

SCR HOUSING EXECUTIVE BOARD

16th NOVEMBER 2016

BROAD STREET WEST, SHEFFIELD

No.	Item	Action
1	<p><u>Welcome and Apologies</u></p> <p>Present:</p> <p><u>Board Members</u> Cllr Simon Greaves, BaDC – Chair Huw Bowen, CBC Simon Carr, LEP / Henry Boot</p> <p><u>In Attendance</u> Dave Sheridan, Keepmoat Paul Bedwell, Spawforths Cllr Glyn Jones, DMBC Richard Burnham, BMBC Tamsin Hart, HCA Katie Jackson, SCC / SCR Exec Team Mark Lynam, SCR Exec Team Michael Hellewell, SCR Exec Team Craig Tyler, Joint Authorities Governance Unit</p> <p>Apologies were received from Mayor Ros Jones, Peter Dale (DMBC), Tony Stacey (SYHA), Naz Parker, Rob Pearson (HCA), Jolyon Harrison (Gleesons), Ian Rooth (BMBC), Tom Bell (RMBC) and Ed Ferrari (TUoS / SCR Exec Team)</p>	
2	<p><u>Minutes of the Previous Meeting</u></p> <p>The minutes of the previous meeting held on 5th October 2016 were presented for consideration and agreed to be an accurate record.</p> <p>The following matters were noted as arising:</p> <p>1. <u>2016 Housebuilders Federation</u> Huw reported he had addressed the Federation event on behalf of the SCR. Feedback is the presentation was well received.</p> <p>5. <u>Appraisal Panel – Strategic Testing Tools</u></p>	

	<p>It was confirmed the Board members' comments were incorporated into the CA report. This was duly endorsed.</p> <p><u>12.MIPIM</u> It was noted that plans are in development for MIPIM 2017 under the auspices of a steering group and assisted by a dedicated officer.</p> <p>It was reconfirmed that strategic housing sites will be a key component of the urban regeneration strand.</p> <p>Action: Michael to circulate a more detailed update</p>	MH
3	<p><u>Declarations of Interest</u></p> <p>No specific declarations of interest relating to the business to be transacted at the meeting were noted.</p> <p>Simon C requested clarity regarding whether a general declaration should be noted in respect of subsidiary companies engaged with SCR schemes. It was noted this matter would be raised with the Monitoring Officer.</p> <p>Action: Craig to ascertain</p>	CT
4	<p><u>Urgent Items / Announcements</u></p> <p>No urgent items were requested.</p>	
5	<p><u>Early Commission of Projects</u></p> <p>Members were provided with an update on the outcome and next steps of the early commission call for SCRIF Projects to deliver spend in 16/17 following the meeting of the Combined Authority on 24th October 2016.</p> <p>The Housing Executive Board was requested to note that the CA approved the progression of 10 projects from the early commissioning call (subject to appropriate assurance) with the focus of delivering £35,150,500 spend in 16/17 from the existing LGF SCRIF16/17 allocation. Two further funds, a Housing Fund and a Property Fund, were approved up to a value of £20,000,000 the precise amount to be confirmed as the funds are developed. These projects create potential spend of £55,150,500 in 16/17 and contain an element of over programming to offset any further slippage.</p> <p>It was noted this should mitigate any further issues regarding spend slippage for 16/17.</p>	

	<p>It was noted that the AMID –Strategic Acquisition proposal has been withdrawn</p> <p>Scheme promoters have been asked to report any perceived vexations with the approvals process and / or confirm where early approval is required to meet the in-year spend stipulations.</p> <p>It was noted the CA will be presented with the revised recommended programme at the next meeting (5th December).</p> <p>RESOLVED, that the Board notes the CA’s approval of the progression of projects from the early commissioning call (subject to appropriate assurance)</p>	
6	<p><u>Joint Assets Board (JAB) and One Public Estate (OPE) Update</u></p> <p>A report was presented to provide the Board with an update on the work of the SCR JAB, setting out some of its recent achievements and highlighting the areas of activity the Board will drive forward over the coming months, and the linked OPE Programme. This report also provides an overview of current and potential future OPE activity.</p> <p>Members were reminded that the SCR JAB has formed an important element of the devolution agreements between Government and the SCR and it is vital that the JAB maintains its focus on strategic level activity, whilst ensuring that it accelerates the disposal of surplus public sector land, property and assets in order to maximise opportunities for housing and economic growth.</p> <p>It was noted it is envisaged that (as set out in the recent devolution agreement) the new directly elected SCR Mayor will chair the JAB as this type of senior level political leadership is consistent with other similar Boards elsewhere in the country. In the meantime, Sharon Kemp (Chief Executive, Rotherham MBC) has recently assumed the role of the Chair of the JAB in order to assist in driving this important agenda forward. In addition, it is proposed that the Police and Fire and Rescue services and SYPTTE joint the JAB to enable oversight of all publically owned land.</p> <p>The Board was asked to note the JAB’s key achievements to date, in particular the creation of the first LA Land Disposal Plan outside of London.</p> <p>It was agreed that the sites listed within the JAB’s ‘key rationalisation of public estates’ ideally needs to be incorporated into the HEB key sites list (with other sites added from the ‘long list’ as they are progressed). It was therefore</p>	MH/ EF

	<p>agreed the terminology may need to be tightened to avoid confusion and help ensure all LAs are familiar with the JAB's ambitions.</p> <p>Regarding the listing of sites, it was also noted that all districts are now mandated to have all assets and land holdings listed on the government's Electronic Property Information Mapping Service (e-PIMS).</p> <p>It was suggested that a single list of sites is a key component of the SCR's ability to engage potential developers in single SCR conversations (rather than 9 individual district conversations). It was suggested this would then engender the ability to have well informed discussions with organisations such as the Construction Industry Training Board (CITB) and agreed that CITB should be invited to attend a future HEB meeting / workshop.</p> <p>It was suggested this work can be taken further and incorporated into current efforts to devise a single list of the SCR's Investable opportunities being undertaken via the IEB), aligned to the development of SCR IIP. This will be presented during January for comment.</p> <p>Information was provided in respect of the next OPE bidding round (OPE5) and details of the intended bid submission.</p> <p>RESOLVED, that the Board:</p> <ol style="list-style-type: none"> 1. Endorses the work carried out to date within the SCR in support of the Joint Assets Board and One Public Estate agendas. 2. Endorses the identified priorities for the Joint Assets Board. 3. Endorses the One Public Estate Round 5 bid, noting that final approval of the bid by the Combined Authority is required. 	<p>MH/ EF</p>
<p>7</p>	<p><u>SCR Housing Summit / Engagement Events</u></p> <p>It was confirmed the Business Insider Media event will be held at the Holiday Inn, Rotherham on 8th December</p> <p>Action: Michael to check invites have gone to all expected recipients</p> <p>Regarding the SCR event, it was noted this will take place early in the new year (after the Autumn Statement and before MIPIM) and will be part-funded by HCA.</p>	<p>MH</p> <p>SC</p>

8	<p><u>Devolution Workstream Update (including the SCR Affordable Housing and Shared Ownership Programme Bid)</u></p> <p>Michael provided the Board with an update on the SCR's Devolution workstream, focussing on the Affordable Housing and Shared Ownership Programme Bid.</p> <p>It was noted the bid was submitted and that it has received positive feedback from Senior Government Officials and Ministers.</p> <p>It has been acknowledged that further work is needed and activity is underway with the LAs to provide additional clarity around how the SCR would accelerate the delivery of affordable housing and social housing.</p> <p>It was noted that there remains a number of questions around what additional flexibilities successful bids might be afforded to help the delivery accelerated programmes. The Directors of Housing Group have similarly noted their support for the initiative but suggested this is dependent on confirmation of the flexibilities.</p> <p><u>HCA Capacity Funding</u></p> <p>It was noted the HCA have launched an £18m fund for LAs to bid into, to assist the progression of large development sites and housing zones. It was suggested anything can be requested (posts, resources, studies, ATLAS support). Bids need to be received by 9th December and money committed in this financial year.</p> <p>It was suggested there are 5-6 sites within the SCR that meet the large development site threshold of 1500 new units.</p> <p>It was suggested that accompanying SCR letters of endorsement would be useful.</p> <p>Action: Mark / Michael to engage districts to ensure everyone is aware of the fund, help identify priority sites for bid submission and arrange for SCR endorsement letters</p>	<p>MH</p> <p>ML / MH</p>
9	<p><u>SCR Housing Intervention Fund (HIF)</u></p> <p>Members were reminded that as noted under agenda item 5, as part of the SCR's Early Commission process, the CA has agreed that work on a Full Business Case for a £10m Housing Intervention Fund should progress.</p>	

It was suggested the creation of the fund will enable the acceleration of various activities including the delivery of new housing schemes, building on current momentum, moving the focus of activity from strategy to delivery, progress the SCR devolution commitments on housing, in particular the elements relating to co-design and co-investment with the Homes and Communities Agency (HCA), pilot and test some of the funding programmes and products emerging from the HEB Finance and Investment workstream, as well as testing this type of approach in advance of the SCR receiving devolved Gainshare funding.

In terms of specific interventions, it was suggested these might include; development finance for private sector developers, funding to support land assembly/ acquisition (principally supporting Local Authorities on sites of strategic importance at a SCR-level), investment in on-site infrastructure (only likely to be possible on sites in public sector ownership due to State Aid restrictions), investment in public (off-site) infrastructure to support housing scheme (e.g. a SCRIF approach which works for housing schemes) and development / sale guarantees (providing the opportunity to support a range of mixed tenure developments as well as for the SCR to potentially hold stock).

It was noted that the type of issues this activity will therefore help to overcome are in relation to site viability resulting from site abnormalities (e.g. due to industrial legacy) which make the cost of development prohibitive, the cost of building works exceeding the market value of the homes developed and the cost of, or lack of, offsite infrastructure which may also result in prohibitive upfront costs.

It was suggested that market viability is the primary reason affecting delivery in the SCR and that post-Brexit developers are looking to invest in sites with even greater potential profit margins, further ruling out the viability of some SCR potential sites. It was therefore suggested that the fund needs to look at ways which could unlock this problem, perhaps making sites financially viable in the short term with the understanding that LA's will be effectively repaid over time through additional council tax receipts and other public benefits.

It was noted the Directors of Housing will be looking at the HIF viability gap issue at their next meeting.

It was suggested that to be effective, the fund will need to be differentiated from other national funds.

It was suggested the reference to 'funding...sites of strategic importance at the SCR level' is too restrictive and there is no reason to preclude SMEs from benefitting from the initiative.

	<p>RESOLVED, that the Board:</p> <ol style="list-style-type: none"> 1. Notes that at its meeting on 24th October 2016 the CA agreed that work to develop a Full Business Case for a Housing Intervention Fund should progress. 2. Endorses the work carried out to date in support of the development of a Sheffield City Region Housing Intervention Fund. 3. Endorses the broad interventions and approaches proposed in order to inform the development of the Sheffield City Region Housing Intervention Fund. 	
10	<p><u>SCR Accelerated Construction Proposal</u></p> <p>The Board was forewarned that as part of the work undertaken to contribute ideas for inclusion in the Autumn Statement, the SCR submitted thoughts on an accelerated construction proposal (aligned to the HCA national pilot).</p>	
11	<p><u>Forward Plan</u></p> <p>Members were provided with the Board's updated Forward Plan.</p> <p>Ideas were invited regarding additional topics for discussion at future meetings.</p> <p>Action: ALL to suggest</p> <p>It was suggested that John Healey, MP for Wentworth and Dearne and Shadow Housing Minister should be invited to a future HEB meeting learn more of the excellent work underway in the SCR to deliver new housing. It was also suggested a similar invitation should be extended to Gavin Barwell MP (Housing Minister).</p>	ALL
12	<p><u>Any Other Business</u></p> <p>No further matters noted.</p>	
15	<p><u>Date of Next Meeting</u></p> <p>Wednesday 11th January, 10.00am at Broad Street West, Sheffield</p>	