

# Housing Investment Programme

Borough of Telford & Wrekin

## Business Plan

January 2026



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## 1.0 EXECUTIVE SUMMARY

- 1.1 Nuplace Ltd (Nuplace), the company established to deliver the Council's Housing Investment Programme (HIP), was **incorporated on 1st April 2015**. In operation for ten years, the company has delivered some significant outcomes against the objectives identified within the most recent Business Case dated November 2020. Regular reports have been brought to Cabinet in June 2021, May 2022 and January 2024 providing an interim position in relation to operation and management of the existing portfolio, as well as the progress of development of new schemes against the pipeline identified in the November 2020 Business Plan.
- 1.2 To date Nuplace **have built or refurbished 669 homes across sixteen sites with a further 121 under construction**. The acquisition of vacant and redundant properties also continues to be pursued under the Telford & Wrekin Homes Programme, bringing the total number of houses within the current pipeline to 790 homes.
- 1.3 Of these, **75 are affordable homes, available at discounted rents**, with the housing investment programme also enabling the delivery of a further 399 affordable dwellings by housing association partners.
- 1.4 In accordance with the 2020 Business case, development has latterly been focussed on **diversification of the portfolio away from purely suburban new build schemes** to include complex refurbishment schemes (The Gower, Former Nursery Ketley, Limes Walk and 1 Walker St), furnished apartments (Station Quarter) alongside large scale mixed tenure schemes (Wild Walk, New College).
- 1.5 **Early contractor engagement and framework procurement** has been adopted to provide cost certainty and ensure quality.
- 1.6 Alongside this, Nuplace have continued to deliver an increasing number of **accessible and adaptable homes** within schemes, allocated to older people or those with a demonstrable need. This is further supported through adaptations to existing properties in response to Occupational Therapist recommendations. Both of these actions are enabling people to live independently in Nuplace homes for longer, and as their needs change over time.
- 1.7 Homes developed over this Business Plan period have also helped to **contribute towards the Council's low carbon agenda** with all new build properties incorporating a range of low carbon technologies including PVs, EV charging points, Air Source Heat Pumps and heat recovery with Nuplace completing their pilot of "Future Homes" properties at Wild Walk, Muxton. A number of low carbon retrofit enhancements are also under review on Nuplace's earliest estates to ensure all residents benefit from lower energy costs.
- 1.8 Nuplace's portfolio continues to grow, **offering people a broad range of property types and sizes, in locations across the Borough** with circa **1,750 people now estimated to be living in Nuplace properties**.
- 1.9 Lettings across the portfolio remain strong, with **voids for the financial year 2024/25 contained at approximately 0.84%, which is significantly below the budget assumption of 3%**.
- 1.10 Upon completion of the current suite of schemes, the programme will have resulted in the **regeneration of over 47.94 acres of brownfield land and refurbished or converted 4,656 sqm of redundant floor space**, addressing stalled sites and bringing back into use redundant and underused premises.

- 1.11 Through bespoke Social Value Plans, developed on a site by site basis, projects are contributing positively towards strategic and local social value outcomes linked to **employment, training, apprenticeships, supply chain development and the delivery of a range of community projects.**
- 1.12 At an operational level, **tenancy and property management continues to be delivered** through the Council under a **Housing Management Agreement**, ensuring high service standards. The adoption of the **One Housing System (OHS)** has helped streamline operations and support real-time reporting. A robust planned maintenance and sinking fund strategy is in place to maintain asset quality over the long term. Continuous improvement is driven by **tenant feedback** and annual satisfaction surveys.
- 1.13 Nuplace generates income to the Council from a variety of sources, including services supplied and interest on debt finance. **Since 2015/16 Nuplace has generated a cumulative net incremental income of £13.8m to the Council to 2024/25.**
- 1.14 Against the **£93.082m invested into sites at 31 March 2025**, the Nuplace asset portfolio has an investment value of **£122.8m, representing a 31% capital increase.**
- 1.15 **Strategic direction is provided by the Housing Investment Programme Board**, chaired by the Chief Executive, with Terms of Reference and associated delegations in place to ensure robust viability criteria are applied to all schemes, ensuring financial sustainability and compliance with subsidy control rules.
- 1.16 With a proven track record over 10 years, the **outlook for the Housing Investment Programme is positive**, with Nuplace being well placed to respond positively to the following market as well as the policy, regulatory drivers, fiscal and economic factors outlined below:
- 1.16.1 The private rented sector accounts for **21.2% of households** in the borough ( $\approx$ 16,500 homes), up from 16.5% in 2015. Average rent currently sits at £808/month (Oct 2025), up 6.7% year on year, with growth expected to continue at 5–6% annually. Demand is strongest for 2–3 bed homes, whilst diversification into apartments aligns with emerging trends.
- 1.16.2 Key Policy & Regulatory Drivers include the **Renters' Rights Act 2025** which will see the abolition of Section 21 notices (no-fault evictions), introduction of rolling tenancies, rent increase caps, and mandatory landlord registration; **Energy Efficiency legislation** which will make EPC C mandatory by 2030 meaning low-carbon measures will need to be embedded in new schemes and the **Building Safety Act** which sets fire safety new compliance standards for higher-risk buildings.
- 1.16.3 Fiscal and economic factors including **rising interest rates and construction costs** up 15-20% since 2020, which have impacted viability, but anticipated base rate reductions in 2026 and external funding (e.g. WMCA grant) support continued delivery.
- 1.17 In this context, a pipeline of schemes is presented which will expand Nuplace's portfolio by a **further 158 homes and represents a capital investment of £34.8m.** These schemes will further diversify Nuplace's geography, housing type and mix, deliver additional accessible and downsizer homes, provide more low carbon homes on sustainable sites and focus on brownfield land and the refurbishment of empty properties.
- 1.18 The content of the Business Case has been prepared having regard to guidance issued by the Secretary of State under Section 96 of the Local Government Act 2003 together with the Guidance entitled Local Authority Company Review Guidance which was published by Local Partnerships in 2023. The purpose of this Business Plan is to demonstrate how Nuplace intends to deliver the objectives identified in the Business Case.

## 2.0 PROGRAMME UPDATE

Nuplace Ltd (Nuplace), the company established to deliver the Council's Housing Investment Programme (HIP), was incorporated on 1st April 2015. Now in operation for ten years, the company has delivered some significant outcomes against the objectives of the Housing Investment Programme as summarised below:

### 2.1 Responding to the borough's housing need for quality rental homes and places to live and in doing so supporting the Council's ambitious growth agenda and major investment into the Borough;

Since the Housing Investment Programme commenced in 2015 it has delivered 669 homes across sixteen sites, including 75 affordable dwellings. These 1, 2-, 3-, 4- and 5-bedroom dwellings comprise of apartments, terraced, semi-detached and detached houses and bungalows, providing diversity of choice and location. These homes are estimated to provide high quality housing for an estimated 1,750 of the Borough's residents.

With an established and successful portfolio of new build housing, the Programme has developed and diversified to tackle some of the Borough's most challenging stalled sites and derelict buildings, converting redundant and underused space into high quality homes at the heart of the Borough's communities. These schemes have often enabled and cross subsidised by the delivery of an element of new build housing on the same site, alongside an element of grant funding. The table below summarises the range of housing being delivered by Nuplace with the subsequent paragraphs providing a summary of development progress made over the Business Case Period (2020-2025):

Site	1 bed	2 bed	3 bed	4 bed	5 bed	Total	Affordable Units by Nuplace	Affordable Units by Others	Adaptable / Accessible	Low Carbon (P/VEV)	Future Homes Standard	Status
Pool View (Randlay)	0	13	18	0	0	31	0	0	0	0	0	Completed 22/07/2016
Woodland Walk (Madeley)	0	13	85	3	0	101	0	0	0	0	0	Completed 22/10/2016
The Oaklands (Dawley)	0	32	15	0	0	47	0	0	0	0	0	Completed 11/05/2018
Miners Walk (Madeley)	0	36	17	0	0	53	0	0	0	0	0	Completed 31/08/2018
Blossom Walk (Hadley)	0	19	6	0	0	25	3	0	0	0	0	Completed 12/03/2018
Springfields (Newport)	0	25	8	0	0	33	33	0	0	0	0	Completed 18/04/2018
Coppice Court (Snedshill)	0	21	13	5	0	39	6	0	0	0	0	Completed 10/05/2019
Rowan View (Snedshill)	0	10	21	6	0	37	0	39	0	0	0	Completed 09/04/2021
Maple Fields (Dothill)	4	15	20	15	0	54	2	0	19	0	0	Completed 08/02/2021
Southwater Way (Malinslee)	4	18	16	8	0	46	11	0	0	46	0	Completed 26/08/2022
Wild Walk (Donnington)	4	26	21	15	0	66	0	186	18	66	18	Completed 05/12/2024
The College (Wellington)	0	8	12	0	0	20	0	102	0	20	0	Completed 23/01/2025
Telford & Wrekin Homes (Complete)	3	15	36	2	1	57	13	0	0	0	0	Completions to end October 2025
1 Walker Street (Wellington)	9	0	0	0	0	9	0	0	0	9	0	Completed 16/10/2025
Theatre Quarter (Oakengates)	7	3	0	0	0	10	0	0	0	10	0	Completed 03/10/2025

The Gower (St Georges)	0	13	0	0	0	13	0	0	0	0	0	Due to complete - December '25
Former Abacus Nursery (Ketley Bank)	1	15	12	0	0	28	7	0	5	21	0	Due to complete - January '25
2 Walker Street (Wellington)	4					4	0	0	0	4	0	Due to Complete - Autumn 2026
Station Quarter (Telford Town Centre)	53	54	10	0	0	117	0	72	29	117	0	Phase 1 (84 units) - March 2026 Phase 2(33 units) - March 2027
Telford & Wrekin Homes (Pipeline)	0	20	20	4	1	43	0	0	0	0	0	Target end 2026
<b>Total</b>	<b>89</b>	<b>356</b>	<b>330</b>	<b>58</b>	<b>2</b>	<b>833</b>	<b>75</b>	<b>399</b>	<b>71</b>	<b>293</b>	<b>18</b>	
Percentage	11%	43%	40%	7%	0%	100%	9%		9%	35%	2%	

Table 1: Breakdown of Nuplace approved schemes, completed or under construction

### 2.1.1 Wild Walk, Muxton

Nuplace's 66 homes within the Wild Walk scheme off Donnington Wood Way in Muxton, reached practical completion in December 2024. All Nuplace properties are now occupied, with some tenants having been in residency for over a year given the phased nature of handovers. The remainder of this 329 dwelling scheme, including the Extracare facility and retirement living block being delivered for Housing Plus Group (formerly Wrekin Housing Group) is expected to be completed early 2026 and will see the delivery of 186 affordable and 77 open market sale homes, alongside Nuplace's private rent offering.



### 2.1.2 The College, Wellington

Nuplace's 20 private rent homes, at this mixed tenure scheme on the former New College site, were completed in January 2025. All properties are now occupied with tenants benefitting from the low carbon design features including PV panels and EV charging points. Nuplace homes are complemented by the retirement living scheme being delivered for Housing Plus Group, which is due to complete in early 2026 and will see the delivery of 102 affordable homes.



*"I'm really excited to be moving into my new home in time for Christmas, it's going to be a wonderful new start for me and my family." (Chrissy Plot 13)*

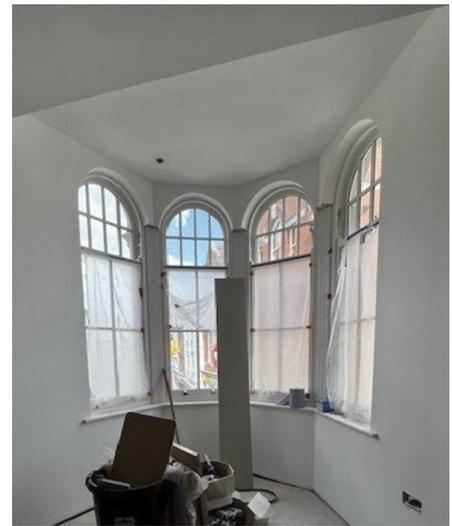


### 2.1.3 1 Walker Street, Wellington

This scheme to restore the iconic former YMCA building at the heart of Wellington, commenced on site in 2024 and completed in October 2025. Supported by Towns Investment Funding, the project has delivered 9 high quality apartments for Nuplace, alongside retail space on the ground floor. These stand out apartments were launched to the market at the end of May and are now fully occupied.



Exterior of the building post refurbishment



Interior restoration to Nuplace apartments

### 2.1.4 Oakengates Theatre Quarter

This scheme, completed in October 2025, involved the conversion of redundant ancillary space above commercial units into 10, 1 and 2 bed apartments and was also supported by Towns Investment Funding. The scheme directly responds to housing need, particularly in relation to the delivery of one bed apartments as reflected by the strong lettings received since launch at the end of May 2025, with all apartments now occupied. The scheme will support the important regeneration of this local centre, ensuring the space remains active and vibrant throughout the day and into the evening.

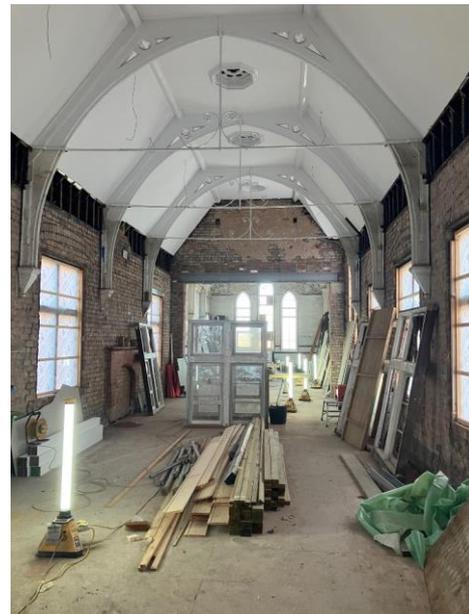


### 2.1.5 The Gower, St Georges

Works include the conversion of the Grade II listed building into x3 two bed dwellings, alongside a community hall and offices for St Georges & Priorslee Parish Council. Viability has been supported by the delivery of x10 two bed new build dwellings to the rear of the listed building. Despite a number of challenges, works are now on programme to complete the residential element of this ambitious scheme in December 2025 with completion of the Parish Council Offices to follow in 2026. The project has seen historic features painstakingly restored to deliver a fantastic scheme which will safeguard this building's future at the heart of the St Georges community.



Intricate restoration of roof detailing.



Restoration of the community hall.



Grade II listed building with new build dwellings in the background



Iconic windows following restoration

### 2.1.6 Former Nursery, Ketley Bank

Works to restore and preserve this historic building through conversion into 7 homes, alongside the delivery of 21 new build homes, commenced on site in 2024. With a number of properties already handed over and occupied, the development is on track to reach completion in early 2026. The scheme offers private rent, affordable and accessible accommodation, catering for a range of housing needs as well as meeting Nuplace's low carbon objectives through thermal insulation, PVs and EV chargers. Delivery has been supported through an application to WMCA's brownfield fund, which was successful in securing £448k of grant.



New build bungalows



Internal kitchen fit out



Aerial view of the development site showing conversion of existing building

### 2.1.7 Station Quarter, Telford Town Centre

Delivery of the residential component of this ambitious mixed use town centre regeneration scheme, commenced on site in September 2024, with the construction of 84 furnished apartments, complemented by a residents lounge and co-working space. This was closely followed in January 2025 by the commencement of works to deliver 33 town houses. With the apartment scheme having “topped out” in July, it is on target to reach practical completion in Spring 2026. A detailed marketing strategy has been developed to support the launch of this “city living” offer in early 2026. Alongside the 117 private rent homes for Nuplace, Legal & General Affordable Homes (L&GAH) are delivering a further 72 homes for shared ownership and affordable rent.

Collectively the scheme encompasses a range of low carbon housing types and tenures; from 1 bedroom apartments to 3 bedroom town houses including accessible and adaptable dwellings. Delivery has been supported through WMCA grant amounting to £4.725m across both the Nuplace and L&GAH elements.



Denmark House apartments at Station Quarter

### 2.1.8 2 Walker Street

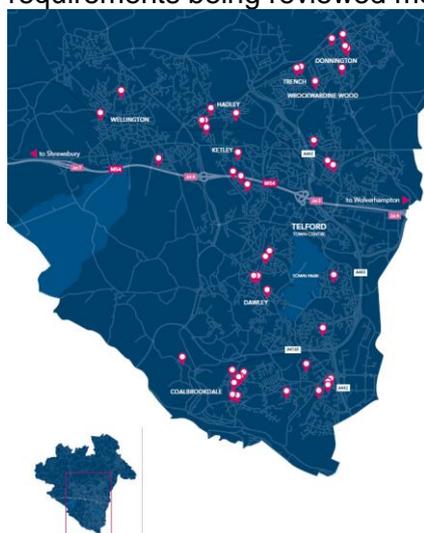
Works have now commenced on the demolition and rebuild of 2 Walker Street, Wellington to create x4 apartments for Nuplace alongside retail space on the ground floor. The scheme will breathe new life into the high street and deliver much needed one bedroom homes. Works are due to complete in Autumn 2026.



### 2.1.9 Telford & Wrekin Homes

Established in June 2021, the Telford & Wrekin Homes (TWH) programme has gathered pace over the previous 12 months, with a further 32 homes being acquired and refurbished. This brings the total number of properties acquired through the programme to 57, with properties ranging in size from 1 to 5 bed and located throughout the borough as illustrated below. A further 6 properties are currently undergoing refurbishment with completion by end of March 2026, with works currently being scoped on a further 10. Acquisitions have continued to focus on redundant stock from Housing Plus Group, with purchases taking place following refurbishment to Nuplace specifications. This has been complemented by open market acquisitions where intervention has significantly improved the property and tenancy management services being provided.

TWH properties continue to be let at a mixture of private and social rents, and used wherever possible to support wider council objectives including the provision of temporary accommodation, support for foster families etc, with targeted acquisitions to suit end user requirements being reviewed monthly with colleagues in the commissioning team.



Delivery of a number of these schemes has been highly complex, requiring sympathetic restoration of existing buildings whilst ensuring that the homes created are attractive but also functional and energy efficient. Implementation has required the team to draw on all previous experience, as well as develop new understanding and skills with support from a wider professional team outside of the Council.

## **2.2 Raising the standard of rental provision, both in terms of the quality of the rental homes and the quality of the landlord service, in the Borough;**

2.2.1 Providing a high-quality housing product and management service continues to be a key priority for the Housing Investment Programme. Feedback from a number of sources, including the annual tenancy survey, is used to drive continuous improvement in terms of property development, property management and tenancy management functions. A total of 121 tenants responded to the Nuplace satisfaction survey undertaken in January 2025 with key findings including:

- 79% of people moved to their Nuplace home from another part of the Borough.
- 21% of people were new to the Borough, moving predominantly from the West Midlands.
- 38% said their previous home was bigger (indicators suggest downsizing)
- 74% tenants consider their Nuplace home as their forever home
- 86% of tenants would recommend Nuplace to their family and friends
- When asked what they most like about having Nuplace as a landlord, responses included: Security, friendly and reliable staff, affordable, quick response times, no unnecessary interference.

### **2.2.2 Property Development**

In relation to development specification, recent adjustments have been made in a number of areas including:

- **External drainage and garden specification:** Upgrades to gardens and associated drainage are now reviewed and implemented on a plot-by-plot basis on all sites to respond to the local drainage and ground conditions and ensure that gardens are fit for purpose from day one. These specification enhancements are supported by a robust inspection process during installation and following occupation, with tenants receiving a simple garden aftercare guide as part of the move in process. Tenants are required to sign to confirm they have understood the initial and ongoing responsibilities for garden establishment and maintenance. This approach has significantly reduced issues with gardens with any matters now dealt with through inspection by the Council's Property Management team.
- **Carpet Specification:** The specification of carpets has been reviewed continuously through each subsequent development phase, with both carpet and underlay having been upgraded on several occasions. Despite this, the longevity and performance of carpets is highly variable and depends upon tenants use and maintenance with pets, children, cleaning regime etc all having an impact. As such, on new schemes, carpet is being gifted to tenants, allowing them to replace carpets as required and without landlord consent. Overall, this will provide greater flexibility for tenants as well as a more consistent approach in terms of replacements.
- **Storage:** One of the key themes from the recent tenant survey was in relation to the availability and quantity of storage provided. On all new schemes, Nuplace are now fully complying with Nationally Described Space Standards (NDSS), which sets out requirements in terms of both internal space but also storage. At Station Quarter, innovative storage solutions, such as ottoman beds, are being included within the furniture pack.

- **Low Carbon Technologies:** In support of the Council's commitment to become carbon neutral across Council operations by 2030, and in response to recent changes in Building Regulation legislation, Nuplace are installing photo voltaic panels and electric car charging points to all homes being delivered. This will not only reduce carbon emissions but reduce energy bills for tenants and work to address fuel poverty. In addition, Nuplace are currently exploring opportunities to deliver a retrofit programme, which would involve the installation of PV and battery storage at some of Nuplace's earlier schemes, as well as Telford & Wrekin Homes Properties. This programme would be delivered through third party funding but has the potential to deliver savings to the tenant, income to Nuplace as well as a significant betterment in terms of carbon omissions. A further update will be presented to the HIP Board once feasibility has been completed.

### 2.2.3 Property Management

At the outset of the Programme, a robust planned maintenance programme was developed and costed to ensure that there is a sufficient sinking fund in place to enable properties to be properly maintained. Requirements are captured within the updated Housing Management Agreement and reviewed alongside condition surveys.

Reactive maintenance continues to be managed by Telford & Wrekin Council's Property Management Team, in accordance with service requirements set out within the approved Housing Management Agreement. Additional capacity has recently been secured within the team, enabling minor repairs to be dealt with in house, along with greater oversight and scrutiny of services being delivered by external contractors.

A tender for a new housing-based repairs and maintenance contract is currently underway, with tender returns received in December 2025 to facilitate a contract start in April 2026. This tender exercise has been undertaken in acknowledgement of the growing housing portfolio held within the Council and through Nuplace and seeks to drive best value through efficiencies as well as improved service for Nuplace and their tenants. Performance of external contractors, continues to be monitored against a series of KPIs including repair turnaround (24 hour, 5 day, 15 day), re-let turnaround time (10 days), first fix etc.

### 2.2.4 Tenancy Management

In 2025, the One Housing System (OHS), was adopted by the Tenancy Management team as a single application software, designed to streamline operations within the service and enhance efficiency across both housing management and housing solutions. The adoption of the OHS has significantly improved efficiency and workflow, with tenancy management officers previously relying heavily on manual data storage across various spreadsheets and software systems, increasing the risk of human error and inconsistencies with recording information.

The implementation of OHS now provides an end-to-end system, by centralising information for a seamless and cohesive flow of data to enhance cross-service collaboration and produce accurate real-time reports, promoting a culture of teamwork and improving the customer service to tenants. The importance of this end-to-end system will become increasingly important as the portfolio continues to grow.

These improvements ensure the homes being delivered by Nuplace are continuously evolving to meet emerging requirements and fulfil customer needs, ensuring that it remains a desirable rental product.

## 2.3 Stimulating local economic growth through job creation during both the construction and operational phases of the Programme;

Nuplace’s extensive development programme, delivered through longstanding partnerships with developers such as Lovell and Housing Plus (formerly Wrekin Housing Group), and an established local supply chain, has enabled a greater focus on social value outcomes over the latest phase of development. Social value activity has focussed on corporate objectives of employment and training, as well as delivering benefits to the community within the locality of Nuplace’s development sites. A detailed breakdown of social value outcomes against the current development programme is included in Appendix 1, with highlights outlined below.

### 2.3.1 Training, Education & Employment

In early 2024, a joint commitment to employment and training arising from Nuplace’s development programme, culminated in the establishment and launch of “**Built by You**”, an innovative recruitment programme, developed through collaboration between the Council, Nuplace, Lovell and Telford College. The programme aims to promote and support the construction industry future workforce in providing training and practical experience to trade specific disciplines, such as carpentry and bricklaying. This activity has led to some meaningful outcomes for local people, including Carter and Henry, who have both benefitted from Apprenticeships delivered through Built by You as described in the case studies below:

	<p><b>Carter Little</b> <b>Site Management Trainee</b></p> <p>Carter, from Oakengates, started his career as an Apprentice Bricklayer. He joined Lovell in 2023 as a Site Management Trainee and is currently completing his NVQ L6. “Lovell has changed my life completely. After coming from being a self-employed bricklayer, I now feel that I am now in a position where I have greater job security.”</p>	<p><b>Henry Adams</b> <b>Level 2 Apprentice Carpenter</b></p> <p>I came into industry later than most apprentices as I didn’t really know what I wanted to do. Having discovered carpentry I’ve found a job that I love while still being able continue being a professional ice hockey player. I’m “living the dream”.</p>	 
	<p><b>Hannah Parton</b> <b>Site Management Trainee</b></p> <p>Hannah started her career in construction as a management trainee at the Wildwalk Site in Muxton. Since then, she has gone on to complete an apprenticeship degree. Hannah was keen to pursue a career in construction and break the mould in what has traditionally been a male-dominated space. She has found her time at Lovell to be incredibly positive saying “it’s the people” that make it.</p>		

The first cohort began their journey in April 2024, with five candidates successfully achieving Level 1 Award in Health & Safety in a Construction Environment within the first 2 weeks at College. Working alongside Lovell and their subcontractors, candidates then spent a week undertaking work experience on a live site, followed by a guaranteed interview.

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**Eugene Kershaw**

### “Built By You” Success Story

From the first cohort, Eugene, a NEET from Donnington, has successfully gained a bricklaying apprenticeship with Lovell, starting in July 2024. Eugene has also started his Level 2 Qualification, attending College 1 day a week and gaining invaluable experience on site for the remaining time.



Lovell are working on recruitment of a new cohort for the beginning of 2026.

### 2.3.2 Community Engagement

At recent schemes such as Wild Walk, Donnington, The College, Wellington, and Station Quarter, Telford Town Centre, development partners including Nuplace, Lovell and affordable housing partners, Housing Plus Group and Legal & General Affordable Homes, have pooled social value budgets to fund jointly agreed programmes of social value projects to the benefit of the local community. The impact of this investment has been far reaching as illustrated by the Case Study below relating to the New College scheme in Wellington:

#### **Case Study: Excellence in Partnership Working - Delivering Far Reaching Local Community Benefits @ New College, Wellington.**

At this mixed tenure housing scheme on the former New College site in Wellington, development partners Nuplace, Lovell and Housing Plus Group pooled social value budgets to create a social value fund focussed on delivering tangible benefits to the local community within the vicinity of the scheme.

Possible interventions were identified by development partners through engagement with their established local networks, with projects then discussed at monthly social value catch ups where investment levels and outcomes were reviewed. The partnership were keen to focus on a range of community initiatives and maximise return on investment. This approach has enabled a huge range of projects to be supported throughout the development period including:

- Refurbishment of a memorial garden at Shortwood Primary School
- The provision of weatherproof housing to support the external citing of a defibrillator at the New College site, ensuring it is available to the whole community.
- Redecoration of facilities at St John’s Ambulance premises in Wellington – in return, St John’s Ambulance are to provide defibrillator training to residents of the scheme and the wider community.
- Funding to support Shropshire Youth who provide a Breakfast Club for disadvantaged children.
- Purchase of Kindness Tickets for Telford Theatre Panto

- Funding for Wellington Town Council's "Saturdays in the Square" events and family fun days
- Funding to support the Safer, Stronger programme in Wellington including Urban Games, Arleston Youth Club and Telford United Kicks.
- Funding to support the running of life skill workshops for tenants of STAY including banking, budgeting, cooking and employability skills.
- Funding for the "Keep Em' Warm" event
- Funding for a makeover of the Community Cafe run by TACT including new furniture and decoration.



Refurbishment of a memorial garden at Shortwood Primary School



Funding for Saturday in the Square, Wellington

With a number of schemes ongoing, including the extensive development programme at Station Quarter, as well as Nuplace's pipeline development programme, there are excellent opportunities to further grow and develop social value objectives. Early discussions are underway regarding the establishment of a Social Impact Fund to address borough wide challenges including NEETS, Care Leavers/Care Experienced and other disadvantaged groups.

## 2.4 Regenerating Brownfield & Stalled Sites

The regeneration of brownfield land remains an important objective of the programme with the latest suite of schemes seeing delivery focussed on brownfield land alongside the refurbishment of redundant buildings. Many of these sites have been stalled for a number of years, and have required innovative and collaborative approaches to delivery, alongside in many cases, an element of public sector grant, to unlock development.

In total, 15 of the 17 schemes completed or under construction have been delivered either on brownfield sites or through the refurbishment of existing buildings. The history of these brownfield sites is diverse in nature including historic mining sites, alongside derelict and redundant buildings at the heart of the Borough's communities. In all cases the schemes have ensured these brownfield sites are brought back into productive use, helping to safeguard historic buildings of local importance.

On completion of the latest phase of developments, the programme will have successfully brought back into use, 47.94 acres of brownfield land and 4,656 sqm of redundant floorspace. The Telford & Wrekin Homes programme alone has seen the refurbishment of 57 properties.

Site	Brownfield land brought back into use (acres)	Floorspace Brought Back into Use (sqm)
Pool View (Randlay)	2.35	-
Woodland Walk (Madeley)	6.55	-
The Oaklands (Dawley)	3.78	-
Miners Walk (Madeley)	4.77	-
Blossom Walk (Hadley)	1.19	-
Springfields (Newport)	1.33	-
Maple Fields	5.56	-
Southwater Way	3.04	-
Wild Walk (Donnington)	15.24	-
The Gower (St Georges)	0.5	641
The College (Wellington)	0.78	-
Former Abacus Nursery (Ketley Bank)	1.9	661
Station Quarter (Telford Town Centre)	0.95	-
Telford & Wrekin Homes (Pipeline)	-	4539
Oakengates Theatre Quarter (Oakengates)	-	624
1 Walker Street (Wellington)	-	610
<b>Total</b>	<b>47.94</b>	<b>4,655</b>

Table 2: Brownfield Land Regenerated and floorspace brought back into use across Nuplace sites delivered or in delivery

The high-quality developments that Nuplace have delivered have added real value to these communities through physical regeneration but also by raising the standard of accommodation generally and the private rented sector specifically.

#### 2.4 Enhancing our knowledge and expertise of housing delivery and management through the use of in-house resources to undertake the development, management and maintenance of the portfolio of rental properties;

Since the inception of the programme, the Housing Investment Programme have been delivered by officers from across the Council with services governed by:

- **Development Management Agreement (DMA):** This covers services required to bring a scheme forward through preconstruction and construction phases.
- **Housing Management Agreement (HMA):** This covers operations once the dwellings are complete including tenancy and property management.

##### 2.4.1 Development Management Agreement Services

Development Management Services are predominantly undertaken by the Council's Housing Investment Team, which comprises of the Service Delivery Manager (SDM x0.67 FTE), a Project Manager (1 FTE) and a Project Officer (1 FTE), who was recruited to the team at the end of 2022. The growth in the team has been in response to the growth in the portfolio, the increase in the complexity of recent schemes alongside the addition of the Telford & Wrekin Homes Programme. However, the team remains lightly resourced, given the number and complexity of schemes being delivered, with this being enabled through the adoption of delivery structures discussed further in Section 2.4.2.

The SDM provides a programme management role overseeing the development and operational phases as well as several key schemes including the scheme at Station Quarter.

The role provides the key interface between the HIP and Nuplace, with the SDM also being one of the three appointed Directors of Nuplace.

The Project Manager and Project Officer have direct responsibility for managing a number of schemes through the pre-construction and construction phases and have recently led on developments at both the Gower and Ketley, overseen delivery at Wild Walk and The College and have streamlined acquisition and refurbishment processes within the Telford & Wrekin Homes Programme. Both the Project Manager and Project Officer are currently in their third year of an apprenticeship degree in Project Management, with this training complementing their extensive experience gained at work, helping to build skills and capacity within the team to undertake a range of pre-construction activity.

#### 2.4.2 Development Delivery Strategy

Since the inception of the programme, a total of the 626 (75%) of the 833 homes delivered or in delivery for Nuplace have been built by developer and house builder Lovell Partnerships Limited. These have been delivered over 15 separate contracts with a summary of procurement activity provided below:

Phase	Development Sites	Units	Procurement Activity
1	Pool View Woodland Walk	132	Appointment following tender through the Construction West Midlands Framework. Tenders received from: <ul style="list-style-type: none"> <li>• Thomas Vale</li> <li>• Community Solutions (Morgan Sindall / Lovell)</li> <li>• Willmott Dixon</li> <li>• Balfour Beatty (declined to tender)</li> </ul> Tender awarded to Community Solutions on the basis of cost/quality assessment.
2	The Oaklands Miners Walk Blossom Walk Springfields	158	Direct appointment through the Construction West Midlands Framework based on 100% quality assessment. Appointment supported by report June 2015.
3	Coppice Court Rowan View Maple Fields Southwater Way	176	Appointment following tender through the Construction West Midlands Framework. Tenders received from: <ul style="list-style-type: none"> <li>• Thomas Vale (Bouygues)</li> <li>• Community Solutions (Morgan Sindall / Lovell)</li> <li>• Willmott Dixon</li> </ul> Tender awarded to Community Solutions on the basis of cost/quality assessment.
4	Wild Walk	66	Scheme tendered through Lot 3 of the Pagabo Framework; Tenders received from: <ul style="list-style-type: none"> <li>• Morgan Sindall (Lovell)</li> <li>• Willmott Dixon</li> <li>• Wates</li> </ul> Tender awarded to Morgan Sindall (Lovell) on the basis of cost/quality assessment.
	The Gower Ketley Bank	41	Schemes tendered through the Council's Dynamic Purchasing System. Tenders received from: <ul style="list-style-type: none"> <li>• Morris Property</li> <li>• Novus Construction</li> <li>• Morgan Sindall (Lovell)</li> <li>• SWG</li> <li>• Read</li> </ul>

			Tender awarded to Novus Construction based on price/quality who then withdrew from the scheme. Lovell subsequently appointed to complete preconstruction and construction phases.
	The College	20	Direct appointment of Morgan Sindall (Lovell) using the Major Works component of the Pagabo Framework. Simultaneous appointment by Housing Plus for their element of the scheme.
	Station Quarter	117	<p>Scheme tendered through the Major Works component of the Pagabo Framework as part of wider Station Quarter procurement exercise. Tenders received from:</p> <ul style="list-style-type: none"> <li>• Willmott Dixon</li> <li>• Morgan Sindall (Lovell)</li> <li>• John Graham</li> <li>• Wates</li> </ul> <p>Willmott Dixon appointed at preconstruction stage based on a cost and quality assessment, but were subsequently only appointed to deliver The Quad. Low rise residential elements awarded to Morgan Sindall (Lovell) by Nuplace and L&amp;GAH as second ranked tenderer.</p> <p>Apartments retendered and awarded to Bowmer &amp; Kirkland based on cost/quality assessment.</p>

As set out above, throughout all phases of the programme, contractor selection and appointment has been robustly market tested with costs of construction, overheads, profit and prelims all subject to scrutiny alongside a range of quality parameters assessing added value, social value, approach to programme, collaboration etc.

### 2.4.3 Housing Management Agreement (HMA) Service

The property management and tenancy management functions continue to be undertaken by officers from across the Council with this activity being governed and funded through the HMA. HMA charges for these services are calculated as a percentage of gross rental income, so that as rental income increases as the portfolio grows, or rents are increased, so too does the income generated by these service areas. In this way the HMA enables and expects resources in these service areas to be increased to meet the needs of a growing and aging portfolio.

HMA operating costs are continuously reviewed and adjusted to ensure the needs of the Housing Investment Programme are adequately met and also in response to changes in external factors. A review of operating costs and HMA charges, undertaken in early 2024, resulted in some adjustment to HMA charges with new charges, approved by the HIP Board and captured in an addendum to the HMA, summarised below:

	%
HMA	16.8%
Insurance	2.5%
Contribution to fixed costs	1.0%

Provisions for reactive and proactive maintenance have also been reviewed in light of actual levels incurred and maintained as per set out below:

	Yr1	Yr2	Yr3	Yr4	Yr5	Y6 ongoing
Reactive maintenance	1%	2%	3%	4%	5%	6%
Proactive maintenance	2%	3%	4%	5%	6%	6%

This results in an all-in rate for operating expenses of 26.3% with an additional provision of 6% towards proactive maintenance (sinking fund) making a total allowance of 32.3%. This increase in operational costs is in line with the trajectory nationally with typical expense ratios for rental portfolios ranging from 30-40% depending upon the nature of the product and amenity offering. As such the increase in percentages applied within the HMA are considered to be in line with industry standards.

#### 2.4.4 Property Management

Property Management services are performed by Telford & Wrekin's BiT team and overseen by the Team Leader with these being both planned and reactive in nature.

##### 2.4.4.1 Planned Property Management and Maintenance

Planned Property Management & Maintenance relates to those activities predetermined for the year in advance to ensure Nuplace is meeting its statutory obligations as a landlord and that the portfolio is well maintained. The HMA requires the Council as service provider to undertake:

- **Management of Planned Maintenance** programmes and preparation of asset management life cycle programmes in the light of available financial resources.
- **Condition surveys** on properties to inform the planned maintenance programme, accounting for the condition of the properties and any reactive maintenance undertaken.

Planned maintenance proposals are submitted to Nuplace Directors for approval for the forthcoming year and include matters such as:

- **Statutory:** Gas Safety Checks (annually) and electrical inspections (every 5 years).
- **Condition related:** External decoration (e.g. front doors), internal decoration (e.g. communal areas within apartments), kitchens, bathrooms etc. These works are informed by condition reports with quotations received from multiple contractors, in advance of an instruction being issued, to ensure works are undertaken only when needed and in the most cost effective way.
- **Remedial Works to Gardens:** A programme of remedial works to gardens has been ongoing in response to issues with drainage and waterlogging, with more planned remedial works being completed in 2024/25. Works have been informed by seasonal inspections undertaken by an independent contractor and members of the Nuplace Team and have included additional drainage, rotavation, re-turfing and in some cases astro-turfing in areas where topography, shading and underlying soils are preventing grass establishment. As set out above, measures are now in place to prevent these issues recurring on future schemes.
- **Tree Works:** A programme of tree works to address known issues of Lyme's Disease at Nuplace sites as well as any other planned works arising from inspection.
- **External cleaning:** This relates to the upkeep of communal areas to apartments, with a planned programme being implemented in 2025/26. This relatively low cost intervention ensures that communal areas remain clean, tidy and in keeping with the Nuplace's quality standards.

In 2024/25 properties on Woodland Walk and Pool View, the first two estates to be developed, underwent full condition surveys in order to inform the planned work programme for forthcoming years and allow for more accurate forecasting of expenditure against the sinking fund provision. These inspections confirmed that wear and tear is as expected, with properties being well looked after by tenants.

In addition to these condition surveys, estate wide inspections are undertaken monthly to assess external areas and inform the planned work programme of Idverde who undertake estate maintenance on behalf of Nuplace. Historically these inspections have been undertaken

by the Development Team but more recently this function has been moved to the BiT team to ensure all “post completion” property matters are managed by BiT under the HMA.

#### 2.4.4.2 Reactive Property Management & Maintenance

Reactive maintenance matters are reported;

- Directly by tenants,
- By members of the tenancy team following annual tenancy inspections,
- By members of the BiT team following, for example, monthly estate inspections,
- Any other member of the team attending a site or property visit.

Reports are made to the BiT helpdesk and logged on a property management system (P2) to allow all reports to be actioned accordingly and monitored through to conclusion. As part of the reporting process, the helpdesk will seek to determine if a report is a result of tenant damage, for which recharge from the tenant should be sought. Key Performance Indicators within the HMA determine the turnaround time for response depending upon the nature of the report.

In the most part, term contractors, procured and managed by the BiT team, are used to attend to and resolve repairs. Term contracts are in place for the day to day general maintenance and for all statutory servicing required. The contracts provide a service which operates 24 hours a day, 7 days a week including bank holidays. All contracts are monitored using KPI's which are evaluated with the contractors on a monthly basis.

Following a repair visit, tenants are required to sign to confirm a repair has been completed, with the contractor then required to update P2 accordingly. A recent amendment to this sign off process has been the inclusion of a section which asks tenants to confirm that works have been completed to a satisfactory standard. This is to ensure that a contractor cannot close a job unless the tenant is satisfied and will alert the BiT team to any ongoing/unresolved issues which require further investigation.

Whilst the HMA percentage covers the labour costs associated with BiT and any repair works, material costs are separately charged. In order to streamline recharging, a schedule of rates has been adopted for the most common repairs and a more extensive list will be adopted following conclusion of the current housing based repairs & maintenance tender. This will support the timely recharging of costs to tenants where repairs are required as a result of tenant damage. Historically the ability to recover these costs has been hampered by the delay in securing quotes for works and invoices from contractors. An improved and extended schedule of rates will ensure tenants can be informed almost immediately, and certainly prior to works commencing, of the cost to be recharged.

#### 2.4.4.3 Resourcing

Historically, the process of repairs being managed via the BiT Helpdesk and approved term contractors has been efficient and effective, but as properties have begun to age, and planned and reactive maintenance pressures have increased, it has become evident that additional resource is required to meet increasing demands. In response to this a series of recent appointments have been made to the BiT Team throughout 2024 and 2025 as detailed below:

Post	Description
Property Inspector (1 FTE)	To take a lead on Nuplace property related matters including planned maintenance, inspections, reporting and recommendations to Nuplace on complex repair matters.
Pre Inspection	Provide the interface between the BiT help desk and the instruction of a Term Contractor to undertake works, attending site to inspect and scope works prior to orders being placed. This pre-inspection will also help with

Officer (1 FTE):	the identification and appropriate recharge of repair work arising from tenant damage. Pre inspection information will also feed into the planned maintenance programme.
Maintenance Officers (2 FTE)	Responsible for undertaking routine repairs at Nuplace properties rather than putting all works through term contractors.
Business Support Officer (1 FTE)	To provide additional capacity within the BiT Help Desk, receiving and processing repair calls and associated paperwork.

This additional capacity has already brought tangible benefits to the operations of Nuplace, being instrumental in resolving legacy issues with gardens, implementing a range of processes in relation to fire safety to ensure compliance and leading on the ongoing tender of the domestic repair and a programme. The cost of this additional resource is funded by Nuplace via the HMA.

## 2.4.5 Tenancy Management & Resourcing

Tenancy Management Services are undertaken by the Housing Solutions Team and overseen by the Service Delivery Manager. Given tenancy management resource has been a requirement from the completion of the first estate and has grown alongside the growth of the portfolio, so too has the team expanded to provide this service. Currently 11 officers in the Housing Solutions Team are involved in the tenancy management of Nuplace with roles and resources summarised in the table below:

Role	Activities	FTE Equivalent
SDM	Provides oversight of the tenancy management function, ensuring the service is delivered effectively and in accordance with the Nuplace brand. Responsible for identifying changes in service delivery and ensuring delivery against the HMA and associated KPIs.	0.4
Senior Property Management Officer	Manages the property management officers, leading on the property management system, advising around tenancies to ensure legal compliance. Responsible for ensuring properties are managed effectively, delivering good customer service, voids are kept to a minimum and rental income is maximised.	1.0
Lead Property Management Officer	Leads on customer satisfaction, complaints, rent setting, rent collection, debt recovery, complaints, system oversight, site launches, property inspections, Telford & Wrekin homes, voids, property advertising, management of the website, identifying changes and improvements in the service and rental income is maximised.	1.0
Property Management Officer	Manages tenants, rent collection, debt management, new site launches, property inspections, garden inspections, tenant communication, dealing with tenant disputes, taking payments, lodging repairs, lodging of deposits, returning of deposits, dealing with tenancy notices and exit, tenancy viewings and void management.	4.2
Admin	Manages Nuplace telephone line, processing application forms, advertising properties, taking payments, sending correspondence to tenants, credit checks, sending annual rental increase letters to tenants, tenant communication.	1.6
<b>Total</b>		<b>8.2</b>

In total, resourcing reflects 8.2 Full Time Equivalents equating to a cost of £360k per annum. Resource requirements are periodically reviewed as additional sites are delivered to ensure the service meets the needs of the programme. Given the nature and scale of development at Station Quarter, an additional 1.5 FTE has been built into future budgets to support appointment to a concierge role in early 2026, along with additional admin support. The concierge will be based on site and be the key interface for tenants.

#### 2.4.6 Support Services

In addition to the property management and tenancy management functions described above the Housing Investment Programme also draws on resource from across the council at preconstruction and construction stages as set out below. In the most part this resource is internal but with additional external support procured as required to meet demands and pressures.

Function	Activities
Finance	<p>At preconstruction stage members of the finance team are involved in reviewing viability assessments with this resource funded through the DMA.</p> <p>Once operational, finance are involved in the ongoing financial management of Nuplace, supporting with rental payments, debt recovery, monitoring of expenditure on repairs and maintenance, annual audit, tax returns, drawing on loans etc These activities are funded through the HMA.</p>
Legal	<p>The Council's legal team continue to provide oversight of Nuplace, with the Lead Lawyer: Property &amp; Commercial fulfilling the role as legal secretary for the company.</p> <p>Historically a significant proportion of property and conveyancing work was dealt with by external lawyers but increasingly this is being managed in house. A review of additional resource within the legal team to support debt recovery and tenancy management/possession is ongoing and is likely to require further adjustment to the HMA.</p>
Marketing	<p>Ongoing support is provided by the marketing and comms team in relation to a range of PR and comms activities including press releases, preparation of marketing packs, branding advice and guidance, web site development and management, social media comms, management of the tenant survey.</p>

The Housing Management Agreement, has been adjusted to reflect the growth identified above.

#### 2.5 **Generating a long term income stream for the Council that can contribute towards the protection of frontline services otherwise affected by budgetary constraints;**

Since the programme was launched it has generated net income to the council totalling £13.8m to the end of March 2025, with this being from a combination of services income arising from the development and operational phases, interest income and more latterly dividends. A more detailed breakdown is provided in Section 6.

## **2.6 Summary of Programme Update**

Overall, the programme is performing strongly against the original objectives, delivering homes which directly meet housing need, whilst delivering significant added value. Delivery and operational structures have undergone review with additional capacity added to support the growth of the programme.

## 3.0 MARKET, POLICY & REGULATORY CONDITIONS

### 3.1 Market Conditions

The UK private rental market has experienced sustained growth over the past decade, driven by supply constraints, affordability pressures, and regulatory changes. Telford & Wrekin remains relatively affordable compared to national averages, but has seen above-regional growth, particularly in family-sized homes. Nationally supply is up by 15% to 18% year on year and whilst there has been an easing in tenant demand this still remains above historic norms resulting in continued anticipated rental growth at a national level of between 3-4% in 2026.

Within the Borough, private rental properties make up 21.2% (16,500) of all households, up from 16.5% in 2015, making private rent the second largest tenure after owner-occupation and an increasingly important component of the housing sector.

#### 3.1.1 Rents

This demand has continued to support rental growth and whilst average rents remain well below national averages at £808pcm compared to £1,360pcm for the UK as a whole, in line with national trends, growth in rents has been sustained year on year, with this growth being greatest since 2021 onwards and in relation to larger properties as detailed below.

Year	1 Bed	2 Bed	3 Bed	4+ Bed
2015	£475	£575	£675	£950
2020	£520	£623	£730	£1,040
2025	£562	£723	£894	£1,281
% Growth 2015-2025	+18%	+26%	+32%	+34%

Table 3: Rental Growth within the Borough of Telford & Wrekin (2015-2025)

Annual rental growth for the Borough sits at 6.7% for October 2024 to October 2025, compared to the West Midlands average of 5.1%, indicating a continued strong demand for private rental homes. Rents are expected to continue to rise at between 5-6% annually into 2026 with regulatory reforms, such as the Renter's Rights Act 2025 and EPC upgrades, pushing some landlords out of the market and further constraining supply.

As such the private rented sector plays an increasingly important role in meeting the housing needs of the borough providing a range of different housing needs including short term flexible lettings to assist with mobility and increasingly provides quality homes on a long term basis. The sector is diverse and ranges from single property owners to portfolio landlords. Most recently there has been a growth in large scale private rented provision through accommodation funded by institutional investment.

Nuplace continue to command premium rents for new properties and on re-let as shown but the rise in rents over development phases in the table below, but the table also demonstrates how the rent levels on many properties within Nuplace's older estates, where tenants have been in situ for some considerable time, are now "sub market" due to caps being applied to rent increases. This disparity is addressed on all relets. There is also disparity between rent levels on larger 4+ bed properties which most likely reflects the fact that premium rents will be charged on rural properties, which far exceed those achievable on Nuplace's suburban stock. Rents on one bed properties are significantly higher than the borough averages, but this is skewed by

there being a number of one bed bungalows within Nuplace figures for which higher rents can be demanded whereas the borough average will relate almost entirely to apartments.

Site	1 bed	2 bed	3 bed	4 bed	5 bed	Affordable
Pool View (Randlay)		719	793			
Woodland Walk (Madeley)		706	799	846		
The Oaklands (Dawley)		732	806			
Miners Walk (Madeley)		720	756			
Blossom Walk (Hadley)		660	891			3
Springfields (Newport)		583	665			33
Coppice Court (Snedshill)		699	858	1,097		6
Rowan View (Snedshill)		784	886	1,023		
Maple Fields (Dothill)	639	817	940	1,123		2
Southwater Way (Malinslee)	576	618	845	1,040		11
Wild Walk (Donnington)	725	966	1,156	1,386		
The College (Wellington)		963	1,213			
Telford & Wrekin Homes (Complete)	751	880	844	903	1,051	13
1 Walker Street (Wellington)	728					
Theatre Quarter (Oakengates)	658	807				
Former Abacus Nursery (Ketley Bank)		936	1,156			7
<b>Average</b>	<b>680</b>	<b>773</b>	<b>900</b>	<b>1,060</b>	<b>1,051</b>	

Average Borough Rents (2025)	562	723	894	1,281
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Difference in rents from Borough Ave (£)	<b>118</b>	<b>50</b>	<b>6</b>	<b>- 221</b>
Difference in rents from Borough Ave (%)	<b>21%</b>	<b>6.92%</b>	<b>0.67%</b>	<b>-17.96%</b>

Table 4: Average rent levels for general needs properties let by Nuplace Ltd

### 3.1.2 Property Type

Two bedroom properties (37%) continue to dominate the private rental market in Telford, followed by 3 bedroom homes (32.4%) with 1 bedroom homes (18.0%) and larger 4+ bed homes (15.0%) remaining less common. These trends are reflected in Nuplace's housing mix summarised below:

Site	1 bed	2 bed	3 bed	4 bed	5 bed	Total
Pool View (Randlay)	0	13	18	0	0	<b>31</b>
Woodland Walk (Madeley)	0	13	85	3	0	<b>101</b>
The Oaklands (Dawley)	0	32	15	0	0	<b>47</b>
Miners Walk (Madeley)	0	36	17	0	0	<b>53</b>
Blossom Walk (Hadley)	0	19	6	0	0	<b>25</b>
Springfields (Newport)	0	25	8	0	0	<b>33</b>
Coppice Court (Snedshill)	0	21	13	5	0	<b>39</b>
Rowan View (Snedshill)	0	10	21	6	0	<b>37</b>
Maple Fields (Dothill)	4	15	20	15	0	<b>54</b>
Southwater Way (Malinslee)	4	18	16	8	0	<b>46</b>
Wild Walk (Donnington)	4	26	21	15	0	<b>66</b>
The College (Wellington)	0	8	12	0	0	<b>20</b>
Telford & Wrekin Homes (Complete)	3	15	36	2	1	<b>57</b>

1 Walker Street (Wellington)	9	0	0	0	0	9
Theatre Quarter (Oakengates)	7	3	0	0	0	10
The Gower (St Georges)	0	13	0	0	0	13
Former Abacus Nursery (Ketley Bank)	1	15	12	0	0	28
2 Walker Street (Wellington)	4	0	0	0	0	4
Station Quarter (Telford Town Centre)	53	54	10	0	0	117
<b>Total</b>	<b>89</b>	<b>336</b>	<b>310</b>	<b>54</b>	<b>1</b>	<b>790</b>
Percentage	11%	43%	39%	7%	0%	100%

Table 5: Housing mix within Nuplace schemes completed or under construction

Over the past four years, the portfolio has become increasingly balanced as a result of the introduction of apartment schemes at Station Quarter, Oakengates and Wellington which have introduced 73 x1 bedroom apartments into the mix. This investment has supported diversification away from 2 and 3 bedroom homes, which previously made up 90% of Nuplace's portfolio.

### 3.2 National Policy and Regulatory Context

The UK private rented sector is undergoing its most significant regulatory overhaul in decades. The Renters' Rights Act 2025, combined with energy efficiency mandates and compliance reforms, aims to improve tenant security, housing quality, and transparency. These changes will reshape landlord obligations, tenancy structures, and enforcement mechanisms over the next decade.

#### 3.2.1 Renters' Rights Act 2025

Phase 1 of the Renters Rights Act 2025 is expected to be in force from May 2026 with significant elements including; abolition of Section 21 "no-fault" evictions, the end of fixed-term tenancies and the introduction of Assured Periodic Tenancies (rolling contracts) whilst tenants will be able to end their tenancy with two months' notice. Rent increases will be limited to once per year, with two months' notice and there will be a ban on rental bidding wars and advance rent payments greater than one month. Landlords will no longer be able to refuse tenants with children or on benefits and landlords must consider pet requests and respond within 28 days. The Act will be enforced by Local Authorities with the use of expanded civil penalties and investigatory powers.

Phases 2 and 3 will follow up to 2030 and beyond and will involve the launch of a PRS Database where landlord and property registration will be mandatory, the introduction of a Landlord Ombudsman for dispute resolution, digitalisation of possession processes and County Court reform, adoption of Decent Homes Standards (target 2035–2037), Awaab's Law, which sets strict timeframes for hazard remediation (damp, mould), and minimum Energy Efficiency Standards (EPC C) by 2030.

#### 3.2.2 Energy Efficiency & Sustainability

National as well as local requirements to achieve net zero targets, as well address fuel poverty is manifested in emerging legislation seeking to improve energy efficiency and sustainability of private rented properties. Standards are set to see a requirement for properties to meet Energy Performance Certificate (EPC) D by 2025 and EPEC by 2030, although a cost cap for upgrades of between £10,000 and £15,000 per property is under consultation.

#### 3.2.3 The Building Safety Act 2022

The Building Safety Act, which came into force in April 2023, has fundamentally reformed the building safety system, particularly for higher-risk buildings. It aims to improve the design, construction and management of these buildings in response to safety concerns following the Grenfell Tower fire and introduces a new regulatory regime for higher-risk buildings, including

the creation of the Building Safety Regulator (BSR). The Act places new legal requirements on Nuplace as the Client which will need to be implemented on all future schemes.

### **3.2.4 Impact of Legislative Changes**

For landlords nationally, these legislative changes will lead to increased compliance costs (registration, safety upgrades, energy efficiency) and reduced flexibility in possession and rent-setting. However, Nuplace is well set to respond to these legislative changes and currently operates and makes investment decisions in accordance with these requirements. For example, it is now mandatory that all properties acquired through the Telford & Wrekin Homes programme have an EPC of C or above, to avoid the need for further costly intervention in the immediate future.

The biggest risk to Nuplace is likely to be in relation to debt and Nuplace's ability to act when a tenant has fallen into arrears. Notice can now only be served on a tenant when they have been in arrears for three or more months, meaning debt can accrue rapidly. Debt recovery is already a challenging area with debt levels having risen in recent years. Nuplace's debt position and approach to debt recovery is currently under review as discussed in more detail at Section 6.0.

Sector wide, it's likely that these legislative changes will lead to portfolio downsizing among small landlords alongside an equivalent growth in institutional Build-to-Rent, which could favour Nuplace and support a sustained development programme.

### **3.3 Local Policy Context – Telford & Wrekin's Housing Strategy (2025-2030)**

The Council's recently adopted Housing Strategy 2025-2030 identifies three core objectives of relevance to the Housing Investment Programme.

- Objective 1 focuses on the creation of safe, clean, green, and integrated communities and seeks to regenerate estates and bring vacant/derelict land back into use, enable sustainable developments and reduce anti-social behaviour. Nuplace's development objectives are perfectly aligned with this, seeking to deliver high quality, sustainable schemes on brownfield sites as evidenced in the preceding paragraphs. Over 35% of Nuplace's existing portfolio is "low carbon" encompassing PVs, electric vehicle charging points and a fabric first approach to design.
- Objective 2 focuses on making the BEST use of our existing homes by championing high standards in the private rented sector and bringing long term empty properties back into use. Nuplace continues to excel as a landlord of choice delivering exemplary developments and providing high quality property and tenancy management services. Though the Telford & Wrekin Homes programme, Nuplace have brought back into use over 50 empty homes and will continue to deliver against this objective to meet a target of 100 homes by the end of 2026/27.
- Objective 3 seeks to provide homes to support and empower our most vulnerable people, enabling them to live independently at home for longer. This Objective is underpinned by the Council's Specialist & Supported Accommodation Strategy, which sets out in more detail the housing requirements for a range of vulnerable groups. This Strategy specifically references the needs for additional care ready housing for older people across all tenures including private rent. Nuplace have and continue to deliver against this objective, incorporating accessible and adaptable housing into all schemes wherever possible with x71 M4(2) and M4(3) homes currently complete or under construction. These homes are linked to lettings policies for people over 55 years of age or with a demonstrable need, with bespoke adaptations being undertaken as part of the development process. In addition, Nuplace fully support adaptations to existing

properties and in this way ensure people can remain living independently in Nuplace homes for as long as possible.

The Council's Housing Strategy and Specialist Supported Accommodation Strategy continues to provide clear policy support for the expansion of Nuplace as well as clear guidance as to how this expansion should continue to be focussed.

### **3.4 Fiscal Factors**

Alongside regulatory, legislative and policy considerations, a range of fiscal factors have impacted on build to rent development over the previous five years, with higher interest rates having increased borrowing costs for Nuplace, making development debt more expensive and reducing project viability. This has been compounded by construction costs, which have increased by 15-20% since 2020 and are expected to continue to rise by circa 2.7% in 2026. Nationally, construction starts for BTR fell by over 50% in 2023 compared to 2022 illustrating the challenging market conditions faced over this period.

Despite these conditions, Nuplace have continued to progress a development pipeline, supported by rental growth, strong relationships with development partners and access to external funding from WMCA and central government with Nuplace successfully securing £5.633m of WMCA grant to support the delivery of 263 dwellings across three sites. With base rates expected to continue to fall into 2026, viability for schemes should improve, supporting Nuplace's development pipeline.

## 4.0 OPPORTUNITIES FOR EXPANSION & DIVERSIFICATION OF THE PROGRAMME

### 4.1 Development Objectives

A review of market, policy, legislative and regulatory conditions suggests that demand for good quality private rented homes looks set to remain a key component of the housing market, offering opportunities for further expansion, building on the established portfolio whilst continuing to look for opportunities to strengthen the diversity and geographical spread of Nuplace homes.

Development proposals will need to be considered on a site by site basis but collectively a pipeline of schemes should seek to:

- Deliver a geographically balanced portfolio by delivering developments that provide Nuplace housing options for people across the Borough.
- Deliver diversity in terms of the size of properties to ensure a balanced portfolio that is responsive to market demand and enables tenants to move within the portfolio as circumstances change over time.
- Continue to deliver homes to improved accessibility standards with a focus on downsizer properties, enabling people to live independently for longer.
- Continue to deliver homes which contribute positively towards the Council's and the Borough's carbon reduction commitments, whilst also addressing fuel poverty.
- Improve the borough's existing housing stock through refurbishment opportunities.
- Focus development on brownfield sites, supported by external funding as required.
- Deliver a positive rental stream and at the same time maximise the gross development value (GDV) of Nuplace's portfolio to deliver both short and long term benefits.

#### 4.1.1 Pipeline Schemes

In response to these development objectives, a pipeline of schemes has been identified as summarised in the table below with the potential to deliver a further 158 new homes. Sites boundaries, indicative layouts (where available) and a more detailed description of development proposals are included within Appendix 2. Feasibility work has been undertaken on these sites to varying degrees with a view to determining deliverability and viability.

Site Name	Number of Dwellings	Land	Status	Est Capital Cost (£m)	Est Start	Est Complete	Scheme Benefits	Proposed Delivery Strategy
<b>WITHIN EXISTING BUDGET APPROVALS</b>								
<b>Former Phoenix School Site, Dawley</b>	50 Nuplace (private rent) 86 Housing Plus Group (affordable) 71 Open Market Sale	TWC	Mixture of Brownfield/ Greenfield	12.3m	Spring 2026	End 2028	Mixed Tenure Specialist Accommodation Community facilities (improved public parking / allotments/play)	Development Agreement TWC/Lovell Golden Brick Nuplace/Lovell Direct Award via Pagabo Framework
<b>Brandon Avenue, Admaston</b>	36 Nuplace (Private rent & affordable)	TWC	Greenfield	8.0m	2026	2027	Mixed Tenure Future Homes	Direct award to Keon via Wolverhampton City Framework – Open Book
<b>Southwater – Southwater Core</b>	42 Nuplace (private rent/affordable rent)	TWC	Brownfield	8.5m	Spring 2026	Summer 2028	Town Centre living Mixed tenure Potential to secure WMCA grant	Early Contractor Engagement through Framework – open book cost plan development. Direct Award

								subject to viability.
<b>Telford &amp; Wrekin Homes</b>	30 (Target 70 acquired by end March 2026)	Various	Brownfield	6.0m	2026	2027	Bringing empty properties back into use Providing homes for veterans	WHG – Refurbishment via WHG/Leavers Other - Tender
	<b>158</b>			<b>34.8m</b>				
<b>OUTSIDE OF EXISTING BUDGET APPROVALS</b>								
<b>Station Quarter Phase 2</b>	95	TWC	Brownfield	TBC	2027	2029	Town Centre living Mixed tenure Potential to secure WMCA grant	TBC
<b>Telford &amp; Wrekin Homes</b>	50	Various	Brownfield	TBC	2027	2029	Bringing empty properties back into use Providing homes for veterans	WHG – Refurbishment via WHG/Leavers Other - Tender

Table 6: Pipeline of Nuplace schemes

#### 4.1.2 Delivery Strategy

A proposed delivery strategy for each of these schemes has been identified within the table above, with strategy being determined by the nature of the build (low rise vs apartments), the complexity of the scheme (simple versus complex), the size of the scheme (small vs large) and the current land ownership (TWC/Other). In each case the proposed delivery strategy builds on existing known strengths both with the Council and partner organisations to ensure best value.

A proposed development mix for each of the sites, which fall within existing budget approvals, is detailed below, including proposed levels of affordable dwellings, accessible and adaptable dwellings as well as those embodying carbon reduction measures.

Site Name	1 bed	2 bed	3 bed	4 bed	5 bed	Total	Affordable Dwellings	Specialist Dwellings	Carbon Reduction Measures
Phoenix, Dawley		20	27	3		50	(86*)	22	50
Brandon Avenue Admaston	4	16	11	4	1	36	9	9	36
Southwater Core, Southwater	16	26				42	11	5	42
Telford & Wrekin Homes		14	14	2		30	5	0	0
<b>Total</b>	<b>20</b>	<b>76</b>	<b>52</b>	<b>9</b>	<b>1</b>	<b>158</b>	<b>111 of which 25 will be directly delivered by Nuplace</b>	<b>36</b>	<b>129</b>
<b>%</b>	<b>13%</b>	<b>48%</b>	<b>33%</b>	<b>6%</b>	<b>1%</b>	<b>100%</b>	<b>70%</b>	<b>23%</b>	<b>82%</b>

Existing Portfolio	89	336	310	54	1	790	55	19	46
<b>Total</b>	<b>109</b>	<b>432</b>	<b>362</b>	<b>63</b>	<b>2</b>	<b>948</b>	<b>110</b>	<b>51</b>	<b>245</b>
<b>%</b>	<b>5%</b>	<b>46%</b>	<b>41%</b>	<b>9%</b>		<b>100%</b>	<b>14%</b>	<b>7%</b>	<b>33%</b>

Table 7: Pipeline of Nuplace schemes by housing type

\*Units to be delivered via Housing Association partner as part of wider site delivery and therefore don't form part of Nuplace future portfolio

The proposed pipeline of schemes will bring Nuplace's portfolio to circa 948 units, although the exact number of additional units within the pipeline can only be determined once further feasibility work has been undertaken.

## **4.2 Alignment with Business Case Objectives**

The development of these sites is considered to be consistent with the original objectives for the programme as summarised below:

### **4.2.1 Responding to the borough's housing need for quality rental homes and places to live and in doing so supporting the Council's ambitious growth agenda and major investment into the Borough;**

The sites identified above directly respond to market intelligence as well as the housing requirements outlined in the Council's draft Housing Strategy (2020-2025) and Specialist & Supported Housing Strategy and will meet the needs of a range of prospective occupiers:

- The proposals continue to deliver a large number of two and three bed properties, acknowledging that this is where demand is greatest, but at the same time build on the previous phase of development which sought to diversify the portfolio. For tenants, this approach also means that Nuplace can cater for a tenants needs as they change over time, whether that's upsizing, downsizing or moving location.
- The development on the former Phoenix site will build on the high quality development completed off Donnington Wood Way, delivering mixed tenure housing which directly responds to housing need, alongside community assets including allotments, intergenerational play and improved access.
- The development at Southwater will build on knowledge gained through the delivery of Denmark House apartments at Station Quarter and embed town centre living / build to rent as a key offering within Telford town centre.
- The proposals will seek to continue to deliver accessible and adaptable housing linked to allocation policies which prioritise this accommodation for older people or those with a demonstrable need. Alongside this, Nuplace will continue to support requests for adaptations in existing homes.
- The proposals will seek to continue to deliver low carbon sustainable homes, set within sites which enhance biodiversity and promote green and blue infrastructure. Alongside this, Nuplace will continue to explore retrofit programmes to improve the energy efficiency of older properties within the Nuplace portfolio and in doing so contribute positively to low carbon objectives and help tackle fuel poverty.
- Further expansion of the Telford & Wrekin Homes programme will ensure that the Housing Investment Programme continues to bring empty, poor quality housing back into use through refurbishment and in doing so will make the BEST use of the Borough's existing homes. Over this next Business Plan phase, Nuplace will target specific acquisitions to support veterans with occupation linked to a new allocation policy to ensure veterans are prioritised. Nuplace will also continue to make a number of these properties available at Local Housing Allowance rents and prioritise occupation for other priority groups including those in temporary accommodation.
- Increasingly Nuplace are being approached by developers regarding land led opportunities, with a number of possible schemes currently under review. Whilst none of these schemes are currently included in the pipeline, Nuplace are keen to continue to explore opportunities to work with a range of developers where this is line with the overall objectives of the programme and can be delivered within approved budgets.

### **4.2.2 Raising the standard of rental provision, both in terms of the quality of the rental homes and the quality of the landlord service, in the Borough;**

As stated above, the development proposals reflect an aspiration to diversify the portfolio and respond directly to demand. The annual tenant survey will continue to be used to refine specifications within these pipeline schemes. Additional resource and capacity introduced into the property and tenancy management functions over the previous Business Plan period will continue to be reviewed and monitored to ensure that Nuplace can sustain high levels of customer satisfaction.

#### **4.2.3 Stimulating local economic growth through job creation during both the construction and operational phases of the Programme;**

The development pipeline and associated delivery strategies identified above, provide considerable opportunity to deliver against a range of social value objectives including job creation. Nuplace will continue to maximise positive outcomes against this agenda by:

- Developing bespoke Social Value Plans on a site by site basis with objectives linked to TOMS criteria, a national system used for identifying and tracking social value objectives and outcomes.
- Ensuring Social Value Plans prioritise Council objectives of employment and training, alongside delivery of community based projects.
- Pooling social value budgets on mixed tenure schemes to maximise outcomes.
- Holding collaborative social value workshops to discuss social value priorities and identify and deliver community based projects.
- Working with trusted and established partners.
- Ensuring robust monitoring against the Social Value Plan.

#### **4.2.4 Regenerating brownfield and stalled sites;**

The regeneration of brownfield sites as well as a focus on bringing empty properties back into use through Telford & Wrekin Homes continues to be a key priority of the programme, with pipeline schemes continuing to focus on brownfield sites and refurbishment of vacant properties.

Where viability is challenged through the brownfield nature of sites, Nuplace will look to secure funding intervention from strategic partners including West Midlands Combined Authority.

#### **4.2.5 Enhancing our knowledge and expertise of housing delivery and management through the use of in-house resources to undertake the development, management and maintenance of the portfolio of rental properties;**

As set out in Section 2.0, growth in internal services has improved capacity and skill base to respond to the needs of Nuplace's growing, diversifying and in some case aging portfolio. This in house expertise is used to manage external contracts for works and services to fulfil the needs of the programme from a development and operational perspective. This resource will continue to be monitored over the forthcoming business plan period with adjustments made as necessary.

#### **4.2.6 Generating a long term income stream for the Council that can contribute towards the protection of frontline services otherwise affected by budgetary constraints;**

The latest pipeline of schemes are focussed on maintaining and de-risking the Council's income stream by looking to provide a suitable mix of properties in terms of type, size and tenure in a range of locations and at the same providing a choice of housing which meets local demand. Preliminary viability appraisals have been undertaken across all sites prior to their inclusion in the pipeline of schemes and these will be further refined over the coming months.

The schemes have potential to generate further income through interest, services and dividend. As previously, the Housing Investment Programme Board will continue to review and include sites within the programme, only once detailed feasibility work and viability assessments have been undertaken. Viability will be assessed on a site by site basis with individual sites only being incorporated into the programme when pre-determined return on investment thresholds are met. Investment thresholds will be subject to Board approval and will include rental yield, return on gross development value etc.

This approach has worked well, with approval being sought from the Board before schemes are submitted for planning and again before land transfer, the release of funds from the Council to Nuplace and the commencement of works on site. As such it is proposed that the Board continue to have the same level of decision making powers in relation to this latest pipeline of schemes, with annual reports being brought to Cabinet to update on progress. A copy of the latest Terms of Reference for the Board is included at Appendix 3.

## **5.0 AMENDMENTS TO THE BUSINESS CASE**

The high level principles and vision for the Programme, set out in the preceding paragraphs, remain very much in line with the original Business Case, as do the roles of both the Council, as sole shareholder, and Nuplace Ltd, as the delivery vehicle for the Housing Investment Programme, therefore, although the most recent Business Case was formally adopted in 2020 it is revisited frequently and this Business Plan reflects the aims and objectives approved and agreed.

### **5.1 The Business Idea**

- The principal aim of the company remains the development of properties for private and also affordable rent across a number of sites.
- A suite of possible future development sites have been identified taking the total number of houses for development to circa 948 from the previously approved figures of 786.
- Full Council approval for additional funding to deliver these sites has been granted as part of the budget strategy, with individual sites only being taken forward subject to HIP Board approval upon satisfaction of a range of project specific conditions.
- Funding arrangements will be in accordance with the original Business Case, with the Board continuing to have delegated authority to agree adjustments to the onward lending rate to Nuplace, subject to any adjustments being subsidy compliant.

### **5.2 The Strategic Case**

As set out in Section 3.0, market conditions remain supportive of the continued development of rental accommodation. The pipeline identified will continue to support the diversification of the portfolio in terms of geographic location and property type to avoid over commitment on a discrete property base. Improvements to build specification and incorporation of carbon reduction technology will ensure that the portfolio is adequately futureproofed.

### **5.3 The Economic Case**

A Company limited by shares wholly owned by the Council remains the preferred and most appropriate delivery vehicle for the Programme with development delivery strategies then being identified on a site by site basis depending upon the scale, land ownership, complexity etc.

Existing delegations are in place to the HIP Board to enable Nuplace to pursue joint developments with third parties, where these are in line with the original objectives of Business Case and can be delivered within the parameters of existing Council approvals for investment.

### **5.4 The Commercial Case**

Assumptions made in the original Business Case of January 2015 and subsequent Business Cases, regarding the delivery vehicle and funding route remain valid and relevant. A full appraisal of the private rented market in Telford has been conducted when preparing proposals for the next phase of the Housing Investment Programme as set out in Section 3.0.

## 6.0 FINANCE

The current capital cost estimates and anticipated funding sources approved within the Service and Financial Planning capital programme, are detailed in the table below:

Cost (£'000s)	Actual spend 31 March 2025	Approved allocations
Construction estimate (including fees, s106s, and interest during construction)	93,367	165,315
Land value	3,785	3,785
<b>Total cost</b>	<b>97,152</b>	<b>169,100</b>
<b>Source of Funds</b>		
PWLB borrowing	93,367	169,315
Capital receipt	3,785	3,785
<b>Total funding</b>	<b>97,152</b>	<b>169,100</b>

Table 12: Costs and Funding Sources for the Housing Investment Programme

In addition to the above Nuplace has attracted external funding, including WMCA grant, of £4.841m to support the delivery of schemes.

Nuplace operates in accordance with governance arrangements which allow for the allocation of capital to individual sites following the satisfaction of predetermined conditions, several of which relate to viability and the ability to repay interest on loans forwarded. Finance provide comprehensive support to individual business cases as they come forward for approval. To date ten sites have satisfied these conditions and capital totalling £127.5m has been allocated to these sites, which has been funded in accordance with the table above.

As new sites come forward for approval, finance will support viability appraisals and ensure that the returns generated fulfil the Council's objectives. A set of viability criteria has been developed, and refined as appropriate and presented to the HIP Board for approval, in consultation with the Section 151 Officer. Refinements in criteria reflect actual performance of the portfolio as well as Corporation Tax covenants and regulations which apply to the Company.

The Council and the Company have engaged with consultants to ensure that the Company operates efficiently within Corporation Tax regulations. This has involved a complete analysis of Corporate Interest Rate Restrictions and associated legislation.

In summary, the revised modelling assumptions are listed below:

Modelling Parameter	%	Explanation
Rent increase	Varies up to 1.5% per annum	Due to the high starting rents for Nuplace properties (typically 10% higher than borough averages), the rental increase varies site by site. This is justified since long term historical data (2012-2016) shows that rents for 2, 3 and 4 bed properties within the Borough have, on average, increased at a rate of 1.2% per annum. Furthermore, actual evidence of rent increases across the existing Nuplace portfolio is in the region of 3% in 24/25
GDV increase	2.0 - 3.5% per annum	HPI inflation has been assumed at between 2.0 - 3.5%. Whilst it is accepted that there are fluctuations in house prices, over the last 20 years, house prices in the Borough have increased by 9.9% per annum.

Void rate	3.0%	Current assumption is 3.0% used to reflect the mixed tenure of properties. Whilst voids are currently running lower than this level, this is reflective of the likely void rate over the 25 year term.
Operating costs	16.8%	This is in line with the renegotiated Housing Management Agreement.
Reactive maintenance	6%	Maintenance costs have been refined to allow for both reactive and proactive maintenance following detailed work on asset replacement costs and life cycles. In line with the agreement of assumptions within the revised viability parameters, this rate has been phased as 1%, 2%, 3%, 4%, 5% and 6% in the first 6 years of operation.
Sinking fund	6%	The sinking fund provision represents a cash provision for proactive maintenance costs. This rate is phased from 2% over the first 6 years of operation.
Fixed cost allowance	Up to 4%	Fixed costs include an allowance for insurance costs and is comparable with actual costs being incurred. Insurance costs continue to rise and are reviewed on a site by site basis.
Corporation tax rate	25%	An allowance has been made for 15% disallowed interest due to Advanced Thin Capitalisation on the first loan entered into. This will be assessed on a case by case viability basis.
Interest rate on debt finance	tba	This is set as each tranche of debt funding is established. Interest rates are set according to the circumstances that exist at the time the loan is entered into, taking into account market rates for subsidy control purposes. The rate is agreed in consultation with the Councils s151 Officer.

Table 14: Housing Investment Programme Modelling Assumptions

The modelling assumptions, applied to new sites, result in the following current viability criteria:

	Revised Hurdle Rate
Net Rental yield (profit after increasing % reactive maintenance, tax thereon, and 8.5% deduction for proactive maintenance)	5%
IRR on equity	6%
Return on GDV	Positive return
Loan to Cost	Must not exceed 80%
Loan to Value	Must not exceed 70%

Table 15: Housing Investment Programme viability criteria

In accordance with the existing and previous Business Cases, Nuplace continues to be funded by a mixture of debt and equity finance, such that each element of finance generates an acceptable return to the Council over the life of the investment, whilst having due regard to subsidy control requirements. Parameters for returns on equity finance for viability appraisals will be approved in consultation with the Council's Section 151 Officer.

Additionally, the Council receive income from a range of services supplied to Nuplace, governed by the various management agreements. These services include housing management and development management services. Net incremental income received over the 10 year period to 31 March 2025 is summarised is estimated at £13.8m.

Services and interest income will continue to increase as further sites are brought forward for development and rental levels increase and debt is drawn down.

The Nuplace portfolio additionally experiences strong capital growth, through annual valuations being undertaken by professional valuers. The investment portfolio has experienced cumulative capital growth of 32% over cost of construction to the period ended 31 March 2025.

The Council's debt funding to Nuplace is governed by a range of facility agreements, whereby interest only on the debt is charged at fixed rates. These rates were set by reference to commercial and subsidy control and the level of collateralisation in the company. Due consideration is made to all covenants in commercial loans and interest rates available in the market when loans are entered into.

The Council's interest charges are prudently calculated using current capital interest rates as agreed as part of the Budget Strategy. Actual borrowing is undertaken as part of overall treasury management and the current strategy is for short term borrowing. Finance will review viability appraisals to ensure that each additional site demonstrates that it delivers a return on both the debt and the equity finance forwarded.

The inclusion of any new sites within the Business Plan will generate additional Council Tax and New Homes bonus as appropriate to the Council.

## **7.0 LEGAL CONSIDERATIONS**

Legal advice continues to be provided in relation to both development and operational matters with there being legal representation at Project Team, Nuplace Director and HIP Board Meetings. There is a robust governance structure in place and legal advice and training has been provided to the Directors of Nuplace to ensure potential conflicts of interest are actively identified and managed.

Officers within the Council's legal team keep both the HIP Board and the Board of Directors of Nuplace fully abreast of any regulatory or policy changes of relevance which have implications for the Housing Investment Programme.

Legal will continue to provide legal support to Nuplace in relation to Company secretarial duties e.g. filings at Companies House and issuing shares and will provide advice and assistance to Nuplace in relation to Nuplace complying with this Business Plan to demonstrate how they intend to respond to and deliver against the objectives contained within the Business Case. This updated plan will be submitted to and approved by the HIP Board and will act as a live document and be regularly reviewed by both Nuplace and the Council alongside the Business Case which is also a live document but has not changed since the last refresh.

Legal will provide advice and support on a case by case basis in relation to acquiring land and property to ensure that any legal requirements are complied with and the relevant contract is entered into.

Legal advice is also provided on an individual site basis particularly regarding the satisfaction of conditions precedent to the acquisition of sites by Nuplace and any relevant property considerations.

Procurement and subsidy control advice is also provided and the Lead Lawyer; Property & Commercial has general oversight of all Nuplace matters and provides a link between the teams within Legal Services that deal with any Nuplace advice (e.g. debt recovery).

## 8.0 GOVERNANCE

- 8.1 The 'Teckal Exemption' (now known as the "vertical exemption" under the Procurement Act 2023), is the basis on which Nuplace was established to deliver the Housing Investment Programme, without a competitive process having been undertaken. Application of this exemption is reliant upon satisfying three conditions, all of which continue to be satisfied during the delivery of the Programme. These include;
- a) the Council exercising control over Nuplace similar to that which it has over itself including having decisive influence over the strategic objectives and decisions of Nuplace i.e. being 100% owned by the Council with complete control over identity and appointment of Directors, having established a robust governance structure;
  - b) Nuplace carrying out any more than 80% of its activities on behalf of the Council; and
  - c) there being no private shares in the company.
- 8.2 The establishment of a robust governance structure is required to protect the Council's investment, its Officers by way of Member support, and Nuplace's Directors as far as possible from any personal liability. In addition and as highlighted above, robust governance is essential to satisfy a key condition of being able to establish Nuplace to deliver the Programme. This governance structure and the governance procedures were established as part of the original Business Case and in the most part remain largely applicable.
- 8.3 In 2017, approval was sought to grant further decision making delegation to the Chief Executive in consultation with the Board to order to enable the Housing Investment Programme and company to operate more commercially. These additional delegations were not considered to contravene the Teckal exemption in any way. Delegation to the Chief Executive in consultation with the Board has proven to be a successful way of managing the operations of the programme and the company robustly whilst accepting that the nature of the programme is such that some decisions need to be made swiftly.
- 8.4 The latest version of the terms of reference were reviewed and approved by the HIP Board in September 2025 and reflect the appointment of new officers onto the Board and as Directors of Nuplace as invited attendees. These amendments were undertaken in response to recent appointments to, and structural changes within, the Senior Management Team and Cabinet.

## **9.0 RISK**

A Programme Wide Risk Register has been reviewed and updated alongside the preparation of this Business Plan.

A number of risks have been removed from the risk register on the basis that they are no longer considered relevant since they relate to the establishment of the company which has now been concluded or are better captured in site specific risk registers which cover the pre-construction and construction phases.

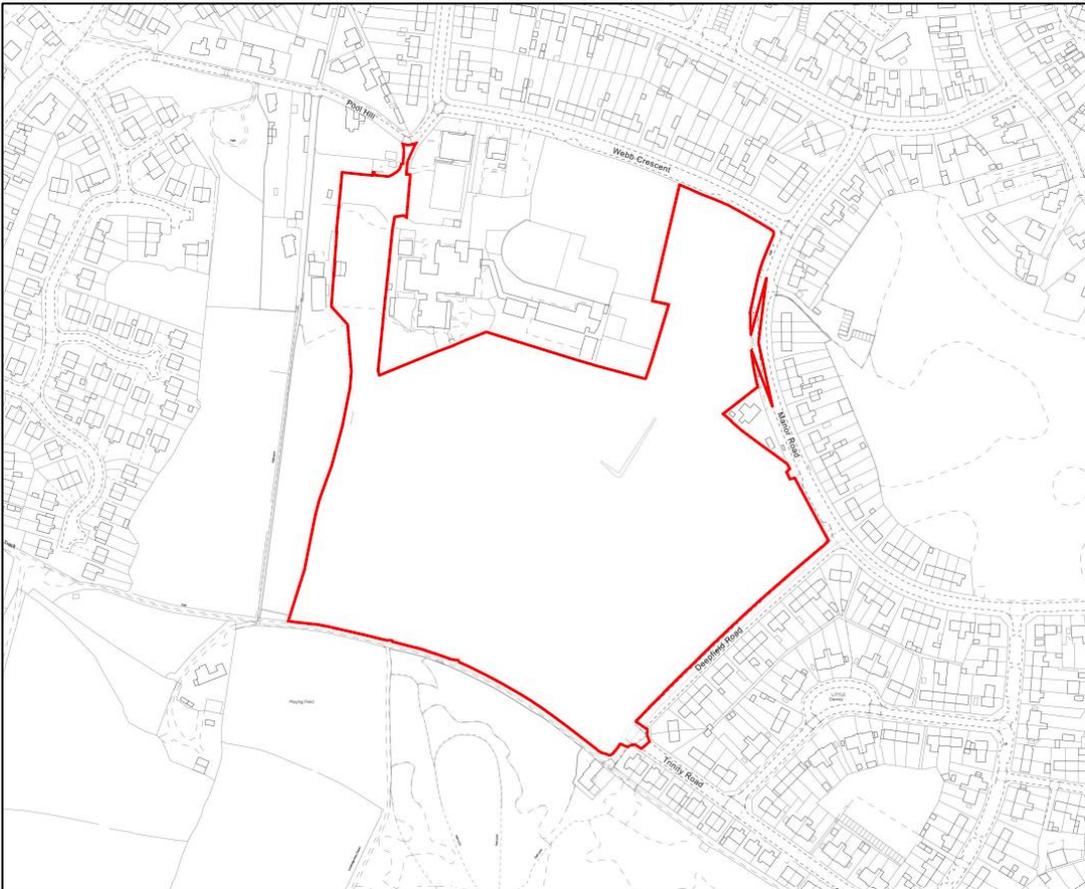
Development specific risk registers are established on a project by project basis, with risk management led by the allocated Project Manager for the scheme. Risks are formally reported to the Housing Investment Programme Board as part of quarterly updates or more regularly as is required.

## Appendix 1 – Summary of Social Value Outcomes: 2020-2025:

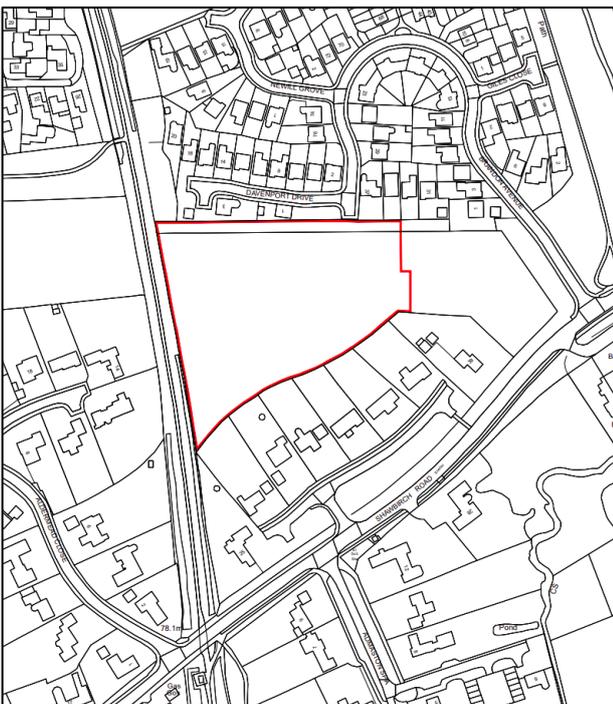
Site	Training & Education	Apprenticeships & Employment	Community Engagement	Supply Chain
Southwater Way	<ul style="list-style-type: none"> <li>• 16 hours of school engagement</li> </ul>	<ul style="list-style-type: none"> <li>• 1 Lovell Apprentice Carpenter</li> </ul>	£2,440 in donations	
Wild Walk (Donnington)	<ul style="list-style-type: none"> <li>• 50 hours spent on community/education/career engagement</li> <li>• 1 x NVQ Level 6 achieved</li> </ul>	<ul style="list-style-type: none"> <li>• 30 weeks of work experience for 24 individuals</li> <li>• 46 apprentices onsite over the project (10 direct with Lovell)</li> <li>• 5 apprentices successfully completing their apprenticeship qualification</li> <li>• 5 Lovell trainees (2 x Site Management Trainees, 1 x Trainees Sales Executive &amp; 2 Management Trainees)</li> <li>• 17 new Lovell jobs created</li> </ul>	£53,000 in donations including: <ul style="list-style-type: none"> <li>• £30,000 show room furniture donated to the Care Leavers Covenant</li> <li>• £21,000 donated to Hands on Help</li> </ul>	73% of subcontractors within a 30 mile radius
The College, Wellington	<ul style="list-style-type: none"> <li>• 38 hours of school/college engagement</li> </ul>	<ul style="list-style-type: none"> <li>• 11 work experience, totalling 25 weeks</li> <li>• 213 hours spent helping unemployed with employability skills/mentoring/H&amp;S</li> <li>• 2 Lovell trainees</li> <li>• 8 local (within 25 miles) Lovell jobs created or retained</li> <li>• 6 apprentices on Level 2 or 3</li> </ul>	<ul style="list-style-type: none"> <li>• £867 community defibrillator</li> <li>• £3,500 decoration of St John's Ambulance premises</li> <li>• £200 Telford Kindness tickets</li> <li>• £1,500 funding for Wellington Saturdays in the Square</li> <li>• £4,000 towards Safer/Stronger in Wellington</li> <li>• £1,000 donation to STAY</li> <li>• £525 Keep Em Warm</li> <li>• £3,589 TACT Community Café refurb</li> </ul>	90% of subcontractors within a 30 mile radius
Former Abacus Nursery, Ketley Bank		<ul style="list-style-type: none"> <li>• 56 apprenticeship hours</li> <li>• 1 career support session</li> <li>• 2 work experience placements offered</li> </ul>		£66.9k spent with Borough Based Suppliers £1.17m with SMEs.
The Gower		<ul style="list-style-type: none"> <li>• 1 work experience placement</li> </ul>	<ul style="list-style-type: none"> <li>• 48 hours of volunteering in the local community</li> </ul>	£74k spent within Borough Based Suppliers £766k spent with SMEs
Station Quarter		<ul style="list-style-type: none"> <li>• 8 local jobs created (inc 1 care leaver)</li> <li>• 4 local jobs created in the supply chain</li> <li>• 2 Apprenticeship placements</li> </ul>	<ul style="list-style-type: none"> <li>• Building Heroes site visit</li> <li>• Purchase and installation of community library</li> <li>• £1,853 donations to Xmas hampers for care leavers.</li> </ul>	

## Appendix 2 – Pipeline Schemes

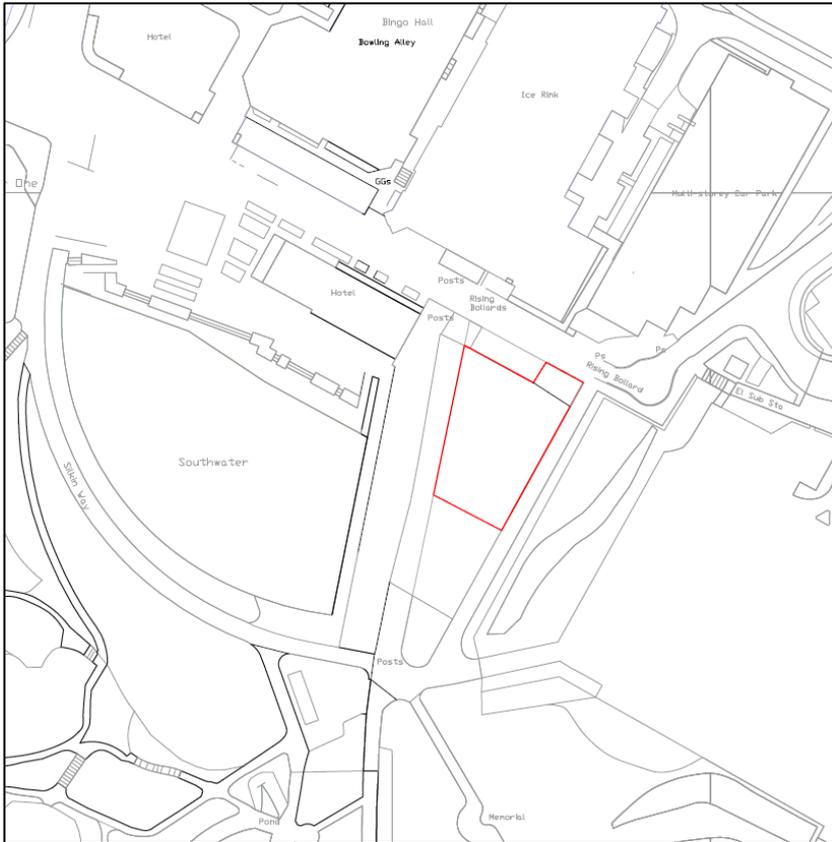
### Former Phoenix Site, Dawley



### Brandon Avenue, Admaston



# Southwater Core



# Station Quarter – Plot 1

