


Meeting	Development, Sustainability & Strategic Investment Subcommittee	
Date	Friday 12th December 2025	
Time	09:30am- 11:15am	
Location	Teams	
Core Members:		
Duncan Kerr (DK)	Councillor Board Member and Chair	
Irina Wood (IW)	Board Member	
Richard Amos (RA)	Tenant Board Member	
Harpreet Rayet (HR)	Managing Director	
Julie Brock (JB)	Client and Strategy Officer, Shropshire Council	
James Wood (JW)	Operations Director	
Marie Hill (MH)	Head of Finance	
Alex Hawley (AH)	Head of Compliance & Sustainability	
Emily Swinnerton (ES)	Snr. Commercial Accountant & Co. Secretary	
Ian Jackson (IJ)	Interim Development Consultant	
Joanna Grivell (JG)	Corporate and Executive Services Manager and Minute Taker	
Ben Graham	Pre Contract Technical Manager	
Rachel Mackenzie	Corporate and Executive Services Coordinator	
Apologies:		
Jenny Daisley (JD)	Shropshire Council	
Laura Fisher (LF)	Shropshire Council	
Rebecca Willmott (RW)	Tenant Board Member	
James McGlone (JMc)	Governance & Risk Manager	

Agenda Item	Agenda Item	Who	When
1	Welcome, Apologies and Declarations of Interest Introductions were made, as there were so many new attendees.		

	<p>HR declared an interest as Managing Director of STAR Housing and Cornovii and there may be some schemes that crossover both companies. DK declared an interest as a Shropshire Councillor.</p>		
2	<p>Minutes of Last Meeting: 8th May 2025</p> <p>Minutes from last meeting on the 8th May 2025 were approved as right and accurate.</p>		
3	<p>Action Tracker Review HR gave overview and updates on Action Tracker:</p> <ul style="list-style-type: none"> • Action13: Lack of resource within Shropshire legal department. New process put in place to help move forward transactions between Cornovii, and the HRA. So far so good seems to be a bit smother. The Council is looking at more delegations so there is less pressure on Property Services team within the Council. • Action18 – TA properties – Final TA property was taken possession a few weeks ago at Bridgnorth. A meeting is to be set up in the New Year through the Strategic Development Group to discuss what worked well and what hadn't in relation to TA moving forward. Some of the key lessons are Specifications, how we're procuring contractors and the charging model. Good work done on this process but a lot more to learn for the future. • Action 21: – Internal moves- Why people are moving, it's mainly due to medical needs and aids and adaptations. AH is doing some work on this currently. • Action 23: Monthly reports shared with DSSI, period 2 position. This can be closed. • Action 24- NPV – Alina, our new Strategic Asset Manager is reviewing the model. We are identifying potentially £14m of borrowing for existing stock and to dove tail that with a disinvestment strategy. The NPV information must be better understood to do that and will come back with the paper for the committee around recommendation for disinvestment that may need to consider in the future. • DK asked what the scale of disinvestment is. HR said we invest around £67,000 per property over 30 years. We have approximately 4200 homes. 67,000 x4200 =£281,400,000. So, we are looking at £281,400,000 over 30 years. If we need to borrow £14m so 0.5% of our stock may require disinvestment. We would need to identify properties which will have more than £30-35k worth of investment in. We've got an Acquisition and Disinvestment Project Manager starting in the New Year. A key piece of work will be to deal with hard to let difficult assets and resolves the right to buy issues. If we don't need to borrow the £14m and then we make money from the sales of those units, it will free up money for investment and new supply. • Action 25: To be closed as forward plan was in the meeting packs. • Action 26: Right to Buy – there is some information in the reports for RTB <p>Chair agreed to close everything except Action #18.</p>		

4	<p>Development and Strategic Investment Plan – Finance ES gave overview & updates:</p> <ul style="list-style-type: none"> • Overall, there is an underspend projected on Development. There has been a slight overspend on temporary accommodation, the LAHF and SHAP programmes but the underspend is a result of the overall development programme not being at the point we were expecting at this time of the year. There were a few schemes that we were expecting to be on site that aren't yet. • The reasons for the overspend on programmes that we have brought forward were due to fire safety works and delays on site, there was also the contractor insolvency, which resulted in appointing a new contractor, so this meant the spend was slightly higher than forecast. • We have got DSA's for all schemes that we are bringing forward and got some updated assumption parameters within those schemes that we are now using as these were approved at the last meeting. • HR said the delays for the two schemes that we thought would potentially be on site is due to the delays in the new affordable housing programme. All of our regeneration schemes require grant funding, which was only announced earlier this month in terms of the 26-36 programme and bidding won't be available until February and we won't be able to draw down until April. This has given us a chance to rethink on some of our schemes which were proposed four years ago and we will do an amendment to the planning application for schemes like Fairfields. 		
5	<p>HRA Business Plan 2026/27 MH gave overview & updates:</p> <ul style="list-style-type: none"> • The business plan and draft budgets have been prepared on the same way as previous years, in terms of the delivery strategy there is no change except for the approach to EPC C by 2030, which is now contained within the property investment figures. • The plan as presented projects that we will have peak debt in year 14 of 172 of £174 million envelope that we have pre-approved and peak stock levels of 4,411. That includes an additional 543 new units with 23 of those being acquisitions. • The DSAs that are contained within the business plan at the moment are under some scrutiny, we are reviewing them and are expecting changes that will change the position of some of the schemes but it will be within the same envelope. • The changes are related to the new AHP Programme, we have been meeting with Homes England, we are proposing to do a portfolio bid. We have a base position, and it has identified some areas of reflections in the new build appraisal system and further financing into the business plan. We want to get to a position where it is a refinancing business plan, so we can release capacity to build more in the future. • It has become known that Wave 3 funding that there is a possibility that the terms and conditions of the Wave 3 might become more flexible and then it will be able 		

	<p>to support our EPC C by 2030 strategy. We will take advantage of this if this change does happen.</p> <p>Recommend the Board approve this draft budget submitted to Shropshire Council to inform the 2026/2027 budget settings – subcommittee members agreed yes happy to approve.</p>		
6	<p>Development and Acquisition Update and Approvals</p> <p>IJ gave overview:</p> <ul style="list-style-type: none"> • All our schemes that have been on site are now practically completed and handed over to management and in the defects period. No schemes currently on site. • We are working on the pipeline programme to bring forward to the next phase. We have been delayed with this due to Homes England pushing back the announcement on the rules for the new affordable housing programme. This won't be released until February 2026. We will be able to bid for new schemes for grant funding from April 2026 onwards. • It is a 10-year programme, and we will be able to continually bid throughout that period. • One of the changes is that we will be able to bid for a programme of schemes rather than just scheme by scheme. This allows us to better plan a programme and the business plan. • IW asked what are the schemes? IJ explained within the report the feasibility firm pipeline the schemes we are working on to bring forward. Some of the schemes that have caused a delay are in the firm pipeline and we have not been able to get funding in the last 12 months. • We are working closely with Jenny Daisley and her team on the appropriation properties, which are these properties that are coming out of the general fund into the HRA fund. There will be a paper that will come virtually to the committee asking for approval for the first phase of those appropriation properties. • We are also working on further acquisitions that other registered providers are divesting such as Bromford, Connexus and Housing Plus. We are making sure what we are acquiring is the right stock and we are no buying liabilities. • HR said the challenge isn't the bricks and mortar, it is the user groups. Making sure they've got deputyships in place, making sure we are charging the correct rent, that we have got safe access to these properties, and we know who's in them. Once they come into the HRA, we want to do is a hygiene check and get the support for the people in them. If we get that wrong, there may be a financial implication with the management fee. There is a big focus on making sure we understand the users and the care packages in place to support them. • DK raised that Oswestry Town Council are under pressure for more larger residential HMO's – they have passed a resolution would enable the Council a vehicle to procuring. Is there any mileage for Councils to secure a property for renovation and leaves you with a property you can manage and lease off the 		

	<p>council in the long term? HR confirmed there is some mileage. We contacted the seller who said they are not interested in Oswestry Town Centre. If there are assets that the Town Council wish to purchase the only option would be residential. They could work with Cornovii and PRS it. There is the affordable provision and potentially there may be opportunity for us to work with the town council in relation to purchasing and getting it in the HRA or for the Council to purchase and we can manage it on their behalf. It would need to be piloted with one or two properties first to see if we can take this forward.</p> <ul style="list-style-type: none"> • RA asked if STAR is aware of recent Shropshire Council strategies that have come out about independent living and specialist accommodation strategy and there is also an all-age autism strategy. How do we keep abreast of the new strategies from the Council? Julie Brock and Megan Claydon is the liaison with Adult and Children Social Care within the council. So, when we are looking to develop new schemes around specialist accommodation, we will work with that team as they will be au fait with the new strategies and legislation to ensure we are meeting the requirements of that legislation and the requirements for all individual users. • Part of the plan that we are developing in partnership with the Council and this will be put forward as part of the Capital Strategy, the council are identifying up to £30 million for specialist accommodation. We do have the principles and are working with the right people to deliver this. We are not the experts, but we have the liaison officers who can explain the technical and user requirements to the Development and Assets Teams. This will allow us to reflect the design of the buildings accordingly. • DK suggested having a group of people who are users/ licensees who works with STAR Housing and a representative from social care to see what the issues are and how we can learn from those. HR agreed it is a good idea as STAR and the council could be in the position of investing in the region of £60m on specialist accommodation over the next 5 years if the capital strategy is approved. From a Board perspective you would want some certainty of how this is going to be delivered, what are you building, where are you building, what's the basis of this, and how are you making sure you're building the right things and how are you making sure the finance works. Let's see where we land with the capital programme. • RA suggested that Megan Claydon come to a Board meeting and speak a bit more in depth about the whole specialist accommodation agenda. DK suggested that she comes to the sub-committee first. Julie said she will speak with Megan with a view to her being involved with future development. Action: JG to invite MC to future DSSI meetings. Note this action was not added to the tracker as it was completed immediately after the meeting closed. • HR suggested that Rich works with the Council to say what has worked well with his specialist accommodation and could set up a working group. 	<p>JB</p> <p>JB/RA</p>	<p>12/3/26</p> <p>Jan 26</p>
7	<p>Property Investment update AH gave updates on Property Investment:</p> <ul style="list-style-type: none"> • We are at P9 in the investment programme. 		

	<ul style="list-style-type: none"> • There has been a restructure and changes made to the Investment Team and the Asset Management Team • There is a robust plan in place, and our capital works programmes are gaining momentum and ready for the New Year. The plan is robust in the fact that what we're requesting from a spending point of view is going to be achieved, it's not an unachievable goal. • DK asked what the biggest worry is. AH said that contractor volatility is the biggest worry. Materials was an issue but that has got better over the last year or so. HR said we have had some problems with some contractors, and within a short period of time, James Wood and Alex Hawley have restructured the way in which we manage our contractors and brought the right people in. They have done a great job. 		
8	<p>Sustainability Update JW gave update on Sustainability:</p> <ul style="list-style-type: none"> • Wave 3 funding. There was a Warm Homes announcement that they have ceased any future funding into ECO scheme funding and amendments to the Warm Homes Funding. There have been several high-level meetings in the government, and we are expecting some updates to what Warm Homes will look like going forward. • As part of the process of declining Wave 3 bid, STAR and Shropshire Council have talked to DESNEZ and it appears that DESNEZ will relax some of the onerous terms to the grant funding. Hoping to get an update in the New Year but it will be positive development for the business plan. • The ceasing of the ECO 4 funding and any future ECO 5 funding has put the sector in a tailspin. There are businesses across the country which were set up solely to take advantage of those grants. We currently have a Solar panel live scheme that we took some grant funding in the August 2025. JW raised that he does have some concerns about the viability of that contractor. At the point the funding ceased, we stopped opening up dwellings to the contractor. • We now have 178 properties that the contractor said are complete, we have completed documentation for 169 of those properties and 5 live on site. As a business we have a maximum exposure of 16 uncompleted dwellings. All 16 have the solar panels installed so if the contractor withdraws from site or enter any form of insolvency process, we will have to complete 16 installations. We knew it was a risk, but we have now got 169 properties that are benefiting from solar panels and where the tenants will be warmer and much more comfortable. It's worth the benefit. It is hard to manage tenant expectation, and any dissatisfaction but we have a plan in place to quickly address this. • A lot of organisations have handed back the Wave 3 funding. Our timing might be fortuitous that we were one of the later people to reject the funding and DESNEZ did not want the Warm Homes programme to collapse so they are rethinking about offering a bit more flexibility. Once we have more information regarding Wave 3 and plans for Warm Homes, JW will keep this committee updated. • HR added that this will feed into the property investment programme in the business plan because if we achieve the Wave 3 funding, we can use it, this will reduce some of our costs that was identified in our investment plan such as 		

	<p>windows. That will be free up some capacity so our disinvestment strategy may change.</p> <ul style="list-style-type: none"> • HR said we have told DESNEZ that the structure of the scheme doesn't work as what we and others have identified is to get £3500 worth of funding, we would have to put in £10,500 whereas the real cost is about £7000. It doesn't make sense to do that. 		
9	<p>Regeneration of Castlefields JW gave overview and updates on Castlefield:</p> <p>Looking for a decision and approval from this committee.</p> <ul style="list-style-type: none"> • STAR and lots of Social Housing landlords have a percentage of their property stock that are property archetypes that are not fit for purpose for modern living in 2025. Castlefield is an example of this. In 2025, it is a nightmare from our team's point of view and for tenants as it is not suitable accommodation. • We are looking at a wider redevelopment of the Castlefield area in Oswestry. There are a number of lease holders in other blocks but the block with the major problems does not have any lease holders. We are looking to take this forward as an immediate regeneration scheme as we do have some Voids properties that we are losing rent on. • IW asked what happens to the people who are living there now. JW said we would need to engage with the tenant and decant them to other properties. There are 5 vacant units due to natural circumstances and a couple of long-term residents that need more suitable accommodation. Tenants would be entitled to a home loss payment so that would need to be factored into our development proposals. Between now and achieving a successful planning permission, we will get several further voids just through natural circumstances. One of our strategies of redeveloping Castlefield in a long-term structured manner if we redevelop this block and we end up with new units there, it gives us the opportunity to decant residents in other blocks before we redevelop there. So, we keep people in the communities they are used to living in and people get the opportunity to move into a new purpose-built apartment. • IW asked if they would go back to their property. JW said a key factor is about individual circumstances and what their needs are and make sure we identify the right property for them. This is a small number of tenants to engage with. Castlefields is not a great environment to live in and is the most challenging area in the STAR Housing stock. We think lots of tenants would be happy to relocate. • DK asked how does it get communicated to the residents and the public? HR said we need to be careful with this as there are future phases which are similar build types and there are leaseholders in. We will look at a master plan exercise incorporating our assets not owned by others. It will need to be done on a phase basis. We need to make sure we have people naturally leaving the scheme rather than those who will take advantage of the regeneration scheme. There won't be any consultation until we have completed all the detailed surveys, we know what the layout will look like, we understand the cost associated with this and we have Homes England and Council's support, at that point we can give people certainty. 		

	<ul style="list-style-type: none"> We will do a proactive acquisition programme of the four lease holders in the other blocks to see if they would be interested in selling to us. Once people get an impression that there may be a regeneration scheme, they will stick if they think that they can make more money. <p>This proposal was approved and will kept under wraps until there is a clear plan.</p>		
10	<p>Early Feedback on Awaab’s Law JW gave overview:</p> <ul style="list-style-type: none"> Awaab’s Law – we need to adhere to this Law as there could be significant penalties for the business if we don’t. As with lots of laws once you get into the details, it does become subjective and more complicated. JW has tried to frame the ambiguous areas, what our interpretation of those are so that there is clarity across the business, this subcommittee and board of what we need to achieve as benchmark. We are drawing up parameters for what we think are significant risks and reasonable time periods. This was worked into an internal guidance which was sent to House Mark, who benchmark us against other organisations, to provide commentary how they feel about our interpretation. House Mark have emailed back to confirm that they are happy that our interpretation falls within the parameters of the laws and within their sector benchmarking. It is quite a resource pull to get out and inspect properties within 10 days, but the biggest challenge is the admin burden of writing to the tenants with written summaries within 3 days. We may go out to a property and survey it and might need to engage with several stakeholders to come out with an effective plan to address any damp or mould in the property. We have slightly fallen below the target of the written summaries. JW sought to reassure the committee that Awaab’s law is causing some organisations to collapse internally because of the influx of damp and mould cases. The cases we have had in general are not significant and they are quite isolated. JW thinks we are a in a good place generally. DK asked if we are fortunate in our housing types. JW said we have got a relatively simple property archetype. 10% of our stock is solid wall, which is very low for a housing association. We’ve had a longer-term ventilation strategy where we were way ahead of Awaab’s law, proactively installing increased ventilation. About 10% of our stock, has had treatment in previous funding programmes. What would be considered tricky stock has had interventions in the last two/three years. JW highlighted the statistic of the number of D&M cases that are internally reported by colleagues within the business opposed to residents. Internally we are reporting 64% of D&M cases rather than leaving it to residents to report it to us. We’ve done a lot of D&M training with frontline staff such as Housing Officers and DLOs to ensure we get D&M at the earliest possible opportunity as picking this up early makes the fix easier, less disruption for the tenants and creates less opportunity for the spores to grow on the mould, which is a real health hazard. It should be noted this is a stretch for a business, it will give us challenges as we move through the winter period. DK asked if we would speak to our partners such as people from social care/Healthcare Services who would go into our properties and if they do the 		

	<p>same and know to report D&M? JW confirmed that we have been working with our major contractors, we ask and do a training session with our contractors for spotting D&M and give them the pathway into reporting that. Liberty Gas, who is our gas servicing contractor, who will go into our properties every year so part of our service level agreement with Liberty Gas is to train their operatives around if you see any signs of damp and mould and that they have a platform to report into the business. Need to come at it from all angles.</p> <ul style="list-style-type: none"> • Action 27: DK said we ought to brief the Councillors on the principles of Awaabs Law and to have access to online learning on Awaab’s law. DK could make it a policy for the Council. JW said our new website will have a section on Awaabs Law for our tenants. 	JW/AH	12/3/26
11	<p>Stock Condition Survey Proposal Alex Hawley gave overview:</p> <ul style="list-style-type: none"> • Stock condition is one of the regulators key focuses. We have identified gaps and recruitment requirements due to some leavers in this area, and the paper explains what we intend to do. • There are quite a lot of properties we have got to access, and we have a plan in place. We must make sure we have access to all our properties and collect the right data. We are putting extra provision and are recruiting. • JW highlighted that no access has been used and abused as a lame excuse to not get into a property. It is no longer acceptable to say no access. We need a rigorous and documented no access policy and be able to report on what we have done to try and get into the property. • DK asked if tenants are reluctant as they feel we are spying them? JW said we have not been thoughtful in the past about how much we go into our tenant’s homes, so we should group things together to make it less intrusive and we align the surveys and do it with the customer. There are some tenants that wilfully do not want us to enter their home. Our job is to understand if we can’t get into a property, why not. • RA asked if the customer could select from dates. AH confirmed yes we are working on bringing in out of work hours appointments such as evenings and Saturday morning appointments to try and assist working tenants. So, it’s important to offer several dates and see what works best for the tenants. <p>Decision – DSSI is recommended to note the contents of this report and endorse our approach to stock condition surveys. This was endorsed.</p>		
12	<p>Affordable Homes Programme and Proposed Strategy for Bidding</p> <ul style="list-style-type: none"> • HR gave an update on the new programme, the different ways we can bid and as part of our business plan this year, we will be putting forward a portfolio of schemes to bid for Homes England funding and take that to the Council to approve. <p>This was endorsed.</p>		

13	<p>Divestment Strategy</p> <ul style="list-style-type: none"> This was discussed making sure we have a clear process for the divestment of stock. There will be changes to it depending on housing needs. We will work within the principles identified in the policy. <p>This was endorsed.</p>		
14	<p>Statutory Changes</p> <ul style="list-style-type: none"> HR stated this is to ensure the committee is sighted. There has been updates in relation to consumer standards around electrical testing that has recently gone out for consultation. The purpose of this item was to ensure this formally acknowledges these proposed changes as they progress. 		
15	<p>Matters for Escalation</p> <ul style="list-style-type: none"> Disinvestment strategy Stock condition surveys Early feedback on Awaab's law Sustainability update 		
16	<p>AOB</p> <ul style="list-style-type: none"> DK said it would be useful to know what help the Board Members who attend the committee who need to understand the content. IW said that there are a lot of acronyms. The implications and impact are hard to grasp. The speakers are explaining things well. It was asked what more can be done to assist the Board. It is up to the Board to challenge if they don't understand what is being talked. RA suggested spending a bit of time with some of the departments to understand some of the practices on a day-to-day level. Action 28: DK suggested that at the end of each of the committees the STAR team does a 10-minute talk on the areas. It was agreed to put a rota together for Repairs, Assets, Finance and Development. James Mc to add this to future agendas. HR said it would be useful to do this across all the committees. 	JMc	12/3/26