

# Annual Review

2022-2023







## A welcome from our Managing Director

Welcome to the second annual review of Tawd Valley Developments. My aim again is to provide a helpful snapshot of our business and how our work benefits the people of West Lancashire.

That can be in terms of our core activity – building high quality, sustainable homes and workspaces – or with regards to how we engage with the local community and local supply chain. Thinking intelligently about how we go about our work means more people feel its benefits.

We can take a more radical approach because of our unique ownership. Whilst we are a private limited company, with all the freedom, flexibility and obligations to enable our efficient operation, our sole shareholder is West Lancashire Borough Council, who bring an absolute focus on us delivering the housing and economic needs of the borough and the sort of ‘softer’ benefits that really do make a difference in the communities in which we build. The sort of things that major house-builders might not bother with, but which really matter to us at a local level.

We do this whilst operating profitably and sustainably so that our shareholder in due course can earn a return from us that it can invest in public services – a vital outcome, which we are confident we will maintain throughout the ongoing national economic challenges; and a testament to strong and effective team-work, our strong networks and partnerships and our commitment to our communities.

Our building programme is running at pace as we continue to explore further opportunities right across the borough. This year has been a good one for TVD: our scheme at Fairlie is ahead of schedule with thirteen of the fifty new homes proposed already occupied on an affordable rent-to-buy basis, nine months ahead of schedule. Adding to Fairlie we have plans to build a further 147 new homes and 46 business units across West Lancashire over the next four years, subject to planning and funding approvals. Based on our track record of reliable and strong partnerships, we will aim for further funding success with Homes England – a key partner of ours – whilst off the field we are becoming recognised regionally and nationally, with shortlisting for prestigious house building awards on three occasions in the last twelve months.

As you read this review of our performance during the last financial year, therefore, bear in mind that the return for our stakeholders goes way beyond decent homes and pounds, shillings and pence. It reaches into the heart of our community, shaping and improving neighbourhoods and lives. We wouldn't have it any other way.

**Mark Kitts**  
Managing Director

# Performance review

This has been a year of opportunity and challenge. We have now delivered 94 new homes across six sites, completing our fourth and fifth schemes at Northfield and Westhead in October and November last year, and we will complete work on our sixth site at Fairlie, Skelmersdale, which will take the tally up to 131 new homes by May 2024.

Our new schemes, currently on the planning table will include more homes for affordable rent and affordable rent-to-buy, and for the first time, new homes for shared ownership and homes for sale. We will continue to deliver a mixture of homes – including much needed bungalows – that very few builders currently offer, as well as apartments and two-, three- and four-bedroom properties, some with facilities for families with specific needs.

In the last year we have also been preparing plans for a new business unit scheme, with strong green credentials to be built on a Council-owned site by Junction 4 of the M58. The scheme, subject to planning approval, seeks to deliver 46 new business units by July 2026.

We are now an established, viable and sustainable business. Forecast profits in the last two years have been exceeded and in 2022/23 a profit of over £300,000 has been achieved.

We have achieved this whilst still grappling with the supply chain challenges brought about by aftermath of lockdown, the war in Ukraine, the vast increase in cost of gas and electricity and all that these have meant in terms of cost inflation to building materials, supply and labour. This is testimony to the skill and dedication of our team and our trusted suppliers.

Recently we have gained the support of the Council to prepare new plans to deliver more new quality and energy-efficient projects – quality being at the heart of everything we do. Subject to approvals, we look forward to delivering more new homes and business units for the people of West Lancashire.



# Our objectives

It's worth reminding ourselves what it is we're seeking to achieve, because our success in doing so will mean a great deal to the different communities in West Lancashire.

## Tackling the borough's housing and economic imbalance

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We will work to ensure that West Lancashire's continuing economic growth helps to unlock greater housing and economic diversification and seek to maximise social value with each project. We have already delivered £13m of projects within the borough.

## Delivering more home ownership for low to middle-income households

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Where possible, we will bring home ownership through tenures such as affordable rent-to-buy and shared ownership to areas often overlooked by mainstream housing developers. Our proposed new schemes in Hesketh Bank and Skelmersdale demonstrate this.

## Local area revival

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Ensuring that housing investment is used as both a lever and stimuli to enable the revival of economically challenged sites, neighbourhoods, and districts across the borough, including our proposed schemes at Digmoor and Egerton in Skelmersdale.

## Supporting under-served people

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We will seek to build innovative homes to address local housing needs and for those under-served such as larger families, the elderly, and others with specific needs, enhancing their health and well-being and encouraging community cohesion and integration, such as the bungalows we are building at Fairlie and intend to build at Hesketh Bank.

## Climate change

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TVD will be a flag bearer for good design and will ensure that all scheme assessments include a measure of carbon output. Where possible, we will strive for lower carbon output development and energy efficiency in all of our affordable homes and business spaces. Our scheme at Fairlie will provide lower carbon development with some homes built to 'future homes' standards and the scheme we are planning for Egerton will provide the same.



# Working in partnership

Ensuring our schemes are delivered on time and within budget in such a turbulent economic environment is no mean feat, and our thanks go to our partners for their efforts and dedication. This last year we reconciled our first phase of delivery declaring a significant saving on budget forecast to our shareholder. But this has not been by accident. From the outset our focus has been on sustaining a genuine partnership ethos and our suppliers have bought into this with real commitment. This has covered a number of themes:

## Local supply chain engagement

Ensuring our main contractors seek out and utilise competitive local suppliers of skills, materials and services so that as much of our spend as possible stays within West Lancashire. We want to build wealth in our local communities.

## Networking with local businesses

We don't wait for people to come to us – we actively engage with the local supply chain via networking events to ensure they are aware of our forthcoming projects and can bid for supply contracts.

## Local community initiatives

Alongside our suppliers we have worked with Little Digmoor and St James' primary schools, West Lancashire College and Greenhill Community Hub to deliver careers advice and guidance to local young people. The construction sector needs workers of all types and we are helping to educate our young people in West Lancashire to take advantage of the opportunities our investment is creating and to learn of the principles of building new homes.



*TVD's commitment to supporting our communities is open-ended. For example, we continue to support St James' primary school, exploring improved parking and street lighting, despite completing our Northfield project in November 2022.*

## Local Labour, Local Skills

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We advocate the use of local labour wherever possible and have teamed up with the local DWP Office, registering as a disability aware employer and mentoring workers to show the important contribution both the young and old can make to the construction sector and workforce in general.



*TVD is a keen advocate of supporting the young, old and women into construction proving its not just work for 'Men in Muddy Boots'. Pictured here is a West Lancashire College student on work placement at our Brierfield development last year*

## Adding social value

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As with all our scheme we intend to seek out and deliver where we can benefits outside of the boundaries of our new schemes. For example, we have already delivered communal car parking to our completed schemes at both Fairstead in 2022 and more recently at Fairlie in 2023. We have ideas on the planning table including supporting the school at St James, Northfield with car parking and street lighting.

Improving play areas for local children is a key way to bring social value to our developments. We intend to engage with residents, both existing and new at our Fairlie scheme, about how we can improve the existing local park and will endeavour to manage a programme of donations and voluntary commitment to improve facilities for the local community both young and old.

## The journey towards low-carbon homes

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At TVD we're committed to playing our part in reducing our carbon footprint and providing efficient and low-cost homes, initiating events to learn and share good practice as we begin our journey. This will remain a key feature of how we design and plan our developments, as we have at Fairlie and as we are at Egerton where plans are about to be submitted to deliver six new energy efficient homes constructed using a steel insulated panel technique.



*Homes at Fairlie being constructed to 'future home' standards, with under-floor heating, enhanced insulation, triple glazing and powered by air-source heat pumps. The lessons from this development will inform future schemes.*

## Securing additional funds from government

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Our record of partnership with Homes England, the country's strategic housing authority, is impressive. To date we have secured five grant awards totalling £4.3m and this last year we have set about preparing the next set of bids which, over the next period, could secure a further £4m to help improve the quality of life of local people. This is a vast improvement in Government funding support for new homes in West Lancashire and is a testament to the expertise of TVD. We will continue to work with the Council and Government to identify further sources of investment for the betterment of communities of West Lancashire.



# Almost 100 new homes delivered. With another 230 new homes and business units in the pipeline

Within the last 12 months we have been busy preparing our next phase of activity. In February and July, the Council approved two phases of further activity for TVDL, enabling our preparation for further new schemes to move forward with clarity.

Our latest operating year has been one of success and ongoing delivery. New high-quality homes for rent and affordable rent-to-buy for the people of West Lancashire and more sites activated or in the pipeline. Lives being changed for the better, environments improved for all, and jobs and opportunities for local people and companies. Here's a snapshot of what's kept us busy:



## Northfield, Ashurst

Our fourth completion at Northfield was phased across August and October 2022, providing 27 new, affordable to rent homes for West Lancashire Borough Council, including 8 two-bedroom houses, 17 three-bedroom houses and 2 four-bedroom houses with extended kitchen-diners. This was our first venture into four-bedroom properties, and based on the needs of the Council, the four-bedroom properties include downstairs wet-rooms and bedrooms.

Building work started in March 2021 and completed in two phases in August and October 2022.



## Becconsall Lane, Hesketh Bank

Planning permission was granted to the current landowner in December 2019 for the development of 10 new bungalows to be occupied on an affordable basis. Working with the landowner, the permission is in the process of being updated and we now have an approval to progress the acquisition of the site and delivery of ten new, modern, energy efficient bungalows, subject to planning approval being regranted. The Council will acquire the land and contract with us to build the new bungalows which will be available on a shared ownership basis on completion. This site is to the north of West Lancashire borough and is a first in this area for TVD. The scheme is expected to start on site in February 2024 and complete by February 2025.





*From left to right: Council Leader, Mayor and MP*

## Fairlie, Birch Green

Our sixth site at Fairlie, Skelmersdale started on site in May 2022 will deliver 50 new homes in total, 37 homes for affordable rent and 13 homes for affordable rent-to-buy, comprising 8 bungalows, 12 apartments and 30 two- and three-bedroom houses.

Bungalows will be a feature of a TVD scheme for the first time as will the ability for prospective tenants to 'rent-to buy'. This form of tenure is the first of its kind to be offered by West Lancashire Borough Council as we help them embark on their ambitions to diversify their housing offer to the residents of the borough.

All the homes will be energy efficient homes in line with the building regulations at the time of starting on site, ensuring energy bills are kept low for tenants.

In addition, four dwellings will be built to 'future homes' standards with higher low carbon specification including triple glazing, underfloor heating and air source heat pumps.

Building work started in May 2022 and will be complete by May 2024, with the first phase of completions in July and September 2023 approximately 9 months ahead of schedule.

# What's next?

We continue to see measured growth as a business, breaking new ground as we diversify our activities in line with our core business objectives.

We are now developing plans for a significant economic project, for the first time delivering new business units for the Council, alongside housing projects that seek to diversify tenure

by building for market sale, in addition to more homes for affordable rent, affordable rent-to-buy and now shared ownership. These schemes combined seek to deliver almost 200 new homes, and 46 business units over the next four years.

Here are some of our new projects.



## Egerton, Skelmersdale

The site at Egerton currently comprises hard standing and open space and has capacity to deliver 6 new homes for affordable rent. The homes will each be 3-bedroom 4-person semi-detached homes.

The Egerton scheme will move our exploration of low carbon homes from pilot into full delivery. The proposed six new homes will be constructed using Structural Insulated Panel System (SIPS) a modern method of construction, and will include zero carbon measures to achieve high levels of energy efficiency.

A full planning application for this scheme is forecast for submission in September 2023.

Subject to planning approval, the scheme will start on site in April 2024 and will complete by July 2025.



## Junction 4, Skelmersdale

The proposed scheme at Junction 4 will see for the first time our development of new business units on land owned by the Council, which will be retained by the Council on completion. The scheme will comprise well-secured bays providing 46 business units in total. The units could range 1615sq ft and 3488 sq. ft. respectively.

The design and construction of the business units will allow firms to either expand or contract whilst remaining on the same site. It is envisaged that the 'green business village' will comprise terraces of units that could be flexibly built to allow adjoining walls to be knocked through. All will have dedicated car parking. Some would be high specification whilst others a more basic fit out. A planning application is due to be submitted by October and subject to its approval building could start in the summer of 2024 and conclude in 2026.



### Maryvale, Skelmersdale

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The Maryvale site involves our acquisition of land owned by Lancashire County Council with whom terms have been agreed. This site, together with an adjoining piece of land owned by West Lancs Council will facilitate the development of a mixed tenure site, promoting 29 new homes, 18 for market sale and 11 affordable homes for shared ownership. There is high demand for shared ownership homes in the area, offering aspiring homeowners an opportunity to get on the housing ladder.

In the centre of the site sits St Mary's Church, which is still in use, is to remain and doesn't form part of the new-build proposals.

The new homes will comprise 2, 3 and 4 bedrooms. A planning application is due to be submitted by October and if successful, building could start as early as summer 2024, with completions across 2025 and 2026.



### Digmoor, Skelmersdale

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The scheme at Digmoor will seek to revive parts of the Digmoor estate, providing the Council with around 45 new energy efficient homes for affordable rent, following the Council's approval to progress a Digmoor regeneration scheme early in 2023.

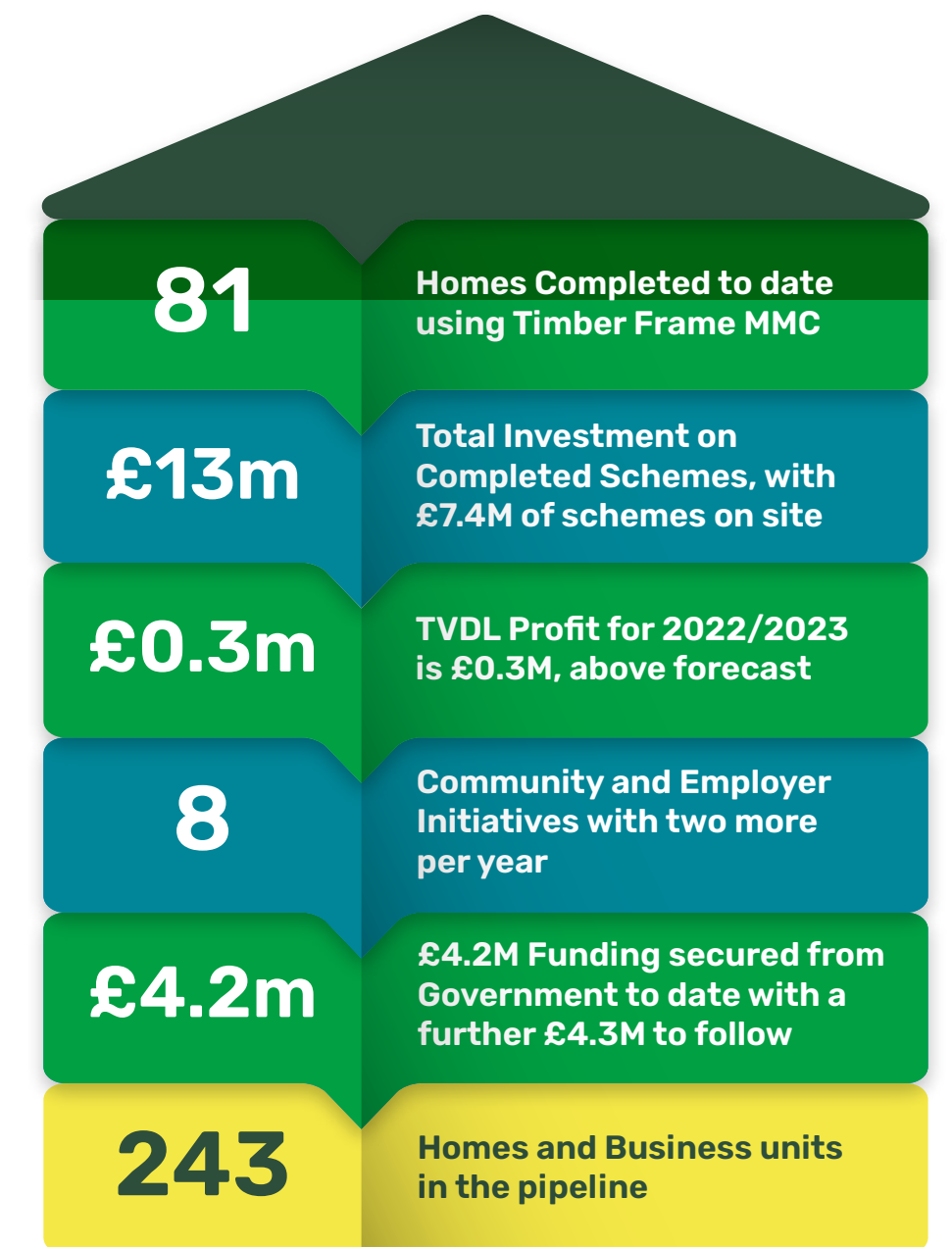
We will seek to build homes that have a positive impact on the health and wellbeing of West Lancashire residents. Homes set within convivial places that are designed to encourage interaction, play, walking and cycling and reduce car dependency. The house types offer diversity for the young and the elderly so they will be integrated into well-planned neighbourhoods.

A scheme will progress in phases and it is expected that, following a period of resident engagement a planning application for the first phase of activity will be submitted in October 2023, meaning a start on site in the Summer of 2024, assuming plans are approved.



# Our financial performance

Here are some headline figures to demonstrate our performance in the last year. We are striving to improve on them all the time.



Tawd Valley Developments has secured its position as a viable business able to generate surpluses for investment by its shareholder, West Lancashire Borough Council.

# Thanks to our team

Tawd Valley Developments' ongoing success is thanks to our strong partnership with a range of builders, sub-contractors, suppliers and customers.

We have cultivated the principles of partnering and believe our success is based upon choosing to appoint a construction team that shares our work ethic, demonstrates an ability to deliver exceptional quality, and which buys into our long-term vision, thereby fulfilling obligations of the contract in a 'one team' approach.

We have worked with some incredible principal contractors in Whitfield and Brown Developments and Ecogee Developments in the last twelve months. Our principal designer/architect, John McCall Architects, has been exceptional and has produced a unique TVD design style, applied across most of our developments, providing quality and economies of scale.

Our structural engineers ARP and Shape continue to provide us with the diligence, design and delivery requirements to also ensure the schemes are robust and will remain strong for many years

to come. We are well supported by both Savills and Ridge on the design and delivery of our schemes and excellent Clerk of Works services have been provided by LB Partners. Not wanting to stand still, we are already bolstering our team by adding further talent, helping us to progress the pipeline of some of our new projects.

Our strong and maturing relationship with Homes England has proved to be similarly successful during the last period with more than £4M of grant funding provided. Positive conversations about our next phase of activity remain on-going.

West Lancashire Borough Council is our sole shareholder and also a key member of the team, providing policy and planning services and functions as well as the client role for the majority of our schemes. Their vision, support and decision-making has been instrumental to our success. This last year we have been nominated for three awards, two national and one regionally, great recognition of the work that we have done.

Finally, and by no means least, the residents who live around our new homes during their development phase deserve our particular thanks for their patience and support. To the new residents who move into the houses we build, we are grateful for your positivity and we take great pleasure in your joy upon moving into your new home. We know you'll enjoy them for many years to come.





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**Tawd Valley**  
DEVELOPMENTS 

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