



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

Date: Wednesday, 29 May 2024

Committee: Housing Supervisory Board

Date: Thursday, 6 June 2024

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. If you wish to attend the meeting please email democracy@shropshire.gov.uk to check that a seat will be available for you.

Please click [here](#) to view the livestream of the meeting on the date and time stated on the agenda

The recording of the event will also be made available shortly after the meeting on the Shropshire Council Youtube Channel [Here](#)

Tim Collard
Assistant Director - Legal and Governance

Members of Housing Supervisory Board

Vince Hunt (Chairman)

Garry Burchett (Vice Chairman)

Jeff Anderson

Julian Dean

Rosemary Dartnall

Roger Evans

Ruth Houghton

Simon Jones

Dan Thomas

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 - 6)

To confirm the minutes of the Housing Supervisory Board meetings held on 14th March and 9th May 2024.

Contact: Shelley Davies on 01743 257718

4 Public Question Time

To receive any public questions or petitions from the public, notice of which has been given in accordance with Procedure Rule 14. The deadline for this meeting is 5.00 pm, Friday 31st May 2024.

5 Member Question Time

To receive any question of which Members of the Council have given notice. Deadline for notification for this meeting is 5.00 pm, Friday 31st May 2024.

6 Cornovii Developments Limited - Update Report (Pages 7 - 18)

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

Contact Jane Trethewey

7 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.

8 Exempt Minutes (Pages 19 - 20)

To confirm the exempt minutes of the Housing Supervisory Board meeting held on 14th March 2024.

9 Cornovii Developments Limited - Exempt Items Update Report (Pages 21 - 38)

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

Contact: Jane Trethewey

10 Date of Next Meeting

To note that the next meeting of the Housing Supervisory Board will be held at 2.00 p.m. on Thursday 19th September 2024.

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Committee and Date

Housing Supervisory Board

6th June 2024

HOUSING SUPERVISORY BOARD

Minutes of the meeting held on 14 March 2024

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

2.00 - 3.42 pm

Responsible Officer: Shelley Davies

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

Present

Councillor Vince Hunt (Chairman)

Councillors Jeff Anderson, Julian Dean, Roger Evans, Ruth Houghton, Simon Jones and Tony Parsons

36 Apologies for Absence and Substitutions

Apologies for absence were received from Councillors Garry Burchett and Dan Thomas.

37 Disclosable Pecuniary Interests

None were declared.

38 Minutes

RESOLVED: That the minutes of the meeting held on 30th November 2023 be approved as a true record and signed by the Chairman.

39 Public Question Time

There were no public questions.

40 Member Question Time

There were no member questions.

41 Cornovii Developments Limited Monitoring Report & Approval to Establish Public Open Space Subsidiaries

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 approved 10-year Business Plan and to seek approval for CDL to establish Public Open Space Management Companies.

The Clienting & Commissioning Officer introduced the report and referred to Appendix A which provided detail of the company's activity to the end of December 2023. The Clienting & Commissioning Officer explained that approval was required from the Housing Supervisory Board in order for CDL to form subsidiary companies to deliver public open space management services on completed developments as outlined at the meeting held on 30th November 2023.

The Managing Director of CDL gave an update on the Ellesmere Wharf, Ifton Heath, Oaklands and London Road sites noting that all developments were progressing well and there had been a lot of interest in the properties for sale at the Oaklands and Ifton Heath.

In response to questions the Managing Director of CDL, confirmed that:

- He was happy with the progress on all sites but noted that 2024 was probably going to be as difficult as 2023 for developers.
- All street lighting and roads (excluding driveways) were developed to an adoptable standard and they were working with WSP in relation highways.
- Customer incentives such as vouchers and carpets were included with the homes for sale.
- It was preferred for the Public Open Space to be adopted by the Town or Parish Council and added that CDL had looked into the possibility of a financial contribution to the Town Council in relation to sites such as the London Road site.
- He was aware of horror stories concerning management companies and assured Members that these companies would be carefully investigated.
- The apartment block proposed at the London Road site would be retained & managed by CDL.

RESOLVED:

1. That the report be noted.
2. That in accordance with the provisions contained within the Shareholder Agreement, the request from Cornovii Developments Limited to establish subsidiary companies limited by guarantee for the purposes of public open space management be approved.
3. That any and all actions required by the Council to facilitate and implement recommendation 3.2 be delegated to the Assistant Director Homes and Communities and the Assistant Director Legal and Governance in consultation with the Chair of the Housing Supervisory Board.

4. That the Assistant Director Legal and Governance be authorised to sign on the Council's behalf, any document and resolutions to implement recommendations 3.2 and 3.3, should these be required of the Council.

42 **Cornovii Developments Limited Business Plan 2024 - Summary**

Members received the report of the Assistant Director Homes and Communities which provided a summary of the Cornovii Developments Limited (CDL) 2024 Business Plan. It was noted that all commercially sensitive information, which if disclosed publicly would impact on the ability of the Company to trade commercially had been omitted.

RESOLVED: That the Housing Supervisory Board received the Summary of the CDL 2024 Business Plan, noted the Company's proposal to enter into the Private Rented Market and confirmed that the plan met Shareholder requirements.

43 **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.

44 **Exempt Minutes**

RESOLVED: That the exempt minutes of the meeting held on 30th November 2023 be approved as a true record and signed by the Chairman.

45 **Cornovii Developments Limited Monitoring Report - Exempt Items**

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

RESOLVED: That the report be noted.

46 **Cornovii Developments Limited Business Plan 2024**

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

RESOLVED: That the recommendation detailed in the report be approved.

47 Date of Next Meeting

It was noted that the next meeting of the Housing Supervisory Board would be held at 2.00 p.m. on Thursday 6th June 2024.

Signed (Chairman)

Date:



<p><u>Committee and Date</u></p> <p>Housing Supervisory Board</p> <p>6th June 2024</p>
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HOUSING SUPERVISORY BOARD

**Minutes of the meeting held on 9 May 2024
In the Council Chamber, Shirehall, Abbey Foregate, Shrewsbury, SY2 6ND
11.00 - 11.10 am**

Responsible Officer: Shelley Davies
Email: shelley.davies@shropshire.gov.uk Tel: 01743 257718

Present

Councillor Vince Hunt (Chairman) Garry Burchett (Vice Chairman), Jeff Anderson, Rosemary Dartnall, Julian Dean, Roger Evans, Ruth Houghton, Simon Jones and Dan Thomas

1 Election of Chairman

Nominations were received for Councillors Ruth Houghton and Vince Hunt.

Following a vote it was **RESOLVED:**

That Councillor Vince Hunt be elected Chair of the Housing Supervisory Board for the forthcoming municipal year

2 Apologies for Absence

There were no apologies for absence

3 Appointment of Vice-Chairman

Nominations were received for Councillors Garry Burchett and Ruth Houghton.

Following a vote it was **RESOLVED:**

That Councillor Garry Burchett be appointed Vice-Chair of the Housing Supervisory Board for the forthcoming municipal year

Signed (Chairman)

Date:

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<u>Committee and Date</u>
Housing Supervisory Board
6 th June 2024

<u>Item</u>
6
Public

Cornovii Developments Limited Update Report

Responsible Officer Jane Trethewey

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 (CDL) against its approved 10-year Business Plan. The report shown at Appendix A provides detail of the Company's activity to the end of March 2024.

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 16 March 2024.
- 2.2. The quarterly monitoring report provides detail on the progress against the approved Business Plan, giving updates on the Company's live schemes at Ellesmere Wharf, Ifton Heath, The Oakland and London Road 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.
- 2.3. The number of units forecast to be delivered over the plan period has increased since last reported from 723 returning to 882. There has also been an increase since the last report in the number of affordable homes the company now anticipates it will deliver, increasing from 17% to 18%, which still remains lower than the planned amount of 19%. In total (including both shared ownership and affordable rent) the Company expects it will deliver 163 affordable dwellings over the plan period which is an increase from the 123 reported previously.

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 (SAP 2012) compared to building regulations that require an EPC rating of C, producing a carbon saving of 2.90 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 (SAP 2012) producing a carbon saving of 2.93 tonnes per year in comparison to a property with an EPC rating of C.
- 6.3. All homes at London Road will have an EPC rating of B (SAP 10.2) and an Environmental Impact Rating of A. Design stage predicted energy assessments are not yet available for this development. In addition, all homes at London Road will be electrically heated, utilising ASHP for houses, and electric panel heating for apartments.
- 6.4. All homes at Oaklands will have an EPC rating of B (SAP 10.2) and an Environmental Impact Rating of A. Design stage predicted energy assessments are not yet available for this development. In addition, all homes at Oaklands will be fitted with ASHPs to all plots, and a maximum of 1.7 kwp to roofs.
- 6.5. The homes at Ellesmere Wharf and Oaklands do not benefit from any additional carbon off-setting measures over and above the landscaping measures approved at planning. The Ifton and London Road sites are to benefit from the planting of additional trees.

- 6.6. At all four developments the flood risk assessment undertaken 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.
- 6.7. 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.
- 6.8. The homes at London Road are generally situated on a NW/SE axis, with principal rooms situated in that axis, to prevent extreme heating and extreme cooling. All properties will be subject to an overheating assessment, which will result in all being fitted with a DMEV ventilation system, and low emissivity glazing to minimise solar gain. Properties will be fitted with a minimum of 0.8 Kwp Photovoltaic panels to houses, and 1.6 Kwp to apartments.
- 6.9. The homes at Oaklands are generally situated on a NW/SE axis, with principal rooms situated in that axis, to prevent extreme heating and extreme cooling. All properties will be subject to an overheating assessment, which will result in all being fitted with measures to minimise solar gain.

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 on 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. In accordance with the terms of the Shareholder Agreement, Schedule 1, Shareholder Consent Matters, Part A Corporate Matters, the company shall not, unless it has Shareholder Consent, alter its registered office.

8. Operations and performance of the Company in meeting unmet housing need and objectives contained within the Business Plan

- 8.1. On 16 March 2024 the Housing Supervisory Board approved CDL's 10-year Business Plan which set out its aims to deliver 882 homes over the plan period.

- 8.2. CDL is currently onsite at Ifton Heath and Ellesmere Wharf with 58 homes under construction or completed, of which 15 will be affordable tenures. Ellesmere Wharf reached practical completion in April 2024. The quarter 2 forecast estimates 18% of the 882 homes to be delivered will be affordable. This compares to a planned amount, set out in the approved business plan, to deliver 19% affordable.
- 8.3. A further two developments are on site. The Oaklands and London Road which will deliver a further 29 affordable homes. The London Road development has experienced a delay due to statutory services. These have now been rectified and the build continues with an estimated practical completion date of June 2025.
- 8.4. From the current live schemes, CDL will deliver a total of 249 units, of which 175 will be for market sale, 56 will be affordable tenure and 18 will be for private rent.
- 8.5. CDL aim to deliver 94 private rented homes over the plan period, 12 of which will be on the London Road development. CDL is yet to set out their rents and lettings policy for these dwellings, the adoption of both policies will be subject to the approval of the Housing Supervisory Board.
- 8.6. At section 2.4 Figure 3 CDL set out their sales forecast against the approved business plan. Due to changes in the programme peak sales forecast have slipped to 2026-27, with sales continuing into 2030-2031.
- 8.7. 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.
- 8.8. At Appendix A section three CDL report on the local Social Value generated from their activity, to include percentage of contractors and subcontractors from a Shropshire postcode, employment and training opportunities and number of educational settings supported by CDL activities.

9. Additional Information

- 9.1. 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.

10. Conclusions

- 10.1. 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, Ellesmere Wharf Ifton Heath, London Road and the Oaklands.
- 10.2. The Housing Supervisory Board is asked to note the increase from the last report in November 2023 in the number of units forecast since the plan was approved in March 2024 returning to 882, and the increase to 18% from 17% in the number and percentage of affordable homes now forecast to be delivered during the plan period against the original plan of 19%.
- 10.3. The Housing Supervisory Board is also asked to note the increase as per Section 2.8 of the CDL Quarterly Monitoring report in Private Rented properties from 67 in the November report to 94 currently forecast, affordable Shared Ownership forecast from 18 to 29, affordable rent from 105 to 134 and outright sales forecast from 533 to 625.

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 Dean Carroll - Portfolio Holder for Housing and Assets

Cllr Vince Hunt - Chair of Housing Supervisory Board

Local Member

Appendix A

CDL update report

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Cornovii Development Ltd Quarter Four Monitoring Report Public

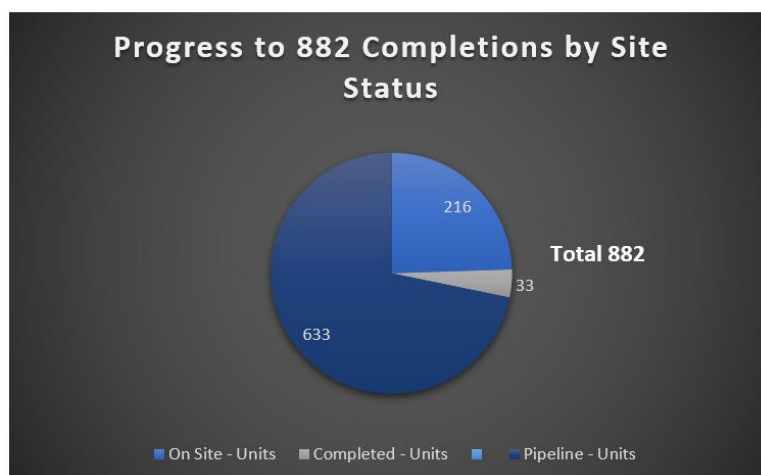
1 Purpose of the report

1.1 The purpose of the Monitoring Report is to update Housing Supervisory Board members on Cornovii Development Limited CDL activity to the end of March 2024.

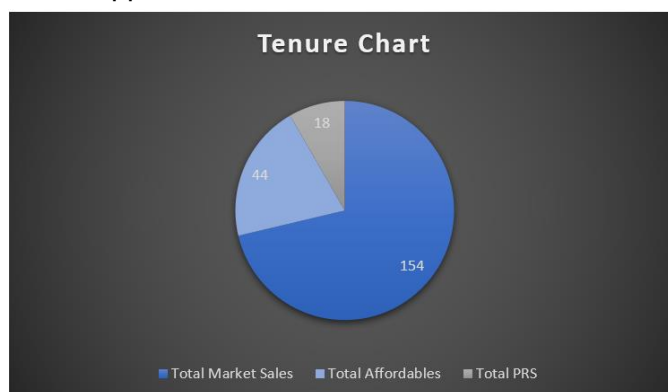
2 Development Summary

2.1 A total of 11 schemes were approved in the March 2024 Business Plan. The business plan aims to deliver a total of 882 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 882 completions in accordance with the approved business plan:

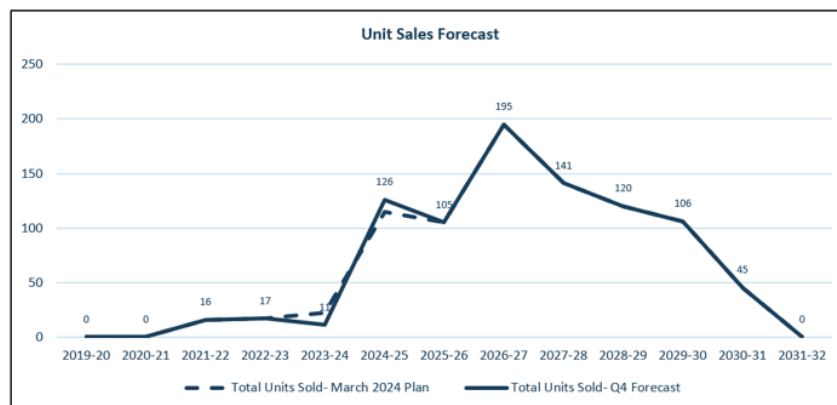


2.3 Fig. 2 - Tenure chart approved schemes :

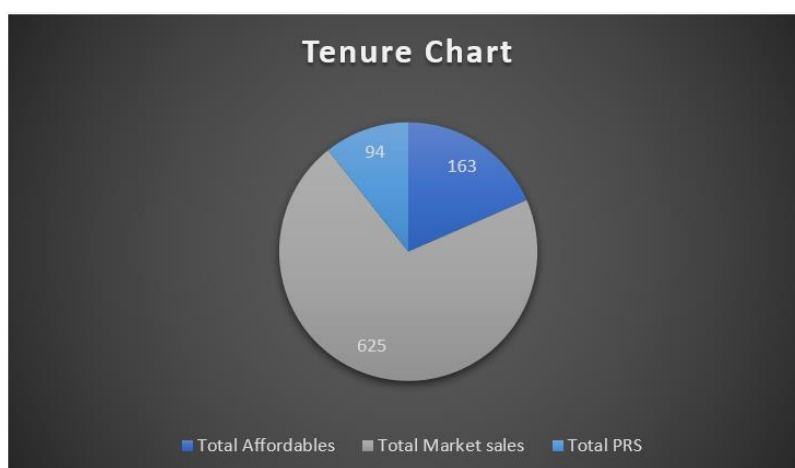


The Q4 forecast estimates 18% of the 882 homes to be delivered will be affordable. This compares to a planned amount of 19%. To date, one site has been completed delivering 12 affordables. A further three developments are on site and are due to deliver 44 affordables.

2.4 Fig. 3 – Sales forecast within the approved business plan and as at Q4



2.5 Fig. 4 - Number of units forecast by tenure over plan period:



2.6 Fig. 5 - Tenure chart (live and completed sites only):

	Tenure Type				Total Affordable Homes	Total Market Sale	Total PRS	Total No. Units
	Market Sale	Affordable Rent	Shared Ownership	Private Rent				
Crowmoor	21	12	0	0	12	21	0	33
Ellesmere Wharf	19	2	0	2	2	19	2	23
Ifton	20	7	6	2	13	20	2	35
Oaklands	19	2	0	2	2	19	2	23
London Road	96	19	8	12	27	96	12	135
					56	175	18	249

2.7 Homes by tenure type and bedroom size forecast to complete over the plan period (live and completed sites only):

Homes by tenure type and bedroom size

1 bed	24	10%
2 bed	65	26%
3 bed	82	33%
4 bed	70	28%
5 bed	8	3%
Total Units	249	

Bungalow	33	13%
House	196	79%
Apartment	20	8%
Total Units	249	

2.8 Number of completions in the plan period against the approved business plan of 882 units:

Completions Forecast for Business Plan period By Tenure												
	Prior Years	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	Total
Completions Forecast	16	17	11	126	105	195	141	120	106	45	0	882
Outright sales	16	5	0	75	81	153	95	99	75	26	0	625
Affordable rent	0	12	7	23	6	22	35	19	10	0	0	134
Affordable shared ownership	0	0	2	12	0	0	9	2	0	4	0	29
PRS	0	0	2	16	18	20	2	0	21	15	0	94

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



2.10 Ifton Heath Development Update

The snagging and handover process is well underway, although there are a few quality control concerns, the CDL team are still on programme to practically complete at the end of May 24.

2.11 Ellesmere Wharf Development Update

The site reached practical completion in April 24, and a PR event was arranged for 26th April.

2.12 The Oaklands Development Update

Handover of properties began in February 24 with final handover scheduled for the first week of July.

2.13 London Road Development Update

The development has experienced a slight delay due to statutory services, specifically undergrounding an overground HV cables. Works to the HV Cable have now been completed allowing SJ Roberts to continue building. Practical Completion is now 16th June 2025.

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 – 59% to date
- Ellesmere Wharf – 70% to date

3.2 Average EPC and carbon savings:

- The Frith – EPC rating A (SAP 2012). Carbon savings of 2.86 tonnes/yr in comparison to a property with an EPC rating of C.
- Ellesmere Wharf – EPC rating A (SAP 2012). Carbon savings of 2.93 tonnes/yr in comparison to a property with an EPC rating of C.
- Ifton Heath - EPC rating A (SAP 2012). Carbon savings of 2.90 tonnes/yr in comparison to a property with an EPC rating of C.

3.3 Employment & training:

- Ifton Heath & Ellesmere Wharf – Six apprentices have been supported on site to date.

3.4 Number and detail of Education settings supported by CDL activities:

- Ifton Heath – Pupils at St Martins School have taken part in a competition and have provided the three street names within the Ifton Heath development which have been approved by Shropshire Council and Royal Mail. The winning street names are:
 - Levi Lane
 - Miners Way
 - Old School Avenue

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