Meeting	Development, Sustainability & Strategic Investment Subcommittee
Date	Thursday 12th March 2026
Time	10:00am – 12:00pm
Location	MS Teams

Core Members:	
Duncan Kerr (DK)	Councillor Board Member and Chair
Irina Wood (IW)	Board Member
Harpreet Rayet (HR)	Managing Director
James Wood (JW)	Operations Director
Emily Swinnerton (ES)	Interim Head of Finance
Alex Hawley (AH)	Head of Compliance & Sustainability
Dan Barnes (DB)	Head of Development
Mick Cutler (MC)	Head of Repairs and Maintenance
James McGlone (JMc)	Governance & Risk Manager
Joanna Grivell (JG)	Executive Assistant and Minute Taker
Apologies:	
Richard Amos (RA)	Tenant Board Member
Laura Fisher (LF)	Shropshire Council
Julie Brock (JB)	Shropshire Council
Jenny Daisley (JD)	Shropshire Council
Megan Claydon (MC)	Shropshire Council

Agenda Item	Agenda Item	Action Owner	Due Date
1	**Welcome, Apologies and Declarations of Interest** The Chair welcomed everyone to the meeting. No declarations were raised.		
2	**Minutes of Last Meeting: 12th December 2025**		

	• **It was agreed that the minutes were a true and accurate record of the last meeting on 12th December 2025.**		
3	**Action Tracker Review** • Action 18: Lessons Learned on delays to TA. Update 12 March 2026. A meeting with the council was held on lessons learned on the TA scheme in February, a verbal update will be given at the meeting for subcommittee members. Agreed to close. • Action 27: Awaab's Law - Natalie McPhail has taken over from Tanya Miles as the Service Director in charge of social services. DK has also written to Sonia Miller who is the Director of Children's Services. They need to cover themselves in the case that something goes tragically wrong and one of the social workers was in a house and didn't know what to do or didn't recognise it. HR agreed, this need to be treated like safeguarding training especially for people who are visiting our properties. If these issues are identified, we need to ensure that frontline staff are aware of that. • STAR is happy to support Natalie and Sonia with training their teams on damp and mould. DK mentioned that he has also suggested to internal audit that when they next do their audit plans going forward, they should think about doing a compliance check on Awaab's Law. It would pick up the general housing stock that we have used for homelessness. Awaab's Law also applies to private rented stock. Happy to help to support if approached by the local authority. STAR has engaged with Paula Mawson and Laura Fisher around the wider topic of how STAR manages this. Laura approached AH for support around Awaab's Law. Agreed to close. **The subcommittee was happy to sign off the action log.**		
4	**Property Investment Plan - Stock Condition & Non-Decency Report** AH gave the following overview: • JW commented that every single judgement that is released by the regulator talks about stock condition. When the regulator does inspect STAR, it is guaranteed that will be a focus. Over this last year, we've been looking very closely at all elements of our stock and getting a better understanding to form a new approach. This is now the work of bringing it back to Board to show what we're doing and giving the Board assurance. SK acknowledged this and said it is appreciated. • AH said the stock condition report underpins everything we do as an organisation. This is why we have put so much work around that area and that is why we maintain the level of importance for it. • The subcommittee did not raise any specific questions. **The Subcommittee noted the contents of this report and endorsed the ongoing strategic approach to asset management and sustainability.** • HR suggested we take this report to the main Board meeting for discussion given the strategic importance of stock condition surveys and		

	strategic asset management and the fresh approach we're taking – DK agreed with this approach.		
5	**Sustainability Update** • HR said we made an initial bid for Wave 3 funding; we didn't get the full bid, and we also got changes in relation to how we needed to implement the Wave 3 approach which increased the costs associated with that programme and would result in more challenging measures and the conditions around it. STAR brought in some external expertise to review the approach to Wave 3, with the new criteria and the funding that was available and what we identified as part of that process for us to get more properties to an EPC C, which is the core objective. We would need to make sure our EPC data is as accurate as possible by doing more intrusive EPCs. Also, by taking a fabric first approach, in relation to making sure the air tightness is as good as it can be, the best way of achieving that is probably through renewal of windows and making sure that we're as thermally efficient as possible. JW and AH identified a triple glazing solution to help us do that. • As part of that kind of process where we landed was that Wave 3 may not be best value for money. • That went to the DSSI Subcommittee and went to Board, and we agreed through the Board mechanism was that we would continue engaging with the Council, make them aware of our findings and recommend at this time not to sign the grant agreement for Wave 3 and potentially look at other options we've identified or do a reprofile. • When this was presented to the local authority, they came back to us through their Warm Homes team and advised that they may be able to change the funding conditions. We might also be able to change the funding mix and use the grant in a different way. We are keen to explore this further. • The Warm Homes team led on the discussions with external funders with our support in relation to data and information at a property-to-property level. Unfortunately, as part of that process, they were unable to negotiate on those positions, and we were landed with what the original bid award was. Subsequently, the local authority signed the grant agreement, drew down £1.4 million and then had to return it. All done with prior consultation with us. • We wanted to show to the Board the process we have followed, the due diligence we have undertaken and how the decision was out of our control. • JW said that what STAR did when the original Wave 3 funding was granted was not rest on its laurels and say "this is the only way forward"; we continued to look for other options to obtain grants to improve our homes. And that's the segway into the ECO 4 grant funding. We obtained £1.9 million worth of grant, that's had 191 properties improved and has cost this business less than 10% of the grant ratio. It has cost us less than £180K as a direct cost to STAR and the HRA. • For the Wave 3 £1.19m grant, STAR would have had to match with £3.5m. The team is looking for the best value for money options for this business and the property stock.		

	• DK asked what's happening now because the grant has been signed by the Council. What works are we doing with the grant money and how does that affect us? HR said the money has gone back; we didn't do any work because we weren't sighted. JW confirmed and said we have continued to look if there are any properties that we can use the grant on that is value for money. We have 151 properties that remain on oil boilers. They do not want to come off oil. The evidence of this is that we have 450-500 air source pumps in our stock that were on oil boilers. We need to turn this difficult turn of events in terms of the current price of oil into an opportunity. We have got a Task and Finish group that is contacting every single person in those homes to ask if they want to come off oil and go onto an air source heat pump, with solar panels and triple glazing. Wave 3 funding would be appropriate for that. The door is always remaining open to explore and exploit any grant funding opportunities, but it must be within the right Governance framework. • DK asked where we are with the Council. JW confirmed that the terms of the management agreement are the Council could say to us "you will do this". The partnership approach to reach a place where we get the best outcomes for everything is the desired position. Right now, STAR's position is that if we'd been instructed to proceed with the full amount of Wave 3 funding as allocated, it would have roughly cost the business about £36 million to take all our properties to EPC C. We have it costed within the business plan that it will cost just under £12 million. If we have an evidence-based approach to get us to EPC C for just under £12m, that should be the preference. • IW raised that it would be interesting to get feedback on how people are reacting to the opportunity to be removed off oil. HR said the people who are on oil are so for a reason and have been on it for a long time. A couple of months ago it was 50p a litre but now it's about £1.50 a litre. It is likely the cost will keep increasing. We aren't just offering to get off oil, but we would want to target the windows to make the fabric more fuel efficient. Historically we may not have done that previously. • STAR's approach would be to deal with the heating system and deal with the fabric at the same time. • AH said they are putting together an educational piece to make sure that we are giving the customers the best chance when they opt to come off oil. There's a lot more education, there's a lot more knowledge around that within the business now, to ensure that everyone is aware of how to run a heat pump as opposed to a conventional gas boiler or an oil system. • IW raised that communication here is key. She suggested putting a table together on oil versus alternatives to show where the savings are and to add a myth buster. People don't know why they want oil. It usually comes down to the cost, so if we could show them the difference in cost, and where the savings come in against each point, we might be more successful in convincing people to switch. • HR said that we can point to typical use and must let people on oil know what options are available to them. **The Subcommittee approved the proposal to re-explore Wave 3 Funding and escalate to STAR Board for approval.**		

6	**Castlefields Update** DB gave the following update: • The team is seeking approval to put together a task force to review Castlefields, in Oswestry, including Housing, Lettings, Building Safety, Customer Steering group, and the Council's Commissiong team to review a residential block of maisonettes. It's a 1960's development in the north of Oswestry. We are specifically looking at Block 77 to 111 which contains 18 units including 6 voids. The building itself is not in a good state of repair. Various surveys have identified asbestos soil stacks, so continuing investment into the building wouldn't be financially viable or wouldn't have a positive impact on the customers' quality of life. • A do-nothing scenario doesn't work in this situation, so an indicative plan is for a redevelopment for 30 units and form a task group to investigate the options and investigate the costs of redevelopment. This will include a wider project of the stock at Castlefields. • DK asked if they were aware of the public house. The owner of the property has just sought planning approval to build a block of flats on that property. • DK said he thought the proposal would improve the area. The blocks have outlived their useful lives. • HR confirmed we are not going to involve the residents at this time. The reason for this is we will enter into an acquisition programme of former right to buy properties and once landlords get an idea that we are looking to purchase some of these properties they tend to hold on and make things very challenging. We will be doing a master plan and understand in more detail who wants to move and get a clear plan and a proactive acquisition programme together. Only once we are further forward and know the home loss position will we make everyone aware. • DK asked if there is any soft testing we could do without exposing our plans. Could we do a survey on the problems, such as no outdoor space for families. HR said this is something we can pick up as part of the Task and Finish group on how people feel about their area. • DK said he understands what the concerns are but is there still a path which focuses on what the problems are and talking to people about what the problems are without giving too much about what the solution might be. He does not like not consulting the people who live there and making decisions about people's homes without giving them a chance to feed in. • JW said it's always a difficult balance for us during regeneration. The real task for us is, as we get natural decants within the first block, we're keen not to allow that area to become ghettoised which is a potential risk as occupancy levels drop. Once this starts to build a head of steam and our confidence about moving forward improves, we will be proactive about talking to residents. Most people that live in this block would be okay to move out. • The task group would then present to EMT options for the management of existing customers in 77-111 Castlefields and the options for releasing the information to the wider public in a managed and engaging manner. Once the wider public are aware of the plans, a community engagement strategy would be brought to this subcommittee for approval. The community and stakeholder engagement would then be used to inform		

	the designs; this consultation will ensure STAR have engaged with stakeholders for the regeneration of Castlefields. **The Subcommittee approved the proposal.**		
7	**Development and Strategic Investment Plan – Update** DB gave the following update: • The report details the HRA business plan and investment plan for STAR. There are eight schemes in defects in terms of the development pipeline; there are no schemes on site. There are six firm pipeline schemes which total 210 homes. Three of those schemes are requested for approval later in the agenda. • HR said when we approved the HRA business plan (which included the rent increase, the service charge and the budget for investment) the commitment was made that we would go back to a future Council meeting in May with an updated business plan including development. These schemes will be subject to the updated business plan for the HRA being approved in May. **The subcommittee noted the contents of the report.**		
8	**Right to Buy** DB gave the following updates: • Emma Hughes is working on the RTB applications. The current forecast for the 25/26 financial year is £3.5 million. This is not guaranteed at this stage. That is based on the applications that are processing. • 36 applications are running at the moment. • The total of current offers that are subject to formal approval is £672,560 of value subject to the deals being completed. • The total projected income from right to buy is just over £5 million. • DK asked if we get to keep all the capital receipt for reinvestment from these sales or do some go back to the Government. HR confirmed yes, we do but a year and half ago 60% went to the Treasury. We now have up to 10 years to spend them. Previously it was up to 5 years and previously you could only use RTB with borrowing. We can now use them with the Homes England grant. **The subcommittee noted the contents of the report.**		
9	**Development Opportunity – Pant** DB gave overview and update: • The team is seeking approval to sign the Heads of Terms for a scheme in Pant with Shropshire Partnership Homes. • This will be a land and build project. • It is a scheme of 46 new homes: 14 shared ownership and 32 affordable rents. Those tenures aren't set at this stage, so there is room to flex those tenure models.		

	• It'll be a conditional contract with Shropshire Partnership Homes. This will be one of their first schemes that they deliver as a true partnership model. • There is a mix of 2,3 and 4 bed houses. • The scheme will be subject to achieving satisfactory planning permission and Homes England grant funding and all the usual technical and legal due diligence including Section 106 being satisfactory and subject to red book valuation, value for money reports and a suitable JCT contract arrangement with Shropshire Homes. • The appraisal itself is within STAR's parameters, so represents value for money at the stage. • The total scheme cost for this approval request is £11.5 million with the land acquisition forming about £1.9 million of that total. • IW asked what the total number of houses was to be built. DB confirmed 46 new homes in total. • IW asked how we establish that there is sufficient supply of amenities such as schools, hospitals etc. DB confirmed that we had taken an overview of the area and looked at what is in the area in terms of schools, transport links, bus stops, railway stations, shops, post offices, hairdressers and pubs. Pant is fairly well established in Shropshire, so amenities are within walking distance and people have access to transport links. • IW asked if we knew if the hospitals or GP surgeries would have capacity to accommodate this number of people. HR confirmed that as it is an allocated site, it is built into the calculation of the number of properties that are being built. As part of all planning processes, if there is a requirement in relation to local services, we don't pay CIL, but what tends to happen is that we end up making a Section 106 contribution for extra school places or extra GP surgeries places. • The key issue at the moment within Oswestry is that there was meant to be quite a bit of development, but a lot has gotten stuck. It is probably the right time to move this forward. We will understand that more as we do the desktop information based on the allocation of the site and all the data. We will know more as part of the planning process. • DK said in his point of view, Pant is an ideal hub for development on this scale as Llanymynech is right next door. He fully supports this development. • HR said we can review what has been put forward in the local plan and statute document. A lot of this will get teased out as part of the planning process. The planning process guides us through what the local need is because they will have access to data that we don't have. **The Subcommittee approved the signing of Heads of Terms and approved to start the legal and technical due diligence with Shropshire Homes.**		
10	**Development Opportunity – Albrighton** DB gave an overview: • This is a site at Shaw Lane in Albrighton. This is a slightly different plan; this is a Section 106 agreement for affordable housing with Persimmon Homes. Persimmon have planning permission for up to 90 new homes on the site and there will be 17 affordable units on the site. A mix of shared ownership and affordable rented properties.		

	• There will be three 3-bed houses, six 2-bed houses, 1-bed flats and two 4-bed affordable rent homes. • The approval request is for a total scheme cost of £2,580,100 (subject to A&D review). There is A&D allowances in the appraisal overheads costs at the moment. • DK said the affordable rent and shared ownership have been well integrated into the scheme. Albrighton is a good place to be building social housing. **The subcommittee approved the request to make a conditional offer to Persimmon Homes Ltd for 17 homes; the net scheme cost of £2,396,250 and approved the gross scheme cost of £2,580,100 (subject to A&D review)** **This proposal will go to the Board for full approval.** **Action 29: JMc asked for the paper that goes to Board to adjust the number of 2-bed homes should be 6 not 4 as noted in the DSSI paper. Note this step was done prior to the minutes being issued.**	DB	16 Mar 26
11	**Development Opportunity – Gobowen** DB gave an overview: • Requesting approval to take forward 13 new homes from Persimmon in Gobowen. • It is on Thomas Penson Road in Gobowen. • Persimmon have planning approval for up to 132 new homes. 13 units for Section 106, comprising of a mix of affordable rent and shared ownership. Five shared ownership and 8 affordable rent. • The total scheme cost is £1,726,639 (awaiting confirmation of A&D setting). • The table in section 2.2 show when those units are likely to be handed over. Looking at from December 2026 and latest June 2028. • There will be handovers over a period of time. **The Subcommittee recommended approval to make a conditional offer to Persimmon Homes Ltd. This was approved to go to the Board.**		
12	**Development Opportunity – Wem** DB gave overview & update: • This is another Persimmon development. We are seeking approval for 10 new homes in Wem. Wem has been targeted as an area of growth. It is slightly more rural than Albrighton and Gobowen. • We are looking at 10 new homes, a mix of 3 shared ownership and 7 rent. Persimmon have planning approval for up to 100 new homes on this site and this will be 10% of the site. • The total scheme cost approval for this £1,476,745. • Section 106 tend to represent good value for money. • DK asked if we do any press release around these once they have been to the Board. He doesn't believe that it is public that STAR is building homes for rent and shared ownership on this scale. HR confirmed that we have done some for completed schemes. HR is keen to do some press once we		

	have got the business plan approved and we have signed the contracts. We're going into a cycle of quite a lot of development, so there's going to be a lot of press. We missed a trick doing press around the sustainability measures we did last year. Getting from 50% to 70% of our properties up to an EPC C in less than 12 months is good going. We will do some press around this once the weather improves. • DK said it is good to see that we are developing in more rural areas. • JG asked if we would be doing joint PR with Persimmon on all of these sites. DB confirmed ideally, it'll be written into the contracts as to how we deal with PR. We would work with Persimmon to get the maximum exposure, and any press releases we would hope would be joint press releases. **The Subcommittee recommended the request be approved to make a conditional offer to Persimmon Homes Ltd. The request will go forward to Board.**		
13	**Statutory Changes** HR gave the following update: • The only thing that has affected us since the last meeting is the opening of the Affordable Homes Programme (AHP). The only major change is that we are able to do a portfolio bid. • As part of the business plan, we're putting forward a portfolio bid for approval for development. We can bid for up to 300 homes. • Most of them are regeneration activities. • STAR is proposing to go for at least 300 homes through our portfolio bid. We will have up to five years to spend that money. There will be flexibility around tenure and mix. • It is important for this Subcommittee to be sighted on the fact that we are preparing something substantial and this will go into the Council for approval in May. Subject to the Council being comfortable with that approach. **The subcommittee noted this.**		
14	**Matters for Escalation** • It was agreed that most of these reports will go into the main agenda for Board for escalation. It was clarified that if it is not included in the main agenda, it will be included in the DSSI Subcommittee review. • HR asked IW to support with the update for DSSI Subcommittee at the Board in DK's absence.		
15	**AOB** **Damp and Mould Policy Approval** • JMc has prepared a cover paper on JW and AH behalf on the D&M policy. All the policies renewals have been happening over the last six months. We are keen to make sure that everyone is aware of what has changed since the last version. There is a summary in the paper on the differences. • It is for Board to eventually approve this.		

	• DK asked how the Board will seek assurance that we are complying with the policy. HR confirmed in the Board pack, there is a Building Safety update and there will be a separate section on Awaab's Law. It will include information such as how many cases we have had, how we've met the requirements under Awaab's Law or not and the work that we are doing to those properties where there are complicated cases. There will be reports of individual cases where we might have had to decant someone to do more intrusive work because of damp and mould. We will be doing annual audits, so our external annual auditors will produce reports to give the board assurance. **The Subcommittee approved the policy for final approval by the Board, and it will be put in a two-yearly cycle.**		

Chair of the Board: **Date:**

Managing Director: **Date:**