

SCR HOUSING AND INFRASTRUCTURE BOARD

9th FEBRUARY 2018

BROAD STREET WEST, SHEFFIELD

| No. | Item | Action |
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| 1 | <p><u>Welcome and Apologies</u></p> <p>Present:</p> <p><u>Board Members</u> Mayor Ros Jones (DMBC) – CHAIR Huw Bowen (CBC) Cllr Tricia Gilby (CBC) Martin McKerverey (LEP) Owen Michaelson (LEP) (to item 6) Simon Carr (LEP) John Mothersole (SCC) Neil Taylor (BaDC)</p> <p><u>Also in Attendance</u> Phil Spurr (BMBC) Tony Stacey (SYHA) Peter Dale (DMBC) Simon Mann (EA) Tom Bell (RMBC) Edward Ferrari (SHU) Rob Pearson (Homes England) Mark Lynam (SCR Exec Team) Michael Hellewell (SCR Exec Team) Chris Collins-McKeown (SCR Exec Team) Colin Blackburn (SCR Exec Team) Paul Bedwell (Spawforths) Ben Morley (SCC) (for item 11) Craig Tyler (Joint Authorities Governance Unit)</p> <p>Apologies were received from Board Members Chris Scholey (LEP) + Matt Gladstone (BMBC) Dave Sheridan (Keepmoat) and Damien Wilson (RMBC)</p> | |
| 2 | <p><u>Declarations of Interest</u></p> <p>John Mothersole declared an interest at item 4 by virtue of a family member's employment with a contracted consultant.</p> | |

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| | Simon Carr declared at interest at item 9 by virtue of Henry's Boot's involvement with the Markham Vale Enterprise Zones. | |
| 3 | <p><u>Board Arrangements</u></p> <p>It was noted no further update is required in addition to the matters raised at the last meeting.</p> | |
| 4 | <p><u>Minutes of the Previous Meetings</u></p> <p>The minutes of the previous meeting held on 11th December 2017 were agreed to be an accurate record.</p> <p>Action: Colin to circulate information regarding each SCR local authority's Local Plan status.</p> <p>Action: Colin (with assistance from Tony and other colleagues) to present a paper regarding 'modern methods of construction (and related initiatives) and their relevance to the SCR' to the next meeting.</p> | <p>CB</p> <p>CB</p> |
| 5 | <p><u>Urgent Items / Announcements</u></p> <p>None noted.</p> | |
| 6 | <p><u>Developing the SCR Housing Programme</u></p> <p>The Board received a presentation on progress made toward the SCR's vision for accelerated housing growth.</p> <p>Action: Michael to circulate a copy of the presentation</p> <p>Members asked what factors had been most important in helping the SCR achieve its welcomed upward trajectory in housing growth. It was suggested this is a complex matter and a number of local and national economic factors and initiatives may be contributory, both on the housing supply and demand sides.</p> <p>Information was provided in relation to each district's net additional dwelling figures (6,142 in 2016/17). It was noted these figures are inclusive of new builds (4,220).</p> <p>It was noted past reports have questioned the consistency of Local Authority level information. The Board was advised, however, that the figures being used for aggregation purposes are those reported by MCLG and are likely to be the best available. It was noted a cross check with council tax return data suggests these figures are broadly accurate.</p> <p>The Board agreed the need to further analyse this data to determine whether the 'mix' of new dwellings is supporting the SCR's SEP/IIS ambition.</p> <p>The Board discussed the pending introduction of national Objective Assessed Need (OAN) 'methodology for the testing of Local Plans</p> | MH |

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| | <p>and noted the potential issues, and subsequent courses of action, should figures not aggregate up to the SCR housing growth target.</p> <p>Action: Colin to discuss this matter in further detail with the SCR Heads of Planning Group</p> <p>The presentation included a section entitled ‘towards a delivery programme’, commencing with a recap of the work undertaken in July 2017 to identify SCR priority sites (and capacity). It was acknowledged this doesn’t include many smaller sites and those which are still due to go through the planning process. This information was overlain with a map of the SCR’s growth areas.</p> <p>It was suggested that refreshed analysis of the priority growth area figures indicates many areas still require a range of support interventions to unlock their full delivery potential. A recap of the various funds and initiatives in place or planned to fund these works was provided.</p> <p>The Board discussed other factors that need to be investigated to ensure the Plan is robust, including an analysis of the number of sites with planning permission that haven’t been brought forward.</p> <p>RESOLVED, that the Board notes the contents of the presentation, and commissions officers to undertake further analysis of the information and help answer the priority housing growth areas’ ‘how, where, when and what’ questions. .</p> | <p>CB</p> |
| <p>7</p> | <p><u>SCR Housing Fund</u></p> <p>A report was received to provide the Board with an update on progress in relation to the pilot, £8.1m LGF-underspend funded, SCR Housing Fund, and to seek agreement to establish the new Housing Investment Board (HIB).</p> <p>It was noted the SCR Housing Fund was launched on 27 September 2017 and Expressions of Interest (EoI) were invited from public and private sector housing providers, with a submission date of 15 November 2017. The SCR Housing Fund demonstrated a strong demand for housing scheme investment, with SCR receiving 20 EoIs, totalling more than £25m, from a range of organisations including Local Authorities, Housing Associations and Developers seeking both loans and grants.</p> <p>It was noted the expectation is that around 50% of the fund will be recycled through repayable loans.</p> <p>The Board was informed that following the initial assessment of the EoIs submitted; 8 projects have been invited to complete a Full Business Case (FBC). A further 8 projects have been placed in a ‘pipeline’ programme and are able to develop their FBC at risk (after 2 were withdrawn). The FBC process is due to conclude with bids being submitted to appraisal by 30 March 2018. These schemes will then be assessed in accordance with the SCR’s Assurance Framework and following appraisal, successful schemes will</p> | |

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| | <p>progress through governance channels to receive a decision to invest.</p> <p>It was agreed the fund shouldn't duplicate any other funding streams and noted officers are working closely with Homes England to ensure this situation is avoided. The SCR HF will therefore continue to be viewed as a 'fund of last resort'.</p> <p>It was acknowledged some scheme submissions were inevitably scored higher than others but noted this is still effectively a limited-fund pilot initiative and there will be further options to look at whether the fund might be increased at some stage, or consider what additional, bespoke support might be offered to help other schemes.</p> <p>There was a specific issue raised in relation to how land values are dealt with in the SCR appraisal model for the Housing Fund, noting that this has been developed in line with Government guidance. This issue will be reviewed by Officers, with a response circulated to Board Members.</p> <p>It was noted the Combined Authority (at the meeting of 30th October 2017) approved delegation to a newly established Housing Investment Board (HIB) for those schemes requesting funds below £2m. It was noted this Board will be a decision-making Board responsible for LGF and thus national guidance for LEP decision making Boards will apply; namely all papers must be published 5 working days in advance, minutes must be published on the appropriate website within 10 working days after the meeting, all members must provide a declaration of interest, update this periodically and declare specific interest at each meeting of relevance to that meeting's business to be transacted.</p> <p>The report noted the proposed membership of HIB is the local Authority Chief Executive for housing (Huw Bowen, Chesterfield BC), the lead Combined Authority Member for housing (Mayor Jones, Doncaster MBC), the lead Local Enterprise Partnership Board member for housing (Owen Michaelson/Martin McKervey – only one member to attend per meeting), a delegate of the Combined Authority's Chief Financial Officer (Mike Thomas, CA Finance Manager), a representative from Homes England (Rob Pearson, General Manager) and other individuals with relevant sector experience.</p> <p>The Board noted support for further 'pitches' for additional funding to increase the size of the fund should it provide successful.</p> <p>RESOLVED: that the Board notes progress on the SCR (LGF) Housing Fund and agrees the establishment, and proposed membership, of the Housing Investment Board.</p> | <p>CB/ MH</p> |
| <p>8</p> | <p><u>SCR Energy Strategy Phase 2</u></p> <p>A report was received to provide an update of the findings of the Phase 2 energy technology options appraisal (undertaken under commission by the Carbon Trust) which will inform the development</p> | |

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| | <p>of an Energy Strategy and Delivery Plan for the Sheffield City Region (to be commissioned by end March 2018).</p> <p>It was noted the SCR Integrated Infrastructure Plan (SCR IIP) initially highlighted the need for a SCR Energy Strategy and Delivery Plan. The Strategy will identify how the SCR can become a leader in low carbon, resilient energy, and position itself to deliver the Government's Industrial Strategy ambitions for 'affordable energy and clean growth' and provide a clear plan of how our economy can decarbonise, whilst increasing productivity and competitiveness.</p> <p>Members were reminded the Phase 1 Economic Baseline findings were reported to the previous HIEB meeting on the 11th December 2017.</p> <p>It was noted the phase 2 commission involved an independent appraisal by the Carbon Trust of 21 different energy technologies against a series of set, weighted criteria including economic growth (weighted highest), job creation potential and affordability. This suggests the priority technologies the SCR may wish to explore in more detail are non-domestic and domestic energy efficiency, solar PV, heat networks, electric and plug-in hybrid vehicles and smart grid integration.</p> <p>The report summarised the wider draft findings of the Phase 2 Energy Technology Options Appraisal and it was noted that this information, together with the Economic Baseline and Energy Technology Options Appraisal findings, will provide the baseline data and information to inform Phase 3 - the development of the SCR Energy Strategy and Delivery Plan itself.</p> <p>It was confirmed stakeholders will have continued opportunity to inform the Strategy's development, and written comments were invited on this current report following the meeting.</p> <p>It was noted the final report will set out the projects and programmes that need to be developed and potential locations for their implementation to achieve these aims by 2040.</p> <p>RESOLVED, that the Board</p> <ol style="list-style-type: none"> 1. Notes the key findings of the Phase 2 energy technology options appraisal, and the timescale for commissioning Phase 3. 2. Invites comments in writing on the Energy Technology Options Appraisal, to be received by Colin Blackburn by 23rd February 2018. | All |
| 9 | <p><u>SCR Enterprise Zone Audit</u></p> <p>A report was received requesting the Board notes the progress made in developing the SCR Enterprise Zones, and the current position in relation to the SCR's Enterprise Zone Business Case proposals.</p> | |

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| | <p>The report reminded the Board of the SCR's Enterprise Zone Vision, and provided summarised information regarding the current zones.</p> <p>It was noted 46% of the total site area has been successfully built-out (this figure rising to 58% when the 3 sites still at Business Case stage are discounted) and 2,598 jobs have been created. These figures were welcomed but it was agreed there remains a need to continue to monitor further progress.</p> <p>Regarding the additional 3 sites, it was confirmed the Business Case is currently with the Minister and feedback is expected over the next few weeks.</p> <p>The Board considered matters associated with the longer term strategic direction that might be taken with the SCR's approach to Enterprise Zones, noting examples of where business rate relief or enhanced capital allowances have proved most effective in attracting new businesses. It was agreed the SCR should have a clear consistent approach to business rates on the EZ post March 2018 (agreed by the SCR and the districts) to help avoid the potential for unnecessary competition between sites.</p> <p>Action: Colin to progress work to better understand what added value business rate relief and enhanced capital allowance incentives have had in attracting investment and growth on the EZ</p> <p>RESOLVED, that the Board notes the progress made in developing the SCR Enterprise Zone, and the current position in relation to the SCR's Enterprise Zone Business Case proposals and agrees to support the proposal to undertake similar audit updates on a bi-annual basis.</p> | CB |
| 10 | <p><u>CA Group Strategic Asset Management Strategy and Delivery Plan</u></p> <p>A report was received to provide an update on the preparation of the Strategic Asset Management Strategy and Delivery Plan for the Sheffield City Region CA Group.</p> <p>It was noted tenders are due in today and the intention is for work to be commissioned in March 2018.</p> <p>RESOLVED, that the Board notes progress with the preparation of the Strategic Asset Management Strategy and Delivery Plan for the Sheffield City Region CA Group.</p> | |
| 11 | <p><u>Jessica Update</u></p> <p>A presentation was received to provide the Board with information regarding the background to the Joint European Support for Sustainable Investment in City Areas (JESSICA) fund, how the fund has been managed in the SCR and what has been delivered to date.</p> <p>Action: Ben to circulate a copy of the presentation</p> | BM |

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| | <p>The Chair requested a clarification of the term ‘first loss loan’. It was noted this means a loan will be provided to a developer on the understanding it may not be repaid if there remains a cost to value gap once a scheme has been developed.</p> <p>Verbal information was provided regarding the JESSICA Board’s assemblage. It was noted this includes LEP nominees, not necessarily current LEP Board members.</p> | |
| 12 | <p><u>Homes England Programme Update</u></p> <p>The Board was provided with a verbal update regarding the activities of Homes England within the SCR, and additional wider contextual information regarding the organisation.</p> <p>It was noted Homes England has a refreshed remit to help the Government achieve the delivery of 300k new houses.</p> <p>It was noted Sir Ed Lister (Chair of Homes England) is due to visit the SCR in March.</p> <p>It was noted the Homes England Housing Infrastructure Fund announcements on the successful bids are expected in March.</p> | |
| 13 | <p><u>JAB Minutes</u></p> <p>The minutes of the previous Joint Assets Board (JAB) meeting were provided for information.</p> <p>It was noted Sharon Kemp (JAB Chair) will be attending the next meeting to engage in a fuller discussion on the Estate Transformation Strategy, and other related JAB matters.</p> | |
| 14 | <p><u>Housing Providers Forum</u></p> <p>The Board was provided with a verbal update regarding matters arising from the last meeting of the Forum.</p> <p>The Board recapped conversation undertaken at the Forum regarding homelessness and what initiatives might be considered to address this matter locally. It was acknowledged this isn’t explicitly a matter under the direct responsibility of the SCR, with statutory responsibility for homelessness services with SCRs Local Authority Partners.</p> | |
| 15 | <p><u>Transport Executive Board – Transport Investment Recommendations</u></p> <p>The Board was advised of work being undertaken to introduce a clearer distinction between what transport-related schemes are reported to TEB and what schemes are reported through HIEB.</p> <p>The Board noted support for the suggestion TEB has a focus on transport scheme investment proposals which deliver Local Transport Plan / connectivity priority objectives; with transport</p> | |

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| | <p>schemes which unlock access to development sites being reported for consideration to HIEB.</p> <p>It was agreed that the information shared verbally with the Board would be circulated in written format.</p> | ML/CB |
| 16 | <p><u>Any Other Business</u></p> <p>The Chair requested that where possible all agenda items should be accompanied by supporting papers and not reported verbally. It was also requested that wherever possible, copies of presentations be circulated in advance of meetings.</p> <p>It was also agreed that timings would be added to the agenda in order to ensure that enough time is available to cover all items and to aid time management at the meeting.</p> | |
| 16 | <p><u>Date of the Next Meeting</u></p> <p>10.00am, 29th March, 2018, Broad Street West, Sheffield</p> | |