

# GLoucestershire Economic Growth Scrutiny Committee

MINUTES of the meeting of the Gloucestershire Economic Growth Scrutiny Committee held on Tuesday 31 May 2022 commencing at 10.00 am at the Cabinet Suite - Shire Hall, Gloucester.

## PRESENT MEMBERSHIP:

Cllr Robert Vines	Cllr Sajid Patel
Cllr Roger Whyborn	Cllr Alastair Chambers
Cllr Matt Babbage (Chair)	Cllr Chloe Turner
Cllr Paul McCloskey	Cllr Stephen Hirst
Cllr John Murphy	

## Virtual Member Attendance:

Cllr Chloe Turner

**Substitutes:** Cllr Patrick Coleman

**Apologies:** Cllr Nicky Packer, Cllr Gina Blomefield and Cllr Paul Baker

## Officers in Attendance:

Colin Chick (GCC)	Nigel Lush (Vistry)
Laura Powick (GCC)	Shane Cox (Vistry)
Sandra Ford (TBC)	Peter Trodden (Bellway)
Cllr Philip Robinson (GCC)	Cllr Tony Dale (CDC)
Neil Hopwood (GFirst LEP)	

## 20. APOLOGIES

Apologies were received from Cllrs Paul Baker, Nicky Packer and Gina Blomefield. Cllr Patrick Coleman substituted for Cllr Blomefield.

One member expressed their concern that the day on which GEGSC meetings were held kept changing, which prevented some members from being able to attend.

## 21. DECLARATIONS OF INTEREST

No declarations of interest were made.

## 22. MINUTES

The minutes of the meeting held on 31 March 2022 were approved by the Committee.

## **23. GLOUCESTERSHIRE ECONOMIC GROWTH JOINT COMMITTEE UPDATE**

The Committee received a verbal update from Cllr Tony Dale, Chair of the Gloucestershire Economic Growth Joint Committee, on the GEGJC meeting held earlier in the month.

Members were informed that the GEGJC had considered three requests for funding from the Strategic Economic Development Fund; a report on the UK Shared Prosperity Fund; a presentation on transport decarbonisation; and updates from GFirst LEP and on the GCC Economic Dashboard.

One member requested further information on transport decarbonisation from Cllr Dale, particularly how this related to rail travel in Gloucestershire.

Colin Chick, Executive Director of Economy, Environment and Infrastructure, explained that members of this Committee had been invited to attend a joint meeting with the Environment Scrutiny Committee to receive a presentation on transport decarbonisation. He reminded members that the evidence makes clear that a change in everyone's behaviours was required in order to achieve significant carbon reduction.

He added that in terms of rail transport, the role of the County Council was to lobby, and a number of improvements to the rail network had been achieved through that. Lobbying was still on going for the electrification of the rail network in Gloucestershire.

There was a further question about the detail of the SEDF bid from the Royal Agricultural University (RAU) for its 'Innovation Village' Project. In response, Cllr Dale explained that it was his understanding that the RAU was looking to improve its infrastructure in order to expand on its research capability for sustainable agriculture at a time of global need. The funding would be used to develop a new innovation campus, which would include a research and development building.

It was requested that an item on sustainable transport be included in the work plan for the GEGSC.

## **24. MODERN METHODS OF CONSTRUCTION - DEVELOPERS**

The Committee received two presentations from housing developers on Modern Methods of Construction (MMC).

The first presentation was delivered by Nigel Lush and Shane Cox from Vistry Homes. Members were informed of the following:

- Vistry Homes mainly relied on traditional building methods, however they had embraced the use of the Smart Roof, which they had been using for the last 2 years.

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- To traditionally fit a roof on a two and half story build, it would take 4 to 6 weeks, could be labour intensive as well as time consuming, and resulted in waste from cutting.
- The Smart Roof was trialled on the homes being built at Hunt's Grove in Quedgeley.
- It took just 1 to 2 days to put up a Smart Roof, which was fitted and made in a factory before being transported to the building site.
- Once up, the Smart Roof just needed to be tiled and finished.
- The Smart Roof was safe, clean, water tight, and efficient.
- The advantages and disadvantages of installing an MMC Pod Unit were discussed.
- Advantages of this type of construction included quicker construction timescales, reduced waste on site, the accuracy of the material having been completed in a factory, and increased safety due to less man hours on scaffolding.
- The disadvantages included the increased cost, particularly as group deals could be secured on traditional materials, and purchaser nervousness with new technology, as opposed to traditional bricks and mortar.

The second presentation was delivered by Peter Trodden from Bellway Homes. Members were informed of the following:

- MMC technologies were categorised from 1 to 7.
- Bellway had trialled category 1 methods through the construction of ILKE modular homes, who were market leaders in this type of construction.
- The advantages of this volumetric construction included the speed of completion, the factory controlled environment, and the reduced storage of site materials.
- The disadvantages included the cost, higher design requirements, lack of flexibility to overcome site restraints and timescales, and customer perception.
- In terms of category 2, Bellway widely constructed homes with timber frames in Scotland.
- The advantages of this type of panelised construction included the speed of build, low carbon production, health and safety benefits and the removal of wet trades.
- The disadvantages included the cost, longer design period, lack of flexibility with time scales, customer perception and fire concerns.
- Category 3 related to pre-fabricated components, such as roofs, stairs, and dormas, which had been used by Bellway for a number of years.
- The advantages of using these included the speed of construction, health and safety benefits, and consistency and quality control.
- The disadvantages included a lack of flexibility, reliance on third party manufacturers, and logistics.
- The other category occasionally used by Bellway was category 5 in the form of bathroom pods.
- This type of pre-manufacturing non-structural assemblies included the speed of build, health and safety benefits and consistency.

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- There have been issues with getting building materials and skills on site currently.
- 4 new building regulations had been introduced this year which focused on construction techniques, including the carbon impact of the types of building materials being used.
- For example, timber was low carbon, whereas steel was high carbon.
- Manufacturers were therefore trying to adapt and there would be a further change to building regulations in 2025.
- Increased utility costs were also having an impact on the building trade, for example, a brick factory in Portugal had recently closed as they couldn't afford to fire the kilns.

The Committee discussed the presentations they had received and asked a number of questions of the presenters.

One member asked whether there was a reduction in the production of carbon by using MMC as opposed to traditional methods? They also asked why the Smart Roof did not come with solar panels already installed? In response, Peter Trodden explained that whilst all buildings complied with the new building regulations, they could not give comparisons in terms of carbon. It was his opinion that timber frame constructions would be low carbon, concrete products produced less carbon in manufacture than clay, and steel was one of the most carbon intensive materials.

In terms of the solar panels, he explained that the 2021 change in building regulations favoured electric heating with most developers looking into heat pumps. This was an interim step to the future homes standard 2025 which would remove the option of fossil fuels heating homes.

Another member commented that it was worrying the Government had not established the right parameters for the construction industry on carbon reduction, and that members should be lobbying on that. They also asked why MMC had not taken off despite pre-fabricated houses being built as far back as the 1940s?

In response, Nigel Lush explained that whilst he felt the product was good, the costs were a constraint for MMC, and he didn't believe it could keep up with housing demand. Additionally there was more reliance and confidence in traditional methods, particularly amongst customers.

Peter Trodden added that the upfront investment into MMC was enormous, and therefore this had not been pursued given past recessions and the current cost of living crisis. He explained that the beauty of traditional construction was its flexibility and that resources could be focused where demand was.

A further member expressed their surprise that a detailed carbon analysis could not be provided on the types of construction, given the current stage of the climate emergency. They were also surprised that more weight wasn't being given to solar panels and attempting to orientate houses to get the best results from them. They asked what commitments the organisations had in relation to the climate?

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Shane Cox responded that the use of PV panels was taken into account, for example, they were included in one of their developments at Bishops Cleeve, and that the technology had improved so that could work efficiently when facing East and West. They could also be put on top of garages.

Peter Trodden explained that as the focus for their Homes England trial on modular unit construction was on accelerated delivery, they unfortunately did not have the comparison figures for carbon. In terms of the use of PV panels, many factors determined the layout of a site and often there was no space for PV panels on a house.

Both companies stated that they could share information with members on their carbon reduction commitments.

There was a member question as to how much money could be saved if councils were encouraged to approve designs that did not include garages but space instead where people could attach extensions suiting their own needs? They also asked whether modular homes could be extended on?

Nigel Lush explained that depending on the finish, a detached single garage could cost £8-10k to build, however this would add revenue to the plot. Whilst they do consider removing garages on certain houses, they normally provided them for 4 bedroom plus houses and they were also specified by highways.

Peter Trodden added that whilst removing garages could save £10-15k on a plot, customers often expected developments to include garages.

Shane Cox replied, in response to the question on extensions, that you could apply a traditional extension to the rear or side of a modular construction, however the difficulties came when attempting to alter the fabric of a modular pod.

A member queried whether the use of smart roofing delivered cost savings to the developers? They also asked whether MMC pod units created a challenge for buyers with lenders?

Nigel Lush, in response to the first question, explained that the use of the Smart Roof did not deliver cost savings, however given its efficiency and benefits to safety, the company had taken on its use.

In terms of the second question, Peter Trodden explained that modular companies, such as ILKE, ensured that they are NHBC approved, and all of the main lenders have approved their product.

Colin Chick asked the developers whether it was a lost opportunity to not include PV panels on smart roofs. In response, Nigel Lush explained that due to dormas and Velux windows, there was often not enough space for these panels to be included.

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Colin Chick commented that there was still the same issues with MMC decades later. He queried whether they would ever get there with the development of a complete modular house and asked the developers if they would pursue MMC if they were not being subsidised?

Peter Trodden responded that Bellway Homes would continue to build traditionally in order to keep costs down against the boom and bust nature of the construction industry. He understood why Homes England were sponsoring the MMC trials and overtime, if they could be made a success it would be good to be involved.

Nigel Lush agreed that the boom and bust nature of the construction industry ensured the continued use of traditional methods, and cited a current nervousness of buying land. He added that he would like to think they would get there with MMC as a more sustainable product, however he didn't think this would happen within his career.

One member asked whether electric charging points were included as statutory in developments. In response, the developers agreed that they were.

Further questions were asked on the use of containment routes in developments and the use of ground water harvesting tanks.

The Chair thanked the presenters for attending and delivering their presentations to the Committee.

## **25. EXECUTIVE DIRECTOR'S REPORT**

The Committee noted the report.

## **26. WORK PLAN**

It was requested that items on sustainable and public transport, and on the independent retail sector be added to the work plan.

It was also suggested that consideration be given to each district council hosting a meeting of the Committee to consider presentations from each district on their economic growth vision.

A lead member work planning session would be held in June to consider the work plan for the Committee for the rest of 2022. Members were asked to submit any further suggestions by email to be considered at that meeting.

## **27. FUTURE MEETINGS**

The Committee noted the future meeting dates.

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**CHAIRPERSON**

Meeting concluded at 12.25 pm