


Meeting	Development Sustainability and Strategic Investment Sub-Committee	
Date	15th November 2023	
Time	14:00-16:00	
Location	MS Teams	

Present:	
James Wood (JW)	Chair of Committee
Harpreet Rayet (HR)	Managing Director - STAR
Tom Forty (TF)	Operations Director - STAR
Ros Bridges (RB)	Corporate Director - STAR
Leela Cottey	Health and Safety - STAR
Julia Buckley (JB)	STAR Board (not sure if present – not listed on my notes)
Steve Robinson (SR)	STAR Board
Paul Weston (PW)	STAR Board
Kayleigh Hepburn (KH)	
Adrian Quoroll (AQ)	Contracts Officer for Sustainability - STAR
Helen Williams (HW)	Interim Works Manager - STAR
Tokev Yordan (TY)	
Dan Winsor (DW)	External,
Debbie Gauntlett (DG)	Independent Minute Taker

Minute No.		Who	When
1.	<p>Welcome and Apologies The Chair opened the meeting, and introductions were made.</p> <p>Apologies received and accepted from Lindsey Truman.</p> <p>HR reported that RB will no longer be attending the Development Sustainability and Strategic Investment Sub-Committee and a finance person will be asked to join in due course which maybe Emily Swinnerton who is the finance lead for CDL and the new Head of Finance from STAR Housing.</p>		
2.	<p>The minutes of the Previous Meeting held on 6th September 2023 were approved.</p> <p>Matters Arising</p> <p>Item 3: Gobowen Scheme Review. HR advised this will be completed after the winter period. Action.</p> <p>Item 6: Development and Strategic Investment Delegate Authority. HR confirmed this was presented and authorised at the last Board meeting.</p> <p>Item 7: Staffing / SLA agreement. HR confirmed the agreement has been updated and signed. A further progress update will be provided in February 2024.</p>	<p>HR/TF</p> <p>Complete</p> <p>HR/TF</p>	Spring 24

3.	<p>Development, Sustainability, and Strategic Investment Update</p> <p>HR reported on the Development activity confirming that the completion of current onsite schemes should be completed by June 2024. Moving forward the team will be introducing the Abovo appraisal system and will look to reappraise the pipeline schemes to ensure they still deliver good value.</p> <p>Fairfield. HR advised that the team is facing challenges with Fairfield close due to legal complications and the complexity of individual residents' needs, including mental health capacity assessments so there will be no action moving forward in this financial year with regards to taking this out to tender.</p> <p>SR asked if Shropshire County Council Mental Health Services were supporting with these individuals and TF confirmed Adult Social Care team had completed mental health capacity assessments six weeks ago.</p> <p>The Chair recommended HR setting up a 30 - 60 minute training session to give board members an overview of the new Abovo software which could help them understand the investment and future opportunities. PW agreed that it would be useful for the Board to understand the key development assumptions. HR confirmed they had been approved in May by the FAR Committee and agreed to reshare the papers/assumptions with the committee members after the meeting. Action: HR.</p> <p>Baschurch Units. HR reported that these are due to be handed over in January 2024.</p> <p>CDL sites. Negotiations are taking place at Ellesmere Wharf. A meeting is due to take place to ensure this is completed in the correct way, inline with the protocol.</p> <p>London Road (23 affordable properties). The two show homes are being constructed and looking to go to market early in the new year.</p> <p>HR summarised that the work with the Business Plan, the Abovo system and working on the acquisition would be key to understanding the capacity available for STAR Housing to deliver on the existing commission commitments.</p> <p>SR, Chair of FAR asked HR how he would explain how the bidding process will work. HR explained how the process worked previously but now the two teams will communicate with each other regarding the specification, the EPC rating, the expectation of market values etc. STAR Housing will appraise the scheme to see if funds are available.</p> <p>SR expressed concerns about the risk of the project going elsewhere if there are issues with the valuation or funding. HR explained how CDL</p>	HR	

	<p>works in three ways: delivering capital receipts for the council, lending benefits, and offering value throughout the process. HR highlighted the benefits of working collaboratively with CDL, including capital receipts, lending benefits, and dividend flow.</p> <p>HR explained how the company's strategy for affordable housing involves delivering more homes than expected to the local authority, while also providing additional rental income through the Housing Revenue Account (HRA). Whilst there is a risk of units being sold to other providers as is the case with Ifton Heath, CDL would always try to work with the STAR Housing in the first instance.</p> <p>Commission projects. Dan advised. Coton Hill Commission Projects received planning approval last month and will start in March 2004, with the possibility of expanding a property from 9 to 11 bedrooms.</p> <p>Castle Foregate Shrewsbury. Dan advised that a specification of works has been drawn up and we are awaiting feedback from the local authority before beginning the tender process.</p> <p>SR asked if the funding package for the two schemes at Coton Hill and Castle Foregate had been finalised. Dan responded that the funding at Coton Hill House had been secured through the HRA and SHAP programme. HR advised that paperwork would be circulated after the meeting confirming the breakdown of the funding mix once the Development and Strategic Investment Plan had been completed in December 2024. Action.</p> <p>HR explained that the HRA reserves can be spent without Council approval but there is a need for an agreement on how to use them. The Council would like a breakdown of expenditure to be sent to them, but STAR Housing would like to consolidate the business plan first.</p> <p>Leela Cottey, Assistant Director of Strategic Asset introduced herself to the Chair and the committee. LC explained that she will be providing updates on improving standard housing and asset management strategies as part of the budget funding process. LC mentioned potential spikes in investment for the EPC Programme, including legacy components and customer reviews. TF added that the programme will have a look at legacy components and customer reviews from an asset management perspective.</p> <p>HR discussed the need to update the programme plan for the next meeting with a focus on understanding the NPV of individual assets over their life cycle, including repair costs. HR highlighted the importance of moving towards a more systematic approach to repairs, as opposed to the current ad hoc practice, and the potential for a larger investment and more work to be done. HR acknowledged the need for asset renewal in the portfolio.</p> <p>The NPV analysis will help determine the viability of individual assets and the overall portfolio, potentially leading to reconsideration of investment strategies.</p>	HR	
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	<p>Energy Efficiency improvement for a property portfolio. LC reported on the EPC rating of properties, including the 2.2 wave of applications and the need for a buffer due to funding requirements. LC and HR highlighted potential funding opportunities for properties with bespoke needs.</p> <p>No further questions/comments were made.</p>		
4.	<p>Parish Rooms Update</p> <p>HR explained STAR's role in managing and owning the Parish Rooms.</p> <p>SR queried the recommendation. HR advised STAR Housing will be purchasing it and managing it through an asset management perspective.</p> <p>The Chair expressed concern about signing off a negative NPV project, citing potential financial impacts and the need for mitigation strategies.</p> <p>HR suggested exploring potential financial benefits and annual savings with temporary or long-term accommodation to strengthen the strategic case.</p> <p>The Committee agreed for the approval of the scheme be presented at the next Board meeting. Action.</p>	HR	
5.	<p>Capital Budget and Business Plan Update</p> <p>HR provided an update on the capital budget and business plan, highlighting potential delays in sustainability and fire safety work due to compliance issues and survey delays.</p> <p>HR advised that the team is working to manage these risks and delays, with a focus on completing high-priority work this year and prioritising sustainability and fire safety initiatives.</p>		
6.	<p>Weston Court</p> <p>Paperwork had been circulated in advance and taken as read. Dan summarised a potential development project, highlighting the need for pre-application advice and addressing concerns around structural issues, over-development, and costs.</p> <p>The Committee discussed the viability of the project and the potential for a formal letter to confirm planning support, while also considering the risks involved.</p> <p>The committee accepted the recommendation as presented.</p>		

7.	Internal Development Structure Presentation available. HR to circulate after the meeting. HR provided an update on the development structure confirming that the team is being formalised with a new Head of Development and operational groups.	HR	
8.	Any Other Business The Chair thanked the Committee for the detailed reports and with no further items for discussion, the meeting closed at 3.05 pm.		

Chair of the Board:

Date:

Managing Director:

Date: