



Committee and Date
Economy and Environment Oversight and Scrutiny Committee
23 April 2024

Item

Public



Social Housing and the Housing Strategy

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1. Synopsis

Social housing is a key element in Shropshire's housing market, ensuring accessibility to suitable accommodation for those unable to afford it through the open market. Shropshire Council's housing strategy is integral to supporting this tenure, aligning with the objectives of the Shropshire Plan, where housing is recognised as vital for a robust economy.

2. Executive Summary

- 2.1. This report follows on from key recommendations of the Economy and Environment Oversight Committee regarding housing need and social housing in Shropshire, as a key contributor to the objectives of The Shropshire Plan, where Housing is noted as essential to a healthy economy.
- 2.2. The recommendations made through this work aim to shape and inform Shropshire's Housing Strategy and help to bring the Strategic Housing function more centrally into the thinking, planning and delivery of other key strategies such as the economic growth strategy and transport plans.
- 2.3. The report acknowledges progress made since the previous discussion and outlines an action plan for further necessary work.

3. Recommendations

- 3.1. That committee notes the progress towards delivering the recommendations agreed upon at Cabinet in September 2023 and the progress against the actions from the Social Housing and Housing Strategy Report presented to Scrutiny on 9 November 2023.
- 3.2. That committee reviews and provides feedback on the action plan delivery and planned work and agrees to receive future updates on progress.

Report

4. Risk Assessment and Opportunities Appraisal

- 4.1. The risk for Shropshire Council should it not progress the recommendations previously agreed by Cabinet is that it will fail to maximise the benefits of social housing for those in greatest need and will lose opportunities to support the rural economy.
- 4.2. Failure to maximise opportunities for social housing will also result in higher costs both to the poorest households who may be displaced out of county, and to the Council itself, through a need for more expensive temporary accommodation in place of permanent housing solutions.
- 4.3. Through effective action in pursuing better housing options, the Council can mitigate these risks, and improve outcomes for households and their communities.
- 4.4. With the Medium-Term Financial Strategy 2024/25 - 2028/29 now published, we need to consider the risks and opportunities presented. Against this backdrop, we will examine how best to align our housing objectives with corporate financial goals to continue to address housing needs effectively.

5. Financial Implications

- 5.1. There are no financial implications directly related to this report.

6. Climate Change Appraisal

- 6.1. Having suitable housing in communities that is located in closer proximity to places of work, education, health services, and retail and food shops can help to reduce the amount of travel by motor vehicle that is required. This can reduce energy and fuel consumption.
- 6.2. Ensuring that homes are energy efficient either as new build or existing properties that are retrofitted with insulation and newer heating solutions will also help to reduce fuel consumption.
- 6.3. Implementing sustainable construction practices and materials in new housing developments can contribute to lower carbon emissions and mitigate environmental impact of construction activities.

- 6.4. Promoting alternative modes of transportation such as walking, cycling and public transport through well-connected and accessible communities can further reduce greenhouse gas emissions associated with transportation.
- 6.5. Incorporating green spaces into housing development not only enhances liveability but also contributes to carbon capture and air quality.

7. Background

- 7.1. In 2023, members of the former Communities Overview Committee, and subsequently the Economy and Environment Overview and Scrutiny Committee, undertook an enquiry into social housing in Shropshire, to contribute to the planned review of the Housing Strategy.
- 7.2. The objective of this work was:
 - To review and understand housing need in Shropshire;
 - To understand the different types of social housing, and the wider description of affordable housing and its forms, for example, key worker housing;
 - To identify and consider specific challenges related to the housing market in Shropshire; and
 - To identify key messages and make evidence-based recommendations to inform the review and update of the Housing Strategy.
- 7.3. A range of findings were identified from this work, which were summarised in the report to the 20 July 2023 meeting of the committee and were further related in the committee's report to the Cabinet meeting of 6 September 2023.
- 7.4. Six recommendations were made to shape and inform the Housing Strategy and bring the Strategic Housing focus into the thinking, planning and delivery of other key strategies such as the economic growth strategy and transport plans.
- 7.5. A further recommendation was that feedback be provided to the Economy and Environment Overview and Scrutiny Committee at its meeting of 9 November 2023 to confirm which recommendations have been accepted and which have not. Also, that an action plan should set out what will be done, and by when, to deliver the accepted recommendations, and where recommendations have not been accepted an explanation should be provided.
- 7.6. It was agreed to review the recommendations and progress of this work at the Economy and Environment Overview and Scrutiny Committee on 23 April 2024. This update shows the progress and actions taken regarding social housing and the Housing Strategy, as reported to the 9 November 2023 meeting, and highlights any changes that have arisen, including those stemming from the medium-term financial strategy.

8. Additional Information

- 8.1. The six recommendations from the Economy and Environment Overview and Scrutiny Committee agreed by Cabinet are as follows:

- Following the implementation of the revised allocations policy and scheme, the Council should ensure that this is adhered to by all registered providers through regular monitoring to guarantee those in the highest need are allocated housing.
- The Council should recognise the importance of the strategic housing function and how housing is integral to planning policy, social care and economic development, and therefore the need to strengthen the relationship between these functions.
- The Council should promote a place-based approach to housing and economic development, which includes commissioning affordable and supported housing based on evidenced need to ensure that housing priorities are delivered in the right place. Thus, responding to the fact that Shropshire is made up of any different communities across a large geographic area with different needs.
- Investment in social housing must acknowledge the specific needs of rural settlements, therefore products need to be tailored accordingly. For example, intergenerational supported housing, which could include staff accommodation, would help to promote a preventative agenda in villages and small towns (e.g., preventing admissions to hospital and care homes, and supporting people with learning disabilities and mental health problems to live independently).
- The Council should explore and pursue opportunities to attract funding, such as Community Land Trusts, and lobby for new products specifically to support the rural economy which will not only deliver the preventative agenda, but also balance the housing market and help to ensure that people can continue to afford to live in communities in Shropshire. For example, innovative funding products to fund intergenerational living and for sub-market private rented accommodation for key workers who are not necessarily able to access social housing, as they are not in a high priority reasonable preference category.
- The Council should review and implement any new legislation on short-term lets, helping to ensure that the balance is struck between the economic gain to communities and places through increased visitor spend, against the availability of homes to buy and rent where there is local concern.

8.2. A range of actions have already been delivered or are underway to address these recommendations. Further actions are now being scoped or planned to address them more fully. The Action Plan set out in Appendix 1 lists these for review.

9. Conclusions

9.1. The findings and recommendations of the Economy and Environment Overview and Scrutiny Committee are now being used to inform the development of housing related strategy and policy, with progress reflected in the Action Plan appended.

List of Background Papers

- **Cabinet 6 September 2023 - Social Housing and Reviewing the Housing Strategy**
- **Economy and Environment Overview and Scrutiny Committee 20 July 2023 - Social Housing and Reviewing the Housing Strategy**

Local Member: Not applicable.

Appendices: APPENDIX 1 Action Plan

APPENDIX 1 ACTION PLAN

	Recommendation	Action	Timescales
1	<p>Following the implementation of the revised allocations policy and scheme, the Council should ensure that this is adhered to by all registered providers through regular monitoring to guarantee those in the highest need are allocated housing.</p>	<p>Action to date</p> <ul style="list-style-type: none"> The revised allocations policy and scheme is now being applied. Shropshire’s main RPs have been contacted individually and have agreed and signed Nominations Agreements to ensure lettings are made in line with policy. New action in progress: Formal monitoring meetings of RPs obligations as contained within the Nominations Agreement are due to commence in April 2024 and quarterly thereafter The Housing Service regularly challenge landlords who reject the highest banded bidders for a property, to ensure that this is legitimate. This has resulted in a higher number of lets being made to Band 1 bidders. <p>Further action</p> <ul style="list-style-type: none"> Closer working between the HomePoint team in Housing Services and the Housing Enabling team in Planning should see earlier exchanges with landlords around the first lettings of newbuild homes, to ensure that they are identified for cases in highest need. Amended action: A planned upgrade of the Abrisas system that sits behind HomePoint will improve reporting so that concerns can be identified and addressed earlier. The upgrade was previously due to delivery by April 2024, however, testing and implementation of the upgraded system is now due to take place June 2024. 	<ul style="list-style-type: none"> July 2024 June 2024
2	<p>The Council should recognise the importance of the strategic housing function and how housing is integral to planning policy, social care and economic development, and therefore the need to strengthen the</p>	<p>Action to date</p> <ul style="list-style-type: none"> A new Housing Strategy Officer post was created and appointed into in summer 2023, creating additional capacity in the strategic housing function. The Housing Strategy and Development Manager post, now vacant, was intended to be recruited into. However, in line with the savings plans set out in the MTFs, this position has now been deleted. The 	

<p>relationship between these functions.</p>	<p>Strategy Officer will now report to an existing alternative line manager post which has been revised, with the title of Strategic Housing and Commissioning Manager</p> <ul style="list-style-type: none"> • Planning policy and social care colleagues attend the Housing Executive Board meetings, to share information and action on strategic housing matters. • The Housing strategy has been identified as a key element of the Marches Strategic Partnership and the Strategic Infrastructure Partnership, where Shropshire Council working with neighbouring counties and with other partners to ensure that appropriate plans are put in place to meet need into the future. • Action completed: Economic Development colleagues have joined Housing Executive Board meetings to ensure links between key service areas. <p>Further action</p> <ul style="list-style-type: none"> • A restructure of the Housing Strategy function is planned with a planned move of housing enabling colleagues from planning policy to Housing Strategy, which will create stronger links between the functions. • Amended action: The Council’s Planning Policy and Housing Enablement services will commence the review of the Type and Affordability of Housing Supplementary Planning Document following adoption of the draft Shropshire Local Plan. This was targeted for September 2024, but is now due in spring 2025, following the delays to the Local Plan. This document will provide detailed advice for housebuilders regarding the Council’s requirements and priorities for housing, thereby supporting the understanding and application of housing policies in the adopted Development Plan. In this way, it will also support the implementation of the Council’s Housing Strategy. • New action: The Housing Executive Board work programme is being refreshed and Terms of Reference are being revised to 	<ul style="list-style-type: none"> • May 2024 • May 2025 • April 2024
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		<p>ensure activity is focused on those areas which will best deliver on the strategic priorities of the Council.</p> <ul style="list-style-type: none"> • New action: The Housing Strategy will be consolidated with the proposed new affordable, intermediate housing strategy taking into account the rural nature of the county. 	<ul style="list-style-type: none"> • September 2024
<p>3</p>	<p>The Council should promote a place-based approach to housing and economic development, which includes commissioning affordable and supported housing based on evidenced need so as to ensure that housing priorities are delivered in the right place. Thus, responding to the fact that Shropshire is made up of many different communities across a large geographic area with different needs.</p>	<p>Action to date</p> <ul style="list-style-type: none"> • A Housing Commissioning Priorities document was drafted and issued to all Registered Providers and to Cornovii Developments Limited in summer 2023, planned to guide development programmes. This is based upon evidenced need derived from the Housing Needs Survey 2022 and includes reference to general needs and supported housing. • Planning consent was achieved for a new housing scheme at Coton Hill House, Shrewsbury, to provide supported accommodation for homeless people to enable them to move on into settled homes. • Action completed: After further consideration and consultation with the relevant stakeholders, it has been determined that a review of the Tenancy Strategy is not necessary at this time, as the existing strategy effectively achieves our affordable housing goals. • Preferences for the type and tenure of housing has been outlined, laying the groundwork for the Housing Strategy for Shrewsbury, aligning with the Big Town Plan. However, progress has been limited as we await further guidance on infrastructure requirements. <p>Further action</p> <ul style="list-style-type: none"> • A report will be created based upon the findings of the Housing Needs Survey, so that this information is more accessible to partners needing to reference the data, allowing better evidenced decisions to be made. • We acknowledge the need for continued work in creating a housing strategy for Shrewsbury, linking to the Big Town Plan and the economic goals for Shrewsbury, and the evidenced housing needs shown in the Housing Needs Survey. This was previously targeted 	<ul style="list-style-type: none"> • April 2024 • Ongoing

		<p>for July 2024, but will now be pursued once other relevant departments are positioned to engage in further discussions. It is deemed premature to advance this initiative further until infrastructure considerations are clarified.</p> <ul style="list-style-type: none"> • Opportunities are actively being sought to meet specific housing needs across Shropshire, in support of a range of different resident groups. • New action: The Housing Commissioning Priorities are to be regularly updated and will form a key function of the work of the Housing Executive Board, in terms of oversight and monitoring of delivery of new affordable homes. 	<ul style="list-style-type: none"> • Ongoing • Ongoing
4	<p>Investment in social housing must acknowledge the specific needs of rural settlements, therefore products need to be tailored accordingly. For example, intergenerational supported housing, which could include staff accommodation, would help to promote a preventative agenda in villages and small towns (e.g., preventing admissions to hospital and care homes, and supporting people with learning disabilities and mental health problems to live independently).</p>	<p>Action to date</p> <ul style="list-style-type: none"> • The Housing Commissioning Priorities document includes reference to supported housing requirements and identifies a range of locations where newbuild development will be appropriate. • Cabinet has approved the Sustainable Affordable Warmth Strategy addressing the investment needs of rural and urban homes. • Action delivered: A draft Independent Living and Specialist Accommodation Strategy for Shropshire was included on the forward plan for Cabinet consideration on 21 February 2024. Subsequently, it has been approved for an eight-week public and stakeholder consultation. • Action delivered: The draft Preventing Homelessness and Rough Sleeping Strategy is on the forward plan seeking approval to an eight-week public and stakeholder consultation at Cabinet on 17 April 2024. <p>Further action</p> <ul style="list-style-type: none"> • New action: Following the completion of the eight-week public and stakeholder consultation on the draft Independent Living and Specialist Accommodation Strategy, the strategy will undergo further amendments before seeking Cabinet approval. The strategy details the need and opportunities for specific property types and 	<ul style="list-style-type: none"> • May 2024

		<p>services and will be used to encourage developers and landlords to provide these.</p> <ul style="list-style-type: none"> • New action: Subject to Cabinet approval of the draft Preventing Homelessness and Rough Sleeping strategy and after public and stakeholder consultation, any necessary amendments will be implemented. Approval will then be sought to present the full strategy to the Council. The strategy captures the range of situations that result in families and individuals becoming homeless and will improve our approach to addressing the triggers from which these issues arise. • New action: The new affordable, intermediate and rural housing strategy will be consolidated with the Housing Strategy (end date 2025) into a single comprehensive document. This consolidation ensures cohesive planning for housing priorities in future. 	<ul style="list-style-type: none"> • June 2024 • September 2024
5	<p>The Council should explore and pursue opportunities to attract funding, such as Community Land Trusts, and lobby for new products specifically to support the rural economy which will not only deliver the preventative agenda, but also balance the housing market and help to ensure that people can continue to afford to live in communities in Shropshire. For example, innovative funding products to fund intergenerational living and for sub-market private rented accommodation for key workers who are not necessarily able to access social housing, as they are</p>	<p>Action to date</p> <ul style="list-style-type: none"> • Council officers meet regularly with Homes England as the main funder of social housing in England, as well as with WMCA which has recently been granted devolved funding for housing investment, to lobby for funding to support Shropshire’s housing priorities. • The establishment of the Marches Strategic Infrastructure Partnership has initiated discussions on funding for rural housing, alongside our neighbouring Councils with similar demographic and geographic challenges. This has now been captured into the Marches Forward work. • New Action delivered: We have initiated meetings with health and social care colleagues to discuss affordable and intermediate housing options within a rural setting with a view to informing commissioning priorities and the housing strategy. <p>Further action</p> <ul style="list-style-type: none"> • An affordable and intermediate housing options strategy will be initiated. Following discussions, it has been decided to consolidate the affordable and intermediate housing strategy into the housing 	<ul style="list-style-type: none"> • September 2024

	<p>not in a high priority reasonable preference category.</p>	<p>strategy, extending its scope beyond its original end date of 2025. The decision aims to comprehensively address the challenges faced by rural settlements and market towns.</p> <ul style="list-style-type: none"> The Housing sub-group of the Marches Strategic Infrastructure Partnership will identify opportunities to lobby and bid for funding to address the housing needs of the rural economy, with the intention of having more weight as a group than Shropshire on its own. 	<ul style="list-style-type: none"> July 2024
<p>6</p>	<p>The Council should review and implement any new legislation on short-term lets, helping to ensure that the balance is struck between the economic gain to communities and places through increased visitor spend, against the availability of homes to buy and rent where there is local concern.</p>	<p>Action to date</p> <ul style="list-style-type: none"> National policy discussions on short term residential lets are being monitored. However, no new legislation has yet been issued for implementation locally. <p>Further action</p> <ul style="list-style-type: none"> Working with the Housing sub-group of the Marches Strategic Infrastructure Partnership, opportunities will be identified to lobby for legislation relating to short-term lets, to address the impact this has on availability of homes for local residents. New legislation will be implemented as appropriate to ensure that the visitor economy and local housing needs are well balanced. 	<ul style="list-style-type: none"> July 2024 Ongoing