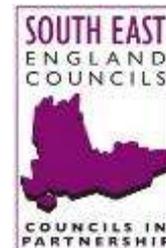


## SOUTH EAST ENGLAND COUNCILS EXECUTIVE MEETING



Date: 28 September 2018

Subject: **Modular building – a solution to South East housing pressures and speed of delivery?**

Report of: Nick Woolfenden, SEEC Head of Policy Co-ordination

### Recommendations:

Members are invited to:

- i) Discuss with today's expert panel the pros and cons of how modular housing could help tackle the South East's housing needs, including speed of delivery.
- ii) Identify any issues to raise with Government that would help improve delivery.

### 1. Introduction

1.1 SEEC Executive welcomes today's panel of experts to introduce and discuss issues relating to the potential, and challenges, of modular housing in the South East. The panellists are:

- **Paul Kitson**, General Manager South East, at Homes England.
- **Cllr Ian Corkin**, Non Executive Director of Graven Hill Development Village, Bicester, and member of Cherwell DC and Oxfordshire CC.
- **Karl Whiteman**, Divisional Managing Director, Berkeley Group.

### 2. Key issues to shape discussion

2.1 SEEC members are keen to see approved homes built in the South East. The South East had England's biggest 3-year housing growth to 2016-17 at almost 100,000 homes. However there are long-standing member concerns that delivery of approved homes is sometimes slow, and there is a growing pool of unimplemented planning permissions (at least 60,000 homes). Today is an opportunity to discuss with an expert panel how modular homes might be able to help improve delivery in the South East, and any key challenges to address.

2.2 An increasing number of large and smaller home-builders are getting involved in modular (or 'off-site') housing, although many proposals are at an early stage of development. It is therefore not yet clear the extent to which modular can play a part in large-scale mass housing delivery, or whether it is more suited to specialist/small-scale developments. Some brief examples of current South East schemes/ initiatives are on the next page. Key issues that members may want to consider in discussion with the panel include:

- To what extent will **modular contribute to mass building** in the South East, or remain a niche approach? What are the timescales to get modular going fully?
- What will be the **benefits for buyers/ owners/ communities** eg. better homes/ quicker delivery/ cheaper homes/ greater energy efficiency/ more adaptable over a lifetime? Are there any risks about achieving quality/ robust/ long-lasting buildings?
- How can modern modular buildings **overcome negative perceptions** associated with older 'pre-fabs'?
- What are the **benefits of modular for developers** eg. cheaper to deliver? Can the approach help mitigate construction skills gaps, and avoid weather hold-ups if more can be done in a factory?
- Do **councils need to consider different issues** when weighing up modular vs conventional construction? Are there particular points to consider re planning approval processes/ infrastructure needs for modular?
- Are there **examples to share/ learn from** in the South East or elsewhere in England?
- Are any **changes needed from Government** and/ or agencies such as Homes England to help deliver modular homes better/ more easily?
- What role could **modular housing play in developing new garden towns or villages?** For example in responding to [MHCLG's Garden Communities Prospectus](#), which requires bids by 9 November.

### **3. Some background examples**

- 3.1 Members may find the following brief examples helpful to understand some initiatives underway in the South East. Many schemes are still at early stages of development, but the examples give an indication of how modular/ off-site construction is being considered for both small, and larger-scale, settings:

Berkeley modular factory - Berkeley Modular is a newly-formed company to produce large-volume modular housing for the Berkeley Group. From its purpose-built manufacturing facility in Northfleet, Kent, it will produce a range of modular housing products. It aims to produce high quality, high performing, well-designed homes. Construction of the factory on a 160,000 sq ft site in Gravesham started in June 2018, with production due to start by spring 2020.

Graven Hill - Graven Hill in Cherwell DC is located at the southern edge of Bicester garden city, north east of Oxford. Cherwell was chosen as one of eleven Vanguard councils to promote and enable self- and custom-build homes in the UK. Graven Hill is currently the largest opportunity in the UK for people who want to build their own home, using modular options. Cherwell DC is keen to promote a range of housing options including self and custom-build, and to play its part in delivering new housing and developing brownfield sites, helping increase the speed and choice of housing supply.

South Bucks interim residential accommodation - South Bucks DC has approved 12 affordable modular apartments, two stories high, to provide interim residential accommodation to homeless households. As well as meeting identified housing need, the ability for the modular 'pods' to be relatively easily moved once another temporary site or permanent site can be found was important in securing permission in a location which may be needed for employment uses in the longer term.

Reigate & Banstead small site affordable homes - Reigate & Banstead BC has agreed permission for a small scheme of modular units in Horley. Using off-site modular construction, this scheme will deliver four contemporary micro homes for single people struggling to find affordable accommodation. On an extremely small and highly constrained site, this will showcase modern construction methods, offering attractive, well designed and functional self contained spaces. The scheme will be funded by affordable housing section 106 contributions and a social rent will be charged.