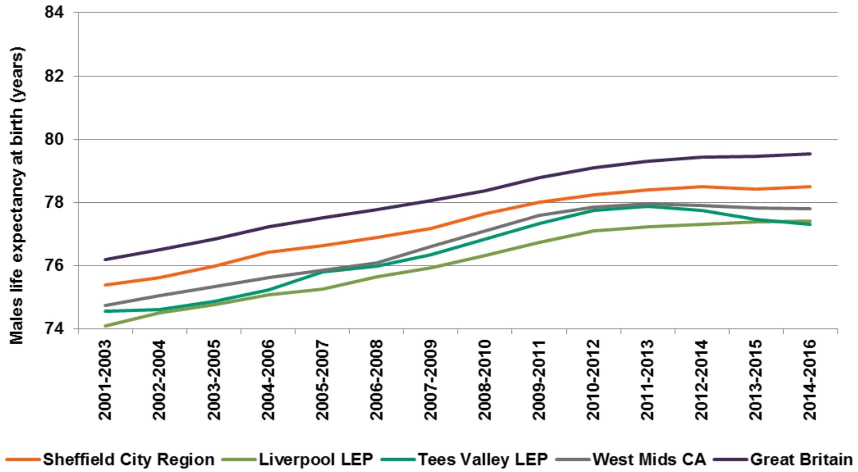
Source: Annual Population Survey

Notes: Higher level occupations includes: SOC 1- Managers, Directors and Senior Officials; SOC 2 - Professional Occupations; SOC 3 - Associate Professional and Technical Occupations.

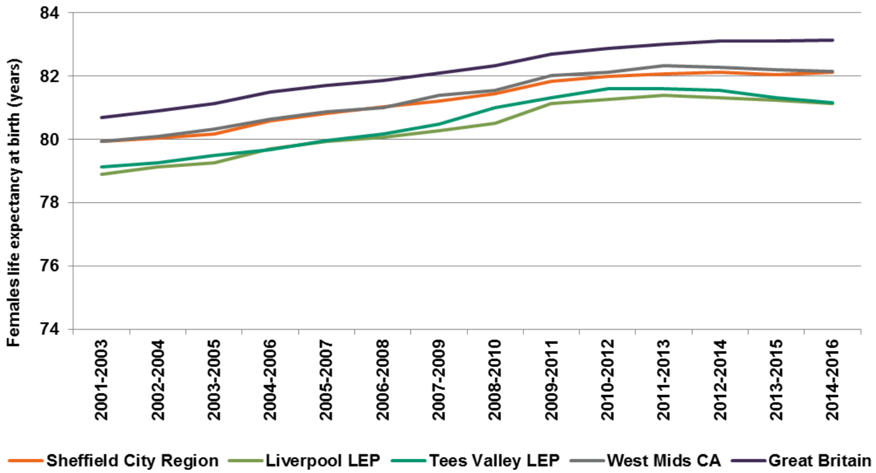
- 38 per cent of residents in SCR were employed in higher level occupations in 2016-2018 compared to 45 per cent nationally.
- Whilst the Tees Valley and West Midlands have comparable rates to Sheffield City Region, the Liverpool LEP has seen a much more rapid growth.
- The number of jobs in higher level occupations increased by 10 per cent in SCR over the period which is similar to the growth in Tees Valley.
- National growth of jobs in these sectors was 15 per cent, 16 per cent in West Midlands and 18 per cent in Liverpool.

LIFE EXPECTANCY AT BIRTH

Males Life Expectancy at Birth (years)



Females Life Expectancy at Birth (years)



Source: Office for National Statistics

- Life expectancy for both males and females has increased nationally, and across the comparator areas, since the turn of the century.
- Life expectancy for both males and females appears to have plateaued somewhat since the early 2010s.
- The life expectancy of males born in 2014-2016 in SCR was 78.5 years and for females was 82 years.
- The gain in life expectancy over the period is similar to nationally, is higher than in the comparator areas for men and on par with West Midlands for women.
- Tees Valley experienced a slight decline in life expectancy for both men and women in recent years.
- Life expectancy has also fallen recently for men or women in many of the individual local authorities within SCR and in Bolsover it has fallen for both.

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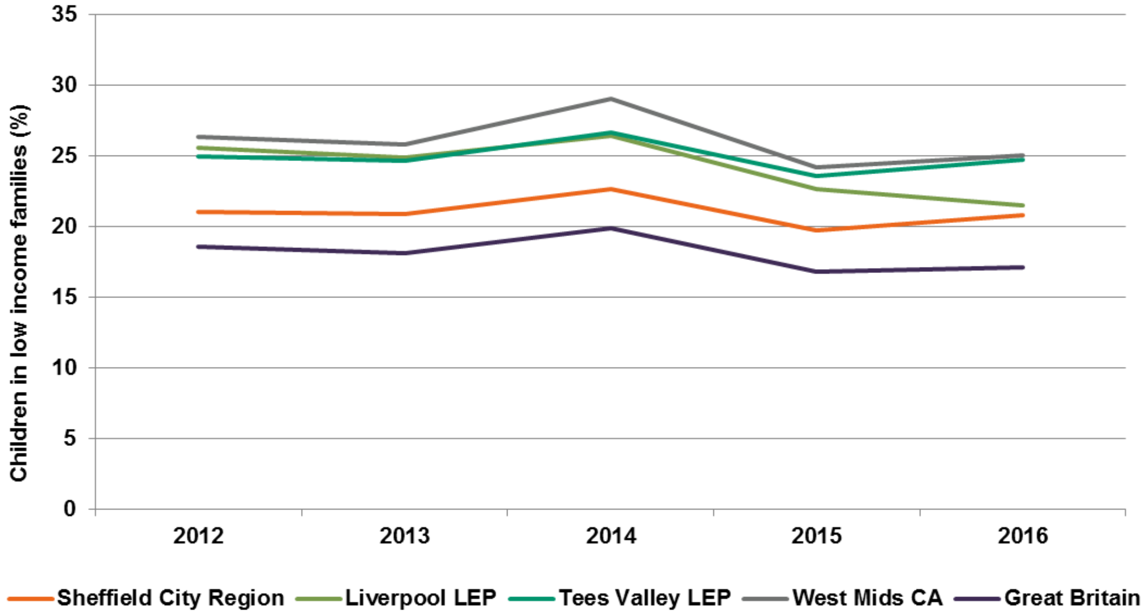
CHILDREN IN LOW INCOME FAMILIES

- Nationally, 17 per cent of children are in low-income families; a figure that has decreased slightly in the period 2012-2016.
- In SCR, this figure has remained at slightly more than 20 per cent of children.
- SCR has tended to have a lower rate than comparator sub-national areas. However, this gap has narrowed over time. In particular, the gap from Liverpool City region decreased from over 4 percentage points to less than 1 percentage point by the end of the period.
- There is a wide variation in the rate across SCR districts ranging from 9 per cent of children in Derbyshire Dales to 23 per cent in Sheffield.

Percentage of children in low income families



Source: HM Revenue & Customs

Sheffield City Region MAYORAL COMBINED AUTHORITY

HOUSING BOARD

29th August 2019

MODERN METHODS OF CONSTRUCTION

Purpose of Report

This report introduces the topic of Modern Methods of Construction (MMC) to the Board for discussion, and to provide an steer on the potential future activity of the Board.

Thematic Priority

This report relates to the following Strategic Economic Plan priorities:

- Secure investment in infrastructure where it will do most to support growth

Freedom of Information

The paper will be available under the Combined Authority Publication Scheme

Recommendations

Members are asked to:

1. Note the issues relating to existing MMC activity in the SCR and comment on proposed future work and activities to further explore and promote MMC for housing within the City Region to meet strategic objectives.

1. Introduction

1.1 The Government and Homes England are strongly promoting and encouraging Modern Methods of Construction (MMC) as a key way to accelerate housing delivery and produce better-quality homes, as well to address the emerging construction skills shortage across the country.

1.2 However, there has been few MMC schemes adopted to date in the SCR, and nationally, due to a range of issues, but primarily due to unit costs per home still being higher than existing traditional build. The attached presentation introduces the concept of MMC and explores SCR's potential involvement moving forward.

2. Proposal and justification

2.1 Modern Methods of Construction (MMC) can take the form of;

- Volumetric — Factory-produced three-dimensional units
- Hybrid — A combination of volumetric and panel units
- Panellised — Factory-produced flat panel units assembled on site
- Sub-Assembly — Replaces parts of the structure normally fabricated on site

2.2 On the 3rd July 2019 the SCR held an MMC event attended by 6 Housing Associations and 8 Local Authorities. The event gave attendees an update on the local MMC market and provided an opportunity to share organisations' progress and ambitions for the adoption of MMC, and to discuss the possible next steps towards working more collaboratively to promote the sector.

2.3 On the 31st July 2019, the Advanced Manufacturing Research Centre (AMRC) held a roundtable workshop on collaborative innovation and strategic Research and Development (R&D) in the offsite volumetric housing sector. The event was led by Mark Farmer, author of state-of-the-nation industry review Modernise or Die; Ray O'Rourke, chief executive of Laing O'Rourke, and Clive Betts MP, chairman of the Parliamentary Select Committee on Modern Methods for Construction (MMC) and they will be driving the outcomes from the workshop. It was proposed to convene a working group to drive pre-competitive R&D and innovation.

2.4 There are four major MMC manufacturers within a 50-mile radius of SCR and MMC will likely be a included as a key housing and economic opportunity in the refreshed SCR Strategic Economic Plan and the new Local Industrial Strategy. It is considered that there is a significant strategic opportunity to support and capitalise on this emerging market.

2.5 The attached presentation (Appendix 1) provides further details about MMC schemes and activity in the SCR, and the barriers to further roll-out of MMC within the SCR. Key questions for the Board to consider are:

1. Would a drive on MMC benefit SCR and what are the benefits/ dis-benefits?
2. How could SCR drive MMC demand?
3. How would an SCR MMC collaboration work?

3. Consideration of alternative approaches

3.1 Do Nothing: Don't investigate MMC further and let the market grow and develop organically. It's clear that MMC has a momentum, with central government support and main developer interest. However, SCR could miss an opportunity to capitalise on a growing industry which could offer prospects and opportunity for local people and a head start on delivering better quality, more affordable homes.

4. Implications

4.1 Financial
None arising directly from this report.

4.2 Legal
None arising directly from this report

4.3 Risk Management
None arising directly from this report.

4.4 Equality, Diversity and Social Inclusion
None arising directly from this report. MMC has the potential to provide housing at a lower unit development cost, subject to economies of scale, which could help provide lower cost high quality financially accessible to more people.

5. Communications

5.1 Opportunities for promoting initiatives that may arise from the MMC discussion or future planned activities will be considered.

6. Appendices/Annexes

6.1 Appendix 1 – Modern Methods of Construction Summary Presentation

REPORT AUTHOR	**Becky Guthrie**
POST	**Senior Programme Manager (Housing)**
Director responsible	Mark Lynam
Organisation	**Sheffield City Region**
Email	**Mark.lynam@sheffieldcityregion.org.uk**
Telephone	0114 2203442

Background papers used in the preparation of this report are available for inspection at: 11 Broad Street West, Sheffield S1 2BQ

Other sources and references:

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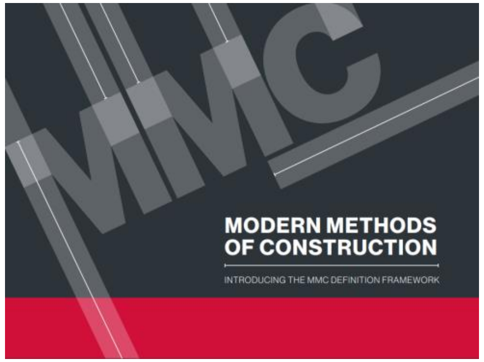
Appendix 1

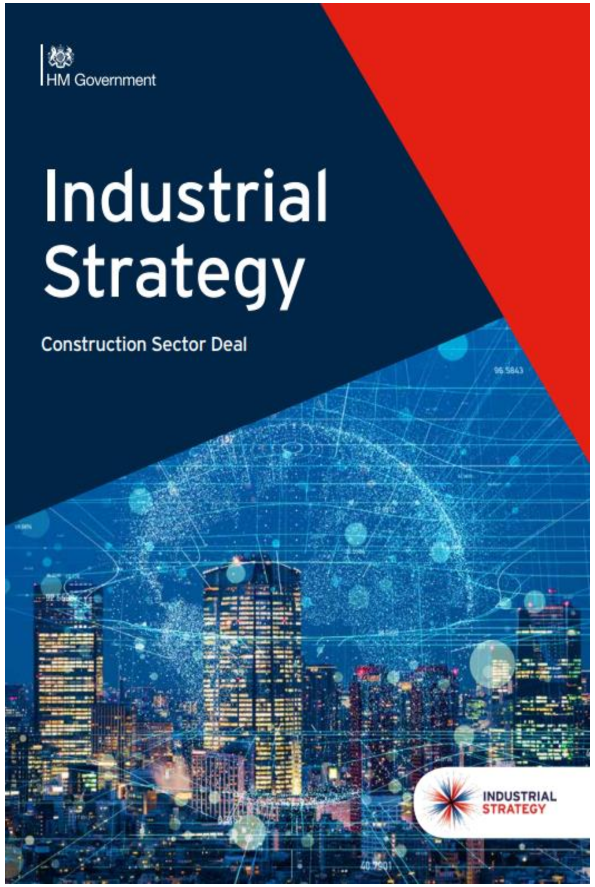
Sheffield City Region

MODERN METHODS OF CONSTRUCTION

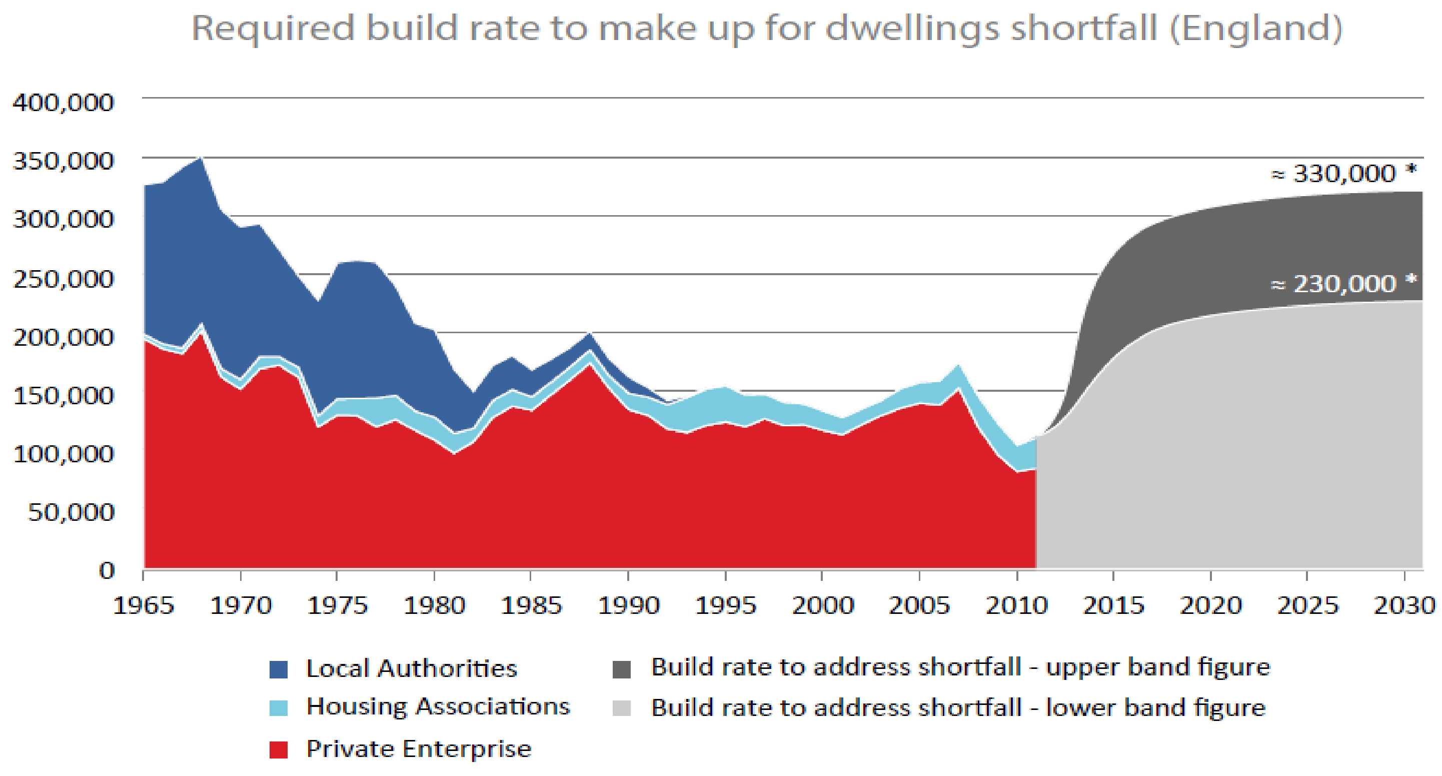
SCR HOUSING BOARD
29 AUGUST 19

THE LANDSCAPE – THE CASE FOR OFFSITE





THE LANDSCAPE – THE HOUSING NEED VS SKILLS SHORTAGE



Source: DCLG, own calculations

National Industry Gender Breakdown

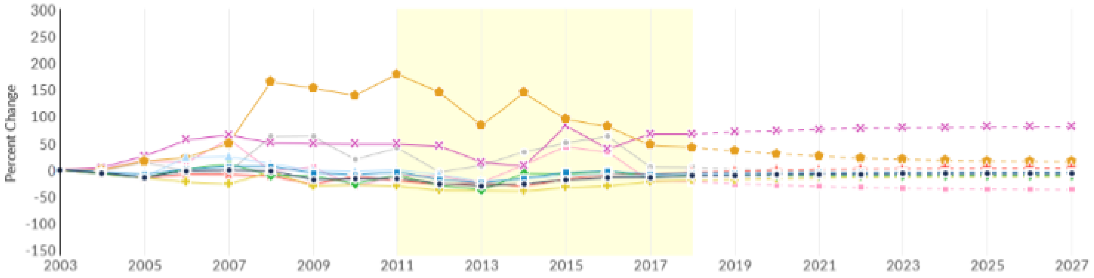
Gender	2016 Jobs
Males	82.3%
Females	17.7%

National Industry Age Breakdown

Age	2016 Jobs
16-24	13.8%
25-34	25.8%
35-44	21.2%
45-54	23.3%
55-64	13.6%
65+	2.4%

- Huge national challenge to meet government target of c300,000 a year by mid 2020s
- Dwindling uptake of construction in age range 16-24 means a building national construction skills shortage

THE LANDSCAPE – SCR CONSTRUCTION & MANUFACTURING SKILLS



Region	2011 Jobs	2018 Jobs	Change	% Change
Region	27,810	29,292	1,482	5.3%
Sheffield City Region	38,288	37,429	-859	-2.2%
Sheffield	9,994	9,138	-856	-8.6%
Barnsley	4,545	4,552	7	0.2%
Doncaster	6,924	8,027	1,103	15.9%
Rotherham	6,347	7,576	1,229	19.4%
Bolsover	2,202	1,120	-1,082	-49.1%
Derbyshire Dales	1,690	1,905	215	12.7%
North East Derbyshire	2,167	1,605	-562	-25.9%
Chesterfield	1,671	1,450	-221	-13.2%

	Sheffield City Region (Employee Jobs)	Sheffield City Region (%)	Yorkshire And The Humber (%)	Great Britain (%)
Total Employee Jobs	744,000	-	-	-
Full-Time	499,000	67.1	67.1	67.5
Part-Time	245,000	32.9	32.9	32.5
Employee Jobs By Industry				
B : Mining And Quarrying	500	0.1	0.1	0.2
C : Manufacturing	90,000	12.1	11.5	8.2
D : Electricity, Gas, Steam And Air Conditioning Supply	2,250	0.3	0.3	0.5
E : Water Supply; Sewerage, Waste Management And Remediation Activities	4,000	0.5	0.7	0.7
F : Construction	37,000	5.0	4.8	4.8

- **SCR has a strong manufacturing and construction skills base that is above the national average**
- **Opportunity to leverage existing skills and attract more people into both con. & manf to capitalise on MMC?**

MMC – SCR CONTEXT

<u>**MMC Manufacturers within 50 miles of SCR**</u>

- **Ilke Homes** – Knaresborough
  - Capacity 2,000 homes per year
- **Urban Splash** – Alfreton
  - Capacity 400 homes per year
- **Laing O'Rourke** – Worksop
  - *Future* Capacity 3,000 homes per year
- **Legal and General** – Leeds
  - Capacity 3,000 homes per year

Despite capacity, only c3,000 volumetric units were manufactured last year in the whole UK.

The size of the potential market is c100,000 a year so lots of scope for more manufacturing within SCR!

MMC will likely be highlighted in the refreshed **SCR SEP and LIS** as a significant strategic opportunity to capitalise on an emerging market

MMC – SCR CONTEXT

Advanced Manufacturing, Innovation and R&D

- The SCR Global Innovation Corridor links well with MMC and the region could be a hub for the cutting edge manufacturing techniques as the industry and market matures.
- **Collaborative Innovation and Strategic R&D in the Offsite Volumetric Housing Sector** was held this month at the AMRC.
- Manufacturers keen to see **LA/HA collaboration** to standardise the product they buy and drive demand
- **SCR local pipeline** of opportunity would help them to grow and invest locally in skills and training.

Skills and Training

- First nationally recognised CITB offsite qualification will be launching Oct 19
- Manufacturers at present have developed their own courses and apprenticeships
- SCR has **37,000 construction jobs**
- MMC could futureproof and expand this base
- Links to advanced engineering
- **Potential to become a hub for offsite skills**

Sheffield City Region

BARRIERS TO MMC GROWTH

Market Demand
- Not consistent
- Slow uptake

Orders of residential MMC
- Reputation of MMC in market

Planning Approvals
- Fragmented market
- Extra time, every time?

Site Availability/ Viability
- No requirement for MMC
- Perception MMC costs more time/ money to implement

Warranties + Financial
- Disjointed market/ continuous reviews stalling innovation

Skills + Training
- New systems, new process – end to end upskilling required

Planning Policy
- No NPPF requirement to encourage demand

Funding for Schemes
- Possible Homes England backing with enhanced SOAHP fund
- Not well advertised/ consistent?

Outputs MMC Homes
- No targets or joint vision

Developers Doing MMC
- Limited MMC solutions i.e timber frame/ roof cassettes/ light gauge steel

Sheffield City Region

MMC – WHAT COULD DRIVE MMC DEMAND IN SCR?

Planning Policy

- Local/ National % of MMC

Local Authority Land

- MMC first?

Council House Build Programmes

- Standardised public sector build specification across SCR
  - Energy efficiency/ renewables (fuel poverty)
  - ‘No gas 2025’
  - Space standards
  - M&E solution
  - **Homes for the North have a pilot underway**

Aggregate demand across LAs and HAs

- Coordinate a consensus on specification
- Help smaller LAs/HAs gain better value from the market
- Help de-risk MMC through collaboration

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MMC – WHAT ROLE COULD LOCAL AUTHORITIES PLAY?

- Commit increasing % of MMC on council new build
- Work to standardise key specifications to drive demand
- Strategic approach to sites - commerciality (life costs + benefits)
- Accepting lower land values to encourage MMC
- Consult positively with members
- Commit to formally promote and facilitate MMC
- Collaborate with SY + SCR
- **Be bold**
- Set local targets
- Delivery SCR MMC contribution
- Commit % of HRA to MMC
- Develop/ accept BCR for promoting MMC
- Monitor MMC as a KPI
- Prioritise CPD of LPA officers for MMC
- Make local linkages between colleges, CITB, developers
- Make best use of existing UTC, Barnsley Hub
- Condition land sale/ planning on use % of MMC trainees
- Carry out uniform monitoring

MMC – 1ST SCR MMC WORKSHOP

- Held 3rd July
- 6x Housing Associations
- 8x Local Authorities
- SCR MCA

AIMS:

- Update on the MMC market
- Share organisations MMC progress and ambitions
- Discuss next steps

QUESTIONS & DISCUSSION

Questions and discussion

- Would a drive on MMC benefit SCR and what are the benefits/ dis-benefits?
- How could SCR drive MMC demand?
- How would an SCR MMC collaboration work?

Sheffield City Region

Agenda Item 8

HOUSING BOARD

29th AUGUST 2019

HOUSING REVIEW UPDATE

Purpose

This report updates the Board on work to undertake a housing review, seeking support from the Board for the focus of this work and the steps outlined.

Thematic Priority

This report relates to the following Strategic Economic Plan priorities:

• Secure investment in infrastructure where it will do most to support growth.

Freedom of Information

The paper will be available under the Combined Authority Publication Scheme

Recommendations

Board members are asked to:

1. Comment on the focus of the work to date and the types of questions and issues that could be explored as part of the housing review.

2. Note the contribution that Homes England and other stakeholders could play as these issues are investigated.

1. Introduction

1.1 Following discussions at the first meeting of the Housing Board in July, Members agreed to support an evidence gathering exercise across different strategic housing issues, as part of a wider housing review. This will seek to capture and rehearse the key facts on important issues like affordability and funding at the SCR scale, as well as assemble information across a much broader sweep of issues around the state of the wider housing market.

1.2 The review of strategic housing issues across SCR is intended to take a fresh look at housing with no pre-defined ideas or assumptions, seeking to address open-ended questions with findings that can be used by the Mayor, the Combined Authority and individual districts to support the delivery of the right housing, in the right places, and of the right quality and price for communities.

1.3 The Housing Board agreed to lead this work and this report updates Board members on progress to date, seeking discussion and input as action is taken forward.

2. Proposal and justification

2.1 As noted in July, any discussion on housing needs to take an evidence-based approach so that a broad range of issues can be properly considered, including the potential for new or radical interventions for the future. In particularly, the evidence gathering work proposed will provide an opportunity to explore new ideas and initiatives, such as the role of housing in renewing our town centres and contributing to 'place'; the potential to adopt more modern methods of construction so that we can deliver housing at scale; and the role of new social or council house building alongside private sector housing development.

2.2. Based on this approach, and points raised in July, officers have begun to prepare a brief for commissioning support from an external organisation that can offer a fresh perspective and new insights. It is envisaged that the work commissioned is focused on two main elements:

i) Housing Need: The first element of the commission will be to draw together current evidence on housing 'need' in its broadest sense, capturing and rehearsing key conclusions from Local Plans and other locally derived data. This element would address questions such as:

- How many new homes do we need in the future?
- Where are new homes being developed and where are we planning to develop new homes in the future?
- How affordable is housing in different parts of the city region and how much more affordable housing is required?
- What type and tenure of homes would best serve the needs of local communities and the wider economy?

ii) Housing Market(s): the second element would be a mix of quantitative and qualitative work that would take our understanding of housing into a new area. It would assemble evidence across a broad sweep of issues on the state of the housing market(s) and require a range of more open-ended questions to be explored and analysed to test more radical approaches:

- What is the true state of the housing market(s) across South Yorkshire, when compared against each other or benchmarked against other areas?
- How do different housing issues play out differently across different localities?
- What do consumers really want and are their housing preferences being met?
- How far does new market housing offer support or impede business investment and growth in the region?
- Is the supply of quality and affordable housing likely to deliver the economic, social and environmental objectives, in particular the ambitions and priorities emerging through work on the refreshed SEP?
- How does housing impact on health and wellbeing in local communities and how could work with local Health Services be improved?
- With 20% of the existing housing below minimum acceptable energy efficiency standards, what are the options to upgrade this and future proof existing stock?
- What is the potential for more innovative approaches to deliver new homes and address the underlying needs of the city region, eg
    - uptake of Modern of Construction Methods for building at scale?
    - a more direct role for local authorities in housing development?

Overall, the work would be focused on bringing together and interpreting the base evidence on both social and privately developed/market housing, seeking to identify radical interventions that can improve the quality of both.

2.3 Rather than commission this work through the usual procurement routes, the nature of the work provides an opportunity to form a more meaningful partnership with experts in the housing field. This would build a longer lasting relationship and help to build capacity and knowledge within SCR whilst also developing some fresh ideas and perspectives. As such, several discussions are being held with policy experts and think tanks to explore how they could work with alongside officers in SCR and local authorities to fulfil the brief outline above.

2.4 Alongside this, conversations have also been held with senior representatives at Homes England to strengthen relationships with SCR and engage their expertise more directly. Given the recent change in Government and potential for new national priorities to be developed, it will be important to ensure that Homes England also play a full and meaningful role in this and other work being led by the Housing Board and can advise the Board on changing Government Policy.

3. Consideration of alternative approaches

3.1 The work outlined will consider a range of strategic housing issues and a range of potential alternative solutions to help address them. The proposal to 'take stock' at the end of the evidence gathering phase will allow for alternative options to be considered in how to proceed with a potential review and what issues further exploration will focus on.

4. Implications

4.1 Financial
The work will be led by the SCR Executive with funding for any external support being provided from the Mayoral Capacity Fund.

4.2 Legal
There are no specific legal issues arising from this report.

4.3 Risk Management
Key risks:

- Partners and Stakeholders unwilling to participate in and/or contribute to the Review.
- The outputs from the work will not be sufficient to warrant progression to the next phases.
- Review conclusions not supported by key housing policy, investment and delivery bodies.
- Availability of budget to undertake the necessary exploration and analysis for a robust Review.

4.4 Equality, Diversity and Social Inclusion
The Review and its conclusions will take into account issues relating to equality, diversity and social inclusion.

5. Communications

5.1 The recognised National Housing Crisis shows that housing continues to be a sensitive issue with a range of views as to how the Crisis should be tackled. The housing evidence base work proposes the engagement and involvement of a range of bodies so as to seek to gather a broad range of views and perspectives. There will also be opportunities throughout the work timetable to publicise progress and emerging findings.

6. Appendices/Annexes

None

REPORT AUTHOR	Colin Blackburn
POST	Assistant Director Housing, Infrastructure & Planning
Director responsible	Mark Lynam
Email	Mark.lynam@sheffieldcityregion.org.uk
Telephone	0114 2203442

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Other sources and references:

Housing Board Forward Plan 2019/20:

- Thematic strategy and policy leadership
- Programme - development and delivery
- Performance and Risk Management
- Funding and Financial Decision Making (up to £2m)

Date	Suggested Agenda items
24/10/19	• **Housing Fund Pipeline Update** • **Housing Fund investment decisions – Bradwell** • **Affordable Housing Provision – Discussion** • **Performance and risk management** OTHER MATTERS TBC
02/01/19 (date likely to change)	• **Housing Fund Pipeline Update** • **Housing Fund investment decisions – (tbc)** • **Modern Methods of Construction – SCR MMC Programme Update** • **Housing Evidence Base Overview/ Discussion** OTHER MATTERS TBC
w/c 24/02/20	• **Housing Fund Pipeline Update** • **Housing Board Review** • **Housing Fund investment decisions – (tbc)** OTHER MATTERS TBC
w/c 04/05/20	tbc
w/c 29/06/20	tbc
w/c 24/08/20	tbc
w/c 19/10/20	tbc

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