



Date: Thursday, 8 July 2021

Time: 2.30 pm

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

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## HOUSING SUPERVISORY BOARD

### TO FOLLOW REPORT (S)

#### **8 Cornovii Developments Limited Update Report (Pages 1 - 6)**

To receive the Cornovii Developments Limited Update Report from the Assistant Director Homes and Communities. (Report to follow)

Contact Jane Trethewey

#### **12 Cornovii Developments Limited Exempt Items Update Report (Pages 7 - 24)**

To receive an Exempt Items Update Report on Cornovii Developments Limited from the Assistant Director Homes and Communities. [Exempt report to follow]

Contact: Jane Trethewey

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<u>Committee and Date</u>
Housing Supervisory Board 8 July 2021

<u>Item</u>
<u>Public</u>

## **CORNOVII DEVELOPMENTS LIMITED UPDATE REPORT**

**Responsible Officer** Jane Trethewey  
e-mail: [jane.trethewey@shropshire.gov.uk](mailto:jane.trethewey@shropshire.gov.uk)

### **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 22 April 2021.
- 1.2 This includes updates on recruitment of a Business Support Assistant; a planned 'away day' for the Housing Supervisory Board and CDL Board on 22 September 2021; details of a CDL Board Effectiveness Review; and an update on the Frith Close, Shrewsbury development site.

### **2. Recommendation**

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

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

- 3.1 No new risks arise for the Council from the activities set out in this report.

### **4. Financial Implications**

- 4.1 The CDL development schemes in progress are being delivered within the terms of the approved Shareholder Agreement and loan funding arrangements.

## **5. Climate Change Appraisal**

- 5.1 Cornovii Developments Limited have developed 4 levels of eco-efficient homes in order to reduce CO2 emissions, 'Eco, Eco Smart, Eco Enhanced and a Carbon Neutral'.
- 5.2 All new homes will have an EPC rating of at least A compared to current building regulations that require an EPC rating of C. Where viable, CDL develop and promote low / zero carbon houses using the latest technologies.

## **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 22 April 2021.
- 6.2 Cornovii Developments Limited, Shropshire Council's wholly owned Local Housing Company, has been progressing its 5-year development programme of 571 planned homes and is currently identifying future opportunities for growth.

## **7. Additional Information**

- 7.1 The progress of CDL against its Business Plan continues to be satisfactory as it grows its professional team with the addition of a Business Support Assistant, delivers on planned sites, and identifies new development opportunities. CDL is monitored by the Council's Homes and Communities Team with regular updates to be provided to Shropshire Council's Cabinet and Council.
- 7.3 CDL have commissioned 3DK Solutions to carry out on their Board a 'Board Effectiveness Review'. This is expected to complement the recent 'Shropshire Council Governance Review of CDL' reported previously and updated at today's Housing Supervisory Board meeting in a separate agenda item.

**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. Steve Charmley  
Portfolio Holder for Physical Infrastructure, Highways and Built Housing

**Local Members**

**Appendix A**

CDL Update Report

**Cornovii Developments Limited Update Report (Public)  
8 July 2021**

**1. Purpose**

- 1.1. To update the Housing Supervisory Board on Company progress since the previous meeting held on 22 April 2021.

**2. Introduction**

- 2.1. The report will update the Housing Supervisory Board on key company activities including staff recruitment, shareholder engagement, CDL board review and progress at The Frith (formerly Crowmoor House).

**3. Recommendations**

- 3.1. The Housing Supervisory Board are requested to note the content of this report.

**4. Recruitment**

- 4.1. A Business Support Assistant has been recruited to support company administration and business support activity. The post holder commenced employment on 2 July 2021.

**5. Housing Supervisory and CDL Board Away Day**

- 5.1. The Annual Housing Supervisory Board and CDL Board Away Day is scheduled to take place on 22 September 2021, at Theatre Severn. This however remains subject to all social distancing measures being lifted and favourable government advice in respect of Covid-19.

**6. CDL Board Effectiveness Review**

- 6.1. Following a comprehensive procurement exercise, supported by the Chair of the Housing Supervisory Board, 3DK Solutions have been appointed to undertake the CDL 2021 Board Effectiveness Review. The review programme is to include an evaluation of the areas of; board structure, boards role in governance, board reporting and dynamics and functioning.

- 6.2. The annual review is to include a desk top review of the board's key governance and control documents; interviews with all board members, Shareholder Representative and Chair of the Housing Supervisory Board; the production of a board skills matrix reflecting the type of business and the skills required on the board. Following analysis of the output of all work streams, 3DK Solutions are to produce a final report, from which any findings and recommendations will be shared with the Housing Supervisory Board.

## **7. The Frith (former Crowmoor House)**

- 7.1. Following a successful tender by Morris Property in October 2020, work commenced on site in November 2020, under a JCT Design and Build (2016) contract.
- 7.2. Timber frames have been constructed for the first phase of 10 homes, 50% have been roofed and first fix for mechanical and electrical (M&E) installation is underway. Phase 2 have ground floors complete and ready for timber frame. Reduced level dig is complete for phases 3-5 and all foundations poured.
- 7.3. External infrastructure is well underway with new drainage beneath roads and off-site connections ready to be undertaken upon permission to close Frith Close. The adoptable highway is under construction and technical approval awaited from SC Highways Department to complete kerbs and road surface.
- 7.4. Regular stakeholder and project meetings continue on a monthly basis and site marketing signage boards is in place along with CDL fully branded hoarding.
- 7.5. In May 2021, a joint "Future Careers Insight" webpage was launched by "Shropshire Virtual School" on the Shropshire Council website involving Morris Property and CDL. Members of Morris Property and CDL team were interviewed about their current roles and previous experience with the aim to encourage young people to pursue a career in the construction industry.
- 7.6. The first phase of 10 homes was released on 21 June 2021. For the first 14 days, from the date of release, the homes were offered exclusively for those living in the Shrewsbury area, resulting in 5 properties being reserved off plan. Help to Buy is available on most plots. Monks Estate Agents are marketing The Frith on behalf of the company and we continue to receive a high level of interest.

7.7. The programme is currently 3 weeks behind due to the lack of availability of building materials, significantly, cement, scaffolding, facing bricks, timber and mortar. CDL are being given weekly updates on materials lead-time slippage. CDL will continue to work closely with Morris Property to manage any risks to the scheme.

7.8. The current proposed programme for the scheme is outlined below:

<b>Crowmoor Milestones</b>		
	<b>Previous</b>	<b>Current</b>
Complete Surveys	Mar-20	Mar-20
Submit Planning	Apr-20	Apr-20
Planning Decision	Aug-20	Aug-20
Commence Contractor Tender	Jul-20	Jul-20
Complete Contractor Tender	Nov-20	Nov-20
Commence Demolition	Nov-20	Nov-20
Complete Demolition	Jan-21	Jan-21
Start on Site	Feb-21	Mar-21
Launch Show Home	May-21	Sept-21
Start Sales	May-21	May-21 (off plan)
Practical Completion (Last Handover)	Apr-22	May-22
Last Sale	Nov-22	Dec-22
Retention	Apr-23	May-23



By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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