

Development Policy

1. Summary

- 1.1. This development policy sits beneath the Asset Management Strategy ‘Investing Well in our Homes’. It takes full account of the SHAL Modern Home Standard (see Annex 1). This policy is key to delivering the 5 asset commitments we make in ‘Investing Well in our Homes.’ (see Annex 2)
- 1.2. This policy is designed to be flexible, dynamic and practical. It will be reviewed by the Development Committee annually to ensure that it remains current and enables SHAL to deliver against the Development Strategy Principles. (See Annex 3)
- 1.3. The Value for Money Standard requires that housing associations should understand the return on their assets and have a strategy for optimising the future returns on assets – including rigorous appraisal of all potential options for improving value for money. The development of new homes will ensure that SHALs resources are deployed effectively to deliver our social purpose and will facilitate the refreshment of our housing stock to sustain it into the future.
- 1.4. This policy sets out SHAL’s approach to development in the short term to ensure that we are able to build or purchase under s106 48 new homes by 2025 as set out in our financial business plan.

2. Objectives

- 2.1. The main objectives of this policy are to:
 - 2.1.1. Maximise the number of truly affordable new homes delivered by SHAL in order to meet the needs of those who are homeless or in housing need and unable to meet their needs via the private housing market
 - 2.1.2. Ensure the homes meet the SHAL Modern Home Standard

- 2.1.3. to provide home ownership opportunities which positively benefit the creation of strong communities and enable people on low incomes to become home owners
- 2.1.4. Add value to our communities by ensuring that homes are aesthetically, environmentally and socially sustainable
- 2.1.5. Understand and manage risk rather than being risk averse
- 2.1.6. Deliver customer focussed investment in new homes
- 2.1.7. Deliver energy and carbon efficient homes which offer long term sustainability for the communities in which they are built.

3. Details

- 3.1. SHAL will deliver 48 homes by 2025 and we will review our development capacity annually as part of our Business Planning processes.
- 3.2. SHAL will focus the delivery of new homes in Sedgemoor, Somerset West and Taunton District Councils up to and including Minehead but excluding the national Park. This will ensure that SHAL focusses on those communities where we already have a presence and consolidates our stock holding which is in line with our purpose as a small community housing association.
- 3.3. SHAL will focus on the development of family homes which meet the SHAL Modern Home Standard and are affordable to families on low income in line with our social purpose to deliver affordable, safe, warm and secure homes to households on a low income and who may have been homeless. This does not preclude our commitment to providing homes for households without children but plays to our strength in providing family homes.
- 3.4. SHAL will add up to £10,000 cost per plot to deliver the future homes standard and seek to negotiate this off the price paid for the land.
- 3.5. In the short term, SHAL will focus on s106 development in order to have the maximum impact in the shortest timescale and to minimise risk. However, this will be kept under review by the Development Committee and does not preclude the pursuance of land led schemes which allow SHAL to work with

the communities we serve or our local authority partners to develop homes which meet housing need.

- 3.6. Land led opportunities will be considered where there are positive reasons to develop related to our place in the community. This is in line with our commitment to tenants to build strong communities.
- 3.7. We will seek and listen to the feedback from our tenants of new homes to ensure that we build the right type of home which meets the needs of households with lower than average incomes.
- 3.8. SHAL will develop Shared Ownership homes where these will add value to the local housing market, are affordable and are supported by house values. In order to manage risk, SHAL will not build more than 30% Shared Ownership up to a maximum overall number of 15 homes.
- 3.9. SHAL will identify the development potential of land it currently owns. This is in line with SHAL’s Investing well in our homes’ strategy. We will develop costed plans for redevelopment, ethical disposal or rehabilitation.
- 3.10. SHAL has a Development Committee which scrutinises new developments to ensure they are in line business objectives and ‘Investing Well in our Homes’.
- 3.11. SHAL is a member of the KeyWest Consortium facilitated by Livewest. Livewest claim grant from Homes England for SHAL as part of the Continual Market Engagement funding stream. Its membership of Keywest ensures that SHAL is able to collaborate with other Housing Associations across the South West in strategic intelligence sharing and problem solving.
- 3.12. The professional management of our development function is provided by ARK Consultancy. SHAL will work with ARK to review our development systems. Policies and processes to ensure that they manage risk and facilitate the delivery of new homes in line with statutory and regulatory requirements.
- 3.13. We will use data on housing need supplied by local authority partners to inform our investment plans in relation to building new homes.

4. Outcomes

4.1. Key outcomes of this strategy will include:

4.1.1. 48 new homes by 2025

- 4.1.2. New homes will be developed as a mix of s106 and land led grant funded schemes dependent on opportunities and available grant from Homes England and Local Authorities. Generally, in order to minimise risk with regards to abortive costs, only one land led scheme at a time will be pursued up to planning application approval stage.
- 4.1.3. Shared ownership homes will deliver demonstrable benefit to people on low incomes who want to become homeowners.
- 4.1.4. Homes will be built to the SHAL Modern Homes Standard in the areas where we currently have homes and in line with the demonstrated housing need.
- 4.1.5. SHAL will have effective partnerships with its local authority partners, the Keywest consortium and Livewest, Homes England and SME development contractors.
- 4.1.6. SHAL will identify the worst performing stock in its current property portfolio and develop costed plans for ethical disposal or rehabilitation.
- 4.1.7. A new development system, policy and process will be put in place to ensure that SHAL is able to manage risk and facilitate the delivery of new homes.

5. Consultation

- 5.1. Copies of this policy will be shared with tenants, KeyWest, smaller housing associations working in our defined area and local authority partners. Comments will be fed back to the board as part of the development progress report.
- 5.2. All tenants will be contacted by text to let them know of its availability online and also a draft copy will also be made available on request.
- 5.3. A Community Chat will be held to go through the policy with tenants and obtain their feedback.
- 5.4. The policy will be shared with colleagues.

6. Equality and Diversity

- 6.1. SHAL celebrates diversity and recognises the needs of a diverse population. This policy will be applied in a way which complies with our own Equality and Diversity Policy, which states that we will not discriminate on grounds of age, disability, gender reassignment, sexual orientation, marriage and civil partnership, pregnancy and maternity, race, religion and belief and gender.
- 6.2. The policy will also comply with the Human Rights Act 1998, and Equalities Act 2010.
- 6.3. SHAL works closely with its partners and other agencies to ensure it has a clear understanding of its resident community with clear regularly updated service user profiles.

7. Value for Money

- 7.1. The proactive and effective management of our assets will ensure SHAL meets its business plan objectives and achieves excellent value for money.

8. Owner

8.1. Chief Executive Officer

9. Version and Revisions

9.1. This policy will be reviewed every 1 year(s).

9.2. Revisions

New version	Date	Revision details
2	May 2022	The policy has been updated with regards to the outcomes and alignment with Investing well in our homes. It has also been updated with regards to the provision of development management.
2.a	May 2022	The sections in red are the updates in line with the Development Committee changes required in May 2022