PSG#2 - P1.11.1 Business Model Innovation for Unlocking Modern Methods of Construction in Social and Affordable Housing Supply

Date: Wednesday 5th August 2026

Time: 12.00pm – 1.30pm AWST

Attendance:

- Jude Munro AO (Jude Munro and Associates) – Meeting Chair
- Soheila Ghafoor (RMIT) – Project Lead
- Ali Zolghadr (RMIT)
- Salman Shooshtarian (RMIT)
- Dyan Johnson (Master Builders Queensland)
- Greg Lawrence (WA Dept of Housing and Works)
- Julie Saunders (Community Housing Industry Association Queensland)
- Peter Nelson (QLD Dept of Housing and Public Works (QDHPW))
- Robbie Claase (Modscape)
- Sara Alidoust (The University of Queensland)
- Andrew Fotia (Arkit)
- Paul Matthew (The University of Queensland)
- Grace Martini (SBEnrc)
- Will Hackney (SBEnrc)
- Jack Gill (Think Brick)

Notes

Project Progress and Case Study Engagement Summary: Soheila Ghafoor provided an update on the project's progress, confirming the selection of three case studies - Ar**K**it in Victoria, Atlas Precast in WA, and Modscape in Queensland - with ethics approval from RMIT University already **received**, and described recent factory tours of ArKit and Modscape by **RMIT and UQ** research teams.

> **Ethics Approval and Data Collection:** The project has received ethics approval from RMIT University. This milestone ensures compliance with research standards and allows the research team to commence data collection.
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> **Site Visits and Factory Tours:** The research team conducted a factory tour at Ar**K**it, led by Andrew Fotia, which provided insights into modular social housing. Paul Matthew and Robbie Claase also toured Modscape's Archerfield factory, noting its operational efficiency and safety compared to traditional construction sites.
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> **Next Steps in Case Study Engagement:** The team will carry out interviews with company representatives, project partners, and government agencies to better understand business operations, identify gaps, and explore potential adjustments to improve processes.

Literature Review and Business Model Framework: Soheila Ghafoor summarised the background literature review, outlining definitions of social and affordable housing, MMC, and business model **concpet**, and discussed the two-layer analytical approach for evaluating case studies, with input from Will Hackney, Julie Saunders, Robbie Claase, Peter Nelson, and Paul Matthew on risk, procurement, and planning scheme impacts.

Definitions and Policy Context: The literature review clarified definitions for social and affordable housing, referencing the National Housing Supply and Affordability Council report, and provided an MMC definition based on recent Australian Standards and ABCB publications. The review also mapped federal and state policy initiatives supporting MMC uptake.

Business Model Categories: Soheila Ghafoor presented a preliminary list of business model types for MMC delivery, including one-stop shops, digital platforms, hybrid models, specialised manufacturers, and product-as-a-service approaches. These categories align with the selected case studies and will inform further analysis.

Two-Layer Analytical Approach: The research will use a two-layer lens: first, examining the business models of MMC suppliers using the business model canvas; second, analysing the broader ecosystem, including procurement, contracting, and industry interactions, to develop holistic strategies for MMC adoption.

Stakeholder Feedback on Literature Review: Will Hackney, Julie Saunders, Robbie Claase, Peter Nelson, and Paul Matthew led the discussion raising points about risk evaluation, learning from past failures, distinctions between one-stop shop and turnkey services, procurement differences across states, and planning scheme impacts on MMC. Soheila Ghafoor agreed to incorporate these aspects into the ongoing analysis.

Milestone Agreement and Project Schedule: Jude Munro confirmed broad agreement among participants, including Will Hackney and Soheila Ghafoor, that the high-level literature review milestone has been completed, and discussed the upcoming milestones, including case study interviews and the transition to a quarterly report format for future meetings.

Barriers, Impact Reporting, and Ecosystem Challenges: Jude Munro and Soheila Ghafoor led a discussion on potential barriers to MMC implementation, including planning schemes, procurement, contract risk, and regulatory changes, and outlined plans for developing an impact report with input from Will and other stakeholders.

Barriers to MMC Implementation: Participants discussed constraints such as planning scheme definitions, maximising yield versus MMC suitability, procurement and contracting models, and regulatory changes (e.g., NCC requirements) that affect MMC adoption in social and affordable housing.

Impact Reporting Plans: Soheila Ghafoor explained that an impact report will be developed as the project progresses, with Will providing a new format for engagement. The report will track project uptake and impact and will be updated in future meetings.

Ecosystem Challenges: The group identified ecosystem challenges including risk allocation, cost, quality, speed of delivery, and the need to consider both operating and commercial models when evaluating MMC business models.

Collaboration, Data Access, and Communications Planning: Jude Munro, Will Hackney, Soheila Ghafoor, Peter Nelson, Greg Lawrence, and other participants led the discussion about expanding collaboration to include industry bodies, government agencies, banks, and academic institutions, emphasised early identification of required data sets, and outlined communications planning for research dissemination.

Collaboration Opportunities: Suggestions were made to involve Housing Australia, the four major banks, Prefab Oz, Homes New South Wales, and superannuation schemes in the communications planning matrix to broaden stakeholder engagement and support research scaling.

Data Access and Early Identification: Peter Nelson advised early identification of required data sets to facilitate approval processes within government departments, and Will Hackney recommended preparing a succinct one-pager for internal distribution to streamline data access.

Industry Forums and Conferences: Soheila Ghafoor requested suggestions for industry forums and conferences where the research could be presented to increase exposure and connect with potential collaborators. Jack Gill recommended MECLA as a relevant group for engagement.

Communications Planning Matrix: Will Hackney highlighted the importance of forward-looking communications planning, including briefing stakeholders, picking up conference opportunities, and ensuring research outcomes are disseminated to industry and academic audiences.

Intellectual Property Identification and Protection: Greg Lawrence suggested early identification of intellectual property arising from the project, including processes, products, and data, to enable ethical protection and consent-based release. Will Hackney and Soheila Ghafoor confirmed that any unique business model findings will require stakeholder approval before publication, and case study identities will be kept confidential as per ethics approval.

Integration with Other Research Projects: Will Hackney described ongoing and upcoming federally funded research projects related to AI in home design, **older** demographics and housing, sustainable procurement, and international collaborations, and committed to sharing summary information and exploring synergies with the current project.

Actions

1. **Literature Review Feedback:** Collect and incorporate feedback on the literature review from participants via direct communication with Soheila or through research@sbenrc.com.au inbox. (Soheila Ghafoor, Grace Martini)
2. **Inclusion of Risk Analysis in Business Models:** Evaluate and incorporate the risk versus reward factor in the analysis of business models for enabling delivery to government pipeline within the literature review and case studies. (Soheila Ghafoor)
3. **Inclusion of Past Failures in Literature Review:** Capture and analyse failures and lessons learnt from other businesses that have previously explored or pioneered in the MMC space as part of the literature review. (Soheila Ghafoor)
4. **Expansion of One-Stop Shop Model Analysis:** Expand the analysis of the one-stop shop business model to address nuances, including why organisations may be compelled to adopt this model due to market maturity and survival needs. (Soheila Ghafoor)
5. **Clarification of Turnkey Service versus One-Stop Shop:** Clarify the distinction between one-stop shop and full turnkey service in the business model analysis, with a focus on client interaction and risk allocation. (Soheila Ghafoor)
6. **Overlay of Procurement and Contracting Models:** Overlay and analyse predominant procurement and contracting models across jurisdictions, highlighting their impact on business models and ecosystem interaction. (Soheila Ghafoor)