



Shropshire Council
Legal and Democratic Services
Shirehall
Abbey Foregate
Shrewsbury
SY2 6ND

Date: Wednesday, 7 September 2022

Committee: Housing Supervisory Board

Date: Thursday, 15 September 2022

Time: 2.00 pm

Venue: Shrewsbury/Oswestry Room, Shirehall, Abbey Foregate, Shrewsbury, Shropshire, SY2 6ND

You are requested to attend the above meeting.

The Agenda is attached

There will be some access to the meeting room for members of the press and public, but this will be limited for health and safety reasons. If you wish to attend the meeting please email democracy@shropshire.gov.uk to check that a seat will be available for you.

Members of the public will be able to access the live stream of the meeting by clicking on this link:

<https://www.shropshire.gov.uk/housing-supervisory-board-15-september-2022/>

Tim Collard
Assistant Director - Legal and Governance

Members of Housing Supervisory Board

Robert Macey (Chairman)
Vince Hunt (Vice Chairman)
Jeff Anderson
Julian Dean
Simon Jones

Heather Kidd
Tony Parsons
Dan Thomas
Robert Tindall

Your Committee Officer is:

Shelley Davies Committee Officer

Tel: 01743 257718

Email: shelley.davies@shropshire.gov.uk

AGENDA

1 Apologies for Absence and Substitutions

2 Disclosable Pecuniary Interests

Members are reminded that they must declare their disclosable pecuniary interests and other registrable or non-registrable interests in any matter being considered at the meeting as set out in Appendix B of the Members' Code of Conduct and consider if they should leave the room prior to the item being considered. Further advice can be sought from the Monitoring Officer in advance of the meeting.

3 Minutes (Pages 1 - 4)

To confirm the minutes of the Housing Supervisory Board meeting held on 9th June 2022.

Contact: Shelley Davies on 01743 257718

4 Public Question Time

To receive any questions or petitions from the public of which notice has been given. The deadline for notification for this meeting is 5.00 pm, Friday 9th September 2022.

5 Member Question Time

To receive any question of which Members of the Council have given notice. Deadline for notification for this meeting is 5.00pm, Friday 9th September 2022.

6 Cornovii Developments Limited - Update Report (Pages 5 - 12)

To receive the Cornovii Developments Limited Update Report from the Assistant Director, Homes and Communities. [Report attached]

Contact Jane Trethewey

7 Feedback from Cabinet on the Housing Supervisory Board Update Report

To receive a verbal update from the Assistant Director, Homes and Communities.

8 Exclusion of the Press and Public

To resolve in accordance with the provisions of Schedule 12A of the Local Government Act 1972 and Paragraph 10.4[3] of the Council's Access to Information Procedure Rules, the press and public be excluded during consideration of the following item.

9 Exempt Minutes (Pages 13 - 14)

To confirm the exempt minutes of the Housing Supervisory Board meeting held on 9th June 2022.

10 Cornovii Developments Limited - Exempt Items Update Report (Pages 15 - 40)

To receive the Cornovii Developments Limited Exempt Items Update Report from the Assistant Director, Homes and Communities. [Exempt report attached]

Contact: Jane Trethewey

11 Cornovii Developments Limited - Procurement and 'Teckal' Status Update

To receive a verbal update from the Assistant Director, Homes and Communities.

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Committee and Date

Housing Supervisory Board

15th September 2022

HOUSING SUPERVISORY BOARD

Minutes of the meeting held on 9 June 2022

In the Shrewsbury/Oswestry Room, Shirehall, Abbey Foregate, Shrewsbury, Shropshire, SY2 6ND

2.00 - 2.55 pm

Responsible Officer: Shelley Davies

Email: shelley.davies@shropshire.gov.uk Tel: 01743 257718

Present

Councillor Robert Macey (Chairman)

Councillors Vince Hunt (Vice Chairman), Jeff Anderson, Julian Dean and Tony Parsons

4 Apologies for Absence and Substitutions

Apologies for absence were received from Councillors Simon Jones, Heather Kidd, Dan Thomas and Robert Tindall.

5 Disclosable Pecuniary Interests

None were declared.

6 Minutes

RESOLVED: that the minutes of the meeting held on 31st March 2022 and 12th May 2022 be approved as a true record and signed by the Chairman.

7 Public Question Time

There were no public questions.

8 Member Question Time

There were no Member questions.

9 Cornovii Developments Limited - Update Report

Members received the report of the Assistant Director Homes and Communities which gave an update from Cornovii Developments Limited (CDL) on the company's progress against the Business Plan which was approved by the Housing Supervisory Board on 31 March 2022.

The Assistant Director Homes and Communities introduced the report and referred to Appendix A which provided detail of the Company's overall progress and gave an update on its approved schemes at The Frith, Ellesmere Wharf and Ifton Heath. It was added that the progress of CDL against its Business Plan continued to be satisfactory.

The Managing Director of CDL reported that all properties at the Frith site had now been sold and noted that there had been a number of delays in relation to progress at the Ellesmere and St Martins sites.

In response to a question in relation to labour shortages, the Managing Director of CDL explained that CDL was monitoring this issue which was a major problem for the construction industry as a whole and was impacting on costs. The Assistant Director Homes and Communities, in response to a question relating to how social value would be measured, explained that there was an officer leading on this matter and further information would be reported to the Board in due course.

RESOLVED: That the report be noted.

10 **Housing Supervisory Report to Cabinet**

Members received the report of the Assistant Director Homes and Communities which set out the areas and themes to be covered in the Housing Supervisory Board Update Report to Cabinet and sought approval for work to develop and finalise the report to be delegated to the Assistant Director of Homes and Communities in consultation with the Chair of the Housing Supervisory Board.

In response to a request for additional information to be included in the report it was agreed that bench marking information in regard to the delivery of affordable housing in other areas would be included.

The Chairman agreed that a finalised version of the report would be circulated to Members prior to the July Cabinet meeting and invited Members to attend the meeting if they wished to do so.

RESOLVED:

1. That the proposed outline content for the Housing Supervisory Board Report to Cabinet be approved.
2. That work to develop and finalise the report be delegated to the Assistant Director of Homes and Communities in consultation with the Chair of the Housing Supervisory Board.

11 **Exclusion of the Press and Public**

RESOLVED: That in accordance with the provisions of Schedule 12A of the Local Government Act 1972, and paragraph 10.4(3) of the Council's Access to Information

Procedure Rules, the press and public be excluded during consideration of the following items.

12 Exempt Minutes

RESOLVED: That the exempt minutes of the meeting held on 31st March 2022 be approved as a true record and signed by the Chairman.

13 Cornovii Developments Limited - Exempt Items Update Report

Members received an exempt report from the Assistant Director Homes and Communities.

RESOLVED: That the report be noted.

Signed (Chairman)

Date:

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| <u>Committee and Date</u> |
| Housing Supervisory Board |
| 15 th September 2022 |

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| <u>Item</u> |
| 6 |
| Public |

Cornovii Developments Limited Update Report

Responsible Officer Jane Trethewey

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| e-mail: | Jane.trethewey@shropshire.ov.uk |
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1. Synopsis

The purpose of this report is to update the Housing Supervisory Board on the progress of Cornovii Developments Limited against its approved 10-year Business Plan. The report shown at Appendix A provides detail of the Company's overall progress in developing the homes set out in the Business Plan giving updates on its approved schemes at The Frith, Ifton Heath and Ellesmere Wharf.

2. Executive Summary

- 2.1. The report in Appendix A provides the Housing Supervisory Board with an update from Cornovii Developments (CDL) on the Company's progress against the Business Plan which was approved by the Housing Supervisory Board on 31 March 2022.
- 2.2. The quarterly monitoring report provides detail on the progress against the approved Business Plan, giving updates on the Company's approved schemes at The Frith, Ellesmere Wharf and Ifton Heath, to include investment in contractors and sub-contractors from a Shropshire postcode, detail of average EPC and carbon savings, employment and training opportunities created through CDL activity and number of educational settings supported by CDL.

3. Recommendations

- 3.1. That the Housing Supervisory Board receives the CDL Quarterly Monitoring Report in accordance with the terms of the Shareholder Agreement

REPORT

4. Risk Assessment and Opportunities Appraisal

- 4.1. A Risk Register is monitored by the Homes and Communities Team along with the CDL Monitoring Board. The Register covers the risks for the Council in its capacity of single shareholder of CDL.

5. Financial Implications

- 5.1. The CDL developments schemes are being delivered within the terms of the approved Shareholder Agreement and loan funding arrangements.

6. Climate Change Appraisal

- 6.1. All homes at Ifton Heath will have an EPC rating of A compared to building regulations that require an EPC rating of C, producing a carbon saving of 2.86 tonnes per year in comparison to a property with an EPC rating of C.
- 6.2. All new homes at Ellesmere Wharf will have an EPC rating of A producing a carbon saving of 2.86 tonnes per year in comparison to a property with an EPC rating of C.
- 6.3. The homes at Ellesmere Wharf do not benefit from any additional carbon off-setting measures over and above the landscaping measures approved at planning. The Ifton site is to benefit from the planting of additional trees.
- 6.4. At Ellesmere Wharf and Ifton Heath developments the flood risk assessment undertaken for demonstrated that there is no risk of a 1 in 100 + 30year flood event, which was also demonstrated by the Engineer's drainage calculations. Rainwater goods have been sized by the Architect to capacities required by Building Regulations. The homes at Ellesmere Wharf scheme are generally situated on a NE/SW axis, with principal rooms situated in that axis, to prevent extreme heating and extreme cooling. Ifton Heath plots 1-17 are situated on a NW/SE axis, with principal rooms situated on that axis. All other plots are on a NE/SW axis, however, all principal rooms are positioned to limit solar gain and heat loss.

7. Background

- 7.1. In accordance with the terms of the Shareholder Agreement CDL is required to report to the Shareholder via the Housing Supervisory Board at quarterly intervals in the operations and performance of the Company in meeting unmet housing need and on the objectives contained within the Business Plan, and otherwise keep the Shareholder informed of the progress of the Company.
- 7.2. On 31 March 2022 the Housing Supervisory Board approved CDL's 10-year Business Plan which set out its aims to deliver 728 homes over the plan period. The current forecast estimates delivery of 618 homes. This has reduced due to movements in the pipeline.
- 7.3. To date CDL has completed 33 new homes at its development, The Frith. CDL is currently onsite at Ifton Heath and Ellesmere Wharf with 58 homes under construction. The quarter 1 forecast estimates 21% of the 618 homes to be delivered will be affordable.
- 7.4. Through its Social Value objectives CDL is meeting targets set by its Board of Directors to invest in local contractors and subcontractors, offer employment and training opportunities, and to support, by its activities, educational settings within the locality of its development sites.

8. Additional Information

- 8.1. The progress of CDL against its Business Plan continues to be satisfactory.
- 8.2. The performance of CDL is also monitored by the Council's Homes and Communities Team, with further oversight being provided the CDL Monitoring Board, formed of a group of Officers from various departments across the Council.

9. Conclusions

- 9.1. The Housing Supervisory Board is asked to receive the CDL update report on the Company's delivery against its Business Plan and note its progress in respect of its approved schemes at The Frith, Ellesmere Wharf and Ifton Heath.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

Cabinet Member (Portfolio Holder)

Cllr Rob Gittins

Portfolio Holder for Portfolio Holder Digital, Data & Insight and Built Housing

Cllr Robert Macey

Chair of Housing Supervisory Board

Local Member

Appendix A

CDL update report

CDL Quarter One Monitoring Report

Public

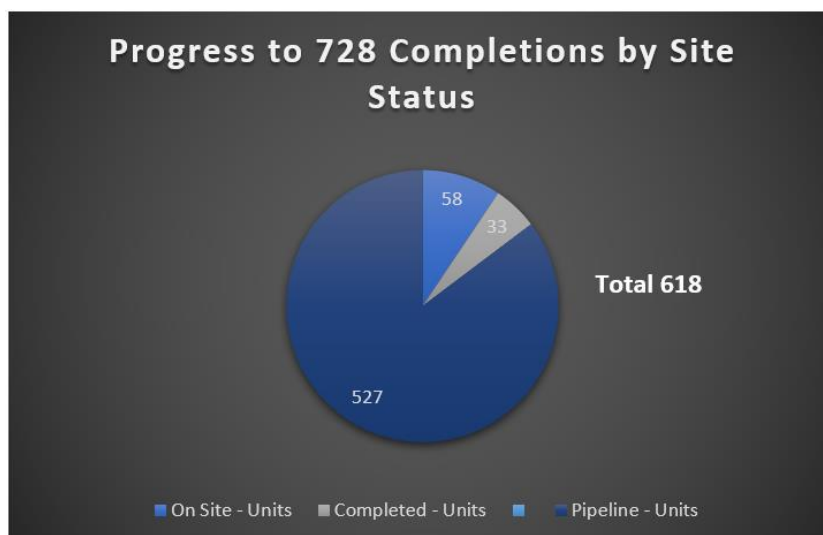
1 Purpose of the report

1.1 The purpose of the Monitoring Report is to update Housing Supervisory Board members on CDL activity to the end of June 2022.

2 Development Summary

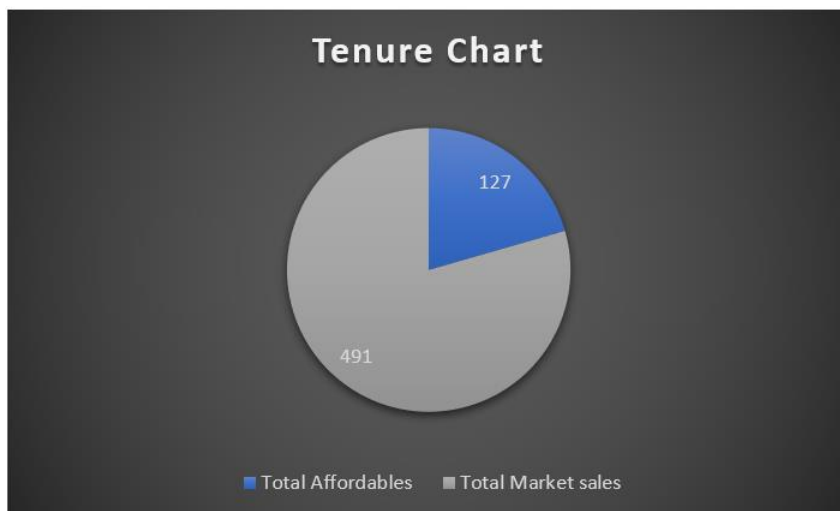
2.1 A total of 9 schemes were approved in the March 2022 Business Plan. The business plan aims to deliver a total of 728 new homes during the life of the business plan. The charts and tables below report on progress against this business plan.

2.2 Fig. 1 - Progress to 728 completions in accordance with the approved business plan:



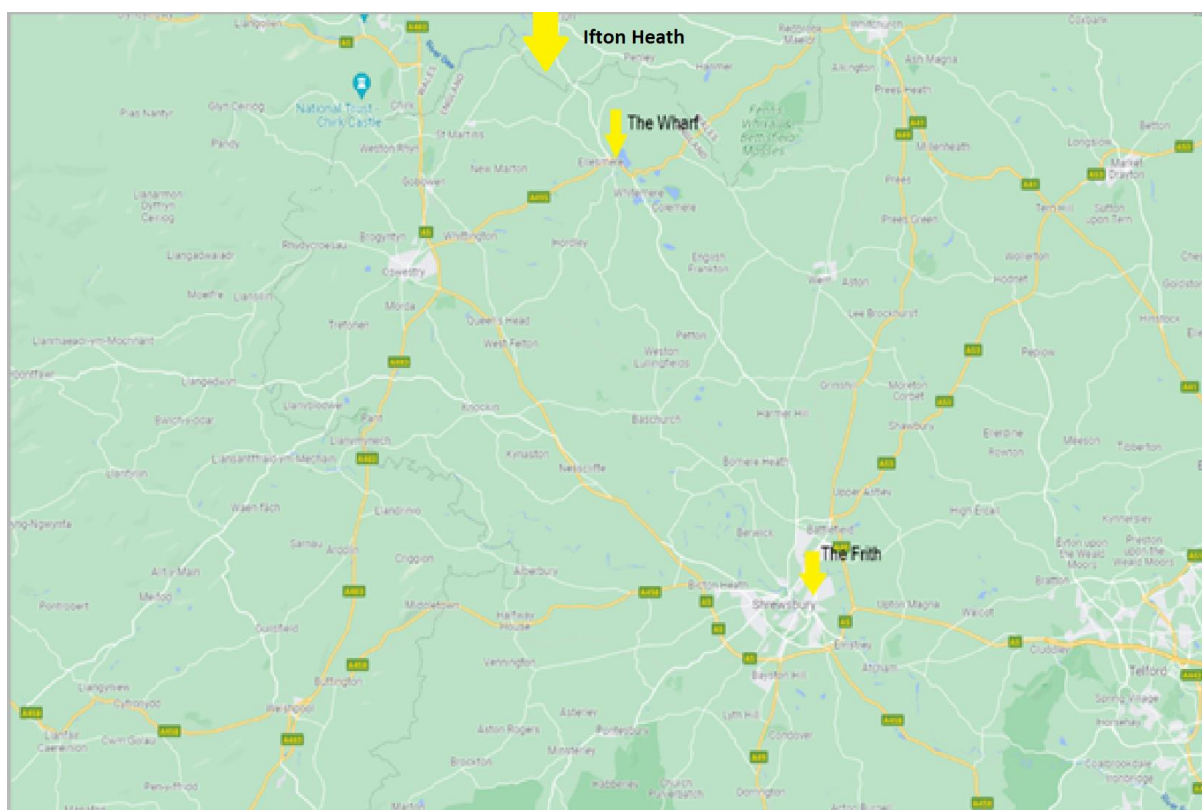
N.B. The number of units forecast has reduced since the plan was approved due to changes in the certainty of the pipeline.

4.3 Fig. 2 - Tenure chart approved schemes :



The Q1 forecast estimates 21% of the 618 homes to be delivered will be affordable. This compares to a planned amount of 19% (138/728)

4.4 Map 1: – Location of sites across the county (approved schemes only)



3 Social Value

- 3.1 CDL are currently investing in the following percentage of contractors and subcontractors from a Shropshire postcode on current on site schemes:
- The Frith – 100%
 - Ifton Heath – 70% to date
- 3.2 Average EPC and carbon savings:
- The Frith – EPC rating A. Carbon savings of 2.86 tonnes/yr in comparison to a property with an EPC rating of C.
 - Ellesmere Wharf – EPC rating A. Carbon savings of 2.93 tonnes/yr in comparison to a property with an EPC rating of C.
 - Ifton Heath - EPC rating A. Carbon savings of 2.90 tonnes/yr in comparison to a property with an EPC rating of C.
- 3.3 Employment & training:
- Ifton Heath – The contractor is looking to work with children services at Shropshire Council to offer apprenticeship opportunities. Five apprentices have been supported on site to date.
- 3.4 Number and detail of Education settings supported by CDL activities:
- The Frith – CDL and the contractor are supporting Shrewsbury College's Virtual School.
 - Ellesmere Wharf – CDL are currently engaging with Welshampton Primary School.
 - Ifton Heath – CDL and the contractor are currently engaging with St Martins School

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