

## HOUSING BOARD

2<sup>nd</sup> July 2020

### SCR MMC AUDIT: ECO-SYSTEM AND OPPORTUNITY REPORT

#### **Purpose of Report**

This report introduces the emerging initial findings from the '*SCR MMC Audit: Eco-System and Opportunity Report*' to the Board for discussion.

#### **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:

- i.* Comment on the initial finding-s and emerging recommendations of the *SCR MMC Audit: EcoSystem and Opportunity Report*
- ii.* Note the timescale for completing the Report and the associated work being undertaken to explore the opportunities for MMC in supporting the ambitions of the new emerging SCR Strategic Economic Plan.

## **1. Introduction**

**1.1** At the Housing Board meeting on the 29<sup>th</sup> August 2019 the Board agreed with the need to promote Modern Methods of Construction (MMC) for housing within the City Region to meet the SCR's strategic objectives.

**1.2** Three strands of work which were discussed at this meeting have been further developed;

- Working with neighbouring Local Enterprise Partnership (LEP) areas with similar MMC aspirations, to understand and explore matters of mutual interest.
- Working with Housing Directors to explore the opportunities and benefits for creating a SCR MMC aggregated pipeline of schemes to support the promotion of MMC at scale.

- Developing a meaningful and informed shared 'model local authority policy for MMC' across the SCR.

**1.3** The Board is invited to consider the initial findings and emerging recommendations of a report commissioned to define the current position and scope future market potential for MMC, which will help to inform all three of these work strands in a holistic way.

## **2. Proposal and justification**

**2.1** In order scope the regional MMC position, the consultants Cast and Arcadis were commissioned in March 2020 to prepare a report of the *SCR MMC Eco-System and Opportunities*. This report explores;

- Potential size of the future MMC market;
- Existing supply-chain and manufacturers;
- Research and development / innovation opportunities; and
- Skills – what is required, and could it be delivered through our existing further Educational providers?

**2.2** It's expected that the report (once finalised) will generate specific recommendations for the Board to consider in order the further formulate the thinking around appropriate MCA and local authority policy to promote MMC, particularly for supporting the continued growth in housing development.

**2.3** The attached presentation (Appendix 1) presents a summary of the initial findings and outlines the emerging recommendations of the draft report. Key questions for the Board to consider are:

1. Is there anything missing from the evidence base that the Board would like to see?
2. Do the initial recommendations of the report seem appropriate, proportionate and implementable, including developing a MMC project pipeline?
3. Will the report help the Board and regional policy makers to generate a shared 'model local authority policy for MMC'?

## **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**

The Report sets out issues and risks for the emerging propositions. Individual propositions that are taken forward for further exploration and implementation will include detailed risk assessments for each.

#### **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 housing, financially accessible to more people.

### **5. Communications**

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

### **6. Appendices/Annexes**

6.1 Appendix 1 – *SCR MMC Audit: Eco-System and Opportunity Report* - Initial Finding and Recommendations Presentation

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