



**Item Title**

**No.**

**32. Apologies for Absence (if any)**

Apologies for absence had been received from Councillor George Adamson (Cannock Chase District Council), Councillor Joanne Hadley (Sandwell Metropolitan Borough Council), Councillor Daren Pemberton (Stratford on Avon District Council) and Councillor Peter Butlin (Warwickshire County Council).

Apologies for absence had also been received from Marc Liddeth (Environment Agency), Gill Hamer (The Marches Local Enterprise Partnership), Victoria Barnard, David Hayton-Hill and Mark Ryder (Warwickshire County Council) and Isha Bhatt (West Midlands Combined Authority).

**33. Notification of Substitutes (if any)**

No notification of Substitute Members had been received.

**34. Declarations of Interests (if any)**

No declarations of interests were made relative to items under consideration at the meeting.

**35. Minutes of last meeting**

Resolved:

That the minutes of the meeting held on 13 January 2021 be confirmed as a correct record and signed by the Chair.

**36. Strategic Outline Business Case for an Affordable Housing Delivery Vehicle**

Gareth Bradford introduced the item by reminding the Board that it had considered previously several reports on this matter and that the current report was the latest in the on-going development of the Affordable Housing Delivery Vehicle (AHDV).

Rob Lamond presented the report which detailed the Outline Business Case (OBC) for the proposal: a joint venture between the WMCA and housing association partners in the region and that it had been subject of robust and detailed assurance and due diligence work and its purpose, success criteria and operation throughout the development process.

Kevin Rodgers advised that the five Housing Association Members and the wider partnership of 26 housing associations fully supported and endorsed the proposal.

Resolved:

That subject to:

- a) The completion of detailed financial and legal due diligence which was feeding into a Full Business Case for the establishment of the AHDV to the satisfaction of the WMCA Director of Housing and Regeneration, WMCA Head of Governance and WMCA Finance Director;
- b) Confirmation of the first tranche of sites to be brought forward by the Vehicle; and
- c) The identification and assessment of any WMCA funding based on appraisals and approvals that were fully compliant with the Single Commissioning Framework and the associated assurance and gateway process:
  1. That the Outline Business Case, which sets out the background, strategic context and rationale for the development of a Full Business Case between the WMCA and the West Midlands Housing Association Partners Investments (WMHAPI) for the establishment of a new regional collaborative Affordable Housing Delivery Vehicle to address the pressing housing affordability challenges in the West Midlands be endorsed;
  2. That, subject to conditions, the principles of establishing an Affordable Housing Delivery Vehicle (AHDV) be agreed and the work underway to develop a comprehensive Full Business Case with supporting detailed financial and legal due diligence for consideration later in 2021 be endorsed;
  3. That it be noted that any WMCA investment into the proposed Affordable Housing Delivery Vehicle (of land/grant/loan) would be subject to the consideration by and approval of the Investment Board and the robust gateway approval and assurance processes for all investments made via the WMCA's Single Commissioning Framework and Single Assurance Framework and approval by the WMCA Board of the Full Business Case setting out the legal, financial and risk implications arising from the proposal to establish a new Delivery Vehicle structure.

**37. Zero Carbon Homes Charter and Routemap**

Gareth Bradford introduced the report and reminded the Board that the proposals were linked to the work of the Environment and Energy Board.

Rachel-Ann Atterbury presented the report which updated the Board on the progress being made under its Zero Carbon Homes Work Programme.

Councillor Ian Courts welcomed the report and reminded the Board of the importance of the proposals and highlighted a central issue around the financial implications which would vary from site to site. He reminded the Board that cost savings could be identified throughout the manufacturing process and suggested that exemplars be identified and that an increase in the scale of production would assist in driving down unit cost. He stressed the links with the Board's proposals on Advanced Manufacturing in Construction (AMC). He asked if further details could be provided to a future meeting on the cost structure of the proposals and added that retro fitting could also be considered at a later stage. The Chair asked if there were any examples available of a volume house builder using zero carbon and whether comparison exercises could be undertaken.

Councillor Jacqueline Sweetman endorsed the comments now made and advised that the City of Wolverhampton Council was keen to see examples of the economies of scale which could be sought out on AMC and zero. She asked for sight of the various cost breakdowns.

The Chair queried whether developers could be encouraged to build more Zero Carbon Homes via an implied condition in the financial support provided by the WMCA. Gareth Bradford reminded the Board that the provision of AMC properties was now a requirement of the Single Commissioning Framework for larger sites and had been successful in bringing such units forward. He suggested that the various points now raised should be raised at the next meeting of the industry led Zero Carbon Homes Task Force with a response being presented to a future meeting.

Councillor Ian Courts referred to paragraph 2.3 of the report insofar as it related to 'meeting net zero whole life carbon being aspirational'. He commented that this would be an aspiration but that developers were endeavouring to become carbon neutral in a number of ways and gave the example in the reduction in the number of skips on development sites where Advanced Manufacturing in Construction were used.

Resolved:

1. That the principles and format of the Zero Carbon Homes Charter as set out in Appendix A to the report be approved;
2. That the contents of the Zero Carbon Homes Routemap as set out in Appendix B to the report be approved;
3. That the proposal to launch the Zero Carbon Homes Charter and Routemap in 2021 (date to be confirmed) be approved;
4. That the excellent support from local authority Officers on the Zero Carbon Homes Working Group and the industry led Zero Carbon Homes Task Force in formulating the Charter and Routemap be noted;
5. That delegated authority be granted to the Director of Housing and Regeneration, in consultation to the Portfolio Holder for Housing and Land to agree the final versions of the Charter and Routemap (ready for publication);

6. That the various points raised in the discussion be referred to the industry led Zero Carbon Homes Task Force for consideration with a response being presented to a future meeting.

**38. The Advanced Manufacturing in Construction (AMC) Routemap**

Rachel-Ann Atterbury presented a report which updated the Board on the extensive work undertaken by the WMCA, the AMC Officer Working Group and the AMC Expert Advisory Panel in producing a Routemap for accelerating Advanced Manufacturing in Construction in the region, as commissioned by the Board. She reminded the Board of the links between this workstream and the Zero Carbon Homes workstream.

The Chair questioned whether any companies had intimated an interest in basing manufacturing operations within the region. Gareth Bradford reported that discussions were on-going with several such manufacturers regarding locating such factories in the region and advised that the pipeline of schemes including AMC properties provided a higher level of certainty and encouragement to such prospective companies.

Councillor Keith Allcock advised that Sandwell MBC was exploring the options of using AMC buildings and this extended beyond timber framed buildings with an approach having been received from a local company, Hadley Industries, regarding a steel framed building. A further company in Coventry had also made contact regarding such a building but the current cost of the unit was considerably higher than existing alternatives. The Chair advised that Walsall MBC had used steel framed buildings previously in developments.

Councillor Ian Courts advised that such steel framed buildings had been used in Japan during a recession within the traditional steel industry. He reminded the Board that it should not become fixated on one particular AMC option as there were several available including 'Pods'. He commented that use at scale would assist in driving down costs.

Councillor Jacqueline Sweetman endorsed the previous comments but expressed concern with regard to the action to be taken to link the initiatives with training providers and colleges within the region in order to secure fully trained staff for employment within the industry. The Chair concurred with this comment and referred to the Shropshire Council Plan where 70 hectares of land was identified for employment purposes. He commented that if AMC development opportunities were available, this site was in commuting distance of the West Midlands Metropolitan area and could provide employment opportunities for those who had lost their jobs during the pandemic.

Gareth Bradford assured the Board that the two elements of the AMC proposals (skills and real estate) were being addressed by local HE/FE providers represented on the Task Force. The bid made to the Government for funding included seeking support for the skills element, together with the manufacturing element.

Councillor Jacqueline Sweetman suggested that a report be presented to the next meeting of this Board on the implications and impacts of the Government's planning reform proposals for the Green Belt. Gareth Bradford reminded the Board that the WMCA had statutory planning powers.

Resolved:

1. That the contents of Part 2 of the AMC Routemap as detailed in Appendix B to the report, which had been worked up by the AMC Officer Working Group and expert Advisory Panel be noted;
2. That the proposals to explore options for implementing the Routemap's recommendations in collaboration with the AMC Officer Working Group and AMC Expert Advisory Group be agreed;
3. That the intention to launch formally the AMC Routemap be noted;
4. That delegated authority be granted to the Director of Housing and Regeneration in consultation with the Portfolio Holder for Housing and Land to agree the final version of the Routemap (for publication);
5. That the excellent support from local authority Officers on the AMC Working Group and industry experts on the AMC Expert Advisory Group in formulating the Routemap be noted.

**39. Update on Housing and Land Portfolio Deliverables 2020/21**

Resolved:

That the Housing and Land Portfolio Deliverables for 2021/22 as agreed by the WMCA Board on 12 February 2021 be noted.

**40. Housing Deal and Land Fund**

Gareth Bradford reported that at his forthcoming meeting with Government to report on progress he would be able to report that the WMCA was well ahead of target on performance with Land Fund usage and detailed schemes which had benefitted from this source of funding. The Chair commended the work of the Board in respect of its performance.

The meeting ended at 10.30 am.