



<u>Committee and Date</u>	<u>Item</u>
Housing Supervisory Board 5 <sup>th</sup> November 2020	
	<u>Public</u>

## **CORNOVII DEVELOPMENTS LIMITED UPDATE REPORT**

**Responsible Officer** Jane Trethewey  
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### **1. Summary**

- 1.1 The report in Appendix A provides the Housing Supervisory Board with an update from Cornovii Developments Limited (CDL) on the Company's progress since the last Board meeting held on the 11<sup>th</sup> June 2020.
- 1.2 The report primarily provides an update on their first 3 development sites, including a planned virtual tour. It also outlines their proposals to examine the Private Rented Sector across Shropshire; and updates on their new marketing strategy and branding.

### **2. Recommendation**

- 2.1 That the Housing Supervisory Board notes the Cornovii Developments Limited Update Report.

### **3. Risk Assessment and Opportunities Appraisal**

- 3.1 N/A.

### **4. Financial Implications**

- 4.1 N/A.

### **5. Climate Change Appraisal**

- 5.1 N/A.

## REPORT

### 6. Background

- 6.1 The report in Appendix A, provides an update on progress since the last meeting of the Housing Supervisory Board on 11<sup>th</sup> June 2020.
- 6.2 Cornovii Developments Limited, Shropshire Council's wholly owned Local Housing Company, has been progressing the development of its first 3 sites at Crowmoor, Frith Close, Monkmoor, Shrewsbury; Ellesmere Wharf, Ellesmere; and Overton Road, as part of its five-year development programme. The CDL report provides a full update.
- 6.3 A planned tour of sites which included Members of the Housing Supervisory Board has been cancelled because of the continuing Covid-19 pandemic. In its place, CDL are organising a virtual tour instead. The report provides details of the planned virtual tour.
- 6.4 CDL are investigating entering the Private Rented Sector and have commissioned research to be carried out. The private rented sector in Shropshire accounts for 16% of the housing stock, of which 43% are flats.
- 6.5 The Council is supportive and welcomes further research. As highlighted in the Council's draft new Housing Strategy 2020/25; this sector *'makes an important contribution to the housing offer and flexibility to directly support our continued job led growth for existing and incoming labour force. Traditionally, this sector has not been the tenure of choice, mainly due to concerns of security of tenure and property conditions'*.
- 6.6 CDL are also currently working on a Marketing and Communications Strategy. The report provides an update on this workstream, including details of the new Company Branding.

### 6. Additional Information

- 6.1 None.

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

None

**Cabinet Member (Portfolio Holder)**

Cllr. Robert Macey

**Local Members**

Cllr. Pam Moseley, Cllr. Ann Hartley & Cllr. Steve Davenport

**Appendix A**

CDL Update Report

## Appendix A



### **Cornovii Developments Limited Housing Supervisory Board Update Report 5<sup>th</sup> November 2020**

#### **1 Purpose**

- 1.1 To update the Housing Supervisory Board in the Company progress since the previous meeting held on 11<sup>th</sup> June 2020.

#### **2 Introduction**

- 2.1 The Company has been progressing the development of its first three sites at Crowmoor, Frith Close, Monkmoor, Shrewsbury; Ellesmere Wharf, Ellesmere; and Overton Road, Ifton Heath.
- 2.2 The planned Virtual Tour of the sites to take place on Microsoft Teams on the 20<sup>th</sup> November 2020. This tour will show the Board and other stakeholders the proposed Cornovii pipeline and allow stakeholders to have sight of current and future opportunities.
- 2.3 The company is exploring other ways in which it can address unmet housing need across the county and has recently issued a tender opportunity to a number of property consultancies to advise CDL and Shropshire Council on the market opportunities for Private Rental Sector Housing (PRS) within Shropshire.
- 2.4 The branding and marketing of the Company is essential to ensure that it is established within the sector and that the developments are marketed effectively to drive sales and positive community engagement. This update provides an overview of the activities being undertaken to ensure that the Company's aims and values are communicated and that its developments are marketed to achieve sales.

#### **3 Recommendations**

- 3.1 The Housing Supervisory Board Notes progress made to date.

## 4 Crowmoor

- 4.1 Planning permission was granted in August following submission of a planning application in April 2020 for 33 homes; 21 for market sale and 12 affordable homes including 1nr. 1 bed wheelchair adaptable bungalow, 1nr. 2 bed wheelchair adaptable bungalow, 12nr. 2 bed, 13nr. 3 bed and 6nr. 4 bed houses. The original site plan has been amended slightly following feedback from planners to increase new tree planting and omit bin stores to frontages. The approved site plan can be found in appendix A.
- 4.2 CDL is still in discussion with Shrewsbury Town Council on the extent of Public Open Space upgrade. A budget figure of £150,000 contribution has been agreed with the local authority.
- 4.3 An application for grant funding will be made to Homes England for all affordable homes on the site following the completion of the Memorandum of Understanding and the confirmation of Shropshire Council partner status for the new affordable homes programme.
- 4.4 The current proposed programme for the scheme is outlined below:

<b>Task</b>	<b>Start</b>	<b>End</b>
Complete Surveys	Nov 2019	March 2020
Submit Planning	April 2020	April 2020
Planning Decision	July 2020	Aug 2020
Start main contractor tender	July 2020	Sept 2020
Complete Tender	Sept 2020	Oct 2020
Demolition	Nov 2020	Jan 2021
Start on site	Jan 2021	
Launch Show home	May 2021	May 2021
Start Sales	July 2021	
Complete Development	Feb 2022	
Complete Sales	Sept 2022	

- 4.5 Following soft market testing, CDL identified five suitable Main Contractors from Shropshire, the tender was issued 4.9.20 by Shropshire Council's Property Services Group (PSG). The tender return date was 16.10.20 and the successful Contractor will be appointed in November 2020.
- 4.6 The scheme is being tendered on CDL 'Eco' and 'Eco-smart' specifications – the tender returns will be used to firm-up CDL build-cost data.

## **5 Ifton Heath**

- 5.1 CDL consulted with the parish council and local member prior to the submission of a planning application in June 2020. Following consultation, CDL incorporated concerns about the loss of the school within the design proposal in addition to recording the history of the school within the new housing development and a planning application for 40 homes was submitted in June 2020.
- 5.2 Since the planning application has been submitted, further comments have been received from the planning department, parish council and local member including:
- Preference for semi-detached properties rather than terrace to the Overton Rd frontage
  - Preference for a reduction in the number of homes on site
  - Increased traffic and road safety concerns
  - Concerns over the amount of recent investment by Shropshire Council in the caretaker's house (resulting in a decision to retain the house in its current form, to be sold off at a later date)
  - Rescinded support for demolition of the school building
- 5.3 CDL has responded to comments made by the heritage and planning officers regarding retaining the school by arranging for building and asbestos surveys to be undertaken, to enable estimated costs for conversion into apartments with suitable upgrades to current building regulations. CDL has demonstrated that conversion of the school would not represent value for money, whereas demolition and redevelopment into new properties would. During this process, CDL has also provided a tour of the school building with the planning officer, planning services manager and heritage officer. Discussion is ongoing with the planning department regarding demolition of the school.
- 5.4 Following feedback and review of the draft local plan, CDL has prepared a heavily revised scheme for 36 units to meet the concerns raised (see appendix B). The new site layout comprises of 1nr. 1 bed bungalow, 3nr. 2 bed bungalows, 8nr. 2 bed houses, 16nr. 3 bed houses and 8nr. 4 bed houses and retains the existing caretaker's house. This scheme was presented to the local member and the parish council in September and received endorsement. CDL will be submitting a revised scheme in November 2020 for the revised scheme.

5.5 A new planning application will be submitted in November. CDL anticipate a planning decision in March 2021 at the earliest. This is due to the site being identified within the updated local plan and not having a planning status under the existing local plan.

5.6 The current proposed programme for the scheme is outlined below:

<b>Task</b>	<b>Start</b>	<b>End</b>
Complete Surveys	Nov 2019	May 2020
Submit Planning	June 2020	
Revised Planning Application	Nov 2020	
Planning Decision	March 2021	March 2021
Start main contractor tender	Feb 2021	Apr 2021
Complete Tender	May 2021	May 2021
Start on site	May 2021	May 2021
Launch Show home	Aug 2021	Sept 2021
Start Sales	Nov 2021	
Complete Development	Jul 2022	
Complete Sales	Dec 2022	

## **6 Ellesmere Wharf**

6.1 CDL are now proposing a residential development of 23 homes, 15 for market sale and 8 affordable homes including 6nr. 2 bed wheelchair adaptable bungalows, 3nr. 2 bed, 8nr. 3 bed and 4nr. 4 bed houses (proposed site plan attached in appendix C).

6.2 The site layout has changed, resulting in the loss of one unit due to a 10 metre easement attached to a culvert on adjacent land to the south of the site.

6.3 There are multiple constraints and abnormal associated with the site which are summarised below:

- Proximity of trees with large root protection areas
- Additional site contamination
- Culvert on adjacent land with 10 metre easement from the centre line affecting the site
- Existing live underground electrical cable running through the site
- A gas easement preventing construction on significant portion of the site
- Abandoned underground gas pipework and associated contamination zone

- Requirement for an additional electrical transformer or on-site substation.

6.4 The requirement for an electrical transformer to serve the site may result in the loss of a further unit. An unconditional offer has been made for the land adjacent to the north of the site by a third party. CDL is liaising with the land agent for updates on completion timescales and to identify the new owners. An approach will be made to purchase a small area immediately north of the site to house a pole mounted transformer. If agreement cannot be achieved, the plan attached in appendix E will be adapted to accommodate an on-site substation.

6.5 The current proposed programme for the scheme is outlined below:

<b>Task</b>	<b>Start</b>	<b>End</b>
Complete Surveys	Nov 2019	Aug 2020
Consultation	Sept 2020	Sept 2020
Submit Planning	Oct 2020	
Planning Decision	Jan 2021	
Start main contractor tender	Oct 2020	Dec 2020
Complete Tender	Dec 2020	Feb 2021
Start on site	April 2021	
Launch Show home	Sept 2021	Sept 2021
Start Sales	Sept 2021	
Complete Development	Jul 2022	
Complete Sales	Jul 2023	

## **7 Virtual Tour**

7.1 Due to the ongoing COVID-19 restrictions it will not been possible for the CDL Board, Housing Supervisory Board, Cabinet and Officers to attend the proposed Cornovii sites Tour. The Cornovii Team are instead proposing to do a virtual tour on Microsoft Teams on the 20<sup>th</sup> November 2020. This tour will show the CDL Board, the Housing Supervisory Board and other stakeholders the proposed Cornovii pipeline and allow stakeholders to have sight of current and future opportunities.



## **8 Private Rented Sector**

8.1 CDL have recently issued a tender opportunity to a number of property consultancies to advise CDL and Shropshire Council on the market opportunities for Private Rental Sector Housing (PRS) within Shropshire. The key objectives of the brief are outlined below:

- Is there a market for PRS in Shropshire.
- Defining the market including property types, sizes, locations and potential rental income.
- Recommendations for a PRS model including finance cost, repairs, property turnover and disposals.
- Production of a high-level business plan.

8.2 CDL will use the findings from this report to support a business case for funding to deliver a comprehensive PRS offer for Shropshire. The aim will be to include a business case for PRS in Shropshire within Shropshire Council's capital strategy in February 2021.

## **9 Branding and Marketing**

9.1 CDL has awarded the contract to provide the company with branding and marketing services for a period of 18 months to Reech Media, based in Shrewsbury.

9.2 As part of the contract Reech are working with the company to set the company values and to develop a new company logo and website. The new website is set to be launched at the end of January 2021.

9.3 An 18-month Marketing Plan is being drawn up in partnership with the company's sales agents which will include the social media launch strategy. This strategy will see the sites at Crowmoor, Ifton and Ellesmere brought to the market and establish the presence of the company within Shropshire residential development sector. Furthermore, the marketing strategy will communicate and engage audiences in the company's and its shareholder's aims and ambitions.



# Appendix B- Ifton – Proposed Layout for Planning Amendment Oct 2020



# Appendix C – Ellesmere Wharf Proposed Layout



ACCOMMODATION SCHEDULE						
Plot	Area	Type	Unit Type	Count	Total Area (sqm)	
920	18	16/2P BUNGALOW	1	4	292.0	
412.0	26	26/2P BUNGALOW	2	4	284.0	
79.0	28	28/2P HOUSE	2	3	237	
93.4	36	36/2P HOUSE	2	6	747.2	
108.0	48	48/2P HOUSE	2	4	432.0	
<b>UNIT SUB-TOTAL</b>					<b>25</b>	<b>1882.2</b>
<b>TOTAL CAR PARKING</b>					<b>64</b>	
<b>TOTAL SITE AREA (HECTARES)</b>						<b>0.77</b>

- KEY:**
- RED LINE BOUNDARY
  - EXISTING TREES (RETAINED)
  - EXISTING TREES TO BE REMOVED
  - BLOCK FAVOURS
  - SOFT LANDSCAPING
  - AFFORDABLE RENT
  - SHARED OWNERSHIP

<p><b>Notes:</b></p> <ul style="list-style-type: none"> <li>- Copyright in this drawing remains the property of BM3 Architecture Limited.</li> <li>- Do not scale this drawing.</li> <li>- Work to be done is illustrative only.</li> <li>- Contractors and consultants are to advise BM3 Architecture Limited of any discrepancies.</li> </ul>	<p>Revision: J AFFORDABLE PLOT NUMBERS ALLOCATED</p> <p>K BIN COLLECTION POINTS NOTED</p>	<p>Scale: 10.8.20</p> <p>14.8.20</p>	<p>Fig: IDP</p> <p>IDP</p>	<p>Client:</p>	<p>Project: Land off Bridgewater Street Ellesmere Wharf</p>	<p>Drawing: Site Layout Plan</p>	<p>Client:</p>	
	<p>Scale: 1:500 @ A3</p> <p>Date: 06.02.2024</p> <p>Job No: 71155</p> <p>Drawing No: D01</p> <p>Drawn by: HZ</p> <p>Checked: PJS</p> <p>Design: FEASIBILITY</p> <p>Client: BM3</p> <p>Revision: K</p>	<p>Revision: K</p>						