



## **Shropshire Towns and Rural Housing Ltd Development Sustainability and Strategic Investment Subcommittee**

### **Terms of Reference**

Approved at STAR Board Meeting on 17<sup>th</sup> September 2013.  
Reviewed by STAR Board Meeting on 18<sup>th</sup> February 2016.  
Amended by STAR Board Meeting on 23<sup>rd</sup> February 2017.  
Reviewed by STAR Board Meeting on 3<sup>rd</sup> July 2018.  
Amended at STAR Board Meeting on 17<sup>th</sup> September 2019.  
Amended at STAR Board Meeting on 23<sup>rd</sup> November 2021.  
Amended at STAR Board Meeting on 16<sup>th</sup> September 2024.

### **DEFINITIONS**

**Board** means the Board and directors of Shropshire Towns and Rural Housing Ltd.

**Company** means Shropshire Towns and Rural Housing Ltd.

**Council** means Shropshire Council.

**Subcommittee** means the Development Subcommittee of Shropshire Towns and Rural Housing Ltd.

### **PURPOSE**

The Company has responsibly to manage the Council's housing stock and ensure a sustainable and viable Housing Revenue Account (HRA) in the long-term.

The Subcommittee shall review current and proposed housing development, considering new build housing and land and property purchases undertaken on behalf of the Council's HRA.

The Subcommittee is responsible for keeping the Board informed about housing development progress and related issues including making recommendations to the Board as and when appropriate.

The Subcommittee is responsible for the review and approval of sustainability initiatives, projects and programmes of work.

The Subcommittee is responsible for the review and approval of strategic investment initiatives, projects and programmes of work.

### **MEMBERSHIP & MEETINGS**

The Development Sub-committee will comprise of a minimum of 3 members of the Board plus optional co-opted members as appropriate.

Members will be appointed by the Board each year normally at the Annual General Meeting, although the Board can appoint members at any time if vacancies arise. At the first Board Meeting following the Annual General Meeting a Chair and Vice Chair will be selected.

The Subcommittee shall meet a minimum of three times a year but normally at least four times per annum. It may hold additional meeting at the request of the Board or where the Subcommittee considers it necessary.

For the purpose of Committee meetings a quorum will require 2 Members to be in attendance.

The Managing Director, Corporate Director, Operations Director , Assistant Director of Assets and Head of Development (or their nominated representatives) will normally attend Subcommittee meetings. Other attendees could also include:

- Officers directly involved with the development process:
- Note Taker
- Other employees of the Company on invitation
- Appropriate Officer(s) of Shropshire Council on invitation
- External advisors where appropriate

## **SUMMARY OF MAIN RESPONSIBILITIES**

The Subcommittee shall review housing development matters under the remit of the Company. This includes both new build development, development agreements and the acquisition of land or property from third parties to provide additional housing resources.

Undertake the role of Overview and Scrutiny on the development activity of the Company to ensure proper diligence and practice is taken to protect the interest, assets and reputation of the Company and the Council.

The Chair will report to the Board on Key issues and the activities of the committee, including the ongoing development programme and any areas of concern.

## **SPECIFIC AREAS OF RESPONSIBILITY**

The Subcommittee is responsible to oversee ongoing and proposed housing development and acquisition with the key areas of focus and responsibility to include the following.

### Viability of proposed developments or acquisition

To ensure that:

- The Subcommittee is aware of the local housing need and tenure requirements and the extent to which the proposed development meets this.
- The cost of the development falls within overall affordability constraints
- The development meets at least the minimum financial appraisal criteria

- The location of site is such that it can be adequately managed post-handover for ongoing tenancy support and maintenance
- Suitable specialist advice is obtained where appropriate including:
  - Legal
  - Planning
  - Relevant officers of the Council
  - Specialist consultants

### Development Appraisal Process

To ensure that:

- The methodology is robust including the use of bespoke software
- All underlying assumptions are reasonable and appropriate
- Full appraisals are undertaken on prospective development in accordance with the required methodology
- The criteria for success falls within realistic parameters

### Risk Management

To ensure that:

- Potential risks are identified, recorded, reviewed and adequately rated in terms of their possible impact and likelihood
- Appropriate control measures are identified to mitigate risks with particular emphasis on any high/red risks
- The proposed mitigation actions and control measures are implemented in a timely manner

### Funding

To ensure that:

- All development and acquisition are fully funded within the Council's HRA Capital Programme
- Development and acquisition satisfy the requirements of grant funding bodies where appropriate
- The Company maintains a good working relationship with funding agencies
- Applications for grants are submitted on time and in accordance with proper process
- Sales of home provided for shared ownership meet the required level

### Review and Monitor the Development Programme

To ensure that:

- Regular reviews the Development Programme timetable are undertaken
- Individual schemes within the development programme remain on course with particular reference to the potential financial impact of any delays
- We are compliant with Construction (Design and Management) Regulations 2015 (CDM 2015)
- Contractors meet satisfactory performance standards
- Payments to contractors are in line with the anticipated cash flows
- There is appropriate insurance cover in place.

## Environmental and Sustainability

To ensure that:

- New development meets the required standards for thermal and energy efficiency
- New development incorporates measures to reduce carbon emissions within affordability constraints

## General

Keep abreast of legislative changes and developments in the Subcommittee's areas of responsibility and provide the Board with all relevant information on these issues.

Ensure that there is effective communication and consultation about the location, quality and design of accommodation between the organisation and interested stakeholders.

Instigate research into any pertinent matter relating to the operational activities of this area of work.

## **Governance**

Ensure, at all times that this Subcommittee and its individual members operate within its Terms of Reference and the corporate governance procedures of the organisation and decisions are fair and reasonable and based on the information provided.

Bring to the attention of the Board any matters of concern with the Company's activity on new homes development or acquisition of property.

Promote and maintain good working relationships internally and externally.

Receive any relevant internal audit reports on the activities under the remit of the Subcommittee.

## **Administration and Communication**

Unless otherwise specifically determined the Subcommittee will meet in private. The Subcommittee shall be as open as possible about its work, but operates in a commercial environment and must respect people's rights of privacy and protect the interests of the organisation. Certain items of the Subcommittee's business may be declared to be confidential and as such the item and any accompanying papers shall be so indicated and shall not be made available to anyone other than the members of the board / Subcommittee and appropriate staff members either before or after the meeting at which they are considered.

The following types of information should be treated as confidential:

- Items concerning specific individuals or their financial affairs – tenants, board members or employees
- Items concerning the terms of negotiations relating to the acquisition of property or land or the supply of goods and services or the involvement of the association in new areas of work

- Items concerning staff relations, consultations or negotiations with staff or residents
- Items concerning legal proceedings
- Items specifically marked “Confidential” or “Exempt”

The Managing Director shall ensure that the minutes of the Subcommittee meetings are circulated to all board members.

Ensure there are effective communication systems incorporating tenants/staff newsletters; department/site visits by Subcommittee, and that the Subcommittee communicates effectively with other Committees and the Board.