

Report to Cabinet

12 July 2023

Subject:	Octopus Affordable Housing Scheme
Cabinet Member:	Cabinet Member for Regeneration and WMCA Councillor Peter Hughes, Cabinet Member for Housing and Built Environment Cllr Laura Rollins
Director:	Director Regeneration and Growth Tony McGovern
Key Decision:	Yes
Contact Officer:	Allison Blakeway Allison_Blakeway@sandwell.gov.uk

1 Recommendations

- 1.1 That approval be given to authorise the Director of Regeneration and Growth to seek investment opportunities to deliver affordable housing provision working in partnership with Black Country Housing Group and Octopus Real Estate.
- 1.2 That the Director of Regeneration and Growth be authorised to progress a scheme at the former Rolfe St Baths site in partnership with Black Country Housing Group comprising sufficient information to enable the submission of an Initial Business Case for consideration by Octopus Real Estate.



- 1.3 That, in the event that the Initial Business Case is approved by Octopus Real Estate, the Director of Regeneration and Growth, in consultation with the Cabinet Member for Growth and WMCA and the Director of Law and Governance and Monitoring Officer, be authorised to enter into a formal agreement with Black Country Housing Group to enable them to progress the delivery of the scheme, specifically including the following areas of responsibility:

Black Country Housing Group

- Obtaining all necessary consents (including planning, network rail consents and other permits/licences deemed necessary) to enable the scheme to proceed;
- Procurement of contractors;
- The Construction Contract and its implementation
- Financial control of the project overall
- The Development Agreement with Octopus Real Estate
- Reimbursement of SMBC costs incurred at the Initial Feasibility stage
- The Management Agreement with Octopus Real Estate
- Providing SMBC with appropriate nomination rights for future occupants
- Underwriting of any cost overrun after contingency allowances on a 50/50 basis, subject to a maximum sum.

SMBC

- Progress the disposal of the Rolfe St Baths site to Octopus Real Estate, subject to further Cabinet approval.
- Underwriting of any cost overrun after contingency allowances on a 50/50 basis subject to a maximum sum.
- Obtain 100% nomination rights

- 1.4 That the Director of Regeneration and Growth be authorised to progress detailed negotiations on the disposal of the former Rolfe St Baths site, and to present a further report on those negotiations to Cabinet prior to disposal.



- 1.5 That a sum of £800,000 is allocated from the s106 contributions for Affordable Housing to under-write any potential construction cost overruns, subject to confirmation that a matching amount is provided from Black Country Housing Group.
- 1.6 That the Director of Regeneration and Growth be authorised to allocate resources from the Regeneration and Growth budget to support the progression of 1.1 – 1.5 above.




2 Reasons for Recommendations

- 2.1 There is a significant regeneration priority to increase the level of supply of housing of all tenures in the Borough. Specifically, the shortfall in the supply of Affordable Housing needs to be overcome in order to meet identified need.
- 2.2 Octopus Real Estate have established a fund that offers the opportunity to privately finance 100% of the funding required to deliver Affordable Housing schemes. This would be separate to traditional models of supply (mainly s106 agreements, development programmes of Housing Associations with Homes England support, and the Council's HRA programme). Utilising the private sector funding would provide the opportunity to increase current levels of affordable housing supply thus enabling additional provision to meet identified need.
- 2.3 Octopus Real Estate require minimum standards of home quality (such as EPC-B or above, Home Quality Mark or Nationally Described Space Standard) as part of the finance agreement. This would offer the opportunity to deliver high quality, carbon/energy efficient homes which are above the standards that can be offered by delivery through other methods, due to the additional costs incurred in construction. The utilisation of the funding would then enable delivery of higher quality homes than could be delivered otherwise.




- 2.4 The Council has identified the Rolfe Street Baths site as a suitable site for such a scheme. Utilising this site would bring forward a brownfield site which has remained vacant for a long time. This would act as a catalyst for the implementation of the Rolfe St Masterplan proposals and would generate a capital receipt for the Council – if this site were to be delivered via other methods it is possible that such a receipt may be negated to ensure the delivery of affordable housing.
- 2.5 Black Country Housing Group have confirmed their willingness to progress the scheme in conjunction with the Council as a partner on an equal basis.

3 How does this deliver objectives of the Corporate Plan?

	<p>The Best Start in Life for Children and Young People The proposals will deliver high quality homes for families and young people ensuring a safe and secure environment in which to grow and learn.</p>
	<p>People Live Well and Age Well The new housing proposed will seek to address the needs of those requiring Affordable Housing and will ensure provision of high quality and affordable homes which will reduce the impact of ill-health through living in poorer quality housing. The proposed location of the scheme is directly adjacent to public transport links and Smethwick town centre, thus enabling opportunities for people to connect with their local communities and beyond.</p>
	<p>Strong Resilient Communities The proposed scheme will contribute towards the implementation of the Rolfe St Masterplan and the regeneration of the Smethwick area generally. This will assist in the area becoming a welcoming place for all residents and provide access to jobs, activities and facilities locally, underpinning existing community resilience.</p>



	<p>Quality Homes in Thriving Neighbourhoods The proposals seek to provide housing with the highest standards of environmental efficiency, setting a benchmark for the provision of homes in the area. The scheme will provide 100% affordable housing, thus assisting in meeting current demands, and contributing towards the provision of a balanced and thriving community.</p>
	<p>A Strong and Inclusive Economy The scheme will bring a vacant and underused site back into productive use which will contribute towards meeting existing affordable housing need. In addition, the scheme will act as a catalyst for the implementation of the Rolfe St Masterplan proposals, as well as providing opportunities to meet social value aspirations in relation to provision of employment opportunities and the use of local supply chains.</p>
	<p>A Connected and Accessible Sandwell The site will be located immediately adjacent Rolfe St Station and close to other public transport links and Smethwick High St. This accessibility will enable walking to access facilities in Smethwick High Street and encourage the use of alternative, safe and convenient modes of transport other than the private motor car to access areas further afield.</p>

4 Context and Key Issues

Background – Strategic Need

- 4.1 There is a significant shortfall of housing supply across Sandwell. The table below sets out Local Housing Need against housing delivery in the Borough for the last 5 years, and indicates that the Borough has, on average, met approximately half its housing needs at 47% per annum. The lack of supply results in a cumulative net deficit in overall housing supply of 3,790 homes between 2017 and 2022.



Sandwell MBC – Housing Delivery against Housing Need (all types)				
Year	Local Housing Need	Total new homes delivered	Deficit	% of LHN delivered
2017/18	1,325	692	633	52%
2018/19	1,447	822	625	57%
2019/20	1,351	501	850	37%
2020/21	1,488	660	828	44%
2021/22	1,515	661	854	44%
Total	7,126	3,336	3,790 (cumulative)	47.0% (average)

4.2 A Strategic Housing Market Assessment was completed in 2021 for the Black Country which assessed the affordable housing requirement for Sandwell to be 343 dwellings per annum. This is an increase from 244 in previous years.

4.3 As shown in the table below, on average over the last four years (2017/18 to 2021/22), Sandwell has delivered 55.2% of its affordable housing needs. Whilst the level of supply has increased over this period, but it still remains on average at approximately half of the identified need.

Sandwell MBC – Housing Delivery against Housing Need (Affordable Homes - all types)					
Year	Social Housing Need (2017)	Social Housing Need (2021)	Total new Affordable homes delivered	Deficit	% of SHN delivered
2017/18	244		117	127	48%
2018/19	244		93	151	38%



2019/20	244		107	137	44%
2020/21	244		162	82	66%
2021/22		343	250	93	73%
Total	1,319		729 (cumulative)	590 (cumulative)	55.2% (average)

- 4.4 There are currently approximately 11,500 households on the social housing register (as of March 2023). 37.5% of these are transfer requests within the council house stock leaving 62.5% waiting for a Council home. The Council are approached by Registered Providers (RP's) when relevant housing units become available and the Council has nomination agreements in place to enable allocations from the social housing register to be made.
- 4.5 Longer term, future housing need has been identified as requiring 27,873 new homes by 2039. Work undertaken for the previous Black Country Plan identified sites to accommodate 9,498 new homes, leaving a shortfall of 18,375 homes, and whilst a shortfall is still anticipated these figures are under review as part of the work for the Local Plan.
- 4.6 This data demonstrates that Sandwell is not currently meeting its housing need for both market and affordable housing, and that requirements are likely to continue to increase. It is therefore a significant regeneration priority to increase the number of new homes of all tenures and to double the delivery of new affordable homes from an average of 120 per annum to 240 per annum as a minimum.
- 4.7 Affordable housing provision is normally achieved through the following means:
- through s106 agreements with developers ensuring a proportion of major development is provided for affordable housing.



- through direct investment from Registered Providers, on the basis of an agreed Development Programme with funds from Homes England.
- more recently, the Council has undertaken its own HRA Build programme.

4.8 The potential to increase the level of provision through these established methods is limited due to financial constraints and market conditions. Alternative methods of delivery therefore need to be given consideration.

4.9 There is evidence that the involvement of private sector funders investing in Affordable Housing provision has become more popular over recent years, research by Savills suggests there are now circa 70 such providers in the UK, with For Profit Registered Providers (FPRP's) owning circa 28,150 affordable homes across the UK (approx. 0.7% of overall stock), and representing a 35% growth since March 2022. Currently, 43% of Housing Associations are partnering with an FPRP in some capacity, and this is expected to grow with 89% of Housing Associations currently considering such partnerships.

4.10 Legal and General Affordable Homes are one such company, who are currently working with 13 separate Housing Associations, managing over 300,000 homes. They also work with several nationally recognised developers (e.g. Bellway, Taylor Wimpey, Kendrick Homes, Galliford Try) to deliver sustainable communities and quality homes. The company are working with the West Midlands Combined Authority, with the first scheme as part of a £4bn pledge for investment in the Midlands being the development of 234 energy efficient homes at The Junction, Oldbury, with nearly 50% of these homes being affordable.

Octopus Investments

4.11 Octopus Investments manage over £12.9bn on behalf of 63,000 investors which include Local Government Pension Funds. Since 2000, Octopus Investments have focused their investment in property, healthcare / care homes, renewable energy and entrepreneurial SME's. As a financial services company, they have achieved B Corporation Certification, which



is one way of measuring a company's social and environmental performance, and for which certification requires a company to meet the highest standards of social and environmental consideration, transparency and accountability, to balance profit and the impact they have. The Certification demonstrates that the company are recognised as a responsible investor focused not solely on financial return on investment but also social and environmental outcomes.

Octopus Social Housing Fund

- 4.12 In January 2023, Octopus Investments (part of the Octopus Group, including other entities including Octopus Energy) announced the launch of an Affordable Housing strategy for investors to accelerate the UK's much needed delivery of affordable homes. Initial commitments of circa £200 – £300m are being sought. The fund is managed through Octopus Real Estate, which forms part of Octopus Investments.
- 4.13 The aim is to work with Housing Associations to help alleviate some of the challenges facing the sector, including cost burdens of net zero targets and enhanced building regulation requirements, through the provision of long-term capital to fund the delivery and long-term ownership of new affordable homes. Octopus acquired a For Profit Registered Provider (FPRP) which will operate as a holding body, and as a Registered Provider would be subject to the same regulatory requirements as all Registered Providers. It is proposed that the FPRF will operate a direct-let model, as well as having the opportunity to draw down grant funding to support the delivery of new homes.
- 4.14 The West Midlands Growth Company (WMGC) flagged this investor to Sandwell Metropolitan Borough Council (SMBC) based on the Housing projects contained in the Regeneration Pipeline. Council officers and WMGC officers met with Peter Merchant, Investment Director on 19th October 2022 to explore this investment opportunity.
- 4.15 The outcome of that discussion, plus additional information supplied by Octopus Real Estate, has indicated the following:



- Octopus Real Estate are willing to fund 100% of affordable housing schemes subject to a minimum investment of £10m on a fixed price basis. This would include land and acquisition costs, direct construction costs and contingencies, professional fees, development management fees, finance costs and developer's contingency. Any grant from Homes England will be utilised to off-set these costs.
- Any such investment would be subject to the properties being developed to pre-agreed asset standard criteria, such as EPC-B (or better), Nationally Described Space Standard compliance, or an agreed Home Quality Mark.
- The funding from Octopus would be provided on a fixed-price basis, with appropriate allowances for development contingencies. However, any cost-overruns above the fixed price would be required to be met by those delivering the scheme.
- The site would be acquired directly by Octopus Real Estate. The site would then be developed by a local Registered Provider who would undertake the construction of the units on a forward funding framework agreement subject to a pre-agreed Development Budget including appropriate contingencies and project management fee. The risk associated with any cost overrun above the identified contingency would rest with the Registered Provider.
- Ultimately, the land and buildings would be owned by Octopus Real Estate and held by the FPRP. However, the local Registered Provider would operate and manage the properties on an agreed basis, and would be responsible for lettings, managing voids and maintenance for an agreed number of years, for which an appropriate management fee would be payable.
- It is noted that the Registered Provider acquired by Octopus Real Estate is a regulatory requirement to enable the investment in affordable homes rather than an operational entity. Octopus have confirmed that they would want to work with local Housing Associations



who know the local area and, should the Council's preferred provider not operate the scheme, then an alternative local provider would be sought. They have also confirmed that should it be deemed appropriate the Council could step in as the Managing Agent if it wished in such circumstances.

- The Fund have also confirmed that they would follow the Government's affordable homes price cap rental requirements (in April 2023 set at 7%), as required for all Registered Providers. It should be noted that the Council would not have any control over any price cap increases as these are regulated by Government. However, should the Council wish to enforce a lower increase (for Council housing the rent increase was set at 5% in 2023), then the difference would need to be paid in a form of subsidy.

4.16 Progressing a scheme with Octopus Real Estate requires the submission of an Initial Business Case, detailing the number of units, the cost plan, details of the environmental standards to be achieved, market information relating to rents and land values and any other non-standard considerations which may impact on operational costs, and anticipated grant levels.

4.17 If the Initial Business Case, after review, is considered a suitable opportunity by the funders, detailed planning consent, a fixed price contract, Homes England grant agreement and confirmation of the Local Authority's support for the scheme would be required prior to completion of agreements and funding arrangements being confirmed, and it is at this stage that formal agreements would be completed. A process map which indicates what is required at each stage is included in Appendix 1, and the proposed Memorandum of Understanding with Octopus is enclosed at Appendix 2.



Housing Association Partner

4.18 Discussions have been progressed with Black Country Housing Group (BCHG), one of the Council's preferred providers of affordable housing, to ascertain the appetite for working with SMBC and Octopus to progress a scheme. They have confirmed that they would be happy to undertake such a scheme, particularly as the proposed approach would permit them to create additional new homes in Sandwell above and beyond the current programme, support their regeneration programme, enable opportunities to work with the local workforce and supply chain, and further promote the already good working relationship with Sandwell Council.

4.19 The role of Black Country Housing Group in this context would be:

- Joint developer of proposed site with Sandwell Metropolitan Borough Council (including financial risks incurred over and above the contingency sum on a 50/50 basis), subject to a Project Management and Funding agreement with Octopus Real Estate.
- Secure planning permission for the scheme and address any Reserved Matters & pre-commencement requirements.
- Submit bids for Homes England grant funding for affordable homes.
- Procure a construction partner on a fixed price contract basis.
- Manage the delivery of the construction scheme to practical completion.
- Provide nomination rights and manage the nominations process with Sandwell Metropolitan Borough Council.
- Under formal agreement direct with the Fund, to provide a 'managing agent' role on a long-term basis to collect tenants rent, provide tenancy support and complete any repairs and maintenance.
- To return net rental income on an ongoing basis to the Fund

4.20 It is proposed that SMBC work with BCHG to prepare an Initial Business Case for consideration by Octopus Real Estate, and that all costs associated with its preparation are undertaken 'at risk' on a 50/50 basis. It is noted that if the Initial Business Case is accepted, and the scheme



progresses, these costs would be recovered through the fund and reimbursed accordingly.

- 4.21 Should the Initial Business Case be confirmed, further work would be required to implement the scheme. At this point, it is anticipated that the relationship between Black Country Housing Group and Sandwell MBC would be required to be formalised in an agreement, which would require BCHG to progress the construction and onward management of the scheme, providing 100% nomination rights to the Council, whilst requiring the Council to agree to the disposal of the site to Octopus Real Estate, and to support Black Country Housing Group with a pre-agreed level of underwriting of development costs should cost overruns be experienced on a 50/50 basis between the parties. Proposed Heads of Terms are enclosed at Appendix 3.
- 4.22 Construction Cost over-runs additional to those identified as part of the fixed price contract will be required to be under-written by BCHG and SMBC, and as above it is proposed that this be undertaken on a 50/50 basis, although such funds will be required to be allocated on a reserved basis until the construction contract is completed. Funds are currently unallocated in the s106 Affordable Housing contributions, and it is proposed that £800,000 be allocated from this budget towards meeting this requirement.

Potential Site

- 4.21 Initial consideration was given to Council owned sites at Smethwick Enterprise Centre and Cranford Street. However, the timing of availability of both sites, and consideration of alternative options has resulted in both sites being discounted at this stage.
- 4.22 Consideration has been given to several Council owned sites identified as either surplus to requirements and/or opportunity sites within existing masterplans. Many were discounted on account of their size. However, the site at the former Rolfe St Baths has been identified as a suitable opportunity which is considered to meet the initial requirements. It also forms part of the evolving Rolfe St Masterplan, which identifies a site



capacity of circa 60-70 units, and is of sufficient size to meet the minimum investment requirements of the fund. If successfully implemented, this would also be a catalyst for further investment in accordance with the masterplan proposals.

Benefits

4.23 There are several benefits of working with a private sector funder to deliver affordable housing, which are summarised below:

- There is a significant regeneration priority to increase the levels of investment in the provision of Affordable Housing in the Borough in order to overcome existing shortfalls and to meet future demands. Utilisation of these funds would increase the level of supply without reliance upon further public sector finance.
- The use of private sector investment creates additional opportunities over and above the existing models of provision (e.g. s106/Housing Association delivery programmes) to increase the levels of supply of affordable housing. There is also the potential to build a long term relationship with the fund to deliver further 100% affordable housing schemes, and given the early stages of the fund would put the Council in a tactically strong position to develop and submit further bids in the medium-long term,
- There are existing private sector providers operating in this environment, demonstrating that the sector is now well established. Forecasts suggest that this trend is likely to continue.
- The FPRP, who will ultimately own the land and buildings, is regulated in the same way as all other Registered Providers. Rent caps would also be subject to regulatory compliance.
- The proposed investment from Octopus Real Estate will provide 100% of the funding required, subject to a minimum £10m investment, and there is the opportunity to replicate this provision on a range of sites over the medium to long-term. Council investment



on its own sites tends to be on smaller sites and are unlikely to generate significant increases in the level of supply.

- The fund will only invest in low carbon developments which meet pre-agreed standards, such as EPC-B(minimum), or an agreed Home Quality Mark. Given the scale of costs associated with achieving these standards, the Council could only seek to achieve EPC-B. The homes will therefore be delivered to a higher standard than those the Council, or other public sector partners could deliver.
- The scheme would be operated by BCHG. However, in the event that terms could not be agreed with Octopus, and alternative local registered provider, or the Council could step in as the managing agent for the properties.
- The scheme will be developed in partnership with Black Country Housing Group, with whom the Council has a long established and good working relationship. The proposed scheme could enhance this positive working relationship on other sites in the future
- Sandwell Metropolitan Borough Council would have nomination rights to all the affordable homes delivered in perpetuity (first and subsequent lets). The new homes would not be subject to Right to Buy legislation as they would be privately owned.
- The Council would obtain a capital receipt for the disposal of the Rolfe St site. Given the nature of the scheme it is more likely that a positive capital receipt can be attained for the site, compared to the potential requirement to offset the land value against the benefits of the provision of affordable housing.
- The proposed scheme would support the Council's regeneration priorities for the Rolfe St area, and act as a catalyst for further investment in the future. It would also support the delivery priorities of Black Country Housing Group.



- The proposed scheme, and any further schemes, would promote opportunities to develop the local workforce and utilise local supply chains, thus contributing towards a robust and resilient local economy.

5 Alternative Options

5.1 The alternative options to provision are as follows:

- Do Nothing

In this scenario, the provision of affordable housing, utilising more traditional models of s106 obligations and delivery through the provision of Registered Providers Development Programmes is likely to continue on a similar trajectory to previous years, with identified need going unmet.

- Seek an Alternative provider

As identified above, Octopus Real Estate are not the only private sector providers in the market, and the Council could seek to establish relationships with alternative operators should it choose to do so. However, it is not clear how long it would take to find such an alternative operator, and whether they would invest on the same basis as Octopus. Given the early stages of the fund, working with Octopus could put the Council (and BCHG) in a strong position to bring forward additional sites in the future

6 Implications

<p>Resources:</p>	<p>Developing the initial business case will require expenditure to secure a detailed scheme and supporting market evidence, as well as a valuation of the site. It is proposed that these resources are provided on a 50/50 basis with BCHG.</p> <p>This expenditure will remain at risk until the outcome of the Initial Business Case is known, and if</p>
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	<p>successful will be reimbursed once funding contracts are secured.</p> <p>The financial agreement from Octopus will be provided on a fixed price basis with appropriate allowances for contingencies. However, should construction costs increase beyond those expected, the partners would be required to under-write any cost increase, and it is proposed that such costs are met on a 50/50 basis between BCHG and SMBC.</p> <p>Affordable Housing contributions from s106 agreements are held by the Council to assist delivery of affordable units, and funds within that budget remain unallocated. It is proposed that these £800,000 be allocated to under-writing of any cost over-runs over and above contingency allowances, subject to a matching amount from BCHG. It is noted that such allocation is undertaken on a reserved basis, and if not required once construction is complete will be reallocated elsewhere.</p> <p>If successful, Council owned property (the former Rolfe St Baths site) would be subject to disposal for which a capital receipt would be obtained.</p>
<p>Legal and Governance:</p>	<p>The partnership with Black Country Housing Group and the development of a joint bid into Octopus Investments Social Housing Fund does not engage the requirements of the Public Procurement Regulations.</p> <p>The procurement of a fixed price contract to deliver the construction scheme (design / build) will be undertaken by Black Country Housing Group.</p> <p>This a relatively novel model for a scheme, and whilst there are no immediate concerns from a legal perspective, detailed legal scrutiny of the</p>



	<p>documentation (as it is developed and agreed) will need to be undertaken to ensure that the proposal continues to be legally and constitutionally compliant.</p> <p>As mentioned above, the funding for the eventual housing scheme will be provided by the private investor, so it is considered that the Public Contracts Regulations 2015 will not primarily apply to the procurement of the construction contract (as it does not involve public funds). However, as also pointed out above, the Council will be covering the risk of overspend, which will involve the use of public funds, and this element will need careful consideration.</p> <p>In addition to the potential procurement implications, as the scheme will effectively be (partially) underwritten by the Council/public funds, consideration will need to be given to the potential Public Subsidy/State Aid implications, and again, detailed consideration will need to be given to this aspect as the scheme is developed, because the exact circumstances have not been determined or agreed yet.</p> <p>There are no clear legal impediments to proceeding with this arrangement, and pursuant to the Local Government Act 1972, the Council has the power to dispose of land in any way it sees fit provided it obtains the best consideration reasonably obtainable (S.123) and under the Localism Act 2011 the Council has authority to do anything that individuals generally may do, under the General Power of Competence (S.1) which includes entering into joint arrangements.</p>
<p>Risk:</p>	<p>The key risks to the scheme are as follows:</p> <ul style="list-style-type: none"> • That the costs of the preparation of the Initial Business Case are undertaken 'At Risk'. It is noted that such costs would be recoverable should the scheme go ahead.



	<ul style="list-style-type: none"> Initial Business Case is not accepted by Octopus. Black Country Housing Group have indicated that they would be willing to consider undertaking a scheme at the Rolfe St site should funding not be forthcoming. However, this would be subject to appropriate funding being available within their development programme, and it's possible that the Council would need to reduce/negate its land value to secure the delivery on this site. <p>Cost over-runs over and above those identified in the funding contract will need to be met on a 50/50 basis between Black Country Housing Group and SMBC. The need for the use of such a sum would remain at risk until the development is completed. To mitigate this risk, it is recommended that the Council confirms a maximum amount to be contributed should the circumstances arise.</p>
Equality:	<p>The proposed scheme aims to meet the needs of those who require affordable housing and would be provided in accordance with the Council's policies.</p> <p>Provision of high quality homes would enable provision on an equitable basis when compared with those who could acquire their own home.</p>
Health and Wellbeing:	<p>The proposed scheme will provide high quality housing resulting in better environments in which people live, and thus enhancing health.</p> <p>The site is in a highly accessible location, and opportunities to utilise methods of transport other than the motor care are significant. Walking and cycling specifically will assist overall health and well-being.</p>
Social Value:	<p>The proposed scheme, if successful, will offer the opportunity to utilise the local workforce and supply chain to assist the delivery of the scheme</p>



Climate Change:	<p>The proposed scheme will look to use a brownfield site within the urban area which is not within a flood plain. This will reduce pressure to deliver housing needs on greenfield sites elsewhere.</p> <p>The proposed site is located within the urban area, immediately adjacent the public transport network and in close proximity to Smethwick High St. The potential to significantly reduce the need for residents of the proposed scheme to travel by car is high, and this would reduce carbon emissions.</p> <p>The proposed scheme will be undertaken to a high quality, meeting the highest standards for energy efficiency and meeting low carbon targets.</p> <p>The supply chain, both in terms of materials to undertake construction, and workforce constructing the scheme, will be accessed from local sources as far as possible. This will reduce the impact of transportation from longer distances, thus contributing to lower emissions and improving air quality.</p>
Corporate Parenting	No implications

7. Appendices

Appendix 1

Route Map

