

**SECTION 226(1)(A) OF THE TOWN AND COUNTRY PLANNING ACT 1990
AND THE ACQUISITION OF LAND ACT 1981**

**THE BASILDON BOROUGH COUNCIL
(FRYERNS AND CRAYLANDS) (PHASE NORTH)
COMPULSORY PURCHASE ORDER 2020**

PUBLIC INQUIRY 29 JUNE 2021

**PROOF OF EVIDENCE OF LUKE RILEY OF
ON BEHALF OF SWAN HOUSING ASSOCIATION**

**PLANNING INSPECTORATE AND PLANNING CASEWORK UNIT REFERENCE:
APP/PCU/CPOP/V1505/3258817**

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1. INTRODUCTION

- 1.1 My name is Luke Riley, Project Director at Swan Housing Association. I hold a MSc Housing from London School of Economics and a BA (Hons) Social Policy & Administration from Plymouth University.
- 1.2 I have over 30 years experience in housing, development and regeneration. Since 2015 I have been Project Director at Swan Housing Association. During 2014 to 2015 I was a Regeneration & Development Consultant (providing regeneration & development consultancy services, where my main client was East Thames Housing Group). Between 2006 and 2014 I worked for Genesis Housing Association (delivering regeneration programmes in North London). From 1997 to 2006 I was employed by Circle Anglia, key roles involved development, land buying, new business and delivering regeneration projects. Earlier experience included my employment with Islington Council (1992 to 1996), where my roles covered housing benefits, housing management and capital programmes, and roles with Shelter (1991 to 1997) as a volunteer, trainer in welfare rights and a housing and homelessness advisor.
- 1.3 At Swan my present role as Project Director is part of the Senior Management Team within the Development & Regeneration Department. For Swan I am the commercial lead on large-scale, multi-million pound regeneration and development projects (over £100m), ensuring the timely delivery and overall success of the schemes from economic, quality, social and environmental perspectives. Specifically, I am delivering Swan's regeneration programme for Craylands in Basildon (estate regeneration that includes Phase North) and Laindon Shopping Centre in Basildon (a mixed use and mixed tenure regeneration schemes in this town). They are both award winning schemes for quality of design, quality of consultation and delivery of modular housing.
- 1.4 Since joining Swan in 2015 I have been the project lead for the regeneration of Craylands Estate (Beechwood Village), in Basildon, Essex. As well as being responsible for the delivery of the whole programme for Swan my key involvement has also been to lead on the revised masterplan that received planning approval in March 2017. This process resulted in detailed consent for Phase North and followed the consultation process of two information events and two public consultations that resulted in the submission of the revised proposals in 2016.
- 1.5 Part of my ongoing role is to ensure that the programme is delivered, including by approving buyouts by private negotiation as we progress towards full vacant possession of redevelopment of Phase North.

2. SCOPE OF EVIDENCE

- 2.1 I have prepared this proof of evidence in support of the (Fryerns and Craylands) (Phase North) Compulsory Purchase Order 2020 (the “**Order**”) which was made on 19 August 2020. The land subject to the Order lies within the third phase of the regeneration and renewal of the Craylands Estate in Basildon (the “**Estate**”), described as Phase North which relates to 8.49 hectares of the Estate.
- 2.2 The Council's purpose in making the Order, and seeking its confirmation is to enable the Council to acquire compulsorily the land the subject of the Order (“the **Order Land**”), which is described below, in order to facilitate the delivery of the next (third) phase of the comprehensive redevelopment and renewal of the Estate (the “**Scheme**”).
- 2.3 This proof of evidence focuses on the involvement of Swan Housing Association (“**Swan**”) which was appointed by Basildon Borough Council (the “**Council**”) as its development partner in 2008 to deliver the Scheme.
- 2.4 In section 3, I will detail Swan’s involvement in the Scheme, our appointment as development partner and I will summarise the terms of the development agreement dated 14 November 2008 (as subsequently amended).
- 2.5 In section 4, I will detail Swan's proven and successful track record as a registered provider in delivering affordable housing regeneration schemes akin to the Scheme.
- 2.6 In section 5, I will explain that there are no financial, planning or legal impediments to the delivery of the Scheme on the part of Swan.
- 2.7 In section 6, I will address the objection to the Order from my area of expertise.

3. **SWAN'S INVOLVEMENT IN THE CRAYLANDS ESTATE AND THE SCHEME**

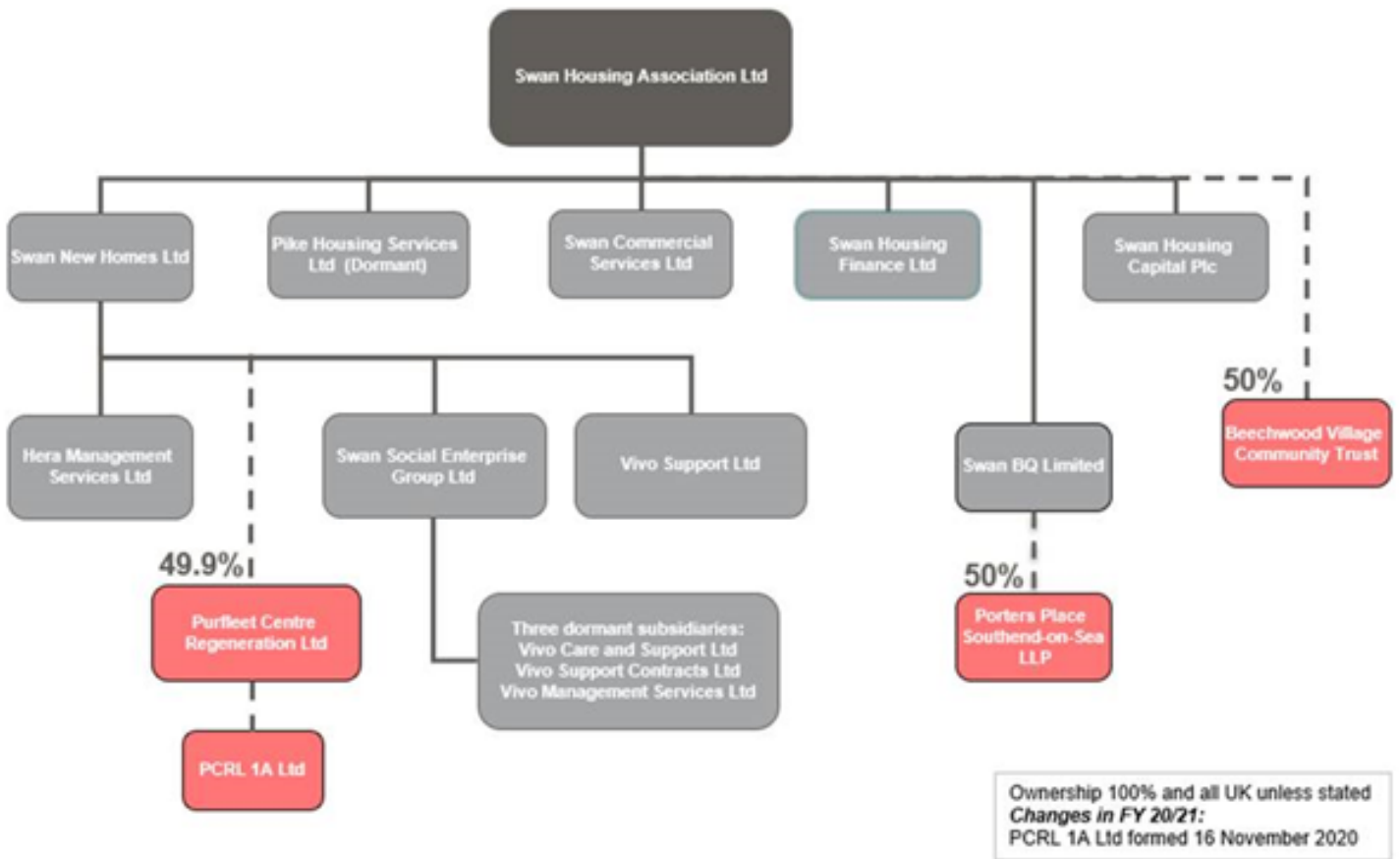
3.1 Swan was awarded the project following an OJEU tender in 2006. Also in 2006, the original outline planning consent was approved. This provided for the redevelopment of the estate and re-provision of up to 1,375 residential units. Swan, Homes England and Basildon Council entered into a Combined Development Agreement (CDA) (CD7.2) in November 2008. Swan acts as the lead developer. Homes England and Basildon Council are the landowners and Swan is responsible for delivering planning and delivering each phase of development. Please note that Homes England is the successor body to English Partnerships who were the original applicant for the first planning permission granted in 2008.

3.2 An overview of the development agreement is as follows:

3.2.1 The Development Agreement between Swan, Homes England and Basildon Council was entered into in November 2008 (last varied in March 2017) and is the overarching agreement for the redevelopment of Craylands and the former Fryerns School. There are a number of conditions to be satisfied for each phase prior to each phase becoming unconditional. However, there is also an overarching requirement for the Development Agreement to go unconditional which was confirmed in February 2021 (Appendix LR1).

3.2.2 The conditions in the Development Agreement are broken down into parts according to their relevance to particular phases, along with general conditions that also apply (such as the obligation for Basildon Council to resolve to make a CPO for the relevant phase). For Phase North the key conditions required prior to actual commencement are:

3.2.2.1 That Swan provides evidence that funding is in place for the relevant phase – this has been confirmed and the letter can be found in Appendix LR2. The letter confirms the committed funding facilities that Swan Housing Association Ltd, as the parent company of the group structure, has as well as the bonds raised by Swan Housing Capital plc (a subsidiary of Swan Housing Association). The overall group structure is below: Colour differentiation of no relevance for these purposes



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- 3.2.2.2 Planning is granted for the relevant phase – Detailed Planning Permission is in place and has been implemented to ensure it does not expire.
- 3.2.2.3 Vacant Possession is granted – this process is ongoing between Basildon Council and Swan, and the CPO Public Inquiry is a key part of the delivering this requirement.
- 3.2.2.4 The tenure mix plan for the phase is agreed – this is in place as per the consented scheme.
- 3.2.2.5 Deed of Warranty for the Independent Certifier to be procured by Swan – this is in place for the current phase and is a pre-commencement condition for Phase North.
- 3.2.2.6 Nominations Deed to be entered into between Basildon Council and Swan – the form is agreed and will be in place prior to commencement of Phase North.

¹ Colour differentiation of no relevance for these purposes

- 3.2.3 A summary of the development agreement is found in CD7.2. We are seeking permission from Homes England for the full document to be publicly available, but this has not yet been given. I am happy to speak on giving a detailed explanation of the Development Agreement that is in place between Homes England, Basildon Borough Council and Swan.
- 3.2.4 The relevant Swan Board approvals are:
- 3.2.4.1 12 July 2018 – re-approval of Beechwood Village Business Plan, including pre-development expenditure for Phase North (a certified extract of the minutes are included in Appendix LR3).
 - 3.2.4.2 9 July 2020 – re-approval of Beechwood Village Business Plan, including commencement of Phase North construction, demolition under licence and delegated authority to go unconditional on the Development Agreement (a certified and redacted extract of the minutes are included in Appendix LR4 – the financial information in the minutes have been redacted as they are commercially confidential).
- 3.3 Detailed planning consent for Phase North was granted as part of the hybrid permission on 22 March 2017 (LPA Ref: 16/00898/OUT) (CD5.1). The Council's planning department confirmed that the planning permission relating to the North Phase has been lawfully implemented by email on 25 March 2020 (a copy is in Appendix LR5). Also in place is a separate permission for a new electrical substation as an existing one is to be removed – the permission granted in October 2020 is 20/00800/FULL (CD5.2).
- 3.4 The S106 agreement (CD5.3) has an agreed tenure mix and has 15 homes for affordable rent and 96 for private sale as part of Phase North. In total, across all phases, the S106 requirement is for 30% affordable housing. However, the current tenure mix in the development agreement delivers 36% affordable housing across all phases, and on Phase North there are 23 homes for affordable rent, 10 homes for shared ownership and 63 homes for private sale – this phase therefore has 34% affordable housing.
- 3.5 As part of Swan's role in delivering vacant possession, we have worked with resident homeowners to offer a number of opportunities to assist them in getting suitable alternative accommodation that supports their needs. Swan and Basildon Council recognise that the options may not suit all homeowners and we assist them where their personal circumstances prevent them from choosing one of the options outlined below. Two homeowners have been rehoused by the Council granting them secure tenancies.

3.6 The final range of options available to resident homeowners are outlined in the table below:

Option		Number of resident homeowners who have taken each option
1	Homeowner purchases a property elsewhere, Swan purchases the property, pays homeloss and disturbance.	4
2	Homeowner purchases a new property on Beechwood Village from Swan on a shared equity basis using the value of their existing home less any outstanding mortgage (max number of bedrooms based on their existing property). Swan takes an equity share in the property of a maximum value up to £100k; Swan's equity share will be repaid when the property is sold in the future. The homeowner keeps their home loss payment. No rent is paid by the homeowner on the unowned element.	5
3	<p>Homeowner purchases either an existing property on Craylands that is not due for demolition or a resale Beechwood Village property from a third party on the open market. The new property must have the same number of bedrooms or less as the existing property.</p> <p>The homeowner will buy the freehold / long leasehold interest using the value of their existing property less any mortgage outstanding. Swan will purchase an equity share of the property from the homeowner of a value up to £100,000. The homeowner keeps their home loss payment. Option 3 was not selected by any homeowners, but it was publicised and available for them to do so.</p>	0
4	Swan buys a replacement property from a third party on the open market off Craylands Estate. The maximum number of bedrooms based on their existing property. The homeowner will buy a shared equity leasehold interest using the value of their existing home. The homeowner keeps their home loss payment.	5
5	Homeowner purchases a new shared ownership property on Beechwood Village using their equity to purchase a share using the value of their existing home. They keep their homeloss payment. Swan purchases their existing property and has the unsold equity of the new one and charges a rent. In comparison to the shared equity arrangements, which were simpler, the shared ownership option seems not to have been attractive. However, again, it was publicised and available to homeowners to choose if they wished to do so.	0

3.7 One of the key objectives for the regeneration programme is to demolish the maisonettes and create a more legible scheme in terms of masterplanning. It is an opportunity to ensure improvements are made to connectivity within and across the site, and improve the feeling of safety such as lighting, traffic calming and better places to park vehicles. This response is directly as a result of the consultation with the local community and local stakeholders. An example of the existing maisonettes is included in the design and access statement:



3.8 An example of the improvements delivered so far are in Phase 1:



3.9 Beechwood Village Phase West is in construction:





4. SWAN'S SUCCESSFUL TRACK RECORD

4.1 Swan Housing Association has been operating in Essex and East London for over 25 years. It is a not for profit Registered Housing Provider which exists to provide affordable homes and high-quality services for its residents. Swan is a Strategic Partner of both the GLA and Homes England and works in partnership with a range of local authorities transforming communities through regeneration and investment.

4.2 Swan has grown over the last 25 years to owning and managing circa 11,500 homes through carrying out large scale regeneration activity, initially taking circa 2,000 homes in Basildon from the Commissioner for New Towns. These first homes across two estates in Laindon were fully regenerated by Swan Housing Association in partnership with Basildon Borough Council as the Church View and Five Links estates and the existing residents became the first Swan tenants and Swan has been a leading regenerating Housing Association since. These estates continue to be owned and managed by Swan and it is because of these homes that Swan more recently acquired the run down Laindon shopping centre, which was blighting Laindon and is currently regenerating as a new High Street with homes and a range of other key public services.

4.3 Since then Swan has completed a number of large scale, award winning regenerations such as Bow Cross in Tower Hamlets, which won the Mayor's Award for Best Regeneration 5 Years on and continues to build out further award winning large scale regenerations including 1,500 homes at Blackwall Reach in Tower Hamlets and 3,580 homes in Purfleet-on-Thames. Most recently Swan has secured planning permission for its 1,700-home regeneration of the Queensway Estate in Southend, which it is delivering in partnership with Southend -on-Sea Borough Council. Appendix LR6 provides additional information on Swan. As further information three of our recent examples are:

4.3.1 **Blackwall Reach, London Borough of Tower Hamlets (LBTH) –** Blackwall Reach is a housing-led regeneration developed by Swan in partnership with LBTH and the GLA, the two main landowners, and demonstrates our capacity to deliver large developments to a programme, working with public sector land owners. Vacant possession (VP) needed to be achieved for construction to commence and timing was key, given there was an existing estate with residents and businesses. VP was achieved on time and the scheme is being delivered to the agreed programme. This constrained brownfield site, adjacent to the Blackwall Tunnel, was characterised by low-density, low-quality uses, poor facilities and underutilised space and includes the 1970s Robin Hood Gardens estate. The project will replace 252 existing homes with 1,575 new homes, including 50% affordable housing; shops, commercial premises (including

a new Swan regional office); community facilities; a mosque, a primary school; improved public green space and new station square at Blackwall Reach DLR. Blackwall is cited as an “exemplar scheme” with the Mayor of London, Sadiq Kahn choosing to launch his new housing strategy here in 2017.

4.3.2 **Laindon Place, Basildon Borough Council** – Swan are currently delivering the regeneration of Laindon Shopping Centre in Essex, transforming a failing 1960’s shopping centre into a housing led regeneration scheme which will create 224 mixed tenure homes and deliver a new High Street including 8,000 sqm of retail, commercial and health space. The redevelopment of Laindon Shopping Centre will require some significant engineering issues to be overcome including demolition of the existing shopping centre, removal of a pedestrian footbridge across the high road, diversion of traffic, installation of temporary retail units and construction of two new substations as well as installation of a large retaining wall.

4.3.3 **The Paragon, London Borough of Redbridge** – The Paragon is a new development in Ilford, that will transform a key location and contribute to the exciting regeneration underway across the town centre housing zone. Three residential blocks of 10, 14, and 17 storeys will provide 141 new homes, and a separate new retail space will be built along Ilford Hill. The scheme is 100% affordable with 36 homes for affordable rent and 105 homes for shared ownership and is due for completion in Autumn 2019. The Paragon sits on land adjacent to the TFL rail tracks serving major routes between London Liverpool Street to Shenfield and beyond. It was critical early on to engage not only with LB Redbridge but also TFL. We have developed and maintained a good relationship with LB Redbridge and meet with them weekly to discuss site progress, local labour and marketing/promotion of the site. We have also been engaged and have helped support the new Crossrail station design, including revising our landscape plans to facilitate the new structure as well as supporting LB Redbridge in their application for the High Street Regeneration fund. We are also in the process of setting up round table discussions.

4.4 As outlined in above, Swan plays a lead role in regenerating communities that it is operating in. As part of the regeneration of Craylands Estate a community development trust (Beechwood Village Community Trust (BVCT)) has been established, which is a partnership between local residents, Basildon Borough Council and Swan. Its remit is to improve the social wellbeing of the local community by providing facilities and assistance to develop their capacity and skills in such a way

as they are better able to identify and help meet, their needs and participate more fully in society and in particular but not exclusively by:

- 4.4.1 encouraging inclusive social integration and positive activities and development programmes;
- 4.4.2 promoting a reduction in crime and anti-social behaviour;
- 4.4.3 providing support for learning initiatives and training and development opportunities, to encourage back to work initiatives and to assist with access to funding opportunities; and
- 4.4.4 promoting the protection of the environment through the promotion of sustainability initiatives and encouraging the use and maintenance of open spaces.

4.5 A copy of the Articles of Association are in Appendix LR7

4.6 As part of Phase 1 “The Beech”, a new community facility, was constructed at Craylands as part of the regeneration at Beechwood Village. Examples of the initiatives funded through the community trust and using the community facility include:

- 4.6.1 Beechwood Boxercise which was awarded £3,168 in July 2019, to provide vital equipment, including the purchase of a mobile boxing ring, that would enable the club to grow their membership and become an affiliated member of the Amateur Boxing Association England (England Boxing). This membership allows those more proficient young boxers to participate in competitive amateur bouts and progress their competency level in the sport. Numbers attending the club were impressive, with around 30 – 40 children and young people coming along to the twice weekly sessions. The club encouraged boys and girls to participate and the age range of those attending spanned from 7 – 18 years of age. The club helped to build confidence and self-esteem, helped to get young people physically active, increased self-discipline and respect.
- 4.6.2 In order to target resources effectively and encourage delivery of projects which meet the strategic priorities of BVCT, a brief was developed and advertised to encourage proposals which support the development of young people on the Beechwood and Craylands estate. The first of these commissioned projects saw the submission of a proposal from Essex Boys and Girls Club, which was approved by the Board of Trustees to the value of £19,208. The proposal will deliver a 1 Year pilot programme of outdoor pursuits and physical activities for young people aged 11 – 25,

living on the Beechwood and Craylands estate. The project will create a pathway for young people to enable them to develop and grow, learn new skills, build confidence and secure rewards, which will include trips to the Clubs activity centres located in High Row, Cumbria and Maes-y-lade, Wales. Weekly activities will be run from the Beech Community Hub, which will motivate young people to work together to complete team tasks, build respect, trust, self-confidence and self-esteem.

4.7 Other Community Development Projects that were delivered during 2019 / 2020 on Beechwood Village were:

- 4.7.1 Well Kids Youth Club – weekly sessions aimed at engaging young people in activities to enhance their physical and mental wellbeing – On average, 14 children attend each week.
- 4.7.2 Holiday Hunger Project – twice weekly sessions delivered throughout the summer holidays included a free cooked meal, physical activities and literacy exercises; 26 children (aged 7-14) participated.
- 4.7.3 Beechwood Holiday Club – Three days of team games, sports and interactive activities for children delivered during the February half term.
- 4.7.4 Junior Parkrun – a volunteer led 2km run around Northland Park aimed at engaging local 4-14 year olds in physical activity; 48 participants including 17 volunteers.
- 4.7.5 Teaching Assistant (Level 2) Accredited Training 13-week course – 16 participants
- 4.7.6 Functional Skills English and Maths Assessment – to determine participants' readiness for Level 2 Teaching Assistant placements – 23 Participants
- 4.7.7 Paediatric Emergency First Aid one-day course – 12 participants
- 4.7.8 Introduction to Counselling 8-week course – 12 participants
- 4.7.9 CSCS Construction 2-day course – 7 participants
- 4.7.10 Beauty therapy workshop about the basics of beauty therapy and what's involved in pursuing a career in this sector – 9 participants
- 4.7.11 Business start-up course – 6 participants
- 4.7.12 Beechwood & Craylands Job Club – 6 participants

- 4.7.13 Get Into Care Information Day – 8 participants attended this informal drop-in session for residents to find out more about opportunities to work in the care sector and one was subsequently employed by Swan.
 - 4.7.14 Beechwood Presentation evening (July 2019) – to celebrate the achievements of residents who had participated in training
 - 4.7.15 Community Brunch – A volunteer-led community brunch was held once a month from June to December; 35 participants.
 - 4.7.16 Health and wellbeing session – 10 participants
 - 4.7.17 Domestic violence workshop – This 12 week programme was attended by 7 local women who are / have been victims / survivors of domestic abuse.
 - 4.7.18 Community Cuppa – coffee morning, 2 participants.
 - 4.7.19 Community Larder – A partnership with Aldi provided free food for local residents; 5 participants.
 - 4.7.20 Christmas lunch for local volunteers to thank them for their hard work in the community; 14 participants.
- 4.8 Along with the overall community development activities, Swan has always been consulting with residents on the redevelopment proposals. Swan and the Council have organised project information days on the estate to inform, and update residents on the progress of the scheme. Prior to COVID they were held on the following dates:
- 4.8.1 5th December 2015 – presenting new proposals to residents
 - 4.8.2 23rd January and 27th February 2016 – updated proposals following resident feedback
 - 4.8.3 18th May 2016 – final changes following resident feedback prior to planning submission in June 2016
 - 4.8.4 28th January 2017 – information day following planning committee approval
 - 4.8.5 9th September 2017 – information day on progress of the regeneration with independent advisor available for homeowners
 - 4.8.6 12th May 2018 – information day including update on designs for a new park
 - 4.8.7 23rd February 2019 – information day on progress of the regeneration

5. VIABILITY AND DELIVERABILITY

- 5.1 There was a target date of May 2021 for first demolitions to start on vacant subphases. Swan are close to delivering this. The key items to be finalised are the conditions precedent to Phase North as outlined in 3.2.2 above. The programme has an estimated completion in June 2023. This is based on subphases becoming vacant in May 2021 and October 2021, and therefore there is a risk that the October 2021 vacant possession milestone will be delayed as a result of the Public Inquiry.
- 5.2 As explained in section 3, the Development Agreement between Swan, Homes England and Basildon Council was entered into in November 2008 (last varied in March 2017) and is the overarching agreement for the redevelopment of Craylands and the former Fryerns School. There are a number of conditions to be satisfied for each phase prior to each phase becoming unconditional. However, there is also an overarching requirement for the Development Agreement to go unconditional which was confirmed in February 2021 (LR1). Therefore, the Development Agreement is now unconditional. For clarity the conditions to be met prior to Phase North starting construction are:
- 5.2.1 That Swan provides evidence that funding is in place for the relevant phase – see 3.2.2.1 above.
 - 5.2.2 Planning is granted for the relevant phase – Detailed Planning Permission is in place and has been implemented to ensure it does not expire.
 - 5.2.3 Vacant Possession is granted – this process is ongoing between Basildon Council and Swan, and the CPO Public Inquiry is a key part of delivering this requirement.
 - 5.2.4 The tenure mix plan for the phase is agreed – this is in place as per the consented scheme.
 - 5.2.5 Deed of Warranty for the Independent Certifier to be procured by Swan – this is in place for the current phase and is a pre-commencement condition for Phase North.
 - 5.2.6 Nominations Deed to be entered into between Basildon Council and Swan – the form is agreed and will be in place prior to commencement of Phase North.
- 5.3 As part of the Development Agreement there is an obligation for Basildon Council to make Compulsory Purchase Orders where required. In turn, Swan, as the developer, has entered into an Indemnity Agreement with the Council to cover all reasonable costs (CD7.3).

- 5.4 Swan have already completed the first phase which delivered over 400 new homes a new community centre and retail uses to create the heart of the regenerated community. Swan have also established The Beechwood Village Community Trust to deliver long term social improvements (a copy of the Articles are included in Appendix LR7). Swan is in construction on Phase West that will deliver 260 new homes. On Phase North Swan has already been progressing the buyouts having expended £5.9m towards delivering vacant possession through meaningful negotiations with owners. A further £2.1m has been expended to deliver pre-development activities (design development, professional fees, legal fees) in order to bring Phase North to the current position.
- 5.5 Project viability is reviewed continuously for the delivery of the regeneration scheme, and Board approvals are sought at key gateways. Phase North has funding in place from Swan and this has been confirmed by the Finance Director prior to the start of this phase. Sales are reviewed and are based on our current scheme (Phase West) and previous prices achieved on Phase 1. Wider market conditions are monitored and despite the risk of Covid our live phase has maintained healthy reservations and sales continue. In terms of the Development Agreement, Swan has confirmed that the scheme is viable and therefore have gone unconditional. This is achieved as Swan has agreed with Basildon Council and Homes England that surpluses are deferred and not taken out of the project until the completion of the final phase, Phase South.
- 5.6 Following the delivery of Phase 1 of the Wider Project, as a result of responses to community consultation and engagement with residents and due to the change in economic circumstances in 2007/2008, a new masterplan was developed for the new hybrid planning application (CD5.1), which resulted in both the reduction in number of existing homes to be demolished and the affordable housing mix. The Development Agreement was therefore varied in March 2017 to reflect these changes as agreed with the Council and Homes England. As noted in CD 7.10 and in section 6.12 of Trevor Burns' proof, flexibility was required to enable a viable scheme to proceed. It should be noted that grant funding can be applied to affordable housing that is over and above the S106 requirements. Therefore, the Development Agreement has an increased percentage of affordable housing to be delivered compared to the S106 Agreement, but still with a small net loss of affordable housing overall (again as noted in CD 7.10.)
- 5.7 In the event that the Public Inquiry does not confirm the Compulsory Purchase Order, then the following implications will be reviewed by the partners to the Development Agreement:
- 5.7.1 How do the partners respond to the approved planning permission not being able to be achieved?;

- 5.7.2 How do the partners maintain a viable scheme for the whole project? A redesign of Phase North would need to be undertaken to see if a viable option could be delivered, and the subsequent phase (Phase South) would also need to be entirely reviewed, leading to a significant delay. Consideration would be needed on whether increased public funding would be required to deliver the regeneration, and therefore create a more challenging position in the current economic environment. As the project as a whole has required sign off for estate renewal funding, any changes will need to be reviewed by Homes England and even revisited with HM Treasury;
- 5.7.3 The opportunity will be lost to deliver a number of new homes for market sale to deliver local market needs and deliver on the mixed tenure approach agreed for the regeneration project as a whole; and
- 5.7.4 There would be a lost opportunity to improve the local environment in terms of place making and improved street layouts and associated arrangements as explained by Mr Sullivan in section 6 of his evidence.
- 5.8 As part of the hybrid planning application, granted approval in March 2017 (CD5.1), Phase North was granted detailed consent. It was implemented in March 2020. There is also planning consent for a new electrical substation. Therefore, there are no planning impediments to the delivery of this phase and the affordable housing. However, we are proposing to make the following minor amendments:
- 5.8.1 Façade treatments for houses – proposal for brick slips, changes to some locations for weatherboarding & metal roofs.
Door & window heights – to regularize for modular construction
Removal of car port gates – not sure they add anything to the scheme so we want to take them out.
Parking changes – Spaces being moved into the red line

6. **OBJECTION TO THE ORDER**

- 6.1 Mr Howe objects to the Order on the basis that the Estate is a low density development, therefore there is plenty of surplus land for new homes without the need to demolish any of the maisonette blocks and surrounding houses. He asserts that the maisonette blocks and houses can be retained with full refurbishment.
- 6.2 Swan was selected as the preferred developer in 2006 and the Development Agreement between Swan, Homes England (then English Partnerships) and Basildon Council was entered into in November 2008. The aim of the regeneration of Craylands Estate was to transform the community and it was seen that the demolition of the Council owned maisonettes was a prerequisite in delivering an improved place.
- 6.3 In addition, the approved scheme provides an opportunity to establish a clearer street hierarchy which is easier to navigate with improved permeability and legibility. It also creates a more traditional street pattern resulting in a more secure environment, with passive surveillance over all streets and back gardens.
- 6.4 In terms of the reference to “surplus land”, this has been included into the proposals to aid the viability in order to deliver the redevelopment of Phase North and the subsequent Phase South, where the remaining maisonette blocks currently sit.
- 6.5 For the reasons set out above and in my paragraph 5.7, retaining the maisonettes as part of the redevelopment would not achieve the environmental and social benefits identified by Mr Sullivan; would require a new planning permission to be granted; would impact the viability of the Scheme; and does not achieve the housing mix agreed between the partners to the development agreement.

7. **STATEMENT OF TRUTH**

7.1 I declare that the evidence set out in this proof for the inquiry is true and follows accepted good practice. The opinions expressed are my own and are formed from professional judgements based on my experience.

A handwritten signature in blue ink that reads "Luke Riley". The signature is written in a cursive style with a large initial 'L'.

Signed.....

LUKE RILEY

PROJECT DIRECTOR AT SWAN HOUSING ASSOCIATION

8 June 2021

SUMMARY PROOF OF EVIDENCE OF LUKE RILEY

1. OVERVIEW

- 1.1 My name is Luke Riley, Project Director at Swan Housing Association (“**Swan**”). I have over 30 years’ experience in housing, development and regeneration. Since 2015 I have been Project Director at Swan Housing Association and I have been the project lead for the regeneration of Craylands Estate (Beechwood Village), in Basildon, Essex. As well as being responsible for the delivery of the whole programme for Swan my key involvement has also been to lead on the revised masterplan that received planning approval in March 2017. This process resulted in detailed consent for Phase North and followed the consultation process of two information events and two public consultations that resulted in the submission of the revised proposals in 2016.
- 1.2 My evidence focuses on the involvement of Swan which was appointed by Basildon Borough Council (the “**Council**”) and Homes England as its development partner in 2008 to deliver the Scheme. I detail Swan’s involvement in the Scheme, our appointment as development partner and Swan’s proven and successful track record as a registered provider in delivering affordable housing regeneration schemes akin to the Scheme. I will explain that there are no financial, planning or legal impediments to the delivery of the Scheme on the part of Swan.

2. SWAN’S INVOLVEMENT IN THE CRAYLANDS ESTATE AND SCHEME

- 2.1 Swan was awarded the project following an OJEU tender in 2006. Also in 2006, the original outline planning consent was approved. This provided for the redevelopment of the estate and re-provision of up to 1,375 residential units. Swan, English Partnerships (the predecessor to Homes England) and the Council entered into a Combined Development Agreement (CDA) in November 2008. Swan acts as the lead developer. Homes England and the Council are the land owners and Swan is responsible for delivering planning and delivering each phase of development.
- 2.2 There are a number of conditions to be satisfied for each phase prior to each phase becoming unconditional. However, there is also an overarching requirement for the Development Agreement to go unconditional which was confirmed in February 2021.
- 2.3 For Phase North the key conditions required prior to actual commencement are:
- 2.3.1 That Swan provides evidence that funding is in place for the relevant phase – this has been confirmed and the letter can be found in Appendix LR2..

- 2.3.2 Planning is granted for the relevant phase – Detailed Planning Permission is in place and has been implemented to ensure it does not expire.
 - 2.3.3 Vacant Possession is granted – this process is ongoing between the Council and Swan, and the CPO Public Inquiry is a key part of the delivering this requirement.
 - 2.3.4 The tenure mix plan for the phase is agreed – this is in place as per the consented scheme.
 - 2.3.5 Deed of Warranty for the Independent Certifier to be procured by Swan – this is in place for the current phase and is a pre-commencement condition for Phase North.
 - 2.3.6 Nominations Deed to be entered into between Basildon Council and Swan – the form is agreed and will be in place prior to commencement of Phase North.
- 2.4 As part of Swan's role in delivering vacant possession, we have worked with resident homeowners to offer a number of opportunities to assist them in getting suitable alternative accommodation that supports their needs. Swan and the Council recognise that the options may not suit all homeowners and we assist them where their personal circumstances prevent them from choosing one of the options outlined below. Two homeowners have been rehoused by the Council granting them secure tenancies.
- 2.5 One of the key objectives for the regeneration programme is to demolish the maisonettes and create a more legible scheme in terms of masterplanning. It is an opportunity to ensure improvements are made to connectivity within and across the site, and improve the feeling of safety such as lighting, traffic calming and better places to park vehicles. This response is directly as a result of the consultation with the local community and local stakeholders.

3. **SWAN'S SUCCESSFUL TRACK RECORD**

- 3.1 Swan has been operating in Essex and East London for over 25 years. It is a not for profit Registered Housing Provider which exists to provide affordable homes and high-quality services for its residents. Swan is a Strategic Partner of both the GLA and Homes England and works in partnership with a range of local authorities transforming communities through regeneration and investment.
- 3.2 My evidence provides examples of how Swan has completed a number of large scale, award winning regenerations across the South East including Blackwall Reach in the London Borough of Tower Hamlets, Laindon Place in Basildon and the Paragon in the London Borough of Redbridge.

3.3 Swan plays a lead role in regenerating communities that it is operating in. As part of the regeneration of Craylands Estate a community development trust (Beechwood Village Community Trust (BVCT)) has been established, which is a partnership between local residents, Basildon Borough Council and Swan. Its remit is to improve the social wellbeing of the local community by providing facilities and assistance to develop their capacity and skills in such a way as they are better able to identify and help meet, their needs and participate more fully in society. As part of Phase 1 “The Beech”, a new community facility, was constructed at Craylands as part of the regeneration at Beechwood Village. My evidence sets out examples of the initiatives funded through the community trust and which use the community facility and other community development projects that were delivered during 2019/2020 on Beechwood Village.

3.4 Along with the overall community development activities, Swan has always been engaging with residents on the redevelopment proposals. Swan and the Council have organised project information days on the Estate to inform, and update residents on the progress of the scheme as detailed in my evidence.

4. **VIABILITY AND DELIVERABILITY**

4.1 There was a target date of May 2021 for first demolitions to start on vacant subphases. Swan are close to delivering this. The key items to be finalised are the conditions precedent to Phase North as outlined in my proof of evidence. The programme has an estimated completion in June 2023. This is based on subphases becoming vacant in May 2021 and October 2021, and therefore there is a risk that the October 2021 vacant possession milestone will be delayed as a result of the Public Inquiry.

4.2 Swan have already completed the first phase which delivered over 400 new homes, a new community centre and retail uses to create the heart of the regenerated community. Swan have also established The Beechwood Village Community Trust to deliver long term social improvements. Swan is in construction on Phase West that will deliver 260 new homes. On Phase North Swan has already been progressing the buyouts having expended £5.9m towards delivering vacant possession through meaningful negotiations with owners. A further £2.1m has been expended to deliver pre-development activities (design development, professional fees, legal fees) in order to bring Phase North to the current position.

4.3 Project viability is reviewed continuously for the delivery of the regeneration scheme, and Board approvals are sought at key gateways. Phase North has funding in place from Swan and this has been confirmed by the Finance Director prior to the start of this phase. Sales are reviewed and are based on our current scheme (Phase West) and previous prices achieved on Phase 1. Wider market conditions are monitored and despite the risk of Covid, our live phase has maintained healthy reservations and sales continue. In terms of the Development Agreement, Swan has confirmed that the

scheme is viable and therefore have gone unconditional. This is achieved as Swan has agreed with the Council and Homes England that surpluses are deferred and not taken out of the project until the completion of the final phase, Phase South.

- 4.4 Phase North has the benefit of a detailed planning consent granted in March 2017 which was implemented in March 2020. There is also planning consent for a new electrical substation. Therefore, there are no planning impediments to the delivery of this phase and the affordable housing comprised within it.

5. **OBJECTION TO THE ORDER**

- 5.1 There is only one objector to the Order, the leaseholder of 19 Peterborough Way, Mr Howe. My evidence responds to objections by Mr Howe in relation to the refurbishment of the maisonette block within which 19 Peterborough Way is located and explains that from the inception of the project, one of the key priorities for the regeneration of the Estate was the demolition of the maisonettes owned by the Council.

- 5.2 Retaining the maisonettes as part of the redevelopment would not achieve the environmental and social benefits identified by Mr Sullivan; would require a new planning permission to be granted; would impact the viability of the Scheme; and does not achieve the housing mix agreed between the partners to the development agreement.

6. **CONCLUSION**

- 6.1 I conclude that Swan has a proven and successful track record in delivering regeneration projects such as the Craylands Estate and that there are no financial or legal impediments to the delivery of the Scheme from Swan's perspective.

LR1

Letter confirming Development Agreement to go unconditional

22 February 2021

Homes England
One Friargate
Coventry
CV1 2GN

Basildon Borough Council
The Basildon Centre
St Martin's Square
Basildon
Essex SS14 1DL

Pilgrim House
High Street
Billericay
Essex CM12 9XY

info@swan.org.uk
0300 303 2500
32217 Billericay (DX)

www.swan.org.uk

By email.

Dear Sir/Madam,

RE: Beechwood Village (Craylands Estate Regeneration) Development Agreement

Under the terms of Schedule 2 Part 3 clause 11 of the 2008 Development Agreement, as amended on 24 March 2017, I am writing to confirm that Swan Housing Association is going unconditional on this agreement.

We are very excited about continuing the regeneration of Craylands Estate and the positive impact this will have on the local community. This letter confirms that the viability threshold, break even, is still maintained.

The viability of the project does however remain very challenging. Uncertainty persists around the impact of substantial pressures on the industry including Covid-19 and the UK's exit from the EU. Consequently, it is essential that Swan remains flexible in its approach to reviewing the project proposals and optimising opportunities to improve the viability of the project and maintain delivery in this challenging environment. This will include a review of all remaining phases of the project and potential revisions to the project via the planning process, and your ongoing support for this will be essential.

We look forward to working with you on this and delivering the homes that we all strive to provide.

Yours faithfully

John Synnuck
Chief Executive

LR2

Beechwood Financing Letter

08 June 2021

Homes England
One Friargate
Coventry
CV1 2GN

Pilgrim House
High Street
Billericay
Essex CM12 9XY

info@swan.org.uk
0300 303 2500
32217 Billericay (DX)

www.swan.org.uk

Basildon Borough Council
The Basildon Centre
St Martin's Square
Basildon
Essex SS14 1DL

By Email

Dear Sir / Madam

REF: Beechwood Village (Craylands Estate) Phase North

I am pleased to confirm that Swan is able to fulfil its financial obligations under the Development Agreement for the regeneration of Craylands Estate that will deliver Beechwood Village (Craylands Estate) Phase North.


The developments costs will be largely funded through Swan's existing loan arrangements together with retained earnings, details of which are as follows: -

- Swan Housing Association Limited ("SHA") has committed funding facilities from relationship banks of £276m, with a total drawdown on 30 April 2021 of £251m, together with cash of £46m. These facilities are provided from Lloyds Bank Corporate Markets plc and National Westminster Bank plc and the terms permit up to £100m to be on-lent to other members of the Group.
- Swan Housing Capital plc has also issued bonds raising an additional £235m (excluding the issue premium) with a further £15m retained. We have an S&P rating of BBB with a stable outlook which will allow us to raise further finance through this means.
- Both the bank facilities and the bonds are secured against certain housing assets. However, our March 2020 annual report shows that we own a total of 9,127 social housing units and as of today over 25% of these remain available to support additional funding.
- Swan has further funding from the GLAi and you will already be aware of funding made available by HCA (Homes England).

I can confirm the Beechwood Village (Craylands Estate) Phase North is included in the latest business plan that was reviewed by the Board and will be included in the forthcoming plan that is expected to be approved in June of this year.

I trust the above is sufficient for your needs, however if you would like further details we would be happy to help you.

Yours Faithfully

A handwritten signature in black ink, appearing to read 'J King', with a horizontal line drawn through the middle of the signature.

James King

Group Finance Director

LR3

Swan Board Approval Minutes 12 July 2018

Pilgrim House
High Street
Billericay
Essex CM12 9XY

info@swan.org.uk
0300 303 2500
32217 Billericay (DX)

www.swan.org.uk

Certified extract from the Minutes of the meeting of the Board of Swan Housing Association Limited held on 12 July 2018 at 1.20pm

Minute 101/17/18

Beechwood Village Revised Appraisal

RECEIVED a report from Geoff Pearce updating the Board on progress of Beechwood Village, seeking re-approval of the whole business plan and noting the approved pre-construction expenditure for Phase North.

APPROVED: the proceed with the project and Swan HA's relevant obligations, as detailed in the report.

IT IS HEREBY CERTIFIED THAT the above is a true extract from the Minutes of the Board meeting of Swan Housing Association Limited held on the date as stated above at which a quorum was present.

Dated this 17 day of February 2021

Signature:



Full name of signatory: Susan McBride

Position: Group Company Secretary

LR4

Swan Board Approval Minutes 9 July 2020

Pilgrim House
High Street
Billericay
Essex CM12 9XY

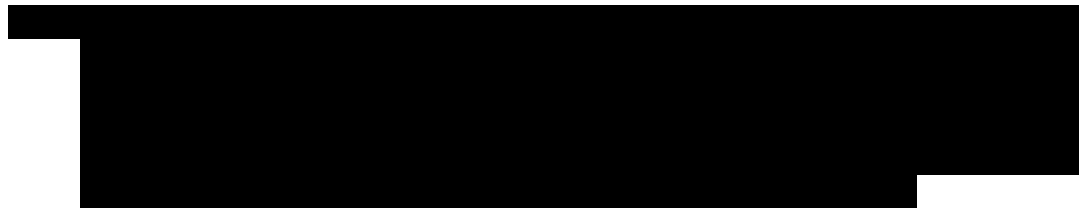
info@swan.org.uk
0300 303 2500
32217 Billericay (DX)

www.swan.org.uk

Certified extract from the Minutes of the meeting of the Board of Swan Housing Association Limited held via Microsoft Teams on 9 July 2020

167/19/20

BEECHWOOD VILLAGE NORTH, SOUTH AND WEST



APPROVED:

- 1. The revised business plan as outlined at points 4 and 5 of the report for Beechwood Village, which includes:
 - a) Approval for the completion of Phase West at the revised construction budget [REDACTED]; and**
 - b) Approval for the commencement of construction and completion of Phase North at the revised construction budget [REDACTED];****
- 2. The demolition under licence of Basildon Borough Council maisonette blocks on Phase North as they become vacant;**
- 3. The delegation of authority to the Deputy Chief Executive and the Finance Director for Swan Housing Association Limited to go unconditional on the Development Agreement. This commits Swan to deliver both Phase North and Phase South. It is an obligation on Swan to go unconditional prior to Vacant Possession on Phase North and prior to foundations being completed on the 137th plot on Phase West (December 2020);**
- 4. The expenditure [REDACTED] on professional design fees, planning fees and site investigations for Phase South in order to deliver resident consultation and prepare for planning submission in early 2021.**

IT IS HEREBY CERTIFIED THAT the above is a true extract from the Minutes of the Board meeting of Swan Housing Association Limited held on the date as stated above at which a quorum was present.

Dated this 27th day of May 2021

Signature: ...  ...

Full name of signatory: Susan McBride

Position: Group Company Secretary

LR5

**Email 25 March 2020 Confirmation that Planning Permission for
North Phase has been lawfully implemented**

Jessamy Gorham

From: Hannah Fawdon <hfawdon@iceniprojects.com> on behalf of Hannah Fawdon
Sent: 25 March 2020 15:28
To: Craig Lauder
Cc: Rhiannon Meredith; Stanley Offord; Paul Leonard; Rosalind Graham; Andrew Gale
Subject: FW: Beechwood North - Implementation

Hi Craig,

Please see below confirmation from David Gill at Basildon that planning permission relating to the North Phase has been lawfully implemented.

I trust this is sufficient for your records, but please do let me know if you require anything further.

Kind regards,
Hannah

Hannah Fawdon MRTPI
Planner, Planning

telephone: 020 3725 3842
mobile: 07776 530 784
email: hfawdon@iceniprojects.com



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From: David Gill <Dave.Gill@basildon.gov.uk>
Sent: 25 March 2020 15:23
To: Hannah Fawdon <hfawdon@iceniprojects.com>
Subject: RE: Beechwood North - Implementation

Hi, Hannah

Thanks for various photos, plans, and email confirmation from Steve Howes of the Council's Building Control section, highlighting the laying of foundations in respect of Plot 79 within the North Phase of the Craylands redevelopment. I can confirm that this would constitute a 'material operation' and that the planning permission relating to the North Phase has been lawfully implemented. I will add you documents to the files, when I am able (currently home-working).

I hope this is sufficient for your purposes.

Regards

Dave

David Gill BSc. (Hons) MRTPI

Principal Planning Officer Development Control Planning Services Growth Basildon Borough Council

DD: 01268208250 | Tel: 01268 533333 | www.basildon.gov.uk
Facebook: [@basildonboroughcouncil](https://www.facebook.com/basildonboroughcouncil) | Twitter: [@BasildonCouncil](https://twitter.com/BasildonCouncil)

Basildon Borough Council The Basildon Centre, St. Martin's Square, Basildon, Essex SS14 1DL

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From: Hannah Fawdon [<mailto:hfawdon@iceniprojects.com>]

Sent: 20 March 2020 16:52

To: David Gill <Dave.Gill@basildon.gov.uk>

Cc: Rosalind Graham <rgraham@iceniprojects.com>; Planning <planning@basildon.gov.uk>

Subject: Beechwood North - Implementation

Dear Dave,

Please see attached a letter to provide confirmation that works have been undertaken to implement the North Phase of planning permission (LPA Ref: 16/00898/OUT - granted on 22nd March 2017), relating to the site at the Craylands Estate and Former Fryerns School in Basildon.

This letter should be read in conjunction with the following documents:

- Original Decision Notice 16/00898/OUT
- Confirmation email from Basildon Building Control
- Photographic evidence of the foundations at Plot 79
- Wider site location plan
- A site plan showing the foundation design at Plot 79

Should you require any further information, then please do not hesitate to contact either myself or Ros.

Kind regards,
Hannah

Hannah Fawdon MRTPI

Planner, Planning

telephone: 020 3725 3842

mobile: 07776 530 784

email: hfawdon@iceniprojects.com



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From: Hannah Fawdon
Sent: 20 March 2020 10:46
To: 'planning@basildon.gov.uk' <planning@basildon.gov.uk>
Cc: Rosalind Graham <rgraham@iceniprojects.com>; 'David Gill' <Dave.Gill@basildon.gov.uk>
Subject: FW: Beechwood North [Filed 20 Mar 2020 10:46]
Importance: High

Dear Sir/Madam,

I am writing to you regarding the North Phase at Craylands/Beechwood development and the need to formally implement the planning at the North Phase before 22nd March 2020.

I understand that David Gill is not available on emails – would it be possible for someone in the planning team to confirm whether this is sufficient to formally implement the planning works?

Kind regards,
Hannah

From: Hannah Fawdon
Sent: 20 March 2020 10:40
To: David Gill <Dave.Gill@basildon.gov.uk>
Cc: Rosalind Graham <rgraham@iceniprojects.com>
Subject: Beechwood North

Good morning Dave,

In relation to the North Phase implementation, please see attached formal sign-off from Basildon's Building Control.

Is this sufficient to formally implement planning at the North Phase?

Please let us know if you require any further information/forms.

Kind regards,
Hannah

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LR6

Additional Information on Swan

swan nuTM living

somewhere to feel at home



UKHA Homebuilder of the Year 2019

Building Innovation Awards Most Innovative Developer 2019

UK Construction Week & House Builder of the Year 2019

Projects

February 2020

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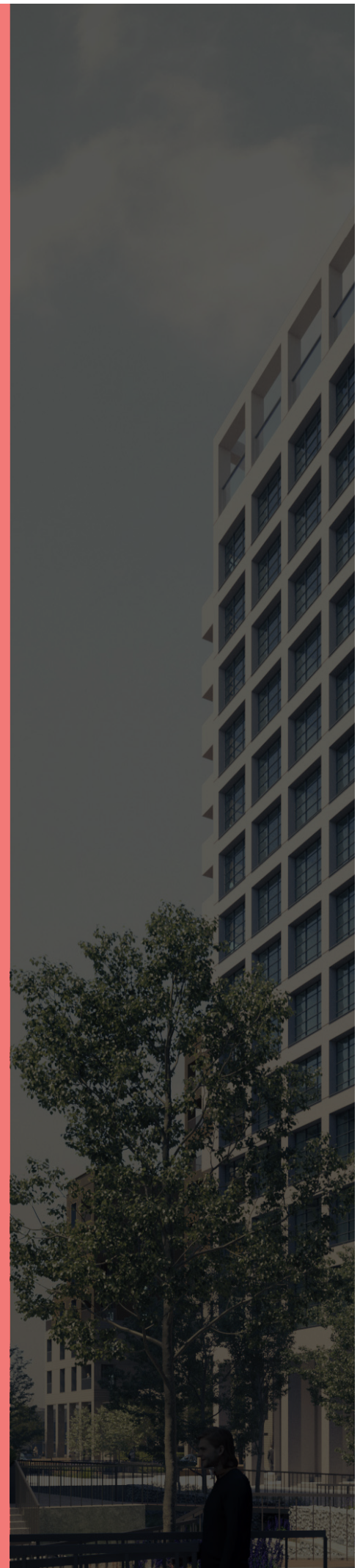
The Paragon

Watts Grove

Publications and research

Our team

Social purpose



Swan is committed to building more homes to meet housing needs through NU living...

We want to ensure as many people as possible have *somewhere to feel at home* and with a secured development pipeline of over 8,000 homes, many of which are being manufactured offsite in our own factory, we are well on track to meet this ambitious target.

Swan has always been a regenerating landlord. We started out in 1994 with around 2,000 homes and have grown to over 11,000. We were one of the first to build for private sale and to launch our own in-house developer, now known as NU living, back in 2012. We are also one of the first housing associations to open our own off-site factory to build precision manufactured modular homes and we delivered our first modular show homes to site in late 2017 and residents are now living in our precision engineered homes.

Our social purpose, delivering more homes and more services, underpins everything we do and by building through NU living, we will generate over £250 million in gift aid, to reinvest in homes and services.

Our aim is always to be the Local Partner - we work closely with a number of key boroughs in East London and Essex and, as a result, can focus our attention on delivering large scale regenerations in partnership with these boroughs and our strategic partners, the Greater London Authority (GLA) and Homes England. Working on this scale enables us to build communities that people want to live in, ensuring that key community infrastructure such as community spaces, high quality public realm, commercial, educational and medical centres are, as an example, included, as well as new homes.

We build in both a traditional and modular way and have a range of projects ongoing. These include our £500m regeneration of Blackwall Reach, which we are delivering in partnership with the GLA and the London Borough of Tower Hamlets. This exemplary scheme creates over 1,500 homes (over 50% affordable), together with new retail, commercial, office and leisure space, new community facilities and high quality public realm.

That's why the Mayor of London chose to launch his new Housing Strategy here.

Recently we were delighted to be awarded Homebuilder of the Year 2019 (>1,000 programme) at the UK Housing Awards and UK Construction Week's Housebuilder of the Year 2019, and to have been recognised for our innovative approach to construction as "Most Innovative Developer" at the 2019 Building Innovation Awards.

In early 2020, we were granted outline planning consent for the masterplan, and detailed approval for Phase 1a, for our Purfleet-on-Thames project. We are delivering this £1 billion regeneration through Purfleet Centre Regeneration Limited (a joint venture with Urban Catalyst) working with Thurrock Council. Work will shortly start on site on this transformative project which will deliver a new town centre, with up to 2,850 homes, a primary school, an integrated medical facility, and improved transport links (including an upgraded railway station). An exciting waterfront retail and leisure space, over one million square feet of film and TV production studios and a new university campus, also forms part of the project.

Swan's latest joint venture project with Southend-on-Sea Borough Council will see the Queensway Estate in the heart of Southend transformed into a thriving new community including approximately 1,600 new homes, of which over 500 will be affordable.

We also continue to provide property management services to a number of boroughs (including Havering and Thurrock) and investment and private landlords, supporting them to deliver high quality products for the private rental sector and 2020 will see us expand this work further.

You can find more information about how we work, our projects and our team in this brochure. Do get in touch so we can discuss how, together, we can deliver more!

Geoff Pearce
Executive Director,
Regeneration and Development



Our approach to construction

Swan have been leaders in regeneration since we were formed in 1994. We were one of the first housing associations to build for private sale, probably the first to create our own in-house developer, NU living, and are the first housing association to open our own modular housing factory.

With over 675 homes on site, all of these projects are being built by our in-house team at NU living, from custom build modular houses at Beechwood in Basildon, to 360 Barking, our 28-storey iconic tower development in Barking and Dagenham.

Having an in-house developer gives us greater control over quality and delivery and saves us millions of

pounds – that means we can create outstanding projects, innovate and make the most impact on housing needs.

Our programme is delivered by a development and regeneration team with expertise in regeneration, planning, construction, sales and marketing and manufacturing, which has recently been expanded to include a drawings team too.

We will continue to deliver our projects through a mixture of traditional construction and precision manufactured modular homes, considering every project individually to agree the appropriate method of construction.



Blackwall Reach, London Borough of Tower Hamlets

The NU build system

Late in 2017, our first modular homes were delivered to our £130m regeneration at our Beechwood development in Essex, after being precision manufactured in our factory in Basildon, Essex. Residents are now living in these homes and we're continuing to sell both shared ownership and custom build private modular homes at Beechwood.

Our 'NU build' system was adopted at Beechwood after exceptionally bad weather and sub-contractor insolvency had contributed to delays in earlier phases of the project. Combined with the well documented macro-economic issues such as skills shortages and low productivity in the construction sector, these factors led us to decide to invest £3m in setting up our own factory.

Having taken the keys for the factory in January 2017, in October the first modules, precision manufactured by our team, were fitted out (including kitchens, bathrooms and even wine fridges!) and then delivered to Beechwood. We're also now onsite in Tower Hamlets with Watts Grove and are committed to using offsite construction as a key part of our development programme going forward.

We have been able to establish a factory which is viable at 100 homes a year (with the capacity to build 400-500). Our NU build system halves traditional construction time, will achieve at least 10% cost savings when at full production, all the while producing stylish, customisable homes that people want to live in.



Parliamentary Under Secretary of State (Minister for Business and Industry) **Nadhim Zahawi** said:

“*Modular construction is helping provide more affordable homes in the UK and it was fascinating to learn more about this type of engineering at the Swan Housing Association factory.*”

We are backing this type of development through our Construction Sector Deal and I am pleased to see how it is being used to help build new communities.”



Blackwall Reach

Swan Housing Association, in partnership with the London Borough of Tower Hamlets and the GLA, continues its £500m regeneration project at Blackwall Reach which will deliver over 1,500 new homes in Tower Hamlets of which around half will be affordable for social rent and shared ownership.

The scheme, which will be completed by 2026, also includes new community facilities, commercial units and improved access to Blackwall DLR and local amenities through enhanced public realm.

The first phase, which has recently completed (creating 340 new homes, a new Swan office, a community facility, a replacement mosque and an extended school) has been delivered by a main contractor. Phase 2 is being built by NU living and work is progressing well.

www.blackwallreach.co.uk

Location: London Borough of Tower Hamlets

Contract duration: 10 years

Tenure mix: 1,575 homes: 896 private sale, 118 shared ownership, 561 social rent apartments (all phases)

Construction method: Concrete frame

Development partners: London Borough of Tower Hamlets, the GLA

Awards:

– Planning Award 2015: Award for Housing Growth



Phase 1a

Phase 1a of the project has already delivered 98 new affordable homes for people living and working in Tower Hamlets, including leaseholders and tenants from Robin Hood Gardens enabling them to remain in the local area. This phase also delivered a new regional housing office for Swan; a replacement mosque, an extended local school and The Reach, a fabulous new community facility at Blackwall.

Tenure mix: 98 homes, 19 shared ownership, 79 social rent apartments

Main consultants:

Architect: Aedas

Engineer: Brand Consulting Engineers



Phase 1b

This phase delivered an exclusive collection of 242 apartments, all providing spacious living areas and versatile winter gardens. The wider community will benefit from a beautiful courtyard square featuring boutique shops and cafés. Close to Blackwall DLR these homes, the majority of which are private sale, will help cross-subsidise the affordable housing across the project.

Tenure mix: 242 homes: 200 private sale, six shared ownership, 36 social rent apartments

Main consultants:

Architect: bptw architecture

Engineer: Price and Myers



Phase 2

Beautifully positioned around a tranquil park and landscaped areas, the 268 new homes in this latest phase enjoy excellent views and peaceful living next to a revitalised Millennium Green. Innovative design meets traditional architecture at Parkside West, replacing the west block of Robin Hood Gardens with a mix of new social and affordable housing for the existing residents of Robin Hood Gardens and new private sale homes which will help cross-subsidise the 50% affordable scheme at Blackwall.

Tenure mix: 268 homes: 154 private sale, 15 shared ownership, 99 social rent apartments

Main consultants:

Architects: Metropolitan Workshop and Haworth Tompkins

Engineer: HTS



Phase 3

Parkside East will complete the transformation of the existing Robin Hood Gardens site by constructing over 300 new homes on the eastern half of the park. Overlooking the revitalised Millennium Green, these homes will enjoy unparalleled views unlike anywhere else in east London, making its residences, a mixture of social, shared ownership and private homes highly desirable.

Tenure mix: 324 homes: 159 private sale, 35 shared ownership, 130 social rent apartments

Main consultants:

Architect: C.F. Møller



Beechwood

While the first phase was built out by a main contractor, NU living have already completed 200 homes for the £130 million regeneration of the 1960s Craylands Estate in Basildon and are now on site delivering the next phases which include 570 modular homes built in Swan's factory in Basildon through precision manufacturing using Cross Laminated Timber (CLT) by NU living using our 'NU build' system.

These homes have already been Highly Commended in the Best Scheme in Planning category at the National Housing Awards 2017. Beechwood West 1 also won The Best Modular Development at The Innovative Building Awards. These additional homes will add to the over 400 homes, retail units and community centre already completed in earlier phases.

www.beechwood-nuliving.co.uk

Location: Basildon, Essex

Contract duration: 10 years

Tenure mix: 971 homes: 290 social rent, 69 shared ownership, 612 private sale houses and apartments

Construction method: A range of traditional construction methods were used for the early phases, remaining phases CLT modular construction

Development partners: Basildon Borough Council and Homes England

Main consultants:
Architects: Pollard Thomas Edwards and bptw

Awards:

- Building Innovation Awards 2019: Best modular Development - Beechwood West
- Housing Design Project Award 2017
- Inside Housing Development Award 2017: Best approach to modular construction
- National Housing Award 2017: Best Scheme in Planning - Highly Commended





Laindon Place

Swan's regeneration of Laindon Shopping Centre has already scooped the 'Best Regeneration' prize at the Housing Design Awards 2017, Best Scheme in Planning at the National Housing Awards 2017 and was commended in the Future Projects category in the MIPIM 2018 awards.

Branded as Laindon Place, this regeneration will see the transformation of the centre of Laindon with the creation of a new High Street with shops, a new supermarket, a modern health centre, new Swan office and 224 new homes.

NU living is on site and will build the entire scheme using a range of construction methods including precision manufactured homes, built using Cross Laminated Timber (CLT) modular construction, in Swan's local factory.

www.laindonfutures.co.uk

Location: Laindon, Essex

Contract duration: five years

Tenure mix: 224 homes: 86 shared ownership apartments and houses, 138 private sale apartments and houses

Construction method: Swan office: concrete frame with top floor and roof construction steel frame. Commercial units are housed within a two storey concrete podium structure on top of which modular homes will be constructed. Houses will be constructed using modular construction methods

Development partners: Basildon Borough Council

Main consultants:

Architects: Pollard Thomas Edwards and C.F. Møller

Structural and Civil Engineer: HTS

Structural and MEP Engineer: Ramboll

Awards:

- Planning Awards 2018: Award for stakeholder engagement in planning
- Housing Design Project Award 2017
- MIPIM / The AR Future Project Award 2018: Regeneration and Masterplanning - commended
- National Housing Award 2017: Best Scheme in Planning



Blackhorse Yard

We are working in partnership with Catalyst and C.F. Møller Architects to transform the former Webbs Industrial Estate into 359 affordable homes, 2,962 sq m (GEA) of retail, artists' studios and other ancillary uses. The scheme will also deliver 167 sq m (GEA) of affordable workspace.

Interlinked public spaces that connect Blackhorse Lane and Sutherland Road will improve connections through the neighbourhood and create new landscaped public realm. All homes will have private outdoor space, in the form of balconies or gardens, as well as communal gardens.

The proposal also includes a creative hub, play space to serve new and existing residents and retail space in the heart of the Blackhorse Road area of Waltham Forest, London Borough of Culture 2019.

LBWF's Planning Committee resolved to grant planning permission for the proposed development at the site on 5th February 2019.

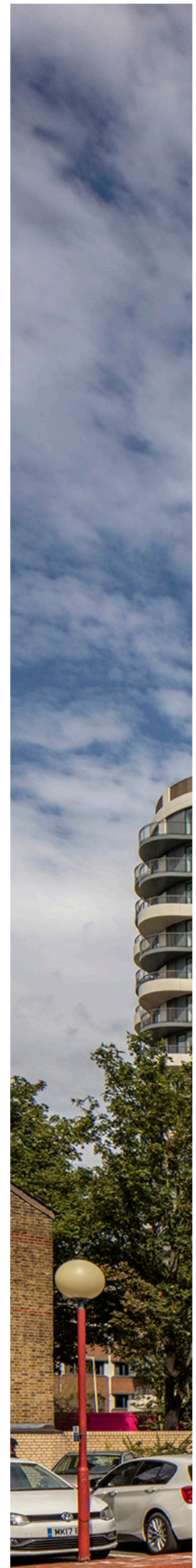
www.blackhorseyard.com

Location: London Borough of Waltham Forest

Tenure mix: 359 homes: 100% shared ownership

Development partners: Catalyst Housing, GLA and London Borough of Waltham Forest

Main consultants:
Architect: C.F. Møller



360 Barking

Transforming a long vacant site in Barking Town Centre, 360 Barking is a central scheme in the Barking Housing Zone regeneration. Partnership working is key, with London Borough of Barking and Dagenham (LBBD) and the Mayor of London (providing £29.1m Housing Zone funding) working with Swan to deliver four interlinked residential towers, designed by Studio Egret West and built by the NU living team. With the first residents due to move in early 2020 it will deliver 291 residential homes, of which 96 will be affordable, with priority for local residents.

The scheme will also provide a community asset in the form of leisure and creative space curated by LBBD and has already been recognised for its design excellence.

www.360barkingigll.co.uk

Location: London Borough of Barking and Dagenham

Tenure mix: 291 homes: 195 private sale apartments and 96 shared ownership apartments

Construction method: Concrete frame and unitised cladding

Delivery partners: London Borough of Barking and Dagenham, the GLA - Grant Funding, the GLA - Housing Zone Funding

Main consultants:

Architect: Studio Egret West

Structural & Civil Engineer:

Heyne Tillett Steel

MEP: Mendick Waring

Landscape Architect: Standerwick

Land Design





(indicative CGI only at this stage)

Purfleet-on-Thames

Purfleet Centre Regeneration Limited (PCRL) - a joint venture with Swan and Urban Catalyst Limited - in partnership with Thurrock Council, is regenerating Purfleet-on-Thames by delivering an exciting mixed-use regeneration scheme that will provide up to 2,850 new homes, comprising a mix of one, two, three and four bedroom homes, including a proportion of affordable housing.

The scheme, which will be completed by 2034, also includes a new town centre and improved transport connections.

The project will bring a new university campus, new film and TV production studios together with waterfront retail and leisure, a new primary school, integrated medical centre, amenity spaces, environmental improvements and 1km of river frontage contributing to Purfleet-on-Thames's position as a new riverside destination and the creative heart of the Thames Gateway.

Phase 1A was granted Planning Permission in January 2020 and work will begin on site in spring 2020, delivering 61 new homes along with a children's play area, orchard walk and reinstated access to Hollow Woods.

www.ourpurfleet.com

Location: Purfleet-on-Thames, Essex

Contract duration: 17 years

Tenure mix: Up to 2,850 homes with a mix of private sale, market rent, and affordable tenures, subject to viability review

Construction method: Homes will be constructed by Swan's in-house developer, NU living, with the potential to be delivered using a range of traditional construction methods and modular construction technologies

Development partners: PCRL (a joint venture company with lead partners Swan and Urban Catalyst Limited), Thurrock Council and Quartermaster have been engaged to support the delivery of the studio facility

Main consultants:

Architects: KSS, aLL Design, AHMM, dRMM
 Landscape Architect: Exterior Architecture
 Engineer: Waterman
 Commercial Consultant: 4orty AM
 Planning: Savills



(indicative CGI only at this stage)

Better Queensway

Southend-on-Sea Borough Council and Swan Housing Association have signed contracts and formed a joint venture partnership that will work to deliver the regeneration of the Queensway estate.

This follows full council approval of Swan Housing Association as preferred bidder in February 2019 following a 10 month procurement process that started in March 2018.

The joint venture partnership, called Porters Place Southend-on-Sea LLP, has now been formed and is working on creating a masterplan, with the second round of consultation started in February 2020.

Location: Southend, Essex

Contract duration: 30 years JV period

Tenure mix: circa 1,700 homes, of which over 500 will be affordable

Development partners: A joint venture between Southend-on-Sea Borough Council and Swan

The Paragon

The Paragon, in Ilford, Redbridge, has transformed a key location and contributed to the exciting regeneration underway across the town centre housing zone.

Three residential blocks of 10, 14, and 17 storeys will provide 141 new homes, and a separate new retail space will be built along Ilford Hill.

The whole scheme, built by the NU living team, recently completed.

www.paragonapartments.co.uk

Location: London Borough of Redbridge

Contract duration: 30 months

Tenure mix: 141 homes: 36 affordable rent apartments, 105 shared ownership apartments and a commercial retail unit

Construction method: Concrete frame clad in masonry and rain-screen cladding

Development partners: London Borough of Redbridge, the GLA - grant funding

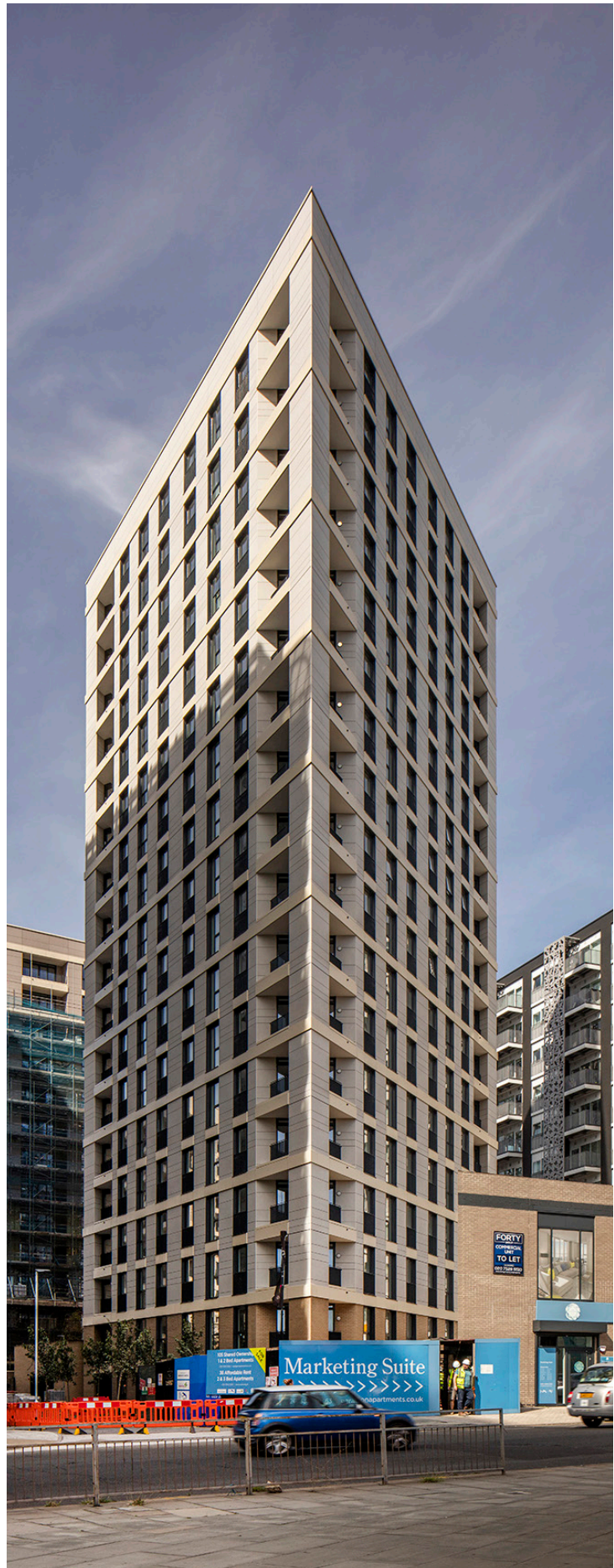
Main consultants:

Architect: Hunter and Partners

Civil & Structural Engineer: Building

Design Consultants

Services Consultant: AWA Building





Watts Grove

This development will deliver 65 - one, two and three bedroom shared ownership apartments in Bow, Tower Hamlets. The scheme is a car free development within walking distance of the DLR and London Underground lines, set around a landscaped courtyard.

Construction work began in early 2018 and these homes, which were shortlisted in the Inside Housing Development Awards for 'Best Approach to Modular' will be the UK's first mid-rise CLT volumetric modular homes.

www.wattsgrove.co.uk

Location: London Borough of Tower Hamlets

Contract duration: 15 months

Tenure mix: 65 homes: 45 apartments for shared ownership and 20 for rent

Construction method: Cross Laminated Timber (CLT) modular construction clad in traditional masonry

Main consultants:

Architect: Waugh Thistleton Architects

Structural & Civil Engineer: PGCS

CLT Engineer: Ramboll

MEP: Mendick Waring

Landscape Architect:

Standerwick Land Design

Publications and research

We're keen to share the learning from the development of our 'NU build' system so have worked in partnership with Waugh Thistleton Architects and Ramboll to develop a modular design guide.

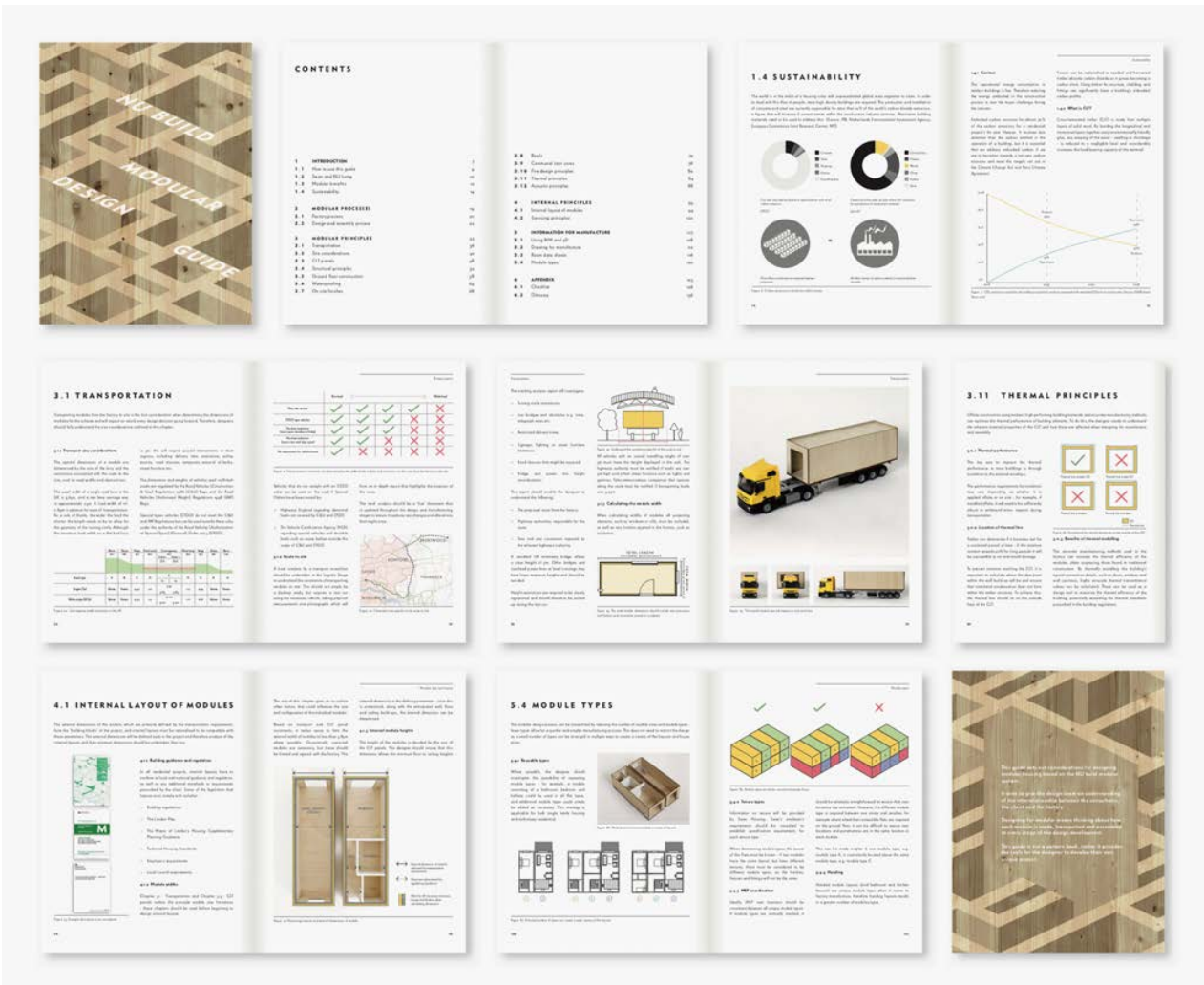
This guide sets out considerations for designing modular housing, based on the NU build modular system.

It aims to give the design team an understanding of the interrelationship between the consultants, the client and the factory.

Designing for modular means thinking about how each module is made, transported and assembled at every stage of the design development. It does not mean standardising homes, but considering the standard process of manufacture.

This guide is not a pattern book, but instead presents topics for the reader to consider during the design process, offering guidance notes to aid the designer in finding solutions. It should be used alongside all relevant regulations and legislation.

Published 2019 by Swan
Text by: Waugh Thistleton Architects, NU living & Ramboll





Geoff Pearce, Swan's Executive Director of Regeneration and Development commented:

“Swan is truly committed to delivering innovation. Having opened our own offsite modular factory in 2017, we are convinced that this method will enable us to deliver high-quality homes that people will want to live in, at the same time building local and national expertise in manufacturing and supporting the UK modular industry. This guide, we hope, will encourage others to consider modular, whilst enabling high-quality homes to be built, quicker, more sustainably and at a lower cost.”

Andrew Waugh, Founding Partner, Waugh Thistleton Architects said:

“The NU build guide is the culmination of two years of collaborative work with Swan developing their modular system. Speed of delivery, efficiency of production and waste reduction are at the heart of this book, demonstrating how the construction industry can modernise to meet the 21st century demands for quality as well as responding to the urgent climate emergency we face.”



The team



Geoff Pearce
Executive Director of
Regeneration and
Development

Geoff Pearce is the Executive Director of Regeneration & Development for Swan Housing Association. Since joining Swan at the beginning of 2014, Geoff has overseen the rebranding of Swan's development subsidiary; NU living. Under his leadership, the NU living construction team has grown and will build around 700 new homes every year and has delivered some 2,000 housing starts with a further 8,000 plots in Swan's secured pipeline including major regeneration projects in Tower Hamlets, Southend, Purfleet and Basildon.

Geoff is passionate about innovation, quality and the customer experience and in 2017 launched Swan's modular housing factory in Basildon, Essex.

Geoff represents Swan at various external forums including being a member of the NHBC Foundation's Expert Panel and the NHBC's Construction Quality Panel.

Geoff has recently been appointed to the Board of Opportunity South Essex (a federated Board of the South Essex LEP) and is a Chartered Surveyor.



Andy Gatrell
Development Director

Andy leads Swan's regeneration and new business function for London. Andy oversees Swan's development activities in the capital that comprises a pipeline of 2,500 homes. This includes the Blackwall Reach regeneration project in Tower Hamlets, the Webbs Industrial Estate in Waltham Forest and 360 in Barking Town Centre.

Prior to joining Swan, Andy was Assistant Director of Development and Strategic Initiatives at East Thames and was at Savills working with a range of clients in both the public and private sectors.



Frank Klepping
Development Director

As Development Director for the east region Frank plays a lead role in the delivery of the Swan Group's existing development pipeline, acquiring new business opportunities, and establishing cross-sector partnerships to deliver a diverse project portfolio.

Since joining Swan in 2014, Frank has contributed to the growth of Swan's development pipeline to over 8,500 secured residential plots, and oversees a range of mixed use regeneration projects. Developments include the modular-build Beechwood Village and Laindon Shopping Centre, the £1bn+ Purfleet Centre regeneration, and the 1,600 home redevelopment of the Better Queensway estate.



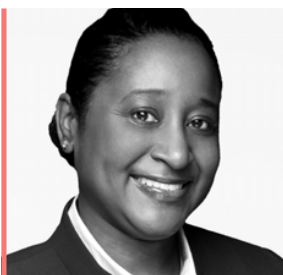
Samantha Wait
Director of Business Development
and Communications

Sam leads on Business Development for the Swan Group, including new business for regeneration and development, as well as strategic communications across all business areas. Extensive commercial property and corporate experience gained during years of practice as a Real Estate Solicitor in the city provide a sound commercial background. Communications and housing expertise gained at The Guinness Partnership and Swan enable Sam to promote the Swan Group, explore new opportunities and foster partnership working, while ensuring that Swan considers the wider interests of all our stakeholders.



Dean Rosewell
Managing Director, NU living
Construction

Dean joined Swan in April 2015 as NU living Commercial Director before moving on to become Managing Director, NU living construction in Jan 2017. He has over 25 years industry experience and is at the forefront of enhancing NU living's capabilities to meet the demands of the wide range of regeneration and development activity Swan Group now undertakes, including modular construction, high rise and large scale, mixed use regeneration projects.



Linda Faucher
Sales & Marketing Director
for NU living

Linda is Sales & Marketing Director for NU living. With over 20 years experience in the property industry and a chartered marketer, Linda brings a wealth of knowledge and experience from both the public and private sectors.

Highly experienced in marketing and selling multi phased, multi tenure, large scale regeneration developments, she confidently views every opportunity and challenges from all angles, to deliver the best product and experience for NU living customers.



Anna Bolsin
Head of New Business and
Planning

Anna has worked at Swan for nearly five years and since joining has focused on the acquisition of land and new business opportunities and the project management of sites through design and planning. Anna played a key role in securing the Purfleet Centre Regeneration project, a joint venture to deliver over 2,850 home and a new town centre in Thurrock, and the Better Queensway regeneration in Southend, which will transform the Queensway estate to deliver 1,700 new homes.

Prior to Swan, Anna's career spanned both the public and private sectors, with previous roles at Waltham Forest Council and Knight Frank.

Social purpose

We take on large scale projects so that we can make the biggest difference, not just building homes but also delivering infrastructure including community space, medical centres, retail and commercial units, fantastic quality public realm and, on schemes like Purfleet-on-Thames, a school, and even a university campus.

We build mixed tenure schemes because it's the right thing to do to create sustainable communities, but also because it enables us to fund much needed affordable homes. Then we manage these homes for the long term, maintaining our estates and providing good quality housing services to our residents. At

Better Queensway for example, we will work in partnership with Southend-on-Sea Borough Council to transform the tired and isolated estate into a thriving new place, with circa 1,700 homes of mixed tenures, with high quality new public realm including large scale green spaces, a community concierge and a range of flexible non residential uses. We will then manage the regenerated estate for the long term. This scheme will transform the lives of the residents of the estate but also the adjoining areas and wider Southend-on-Sea and will make a significant contribution to the Borough's 2050 ambitions delivering wider social value.

Finally, we invest in our residents

and the wider communities in which they live. Building their capacity, providing skills and employment training and delivering activities to support education, health and wellbeing.

That's our social purpose: "delivering homes and services to those who need them" and it underpins everything we do because we want as many people as possible to "feel at home".

We are committed to growing our commercial activities to enable us to generate more gift aid which Swan Housing can use to invest in homes and services for those who need them.



swan nu[™]
living

somewhere to feel at home

www.nuliving.co.uk

www.nubuild.co.uk

LR7

**Beechwood Village Community Trust (BVCT) Articles of
Association**

Companies Act 2006
Company Limited by Guarantee

Articles of Association
of
Beechwood Village Community Trust

Dated 7th October 2016

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Companies Act 2006

Company limited by guarantee

ARTICLES OF ASSOCIATION

OF

BEECHWOOD VILLAGE COMMUNITY TRUST

1 Objects

1.1 The **Objects** of the **Charity** are to improve the social wellbeing of the community of the region of Basildon, Essex formerly commonly known as Craylands including that part which has been subject to regeneration and has been renamed Beechwood Village (the **Beechwood Community**) by providing facilities and assistance to develop their capacity and skills in such a way as they are better able to identify and help meet their needs and participate more fully in society and in particular but not exclusively by:

1.1.1 encouraging inclusive social integration and positive activities and development programmes;

1.1.2 promoting a reduction in crime and anti-social behaviour;

1.1.3 providing support for learning initiatives and training and development opportunities, to encourage back to work initiatives and to assist with access to funding opportunities; and

1.1.4 promoting the protection of the environment through the promotion of sustainability initiatives and encouraging the use and maintenance of open spaces.

1.2 The Objects and this Article 1 may only be amended by the consent of all the members of the Charity and only with the prior written consent of the **Commission**.

2 Powers

The Charity has the following powers, which may be exercised only in promoting the Objects:

2.1 to enter into contracts with and make payments to suppliers or personnel (other than the Directors) in consideration of their activities in assisting or providing facilities in pursuit of the Charity's Objects;

2.2 to provide information;

2.3 to carry out research;

2.4 to co-operate with other bodies;

2.5 to accept gifts and to raise funds (but not by means of **taxable trading**);

2.6 subject to compliance with Article 4.8 to borrow money;

- 2.7 subject to compliance with Article 4.8 to give security for loans or other obligations (but only in accordance with the restrictions imposed by the Charities Act); A
- 2.8 subject to compliance with Article 4.8 to acquire or hire real property of any kind;
- 2.9 subject to compliance with Article 4.8 to let or dispose of real property of any kind (but only in accordance with the restrictions imposed by the Charities Act);
- 2.10 to set aside funds for special purposes or reserves against future expenditure;
- 2.11 to deposit or invest its funds in any manner (but to invest only after obtaining such advice from a financial expert as the Directors consider necessary and having regard to the suitability of investments and the need for diversification); r
- 2.12 to delegate the management of investments to a financial expert, but only on terms that:
 - 2.12.1 the investment policy is set down in writing for the financial expert by the Directors;
 - 2.12.2 timely reports of all transactions are provided to the Directors; D
 - 2.12.3 the performance of the investments is reviewed regularly with the Directors;
 - 2.12.4 the Directors are entitled to cancel the delegation arrangement at any time;
 - 2.12.5 the investment policy and the delegation arrangement are reviewed at least once a year; a
 - 2.12.6 all payments due to the financial expert are on a scale or basis level which is agreed in advance and are notified promptly to the Directors on receipt; and
 - 2.12.7 the financial expert must not do anything outside the powers of the Charity;
- 2.13 to arrange for investments or other property of the Charity to be held in the name of a nominee company acting under the direction of the Directors or controlled by a financial expert acting under their instructions, and to pay any reasonable fee required;
- 2.14 to deposit documents and physical assets with any company registered or having a place of business in England or Wales as custodian, and to pay any reasonable fee required; o h
- 2.15 to insure the property of the Charity against any foreseeable risk and take out other insurance policies to protect the Charity when required; o
- 2.16 subject to Article 6.3, to employ paid or unpaid agents, staff or advisers;
- 2.17 to enter into contracts to provide services to or on behalf of other bodies or to
- 2.18 to establish or acquire subsidiary companies; and
- 2.19 to do anything else within the law which promotes or helps to promote the Objects.

3 The Directors

- 3.1 The Directors as charity trustees have control of the Charity and its property and funds excepting only that the Directors shall not cause the Charity to make any donations to political parties. a
- 3.2 The subscribers to the Memorandum (being the first Members) and any successor organisation to which subscribers shall each have the right to appoint two Directors. ll a

other directors are elected in accordance with these Articles or co-opted by the Directors.

- 3.3 The Directors when complete shall consist of persons who being individuals are over the age of 18, all of whom must support the Objects. The directors shall consist of the following categories of directors:-
- 3.3.1 two appointees of Swan Housing Association Limited who must each be either an employee or executive director of Swan Housing Association Limited, a Swan Director);
- 3.3.2 two appointees of Basildon Borough Council who must each be an employee of Basildon Borough Council but either of them shall be a councillor of Basildon Borough Council (a Basildon Director);
- 3.3.3 two independent directors appointed in accordance with Article 3.6 who must not be an employee of or a spouse or partner of an employee of a Connected Person of either Swan Housing Association Limited or Basildon Borough Council or resident in the Beechwood Community each being an independent Director; and
- 3.3.4 two resident directors appointed in accordance with Article 3.6 who must continue to be a resident of the Beechwood Community and qualify as a Director each being a resident Director.
- 3.4 No director may be a corporate body.
- 3.5 A director may not act as a director unless he/she has signed a written declaration of willingness to act as a charity trustee of the Charity.
- 3.6 The appointment of Independent and Resident Directors shall be made by the Directors after an appropriate election process determined by them and so as to ensure that collectively that the Directors of the Charity have an appropriate range of skills, knowledge and experience as the Directors shall determine.
- 3.7 After serving a term in office any Independent Director or Resident Director must retire but may stand for re-election once for a further 3 year term served consecutively. They shall not be eligible to serve as a director for a consecutive period in excess of 9 years unless extended as provided below. In the event that this Article could mean that more than one Resident Director or Independent Director would be required to retire at the same time which one of the directors of the relevant category would be required to retire would be decided by agreement between that category of Directors or, in the event that agreement is not reached, by drawing lots and the Director who remains in office will retire the following year in which case he or she will be entitled to serve for a 4 year term and shall be eligible to serve for a consecutive period of 10 years.
- 3.8 The Swan Directors and the Basildon Directors shall not be subject to the provisions on retirement by rotation but shall remain in office until removed by their appointer.
- 3.9 A director's term of office shall automatically terminate if he/she:
- 3.9.1 ceases to satisfy the criteria required under Article 3.3 in respect of the category of Director of which they have been appointed;
- 3.9.2 being a Swan Director ceases to be either an employee or executive director of Swan Housing Association Limited;
- 3.9.3 being a Basildon Director ceases to be an employee of Basildon Borough Council;
- 3.9.4 is disqualified under the Charities Act or Companies Act from acting as a charity trustee or director respectively;

- 3.9.5 is incapable, whether mentally or physically, of managing his/her own affairs;
 - 3.9.6 is absent without permission from three consecutive meetings of the Directors;
 - 3.9.7 resigns by written notice to the Directors but only if at least two Directors remain in office);
 - 3.9.8 is removed by the Members at a general meeting under the Companies Act.
- 3.10 The Directors may at any time co-opt any individual who is eligible under Article 3.3 as a Director to fill a vacancy in their number (subject to the maximum number permitted by Article 3.3) as an additional Director, but a co-opted Director holds office only until the next AGM.
- 3.11 A technical defect in the appointment of a Director of which the Directors are unaware at the time does not invalidate decisions taken at a meeting.

4 Directors' proceedings

- 4.1 The Directors must hold at least 4 meetings each year.
- 4.2 A quorum at a meeting of the Directors shall be three and must consist of at least one of a Swan Director and one Basildon Director unless the Swan Directors collectively, the Basildon Directors collectively or both are conflicted then the requirement for such a Director to be present for the relevant part of the meeting in order to constitute a quorum will not be necessary.
- 4.3 A meeting of the Directors may be held either in person or by suitable electronic means agreed by the Directors in which all participants may communicate with all the other participants but at least two meetings in each year must be held in person.
- 4.4 The Chair shall be a Director appointed by the Members and the Chair presides at each meeting. If the Chair is unable or unwilling to do so at any particular meeting some other Director chosen by the Directors will preside at that meeting. The Chair shall be subject to re-appointment every second year.
- 4.5 Any issue may be determined by a simple majority of the votes cast at a meeting, but a resolution in writing agreed by all the Directors (other than any Conflicted Director who has not been authorised to vote) is as valid as a resolution passed at a meeting. For this purpose the resolution may be contained in more than one document.
- 4.6 Every Director has one vote on each issue but, in case of equality of votes, the Chair of the meeting has a second or casting vote.
- 4.7 Subject to Articles 4.8 and 4.9 a meeting of the Directors shall be called on at least 7 and not more than 8 clear days' written notice indicating the business to be discussed.
- 4.8 Where the purpose of the Directors' meeting is to consider any matters which fall within the scope of Articles 2.7 to 2.10 special notice of 21 clear days' written notice is required for the meeting attaching a detailed note of the business to be discussed.
- 4.9 If all Directors agree in writing a meeting of the Directors may be called at less than 7 days' notice,
- 4.10 A procedural defect of which the Directors are unaware at the time does not invalidate any decisions taken at a meeting.

5 Directors' powers

The Directors have the following powers in the administration of the Charity in their capacity as Directors:

- 5.1 To appoint (and remove) any person (who may be a Director) to act as secretary in accordance with the Companies Act. A
- 5.2 To delegate any of their functions to committees consisting of two or more individuals appointed by them. At least one member of every committee must be a Director and all proceedings of committees must be reported promptly to the Directors. Each committee shall require the inclusion of one non-Director and one Basildon Director.
- 5.3 To make standing orders consistent with the Memorandum, the Articles and the Companies Act to govern proceedings at general meetings.
- 5.4 To make rules consistent with the Memorandum, the Articles and the Companies Act to govern their proceedings and proceedings of committees.
- 5.5 To make regulations consistent with the Memorandum, the Articles and the Companies Act to govern the appointment of the Directors, administration of the Charity and the use of its seal (if any).
- 5.6 To establish procedures to assist the resolution of disputes or differences within the Charity.
- 5.7 To exercise in their capacity as Directors any powers of the Charity which are not reserved to the members. M

6 Benefits and Conflicts

6.1 The property and funds of the charity must be used only for promoting the Objects and do not belong to the Members but:

6.1.1 Members who are not Directors may enter into contracts with the Charity and receive reasonable payment for goods or services supplied; and,

Subject to compliance with Article 6.4: A

6.1.2 Members may be paid interest at a reasonable rate on money lent to the Charity;

6.1.3 Members may be paid a reasonable rent or hiring fee for property let or hired to the Charity; and

6.1.4 Individual Directors and Connected persons to any Individual Directors may receive charitable benefits on the same terms as any other beneficiaries of the Charity.

6.2 A Director must not receive any payment of money or other material benefit (whether directly or indirectly) from the Charity except:

6.2.1 as mentioned in Articles 6.1 to 6.3; or

6.2.2 an individual Director may receive reimbursement of reasonable out-of-pocket expenses (including hotel and travel costs) actually incurred in running the charity; C

6.2.3 the benefit of indemnity insurance as permitted by the Charities Act;

- 6.2.4 an indemnity in respect of any liabilities properly incurred in running the Charity (including the costs of successful defence to criminal proceedings) and in accordance with the Articles;
- 6.2.5 in exceptional cases, their payments or benefits (but only with the written consent of the Commission in advance and where required by the Companies Act the approval or affirmation of the Members).
- 6.3 No Director or Connected Person may:
- 6.3.1 be employed by the Charity except in accordance with Article 6.2.5; or
- 6.3.2 enter into a written contract with the Charity to supply goods or services in return for a payment or other material benefit.
- 6.4 Subject to Article 6.5, any Director who becomes a Conflicted Director in relation to any matter must:
- 6.4.1 declare the nature and extent of his or her interest before discussion begins on the matter;
- 6.4.2 withdraw from the meeting for that item after providing any information requested by the Directors; and
- 6.4.3 not be counted in the quorum for that part of the meeting; and
- 6.4.4 be absent during the vote and have no vote on the matter.
- 6.5 When any Director is a Conflicted Director, the Directors who are not Conflicted Directors, if they form a quorum without counting the Conflicted Director and are satisfied that it is in the best interests of the Charity to do so, may by resolution passed in the absence of the Conflicted Director authorise the Conflicted Director, notwithstanding any conflict of interest or duty which has arisen or may arise for the Conflicted Director, to:
- 6.5.1 continue to participate in discussions leading to the making of a decision and/or to vote; or
- 6.5.2 disclose to a third party information confidential to the Charity; or
- 6.5.3 take any other action not otherwise authorised which does not involve the receipt by the Conflicted Director or a Connected Person of any payment or material benefit from the Charity; or
- 6.5.4 refrain from taking any step required to remove the conflict.
- 6.6 This provision may be amended by special resolution but, where the result would be to permit any material benefit to a Director or Connected Person, only with the prior written consent of the Commission.

7 Records and Accounts

- 7.1 The Directors must comply with the requirements of the Companies Act and of the Charities Act as to keeping records, the audit or independent examination of accounts and the preparation and transmission to the Registrar of Companies and the Commission of information required by law including:
- 7.1.1 annual returns;
- 7.1.2 annual reports; and
- 7.1.3 annual statements of account.

- 7.2 The Directors must also keep records of:
- 7.2.1 all proceedings at meetings of the Directors;
 - 7.2.2 all resolutions in writing;
 - 7.2.3 all reports of committees; and
 - 7.2.4 all professional advice obtained.
- 7.3 Accounting records relating to the Charity must be made available for inspection by any Director at any time during normal office hours and must be made available on request for inspection by members who are not Directors provided such request is reasonable.
- 7.4 A copy of the Charity's constitution and latest statement of account must be supplied on request to any Director. Copies of the latest accounts must also be supplied in accordance with the Charities Act to any other person who makes a written request and pays the Charity's reasonable costs.

8 Membership

- 8.1 The Charity must maintain a register of Members.
- 8.2 The subscribers to the Memorandum are the first members. Membership is open to;
- 8.3.1 any successor organisation of Swan Housing Association Limited and/or Basildon Borough Council;
 - 8.3.2 the Homes and Communities Agency for England and Wales or any body or a body that replaces it; and
 - 8.3.3 any body interested in furthering the Objects and approved by the Members. Any body interested in becoming a Member should contact the Secretary of the Charity and provide details of their interest so that the Secretary can arrange a general meeting of the Members at which the application can be considered.
- 8.4 The form and the procedure for applying for membership is to be prescribed by the Directors.
- 8.5 Membership is not transferable.

9 General Meetings

- 9.1 Members are entitled to attend general meetings in person or by proxy (but only if the appointment of proxy is notified to the Charity before the commencement of the meeting).
- 9.2 General meetings are called on at least 14 and not more than 28 clear days' written notice indicating the business to be discussed and if special resolution is proposed setting out the terms of the proposed special resolution.
- 9.3 There is a quorum at a general meeting if the number of Members present in person or by proxy is two.
- 9.4 The chair of the meeting shall be the Chair and the chair shall be appointed by the Members and must be a Director. The chair shall be appointed by the Members and must be a Director.

- 9.5 Except where otherwise provided by the Articles or the Companies Act, every issue is decided by ordinary resolution.
- 9.6 Every Member present in person or by proxy has one vote on each issue.
- 9.7 Except where otherwise provided by the Articles or the Companies Act, a written resolution (whether an ordinary or a special resolution) is as valid as an equivalent resolution passed at a general meeting. For this purpose the written resolution may be set out in more than one document.
- 9.8 Except that first, the Charity must hold an AGM in every year. The first AGM must be held within 18 months after the Charity's incorporation.
- 9.9 Members must annually at the AGM:
- 9.9.1 receive the accounts of the Charity for the previous financial year;
 - 9.9.2 receive a written report on the Charity's activities;
 - 9.9.3 be informed of the retirement of those Directors who wish to retire or who are retiring by rotation; and
 - 9.9.4 appoint reporting accountants or auditors for the Charity
- 9.10 Members may also from time to time discuss and determine any issues of policy or deal with any other business put before them by the Directors.
- 9.11 A general meeting may be called by the Directors at any time and must be called within 21 days of a written request from one or more Directors (being Members), at least 10% of the Membership or (where no general meeting has been held within the last year) at least 5% of the Membership.
- 9.12 A technical defect in the appointment of a Member of which the members are aware at the time does not invalidate a decision taken at a general meeting or a written resolution.

10 Limited Liability

The liability of Members is limited.

11 Guarantee

Every Member promises, if the Charity is dissolved while he/she remains a Member or within one year after he/she ceases to be a Member, to pay up to £1000 towards:

- 11.1 payment of those debts and liabilities of the Charity incurred before he/she ceased to be a Member;
- 11.2 payment of the costs, charges and expenses of winding up; and
- 11.3 the adjustment of the rights of contributories among themselves.

12 Communications

12.1 Notices and other documents to be served on Members or Directors under the Articles or the Companies Act may be served:

- 12.1.1 by hand;
- 12.1.2 by post;

- 12.1.3 by suitable electronic means.
- 12.2 The only address to which a Member is entitled to receive notices sent by post is an address in the U.K. shown in the register of Members.
- 12.3 Any notice given in accordance with these Articles shall be treated for all purposes as having been received:
- 12.3.1 24 hours after being sent by electronic means or delivered by hand to the relevant address;
- 12.3.2 two clear days after being sent by first class post to that address;
- 12.3.3 three clear days after being sent by second class or overseas post to that address;
- 12.3.4 immediately on being handed to the recipient personally; or, if earlier, when the recipient acknowledges actual receipt.
- 12.4 as soon as the recipient acknowledges actual receipt.
- 12.5 A technical defect in service of which the Directors are unaware at the time does not invalidate decisions taken at a meeting.

13 Indemnity

- 13.1 The Charity shall indemnify a relevant director against any liability incurred in his capacity to the extent permitted by law.
- 13.2 In this article a 'relevant director' means any director or former director of the Charity.

14 Dissolution

- 14.1 If the Charity is dissolved, the assets (if any) remaining after providing for its liabilities must be applied in one or more of the following ways:
- 14.1.1 by transfer to one or more other bodies established or exclusively for charitable purposes within the same or similar to the Objects;
- 14.1.2 directly for the Objects or for charitable purposes which are within or similar to the Objects;
- 14.1.3 in such other manner consistent with charitable status as the Commission approves in writing in advance.
- 14.2 A final report and statement of account must be sent to the Commission.
- 14.3 This provision may be amended by special resolution but only with the prior written consent of the Commission.

15 Interpretation

- 15.1 The Articles are to be interpreted without reference to the model articles under the Companies Act, which do not apply to the Charity.
- 15.2 In the Articles, unless the context indicates another meaning:

AGM	means an annual general meeting of the Charity
the articles	means the Charity's Articles of Association and 'Article' refers to a particular article
Basildon Director	means a director appointed by Basildon Borough Council
Chair	means the chair of the Directors
the charity	means the company governed by the Articles
the Charities Act	means the Charities Act 1992 to 2011
charity trustee	has the meaning prescribed by the Charities Act
clear day	does not include the day on which notice is given for the day of the meeting or other event
the Commission	means the Charity Commission for England and Wales or any body which replaces it
the Companies Act	means the Companies Act 2006
Conflicted Director	means a director in respect of whom a conflict of interest arises or may reasonably arise because the Conflicted Director or a Connected Person is receiving or stands to receive a benefit (other than payment of premium for indemnity insurance) from the Charity, or has some separate interest or duty in a matter to be decided, or in relation to information which is confidential to the Charity
Connected Person	means, in relation to a director, a person with whom the Director shares a common interest such that he/she may reasonably be regarded as benefiting directly or indirectly from any material benefit received by that person, being either a member of the Director's family or household or a person or body who is a business associate of the Director, and (for the avoidance of doubt) does not include a company with which the Director's only connection is an interest consisting of no more than 10% of the voting rights
constitution	means the Memorandum and the Articles and any special resolutions relating to them
Custodian	means a person or body who undertakes safe custody of assets or documents or records relating to them
Director	means a director of the Charity and 'Directors' means the directors
electronic means	refers to communications addressed to specified individuals by telephone, fax or email

	or, in relation to meetings, by telephone conference call or video conference	
financial expert	means an individual, company or firm who is authorised to give investment advice under the Financial Services and Markets Act 2000	u
financial year	means the Charity's financial year	
Firm	includes limited liability partnership	
indemnity insurance	has the meaning prescribed by the Charities Act	
Independent Director	means a Director appointed under the provisions of Articles 3.3.3	
material benefit	means benefit, direct or indirect, which may not be financial but as a monetary value	w
Member	means member of the Charity and 'Membership' means the membership of the Charity	
Memorandum	means the Charity's Memorandum of Association	
Month	means calendar month	
nominee company	means a corporate body registered or having an established place of business in England and Wales which holds title to property for another	h in E
ordinary resolution	means resolution passed by a simple majority of the members present and voting at a general meeting or in the case of written resolution by Members who together hold a simple majority of the voting power. Where applicable, 'Members' in this definition means a class of Members	a
the Objects	means the Objects of the Charity as defined in Article 1	
Resident Director	means Director appointed under the provisions of Articles 3.3.4	
Resolution in writing	means a written resolution of the Directors	D
Secretary	means a company secretary	
special resolution	means resolution of which at least 75% of the Members present and voting at a general meeting or in the case of written resolution by Members who together hold 75% of the voting power. Where applicable, 'Members' in this definition means a class of Members	1 d a

Swan Director	means director appointed by Swan Housing Association Limited
taxable trading	means carrying on a trade or business in such manner or on such a scale that some or all of the profits are subject to corporation tax
written or in writing	refers to a legible document on paper or a document sent by electronic means which is capable of being printed out on paper
written resolution	refers to an ordinary or a special resolution which is in writing
Year	means calendar year.

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- 15.3 Expressions not otherwise defined which are defined in the Companies Act have the same meaning.
- 15.4 References to an Act of Parliament are to that Act as amended or reenacted from time to time and to any subordinate legislation made under it.