



DEVELOPMENT STRATEGY

22nd June 2020

Prepared by:	Head of Development
Date effective from:	02/06/2020
Policy approved by:	SHG Board.
Review Date:	02/06/2025

EIA Required?	Yes
EIA Completed?	Yes
Revision number:	04
Lead officer:	Steve Leonard.

DEVELOPMENT STRATEGY 2020-2025

1 INTRODUCTION

- 1.1 It has been over ten years since Stockport Homes (SHG) working in partnership with Stockport Council and Homes England first started developing new homes. In that time the organisation has built, acquired or is on site with over 1000 homes and has become the biggest developer of affordable homes in the Borough of Stockport.
- 1.2 The 2020-25 Development Strategy is the third Stockport Homes Development Strategy and while it briefly celebrates the organisation's past achievements its main focus is on future opportunities, challenges and ambitions.
- 1.3 The strategy looks at projected growth to meet housing need, the carbon neutral agenda, smart home technology, and support for regeneration initiatives. It is also supported by an action plan which will help deliver the development ambitions.
- 1.4 The strategy outlines the decision making, approval and governance processes and discusses the financial parameters which proposed development schemes must adhere to.

2 CONTEXT

- 2.1 Priority One of Stockport Council's Housing Strategy 2016-21 is 'Investing in Growth: Increasing Housing Supply, Choice and affordability'. Priority Six of Greater Manchester Combined Authorities' 'Our people, our place' the new Greater Manchester Strategy is 'safe, decent and affordable housing' and includes a commitment to build more than 10,000 more homes every year between now and 2035. SHG's Development Strategy directly contributes towards meeting the priorities outlined in these key strategies.
- 2.2 The development of new homes for customers to rent and buy will help fulfil the Stockport Homes mission to transform lives. The delivery of this Strategy will also enable Viaduct Housing Partnerships (part of the Stockport Homes Group) to achieve its aims;
 - Maximise opportunities to build homes across all tenures, using any available funding, with a focus on affordable housing
 - Maximise social value in the supply chain by creating local jobs and good quality relationships
 - Engage local people in development strategies and design
 - Invest surpluses from work done in Stockport into providing more homes

2.3 Since starting development in 2009 with one small development Stockport Homes have had successful development achievements:

- 741 new build homes constructed and currently on site with a further 340 (at December 2019) of which 851 were delivered through Viaduct since it was established in 2016.
- Acquired and refurbished 95 existing homes, the majority via the mortgage rescue and the empty homes initiatives
- Pipeline of 550 homes to be built
- Secured over £52 million in grant
- Sold over 320 shared ownership homes
- Completed the organisation's first purpose built supported housing scheme
- Commenced SHL's first outright sales properties
- Started first extra-care housing scheme
- Set up Viaduct Partnership Limited as part of the Stockport Homes Group (SHG).

2.2 Stockport Homes are confident that this success can continue with an ambition to build or acquire around 200 properties per year for the life of this strategy and beyond.

2.3 For a number of years Stockport Homes has been the largest developer of affordable housing within the Borough of Stockport (see table 1 below). The organisation has a good reputation based on this proven track record of delivery and growth. A strong network of contacts ensures that SHG has the opportunity to bid for most development opportunities within the Borough.

Table 1 – Total number of Affordable Homes Built in Stockport since 2015

	2014/15	2015/16	2016/17	2017/18	2018/19
Stockport Borough	219	56	98	200	269
Stockport Homes	82	56	29	125	269
% Built by SHG	37.5%	100%	29%	62.5%	100%

2.4 The current Homes England Affordable Homes Programme is due to terminate in March 2021 and at the time of writing there is no information available regarding a future programme. It is however expected that in the short-term the new government will extend the existing 2016/2021 programme and later introduce a new version of the Affordable Homes Programme.

- 2.5 There is clearly a demand in Stockport for all types and tenure of homes. Stockport Council completed a Housing Needs Assessment report (HNA) in November 2019. The assessment identifies a net annual shortfall of affordable housing each year of 549. Affordability is based on 25% of income for renting and 3.5x income plus equity/savings for buying. In terms of demand for dwelling size table 2 below demonstrates that across the Borough there are sufficient one-bedroom dwellings relative to need, but a particular shortfall of three-bedroom dwellings and larger affordable dwellings with four or more bedrooms.

Table 2 – Current affordable supply and annual need – SMBC Housing Needs Assessment 2019.

Current affordable supply and annual need				
No. of bedrooms	Current supply (SDR 2018¹)	Annual need (LHNA²)	need	Variance (%)
1 bedroom	48.1	23.8		-24.4
2 bedroom	35.3	37.9		2.5
3 bedroom	15.4	27.3		11.9
4 bedroom	1.1	8.2		7.2
5 bedroom	0.1	2.8		2.8
Total:	100.0	100.0		100.0

- 2.6 Regarding tenure the assessment confirms a strong need for intermediate tenure (shared ownership/help to buy etc.) with an overall split of 32% rented and 68% intermediate tenure. This is mainly due to a strong desire from newly forming households to move into intermediate tenure options.
- 2.7 The HNA projects that there will be an increase of 27.3% of older person households within the Borough between 2019 and 2037 and that while the majority of people want to stay in their own home, there is also a need to increase the supply and diversify the range of specialist older persons' housing. Analysis suggests that across the Borough there is a need for 2,414 more units of specialist older person dwellings such as extra care and retirement housing (which is part of the overall housing need) and an increase of around 740 units of residential care dwellings³. The HNA also identifies that affordability is an issue for those in the Borough aged above 65 with only 49% able to afford lower quartile house prices of £155,000, 38% able to afford median house prices of £220,000 and 56% able to afford shared ownership properties.
- 2.8 In terms of disability there is expected to be an increase of around 824 dwellings needing adaptation across all households to 2037⁴.

¹ Statistical Data Return

² Local Housing Needs Assessment

³ SMBC Housing Needs Assessment 2019

⁴ SMBC Housing Needs Assessment 2019

3 DEVELOPMENT AMBITION AND OPPORTUNITIES

- 3.1 On the basis of available evidence, it is recommended that SHG working with colleagues, partners and stakeholders will look at developing homes which help meet demand including:
- General needs homes for rent
 - Homes for sale
 - Homes with adaptations
 - Homes for the elderly – sheltered and extra-care
 - Supported accommodation
- 3.2 Homes will be built close to local facilities such as shops, public transport links and doctor's surgeries. The aspiration will be to build homes which accommodate residents' needs leading to long term occupation therefore building sustainable communities.
- 3.3 All new homes will be built to the highest possible design and safety standards meeting the requirements of Building Regulations, Construction Design and Management (CDM) Regulations and the requirements of the Hackitt Review and Grenfell Inquiry recommendations.
- 3.4 SHG will look to take advantage of the availability of suitable development land including land which could be made available as part of the Greater Manchester Spatial Framework (GMSF). The GMSF currently projects that the Borough of Stockport has demand for an additional 19,300 homes to be built between now and 2037. Once the GMSF is formally adopted SHG will look to take advantage of any suitable development opportunities.
- 3.5 SHG will continue to maximise opportunities to secure capital grant funding from Homes England to develop as many affordable homes as possible, to meet housing need in the Borough. In a climate of grant uncertainty however SHG will also continue to develop housing for outright sale where appropriate and justified. Profit from the delivery of housing for outright sale can be used to deliver additional housing. Two such schemes are currently on site (Hempshaw Lane and Melford Road).
- 3.6 It is intended that over the next five years new homes will not only include new build properties but also where appropriate the acquisition of existing properties, in particular former RTB leasehold properties. Acquiring former RTB leasehold properties gives greater financial and legal control over apartment blocks and enables investment works to have more impact in an area. SHG will also continue to bid to private developers for section 106 properties ring fenced as affordable as part of the planning process.
- 3.7 SHG will look to develop around 200 properties per year (subject to the availability of development grant and land).

- 3.8 In addition to delivering affordable general needs accommodation for rent and sale Stockport Homes will focus on delivering specialist accommodation including accommodation for the elderly such as Extra Care which will achieve M4 (2) or (3) of the current building regulations⁵. Where there is sufficient demand specialist accommodation for those with disabilities will also be delivered within the Borough.
- 3.9 It is anticipated that roughly 50% of the new homes will be built or acquired using Housing Revenue Account (HRA) funds and 50% will be built or acquired using the SHG loan facility (Prudential Borrowing). This split is due to the borrowing capacity available for new build within each facility. The use of the appropriate funding pot will be judged on a scheme by scheme basis. Homes England grant will supplement the vast majority of the new homes apart from section 106 properties and homes built for outright sale or private rent which do not qualify for grant.
- 3.10 It is also an organisational ambition to use the in-house contractor ThreeSixty, to construct development schemes. Over the past two years the development team has been working with ThreeSixty to acquire and refurbish existing properties within the Borough. This partnership working has achieved savings in VAT on construction labour while providing a workflow for ThreeSixty and generating experience in whole house refurbishment. SHG will continue to build on this opportunity so in addition to the ongoing refurbishment projects ThreeSixty will be appointed as contractor for a small new build scheme in 2020 and as ground worker and project manager on a modular new build scheme which is anticipated to start in 2021. It is expected that the experience gained by ThreeSixty will not only enable them to continue to carry out new build and refurbishment works for SHG but enable them to win external development work with other housing providers.

4 CONSULTATION AND CUSTOMER INVOLVEMENT

- 4.1 Consultation in relation to this Strategy has taken place with Stockport Council, Stockport Homes Leadership Forum and Board. From this consultation process the 6 strategic objectives were identified.
- 4.2 Customers living in new homes built by Stockport Homes over the last 10 years have been consulted in relation to what they like about their new homes and what could be better. This information has been used to inform the SHG new build design guide. Consultation in relation to new build also forms part of wider neighbourhood regeneration projects.
- 4.3 Consultation takes place with Stockport Council in relation to every new build project to ensure that proposals compliment and fit with wider council plans and priorities.
- 4.4 Each new build scheme developed by SHG goes through a review with local Councillors and the local community. A public consultation event is organised where proposals are displayed for the general public and local councillors to

⁵ M4 (2) is defined as accessible and adaptable, M4 (3) is defined as wheelchair adaptable or accessible.

comment on. Comments received are taken into consideration prior to planning submission. This process will continue throughout the life of this strategy.

5 STRATEGIC OBJECTIVES & OUTCOMES

➤ **OBJECTIVE ONE: MAXIMISE SHG'S ROLE IN THE REGENERATION OF STOCKPORT AND BUILDING COMMUNITIES**

- 5.1 New build development can be a catalyst for regeneration or support existing regeneration projects. Stockport is a polarised Borough and new build can support the diversification of tenure in those areas with an under or over supply of affordable housing. SHG have demonstrated the success of combining new build as part of wider regeneration initiatives most notably as part of the Brinnington and Offerton master plans.
- 5.2 At Offerton and Brinnington new build schemes complement the investment in existing properties, landscaping and in the case of Offerton, improvements to the local shops and the community centre. Opportunities to generate social value such as job opportunities will be encouraged by SHG. It is intended that over the next five years new build developments will continue to contribute to the regeneration of Offerton and Brinnington and similar housing neighbourhoods within the Borough.
- 5.3 SHG is also keen to contribute to the ambitious Council plans to regenerate the town centre most noticeably the Town Centre West master plan, this plan is being supported by the Greater Manchester Mayor and has being designated as the regions first Mayoral Development Corporation (MDC). SHG is already involved with developing the first phase of the MDC at the old St. Thomas' hospital site. It is envisaged that other development opportunities will arise as well as opportunities for block management of schemes built by private sector developers.
- 5.4 In addition to neighbourhoods and the Town Centre regeneration opportunities existing schemes will be assessed on an individual basis via the asset management long-term viability tool, which uses the Net Present Value methodology. Where viability is in question demolition and new build will be considered. This will be assessed in a similar way to the Edinburgh Close sheltered scheme which was built in the late 1960's and is in the process of being replaced with a new build extra care sheltered scheme fit for the 21st century.

Outcomes

Regeneration and development within the neighbourhoods in which SHG operates takes place strategically rather than piecemeal. SHG achieves growth while contributing towards the regeneration of Stockport town centre.

➤ **OBJECTIVE TWO: MAXIMISE MODERN METHODS OF CONSTRUCTION AND THE DELIVERY OF CARBON NEUTRAL HOMES**

- 5.5 Constructing new homes which are environmentally sustainable, contribute towards the reduction of carbon emissions, and built using modern methods of construction is a priority for SHG.
- 5.6 SHG have already constructed one small development of modular homes built completely in the factory and assembled on site. SHG continues to encourage modern methods of construction such as modular factory built systems and over the next five years will construct further factory built housing developments.
- 5.7 SHG has an impressive record of installing renewable technologies within the existing stock portfolio as well as new build schemes. This includes the installation of over 2000 PV panels, voltage optimisation units, solar thermal panels, biomass, air source and the planned installation of ground source heat pumps. The organisation continues to support the use of suitable renewable technologies and wishes to extend this further on new build properties. SHG supports the aim to have all new build homes carbon neutral and will therefore look to use the likes of air-source or ground-source heating technology which will make all new build properties gas free by 2025 in line with Government targets.
- 5.8 Although the use of renewable technologies contributes to the aim of being carbon natural, SHG's priority is to take a fabric first approach with high levels of insulation being the first measure taken to reduce carbon and fuel poverty. Therefore the construction of certified Passive House properties is being considered, initially in relation to a town centre scheme. Passive House is a German concept (Passivehaus) which relies on high levels of insulation to produce an ultra-low energy home which requires little energy for heating therefore creating a carbon neutral home and addressing fuel poverty.
- 5.9 SHG will look to install electric vehicle chargers within developments, taking advantage of any available transport initiative grants where it is appropriate to do so.
- 5.10 Soft and hard landscaping installed as part of development schemes will look at plants, trees and foliage, which encourage biodiversity while keeping on-going maintenance to a minimum.
- 5.11 The above initiatives will help Stockport Homes meet the Future Homes Standard ,which is set to be introduced in 2025.

Outcomes

A reduction in SHG's negative impact on the environment combined with lower fuel bills for our customers. More new homes delivered using modern methods of construction.

➤ **OBJECTIVE THREE: ENSURE FUTURE STOCK MEETS THE MODERN DIGITAL AGENDA**

- 5.12 The internet of things is a concept that describes the idea of everyday physical objects being connected to the internet and being able to identify themselves to other devices. This web-like sprawl of products is getting bigger and better every day, so all of the electronics in a home are subject to this technological revolution. SHG needs to respond to this by ensuring the new homes built are smart home ready to adapt to the internet of things revolution.
- 5.13 Repairs and maintenance services will benefit greatly from an interconnected network. Currently maintenance services are mainly corrective: fail and fix, life cycle replacements, condition based and reaction to signs of imminent failure. New technologies will enable increasingly flexible and intelligent maintenance operations that automatically recognise indicators of failures or defects, thus opening the door to predictive maintenance. In addition to maximising uptime, smart maintenance helps to:
- **Reduce maintenance costs**
Poorly scheduled maintenance and the resulting downtime are costly. By smartly balancing preventive and predictive maintenance SHG could reduce costs for components and labour.
 - **Extend equipment lifetime**
Clear insights into the condition of machinery/equipment and well-scheduled maintenance and repairs could lengthen the lifetime of equipment.
 - **Ensure compliance**
The reporting features and procedures enabled by smart maintenance solutions could help compliance with all maintenance standards and legal requirements.
 - **Enhance safety and cut energy consumption and CO₂ emissions**
By timely monitoring and remote fixing potential employees could work under safer conditions. Advanced predictive tools could help cut energy consumption while reducing CO₂ emissions.
- 5.14 In addition to the repairs and maintenance, customers could realise extensive benefits from smart technology in the home. It is acknowledged that nearly every aspect of life where technology has entered the domestic space (lightbulbs, dishwashers and so on) has seen the introduction of a smart home alternative:
- Smart TVs connect to the internet to access content through applications, such as on-demand video and music. Some smart TVs also include voice recognition.

- In addition to being able to be controlled remotely and customised, smart lighting systems can detect when occupants are in the room and adjust lighting as needed.
 - Smart thermostats come with integrated Wi-Fi, allow users to schedule, monitor and remotely control home temperatures. These devices also learn homeowners' behaviours and automatically modify settings to provide residents with maximum comfort and efficiency. Smart thermostats can also report energy use and remind users to change filters, among other things.
 - Using smart locks and garage-door openers, users can grant or deny access to visitors. Smart locks can also detect when residents are near and unlock the doors for them.
 - Smart motion sensors are able to identify the difference between residents, visitors, pets and burglars, and can notify the absent resident if suspicious behaviour is detected.
 - Kitchen appliances of all sorts are available, including smart refrigerators that keep track of expiration dates, make shopping lists or even create recipes based on ingredients currently on hand.
 - Household system monitors may, for example, sense an electric surge and turn off appliances or sense water failures or freezing pipes and turn off the water so there isn't a flood.
- 5.15 SHG will keep abreast of advancements in smart home technology most notably for help with future maintenance activities and in elderly and supported housing schemes where residents could benefit from many aspects of the internet of things. SHG will also look at making general needs accommodation smart homes ready for example with the installation of advance cabling which will enable future residents to introduce smart technology into their homes.

Outcomes

New homes which meet customer's digital needs. Greater independence for customers living in our new homes and the ability to stay in their homes for longer. The ability to maintain our new homes more effectively.

➤ **OBJECTIVE FOUR: MAXIMISE RELATIONSHIPS AND BRAND MANAGEMENT TO ENSURE SHG/VIADUCT IS A HOUSING DEVELOPER OF CHOICE**

- 5.16 During the life of the previous Development Strategy SHG became the biggest developer of affordable housing in the Borough of Stockport building over 66% of all new build affordable homes (see table 1 above).
- 5.17 Becoming the biggest affordable housing developer in the Borough has been achieved in the first instance by building up excellent partnerships with key stakeholders most noticeably Stockport Council and Homes England. The Council's recent extension of the SHG development loan facility and the substantial amount of grant the organisation has received from Homes England is testimony to the strength of the partnerships.
- 5.18 SHG has built up a reputation for delivering schemes within agreed timescales and within approved grant rates. The reputation for scheme delivery also

enhances the organisation's credibility with developers and landowners who often seek SHG out to be their scheme development partners.

- 5.19 The task over the next five years and beyond is to remain the Borough's number one affordable housing developer of choice. This will be achieved by continuing to deliver successfully, schemes which are currently on site or in the pipeline, and by having the flexibility and dexterity which the competition may not have to react and take advantages of opportunities as they arise.
- 5.20 Whilst the Borough of Stockport will always remain the main SHG focus for the development of new homes, SHG will also actively seek opportunities outside of the Borough which can be delivered using SHG's own monies.
- 5.21 The establishment of the Viaduct Partnership in 2016 was a huge success and Viaduct is becoming a recognised brand within the North West housing industry. Building on the reputation of the Viaduct brand is an essential part of achieving the organisation's aspirations for future growth.
- 5.22 Over the next 5 years SHG will continue to strengthen the Viaduct brand through the use of sign boards and hording to development sites, and expansion of the Viaduct website and other media platforms and through the marketing of our new homes.

Outcomes

The ability to deliver the number of homes set out within the aims of the Development Strategy. The continuation of a strong partnership between SHG and Stockport Council.

➤ **OBJECTIVE FIVE: DEVELOP AND RETAIN THE SKILLS AND RESOURCES NECESSARY TO DELIVER SHG'S DEVELOPMENT AMBITIONS AND OFFER A DEVELOPMENT AGENCY SERVICE**

- 5.23 The increase in appetite for construction within housing associations has led to an increase in salaries for development staff within the North West as organisations compete for a fixed supply of experienced staff outstripped by demand. For SHG this has led to problems in recent years with staff recruitment and retention. In response to this SHG has adopted a 'grow our own' approach by training and developing new or existing in-house staff members and supporting career progression pathways.
- 5.24 There is a potential opportunity for SHG to act as development agent in return for a fee for other housing providers who do not have their own in-house development staff. It is unlikely that this will be a regular or significant source of income because most organisations do have in-house staff and there are companies within the area such as Project Development Workshop Ltd. specifically set up to provide short term development support. However, SHG's development services may be more of interest to other local authorities or

ALMOs because SHG's development staff have understanding of local authority finance and procurement which other organisations are unlikely to have.

Outcomes

The attraction and retention of excellent staff. Income is generated through agency work.

➤ **OBJECTIVE SIX: MAXIMISE FINANCIAL AVAILABILITY TO DELIVER THE AMBITIONS OF THIS STRATEGY**

- 5.25 Stockport Homes uses the loan facility from the Council to deliver affordable housing within Stockport, with an element of market housing allowed within this facility, if an overall scheme provides a mix of affordables and where market tenure can help a scheme be viable. SHG will also be using HRA headroom to develop for ownership within the HRA. Developing within the HRA introduces an additional risk in that new homes built will be eligible for the Right to Buy rather than the Right to Acquire. However, it is considered that the 'cost floor' rule sufficiently mitigates this risk⁶. The Council will not permit use of the loan for large scale market tenure nor outside of the Borough. As SHL is owned by the Council, it cannot privately borrow without specific guarantee from the Council. SHL will therefore look to maximise its own cashflows for market/outside of Borough tenures. SHL will also seek joint venture partnerships to deliver market/outside of borough products where they are deemed financially viable, within Board approved parameters.
- 5.26 All New Build schemes are appraised and only deemed viable within the specific Board approved financial parameters. If, due to competition or where there may be other values of a scheme that do not adhere to the parameters, schemes will not automatically be rejected. They will be considered on a case by case basis and cross-subsidy will be explored, but subject to Board approval if outside of parameters. Decisions may need to be made, by Board, in between meetings if necessary to meet tight timescales. This may be of significance where competitive influences are present. External funding options will be kept under review, subject to Council approval.

Outcomes

The availability of sufficient borrowing to deliver the aims set out within this Strategy.

⁶ The 'cost floor' rule allows costs for purchasing land, building, repairing and maintaining to be offset against any discount entitlement. The cost floor period applies to council owned properties for 15 years if properties were built or acquired after 2 April 2012 and 10 years if before.

6 CHALLENGES

- 6.1 One of the main challenges of developing in Stockport is the availability of affordable land for the construction of new homes. SHG working with partners, developers and land owners, have identified a number of sites and have a healthy pipeline of potential schemes which will achieve the organisation's target of 200 starts on site per year for the next two years. Stockport Council are active in bringing brownfield sites to market most noticeably in and around the town centre. The GMSF may also facilitate additional land in the Borough coming to the market. The demand for housing and the desirability of Stockport will always mean land availability is a challenge for any property developer.
- 6.2 There is evidence that competition for sites within the Borough from other developers is growing. Private sector developers are taking a keen interest in the Borough, most noticeably around the town centre and while this may offer some partnering opportunities and section 106 acquisitions it will put additional pressure on land availability. In addition to private sector developer interest in the Borough there is evidence that other affordable housing developers are becoming more active in the area which could also put pressure on the availability of land. If the supply of land is limited and is outstripped by demand, land values will rise which will put pressure on SHG's development aspirations.
- 6.3 In recent years Homes England grant has been made available for different tenures including the development of social rented housing. While, it is anticipated that, the new Government will, in the short term, extend the current development programme, the industry is waiting for official confirmation and an indication of any new housing development initiatives or change in policy.
- 6.4 There are many challenges associated with modular build and the installation of some renewable technologies and Passive House construction, most noticeably an increase in costs. All the initiatives outlined in section five above are currently substantially more expensive than traditional alternatives with air-source and ground-source more than double the cost of gas boilers and Passive House being around 35% more expensive than traditional build. Skill shortage for traditional building in the UK is an industry concern the use of modern methods of construction and the installation of renewable technology creates further skill challenges, which could in turn impact price. In addition customers will be required to use the new technology differently and will need to be made aware how their new home is different to a traditional home that they have been used to.
- 6.5 Tender prices within the housing construction industry have been rising for several years now as activity has got underway on the Homes England Shared Ownership and Affordable Homes Programme (SOAHP), after several years of uncertainty, and demand for private new build has been bolstered by Help to Buy. Good contractors are able to be selective about which schemes they tender for and tender prices continue to rise. Few contractors are interested in tendering for small, infill site schemes. The challenge for the development programme will be to deliver financially viable schemes in an environment of continually rising

costs. There is however a potential opportunity here for ThreeSixty to deliver small new build schemes for SHG and the wider market.

- 6.5 The arrival of the Covid-19 pandemic at the beginning of 2020 is a new challenge to SHG's development programme. At the point of writing it is too early to fully assess the impact of the pandemic on the construction industry but it is expected that the new working practices will slow down the construction process and will have a negative impact on tender prices. Going forward new construction contracts will require a Covid-19 contingency cost to be built into the budget. It is also possible that sales values will be negatively affected therefore stringent stress testing, valuation and monitoring of the housing market will be required. It is possible that the pandemic may have a positive impact on the modular construction industry as factory conditions will enable modular to take an even greater lead in construction time over traditional build on site, which will be further hampered by new working practices. This is a 5 year strategy and it is expected that Covid-19 will present a challenge to the development programme certainly during the earlier years of the strategy.

7 EQUALITY IMPACT ASSESSMENT (EIA)

- 7.1 An equality impact assessment has been completed. The outcomes of that assessment were the identification of projected demand for specialist older persons dwellings and adapted dwellings for those with disabilities within Stockport. The strategy responds to this need by setting strategic objectives to deliver accommodation within the Borough which will meet the needs of these customers.

8 LINKS TO POLICIES

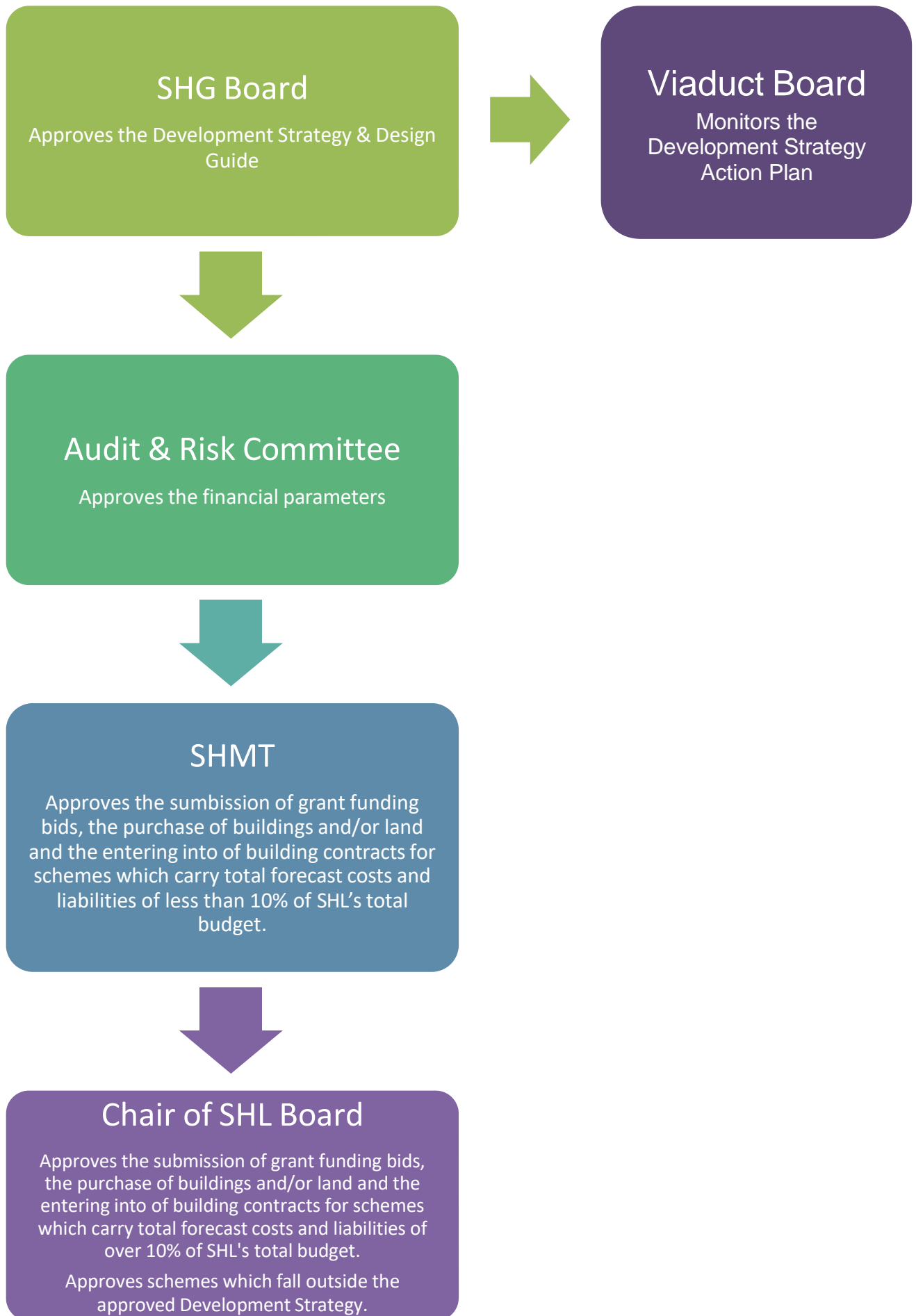
- 8.1 The provision of affordable homes to new and existing customers in many ways epitomises the SHG vision to Transform Lives. The 2020 – 25 Development Strategy is also influenced by and influences a number of agreements, policies and strategies including:
- Stockport Council 30 year HRA Business Plan
 - Stockport Housing Needs Assessment 2019
 - SMBC and SHL Agreement for the delivery of housing management and other services
 - Stockport Homes 30 Year Asset Management Strategy
 - Stockport Homes Climate Change Strategy 2019 – 2024
 - Stockport Homes Inclusive Growth Strategy
 - Stockport Council Allocation Policy
 - Stockport Council Planning Policy
 - Stockport Council Housing Strategy 2016-21
 - Stockport Homes Right to Acquire Policy

9 ACTION PLAN

- 9.1 The Development Strategy action plan is attached as appendix 1. The action plan outlines the work which will be undertaken over the next 12 months. The plan will be monitored by the Viaduct Board and refreshed annually.

10 OWNERSHIP, MONITORING & REVIEW

- 10.1 To ensure that development opportunities are realised and that Stockport Homes can take advantage of grants available from Homes England, SHG needs a governance system which is aligned with its ambitions for business growth, allowing agile decision making against tight timescales. That said where contracts are significant in size and present greater risk to the organisation appropriate checks and balances will be applied. The system is demonstrated in the chart overleaf;



- 10.2 All schemes submitted for approval through the above process will be appraised in line with the organisations development financial parameters. The financial parameters are agreed annually by the Audit and Risk Committee. The first one relating to this strategy will be submitted for approval in June 2020.
- 10.3 Whilst schemes are on site progress will be monitored against cash flow and timetable. Where costs are looking likely to over-run scheme contingencies, approval will be sought by the service Director and the Director of Resources, prior to a commitment being made.
- 10.4 The attached action plan will be monitored by the Viaduct Board, with Officers reporting on the status of the individual actions identified in the plan.
- 10.5 The 2020-25 Development Strategy needs to be flexible enough to react to changing circumstances in particular new initiatives or legislation introduced by the Government or Council therefore the Strategy will be as a minimum reviewed on an annual basis before being re-written in 2025.