



<u>Committee and Date</u>
Housing Supervisory Board
21 October 2021

<u>Item</u>
7
Public

Cornovii Developments Limited Update Report

Responsible Officer Jane Trethewey

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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 5-year Business Plan. The report shown at Appendix A provides detail of its overall progress in developing the number of homes set out in the Business Plan and provides detail of its approved schemes at The Frith 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 approved business plan since the last board meeting held on 08 July 2021.
- 2.2. The quarterly monitoring report includes a Managing Director's update, which provides some analysis on the housing market and the challenges the sector is currently experiencing. Further, the report provides detail on the progress against the approved Business Plan, providing detail on the development of the company's two approved schemes at The Frith and Ellesmere Wharf.

3. Recommendations

- 3.1. That the Housing Supervisory Board notes the Cornovii Development Limited Update Report.

REPORT

4. Risk Assessment and Opportunities Appraisal

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

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 new homes at Frith Close will have an EPC rating of A compared to building regulations that require an EPC rating of C. Carbon savings from the properties are anticipated to fall within the predicted energy assessment and will be confirmed at completion of the homes by the EPC certificates provided at handover. It is estimated that the homes at The Frith will produce 0.34 tonnes per year, which, when considered against a typical EPC rated property which produced 3.2 tonnes of Carbon per year, represents a saving of 2.86 tonnes of Carbon per year. The homes at the Frith are timber framed with enhanced levels of insulation and low emissivity, energy-efficient glazing.
- 6.2. All new homes at Ellesmere Wharf will have an EPC rating of B compared to building regulations that require an EPC rating of C. CDL were unable to achieve an EPC rating of A on this development due to significant abnormal costs associated with preparing this brownfield site for residential development.
- 6.3. Solar panels are being fitted to the homes at The Frith. The installation of the solar panels will not allow the homes to be 100% self-sufficient and there will still be a need to rely on feed from the grid.
- 6.4. It has not been possible to fit solar panels to the homes at Ellesmere Wharf due to the extensive abnormal costs associated with the schemes meaning that installation of solar panels would have resulted in a financially unviable scheme.
- 6.5. Neither the homes at Frith Close or Ellesmere Wharf benefit from any additional carbon off-setting measures over and above the landscaping measures approved at planning.

- 6.6. At both the Frith Close and Ellesmere Wharf 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 on the scheme are generally situated on a NE/SW axis, with principal rooms situated in that axis, to prevent extreme heating and extreme cooling.

7. Background

- 7.1. The report in Appendix A, provides an update on progress since the last meeting of the Housing Supervisory Board on 08 July 2021.
- 7.2. Cornovii Developments Limited, Shropshire Council's wholly owned Local Housing Company, has been progressing its 5-year development programme of 574 new homes. The Company's report identifies a reduction in the number of homes to be delivered down to 532, as a result of two sites no longer proceeding. CDL is continuing to engage across the market to identify future opportunities for growth.

8. Additional Information

- 8.1. The progress of CDL against its Business Plan continues to be satisfactory. Although the number of homes projected to be delivered within the current business plan has fallen, the Company continues to identify new development opportunities across the County. Furthermore, the company expects over the following months to present an updated business plan to the shareholder for approval, which will see the number of homes it aims to deliver increase.
- 8.2. CDL is 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 note the CDL update report on the Company's delivery against its Business Plan, and its progress in respect of its approved schemes at The Frith and Ellesmere Wharf.

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

Local Member

N/A

Appendix A

CDL update report

