

Decision Pathway – Report



PURPOSE: Key decision

MEETING: Cabinet

DATE: 04 February 2020

TITLE	Enabling Housing Innovation for Inclusive Growth Programme		
Ward(s)	<i>Citywide</i>		
Author:	Nigel Greenhalgh Jacqueline Miller	Job title:	Consultant Commercialisation Development Manager
Cabinet lead:	CLlr Paul Smith	Executive Director lead:	Stephen Peacock
Proposal origin: <i>City Partner</i>			
Decision maker: Cabinet Member Decision forum: <i>Cabinet</i>			
Purpose of Report:			
<ol style="list-style-type: none"> 1. To note the Innovation Funding Service grant application in the sum of £3,085,232.00 (including match funding), to enable housing innovation for inclusive growth. There are 16 partners to the bid. Of the total award, £536,327 will be allocated to Bristol City Council for the delivery of our contribution under the application. 2. To delegate authority to the Executive Director of Growth and Regeneration, in consultation with the Cabinet Member for Housing, to take all steps necessary to deliver, procure and award contracts/enter into agreements required to successfully implement the programme*. 			
*The Council will not be responsible for dispensing any grant awarded to bid partners.			
Evidence Base:			
<p>Bristol City Council (BCC) is a leader in the use of modern methods of construction (MMC) - based housing solutions and is an exemplar for the wider UK. Bristol has a range of social and community-led housing developments planned for 2020-21, including c.458 homes to be delivered using innovative MMCs provided by a range of manufacturers. These developments are viewed as a unique opportunity for a step-changing 'demonstrator' project, assembling a unique supply and demand-side collaboration. The programme comprises integrated innovation in product and manufacturing processes, data capture, testing and assessment across a spectrum of MMC-based solutions, with providers ranging from local start-ups to national companies. Construction costs, whilst an essential enabler, are excluded from eligible costs for Innovate UK. The 'momentum resourcing' provided by Innovate UK funding will enable BCC to integrate inter-departmental expertise, addressing council-level barriers to the delivery of new homes in a coordinated manner. It will enable BCC to create a nationally replicable delivery model that encourages the use of MMC-based solutions in balancing the supply of new homes with growing demand. Project learning and supply chain collaboration will enable suppliers to deliver effective product, process and supply chain innovations; and collaboration with BCC will increase confidence in future demand, facilitating capacity planning and investment. A key outcome will be a 'council change model' reinforced by a decision-support 'toolbox', enabling local authorities across the UK to address development challenges using MMCs and taking account of local issues (economic, social, environmental, commissioning, demographics, skills, location, supply and technical), specific development needs, and supply chain capacity.</p> <p>Whilst BCC is key to project delivery, the lead partner will be YTKO (a Bristol-based company working closely with BCC) supported by BRE in project administration and coordination. Nine MMC-based housing solution providers are also participating.</p>			
Cabinet Member / Officer Recommendations:			

1. Note and endorse the application for the enabling housing innovation for inclusive growth grant and the Council's involvement in the partnership.
2. In the event the bid is successful, authorise the Executive Director of Growth and Regeneration, in consultation with the Cabinet Member for Housing, to allocate/disperse the grant funds and/or take all other steps necessary to successfully implement the Council's element of the programme (including procuring all appropriate contracts/agreements).

Corporate Strategy alignment:

The programme aligns with the Corporate Strategy commitment to creating a fairer, more equal City for everyone. It seeks to address inequalities, unemployment and poverty in the City, through access to warm, secure affordable homes, to achieve a higher quality of life. A priority for the City is finding innovative ways of increasing the availability and affordability of a range of housing types and creating mixed and balanced communities where people want to live and work. The scheme will support the Strategy target of making sure that 2,000 new homes – 800 affordable – are built in Bristol each year by 2020.

City Benefits:

The proposed programme will facilitate the increased supply (in scale and pace) of additional affordable housing, in particular using modern methods of construction, which will be of benefit to the whole City. Housing is at the heart of the Council's drive to improve the quality of life for residents and to create thriving communities and attractive places where people positively choose to live. Creating a mixed and balanced community with a strong sense of place and liveable environment, can help benefit mental wellbeing and physical health, social interaction and security. It will also help create greater equality of opportunity and quality of life. The lack of affordable housing causes homelessness and the people who are owed a homelessness duty by the Council are disproportionately young people, disabled people, BAME people and lone parents who are mainly women. The proposed increased use of modern, efficient factories will attract and retain a more diverse range of talent into the industry to help tackle the skills shortage.

Consultation Details:

This is a partnership bid led by the Housing Festival. Senior officers (in Growth & Regeneration, Homes and Landlord Services, and Commercialisation) are in support of this application and programme. The Cabinet Members with responsibility for Housing and with responsibility for Waste, Commercialisation, and Regulatory Services have also indicated support for this application.

Background Documents:

Bid summary and application (commercially sensitive) attached.

Revenue Cost	£536,327	Source of Revenue Funding	Grant
Capital Cost	£	Source of Capital Funding	<i>e.g. grant/ prudential borrowing etc.</i>
One off cost <input type="checkbox"/>	Ongoing cost <input type="checkbox"/>	Saving Proposal <input type="checkbox"/>	Income generation proposal <input type="checkbox"/>

Required information to be completed by Financial/Legal/ICT/ HR partners:

1. Finance Advice: This grant provides one off project funding for two years, and does not require match funding nor commit BCC to allocating ongoing resources at the end of the project. Although this was a partnership bid, with YTKO as the lead partner, BCC will be responsible for its grant allocation of £536,327, ensuring that project expenditure is evidenced and the grant claimed quarterly in arrears in accordance with the bid and grant conditions. Up to 90% of the grant can be claimed in year 1 and up to 10% in year 2. £200,000 of the grant will be used to commission work on the housing festival and an expo. The remaining grant is for the resource cost of staff working on the project. The grant will allow these staff to be backfilled where necessary in order to ensure progression of the project with the most appropriate subject experts.

Finance Business Partner: Wendy Welsh, Finance Manager 20th January 2020

2. Legal Advice:

At this stage the "partnership" appears to be a loose association of interested parties, with a common interest in securing grant funding, and imposing no particular legal or financial obligations on any of them. It is unclear whether

a more formal arrangement is anticipated. The application for grant raises no particular legal issues. In the event that the application is a successful, then the use of the grant will need to comply with the conditions attached to it, and, where appropriate, state aid requirements, procurement regulations and the councils own procurement rules.

Legal Team Leader: Eric Andrews, Team Leader, Legal Services 11th December 2019

3. Implications on IT:

No anticipated impact on IT Services.

IT Team Leader: Simon Oliver, Director: Digital Transformation 4th December 2019

4. HR Advice:

The report seeks approval to form a ‘partnership’ to secure grant funding. If the bid is successful it is proposed budget will be allocated to fund additional project resource and capacity. This will not impact on existing staffing structures or roles, and resource will be recruited on fixed term basis in line with the funding.

HR Partner:

Celia Williams, HR Business Partner G&R 17th December 2019

EDM Sign-off	Stephen Peacock	27 th November 2019
Cabinet Member sign-off	Cllr Paul Smith Cllr Stephen Pearce	10 th December 2019 11 th December 2019
For Key Decisions - Mayor's Office sign-off	Mayor's Office	13 th January 2020

Appendix A – Further essential background / detail on the proposal	NO
Appendix B – Details of consultation carried out - internal and external	NO
Appendix C – Summary of any engagement with scrutiny	NO
Appendix D – Risk assessment	NO
Appendix E – Equalities screening / impact assessment of proposal	NO
Appendix F – Eco-impact screening/ impact assessment of proposal	NO
Appendix G – Financial Advice	NO
Appendix H – Legal Advice	NO
Appendix I – Exempt Information	NO
Appendix J – HR advice	NO
Appendix K – ICT	NO