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Date: Thursday, 20 July 2023

Time: 2.00 pm

Venue: Shrewsbury/Oswestry Room, Shirehall, Abbey Foregate, Shrewsbury, Shropshire, SY2 6ND

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ECONOMY AND ENVIRONMENT OVERVIEW AND SCRUTINY COMMITTEE

TO FOLLOW REPORT

6 Social Housing and Reviewing the Housing Strategy (Pages 1 - 26)

To receive a report that sets out the key findings and recommendations arising from work by the former Communities Overview Committee and following the all Member workshop on 5th June 2023, to inform the refresh and review of the Council's Housing Strategy. (To Follow).

Contact: Tom Dodds (Tel: 01743 258518)



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Agenda Item 6

Economy and Environment Overview and Scrutiny 20 July 2023 Social Housing and Reviewing the Housing Strategy



Social Housing and Reviewing the Housing Strategy

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Cabinet Member (Portfolio Holder):		Dean Carroll	·

1. Synopsis

Social housing is an important element of the housing market and housing delivery in Shropshire, ensuring that people who cannot afford to meet their housing need through the open market are able to access suitable accommodation. Shropshire Council's Housing Strategy is an overarching cross-tenure document which sets out the authority's housing needs and how it is seeking to address these.

2. Executive Summary

- 2.1. This report sets out the key findings, conclusions and recommendations of work carried out by the former Communities Overview Committee as they considered housing need and social housing in Shropshire with the objective of informing the future review and update of the Housing Strategy.
- 2.2. Social housing can help people who cannot afford to pay private rent in a place to have access to a suitable home. The Committee's work has considered different socio-economic factors that inform demand for social housing as well as recognising the role that social housing plays in sustainable communities and the economy. This has included recent pressures such as the pandemic, the rising cost of living, and increasing demand and competition for private rental properties.

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<u>Page 1</u>

1

- 2.3. Members also identified that the availability of social housing located in or close to a place of work can be beneficial for the environment, reducing the need to travel by car, especially where access to public transport may be limited. The example of an ageing population with the associated demand for domiciliary care was referenced, where carers had to travel into the communities they serve, in part because there were not homes there that they could afford to live in.
- 2.4. Five recommendations have been made through this work, with the aim that they help to shape and inform the 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. This includes greater alignment between the Housing Strategy and Planning Policy teams.

3. **Recommendations**

- 3.1. 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.
- 3.2. 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.
- 3.3. 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 any different communities across a large geographic area with different needs.
- 3.4. 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).
- 3.5. The Council should explore and pursue opportunities to attract funding 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.

Report

4. **Risk Assessment and Opportunities Appraisal**

- 4.1. The Council has three options:
 - Option A: Pursue all the recommendations in section 3.
 - Option B: Pursue some of the recommendations in section 3.
 - Option C: Pursue none of the options in section 3.
- 4.2. The risks associated with each option are set out below:
 - Option A: This option relies on there being sufficient resources in place to undertake this work.
 - Option B: Whichever options are chosen to pursue, there is still a reliance on there being sufficient resources.
 - Option C: The Council is not only at risk of failing to ensure social housing is allocated to those in the greatest need, it also will fail to harness opportunities to promote the importance of housing in terms of the solutions it can offer to meet housing need and support the rural economy.
- 4.3. The above risks can be mitigated as below:
 - Option A and B: The Council's strategic housing function needs to be given greater recognition in terms of the opportunities, income, savings and investment that the function can achieve through proactive work and therefore, invested in accordingly.
 - Option C: No mitigation options.
- 4.4. The opportunities associated with each option are set out below
 - Option A: Social housing is allocated to those in greatest need; housing is utilised to its fullest potential to promote independent living and prevent costly admissions to residential care (through innovative solutions for supported housing and care provision), support the economy, retain and attract young people and prevent homelessness.
 - Option B: Whichever options are chosen to pursue, there will be some opportunities, but not all, will be realised as above.

Option C: None.

4.5. Given the risks and opportunities associated with each option, it is recommended to pursue Option A.

5. Financial Implications

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

6. Climate Change Appraisal

6.1. Energy and fuel consumption:

- 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.
- 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.

7. Background

- 7.1. At the end of 2022, through considering emerging issues and the identification of work programme topics Members identified that a focus on social housing was required.
- 7.2. This followed the work which had been previously undertaken by the committee on the revised allocations policy and scheme, and moreover, it coincided with the refresh of the Housing Strategy as referenced in the Shropshire Plan. Therefore, it was recognised that input into the review and update by overview and scrutiny would provide constructive challenge as well as the perspective of Members and the communities that they represent.
- 7.3. Objective/purpose of the work:
 - 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.
- 7.4. The work contributing to the report has been undertaken by the Communities Overview Committee and following recent changes to overview and scrutiny committee structures, the Economy and Environment Overview and Scrutiny Committee.
- 7.5. It has focused on understanding housing need in greater detail in the context of the housing market as a whole, and as well as reviewing the data and associated intelligence, the work included hearing from the chief executives of a number of Private Registered Providers (Housing Associations registered with the Regulator for Social Housing) who provide social housing in the Shropshire Council area. In doing so the focus of the work has been refined and informed a workshop session open to all Members where four emerging questions arising from the work of the committee were focussed upon:
 - a) We're getting older how can we help and support people to plan for their future, including the homes that they would like and will need?

- b) Are rural areas becoming places where only those who can afford to can live? What are the reasons why?
- c) How can housing be promoted/seen as a driver for economic success of Shropshire overall, and within Shropshire communities and areas of the county?
- d) How can better Supported Housing options be provided in rural areas? What kind of difference would this make to Shropshire people and communities/how could this help meet the challenges? *Think all ages and different situations and scenarios e.g. care leavers, working age adults, families, older people, intergenerational living
- 7.6. The key messages from the workshop are set out in section 12 of this report.

8. Learning from discussions with Private Registered Provider (PRP) chief executives

- 8.1. Circa 80% of all social housing in the Shropshire Council area is provided by the main Private Registered Providers, this equates to almost 1,600 dwellings (the remaining 20% is owned by the Council managed by its Arm's Length Management Organisation, STAR Housing).
- 8.2. Members heard from the chief executives that demand for social housing is being driven by a range of socio-economic factors, and in part by insufficient additional social housing being delivered. They highlighted:
 - the impact of developers 'banking' land to develop in future when the market conditions are more financially favourable to them;
 - the importance of the availability of the right land, at the right price, in the right places for Private Registered Providers to viably develop properties; and
 - without the delivery of high numbers of social or affordable housing there is a risk that some households will not be able to access a suitable home.
- 8.3. The chief executives also drew Members' attention to different local planning authority requirements of developers across England and in the region for open market developments. They cited that Shropshire Council sets an affordable housing contribution of between 10% to 20% of dwellings, dependent on the location, whereas other local authorities may require a contribution of up to 40%. The chief executives suggested that on the one hand this policy makes Shropshire more attractive to developers, but on the other results in less affordable housing being delivered on major housing developments.
- 8.4. As an aside, it should be noted that irrespective of a local authority's affordable housing policy, a private developer is able to submit a viability assessment which may result in a reduced affordable housing contribution from the policy figure.

9. Key facts / messages / learning

9.1. Members identified that terms like social housing, affordable housing, and key worker housing are quite often used interchangeably, but they are very different

in their purpose. For example, the Department of Levelling Up, Housing and Communities (DLUHC) provides a very board definition of affordable housing:

Affordable housing which can be either for rent or sale, is for those whose needs are not met by the market. It includes different tenures, including social rent, affordable rent and shared ownership, amongst others. <u>Affordable Housing Supply, Department for Levelling Up,</u> <u>Housing and Communities</u>

- 9.2. Similarly, it became clear that the term 'homelessness' is used as an overarching term for a number of situations people can be in, whilst it is sometimes assumed to refer just to people who are rough sleeping. However, homelessness includes households (including families with children) who are 'homeless at home' (where they have been asked to leave) or in temporary accommodation (including bed and breakfast and refuges). It also includes those who are 'sofa surfing' with friends or family, or those who are 'living on the street'.
- 9.3. Members highlighted that ensuring that these terms are properly understood and communicated can only help to raise awareness of the different types of housing tenure, their purpose and the value that they bring to people, families, communities and the economy.
- 9.4. Appendix I contains a glossary of terms.

10. The Shropshire housing market

- 10.1. Through their work the committee members learned that housing demand and need is subject to a number of variables which range from socio economic issues through to the attractiveness of an area, receiving and reviewing a <u>comprehensive set of data and information</u>.
- 10.2. The data that provides this context was considered in detail by the committee and included key influences such as population change and demographics; health; well-being; deprivation; and the economy. Members also considered data relating to housing supply; housing pressures, including barriers to accessing open market housing; and finally reviewed the role of social housing, especially in meeting the Council's statutory responsibilities. Members requested additional data, in particular, benchmarking against Shropshire's CIPFA¹ family group. Additional requested data which is currently available is contained at Appendix II.
- 10.3. Members also identified further data that they believe should be used to inform the Council's strategic response. These are listed below:
 - Correlation of local services closing down in rural areas and increasing demand for affordable housing in urban areas.
 - Empirical evidence to show link between the lack of public transport in rural areas and reduced demand for affordable housing in rural settlements.
 - Air BnB numbers and impact on the availability of private rented housing.
 - Numbers of private landlords leaving the sector and the reasons why.

¹ Chartered Institute of Public Finance and Accountancy Page 6

- Analysis of families with children whose household incomes prevent them from affording private rents.
- Numbers of ex-offenders being accepted for rehousing.
- 10.4. Discussions highlighted that this data was not already available and would require specific research and analysis, which would be subject to available resources and capacity.
- 10.5. The consideration of the data contributed to the confirmation of the four areas that were the focus of a workshop in June 2023. These are listed above in paragraph 7.5.
- 10.6. Members also raised questions about the challenges that some people can face in accessing affordable housing, including those who might need some more support to maintain their tenancy. The discussions covered a number of different scenarios, but Member recognised how the Council's allocations policy and scheme is required to comply with the Housing Act 1996 and associated statutory guidance and as such it was important that all involved in the allocations process, which is soon to include nominations, must adhere to the confirmed and agreed scheme. This was an important foundation to be reinforced in Shropshire.

11. The implications arising from a changing socio-economic environment

- 11.1. Through their discussion, members reflected on the impact of the pandemic and cost of living in recent years, bringing people who were coping financially previously into or toward the edge of poverty as a result of reduced income, increasing costs and changes to employment opportunities.
- 11.2. Alongside this, there have been changes in private rental markets including reducing stock and increasing demand which in turn has seen increasing rents. This has led people to be priced out of the rental properties they had been occupying, and potentially out of the private rental market altogether in the places where they had been living.
- 11.3. There was awareness that the next possible impact on demand for social housing could come from the increases in interest rates pushing up mortgage rates resulting in repayments that are higher than people can afford as they come off lower rate fixed agreements.
- 11.4. Members heard that people look more to social housing as costs rise and the economy changes, affecting the amount that people can afford to pay in rent.
- 11.5. Members also confirmed that there was no 'one size fits all' housing solution for Shropshire, with the different communities located across a large rural and sparsely populated area. It is important for there to be a robust understanding of the bigger strategic picture for Shropshire as well as specific local needs, perhaps reflecting the learning available from the local Joint Strategic Needs Assessments.

12. Key findings from the workshop session

- 12.1. Members reflected on the fact that access to services is pushing people towards living in urban area, and that the population in rural areas tends to be older in Shropshire with fewer young people and families living there. They highlighted and evidenced from their own experience that access to affordable housing is often a challenge and made a specific point about the impact of access to public transport (or other transport solutions) that goes to the right places e.g., for work, education, or access to services such as GPs or shops, and that run at the right times of the day each day.
- 12.2. Discussions highlighted concerns in relation to the impact of increasing numbers of holiday lets, including the relatively recent growth in online booking sites, which is impacting on the availability of private rental properties, and in turn contributing to demand for affordable and social rented properties.
- 12.3. Members asked what can be done in terms of looking practicably at affordable rent and social rent so that it is more aligned to local incomes rather than market rental values locally. In doing so they reflected that, as set out in the <u>Tenancy</u><u>Strategy</u>, not only does the Council require all rented housing provided as an affordable housing contribution on open market sites to be capped at the Local Housing Allowance (LHA) in perpetuity, but also all general needs new delivery by the Council is also required to be capped at the LHA² in perpetuity. However, Members felt that more could be done to ensure rents were genuinely affordable for households on low incomes and that the Council should seek to offer social rents where possible.
- 12.4. Members also drew attention to the opportunity of helping to retain more young people in rural areas and how this could link to sustaining communities and retaining the services and facilities in those communities. Lack of housing, combined with other factors including access to employment, services and transport in more rural communities can mean people choose to move to urban areas. This can result in reducing demand for rural community-based services and the eventual closure of schools, shops and pubs. They suggested that there might be scope to look at building small numbers of homes on the edges of villages, to retain younger people in the neighbourhoods, helping them to stay in the places they wanted to live and maintain the community.
- 12.5. Shropshire is an attractive place to visit, and to live in. There has been a longstanding trend of people moving to Shropshire as they progress with their careers or have retired. Members commented on the fact that Shropshire has been a net importer of older people and an exporter of young people who move away from education and work career.
- 12.6. The evidence that the Members had previously considered showed that Shropshire's dependency ratio (the proportion of the population aged 0-16 and 65+ compared to the working age population) is progressing towards 1:1. This is an indicator of the imbalance and could highlight future challenges, e.g., will we have enough working age people in the area to provide the health, social care and support for an aging and elderly population when they need it in the future? Members flagged concerns that if areas of the county do not have a care company locally, and domiciliary carers have to travel there, this means that the

² LHA is how much help towards their rent someone would have when renting from a private landlord – it is used to work out housing benefit and the housing element of universal credit Page 8

cost of care to someone paying for their own care, or funded by the Council, could be higher as a result of the additional travel and non-contact time.

12.7. This was a theme that ran through discussions, centring on the need for people to access care when they needed it, and whether carers could be enabled to live in the communities in which they work. Members asked whether there was some targeted support that could or should be in place for specifically defined groups of keyworkers.

Illustrative scenario developed from the Member conversation

Attractive and predominantly rural places like Shropshire often have a higher older or elderly population. Quite often there are communities that have higher value/cost housing and can also have fewer working age people living there. This could in part be explained by the scale of the difference between income and the affordability of housing is greatest.

In such a place people who are in lower paid work will find accessing housing that they can afford to live in more challenging. The jobs they work in can include those in health and care, which can be lower paid but are essential for the people who need their support.

If they cannot live locally to where they work, they will have to travel. This can mean higher unit costs to those paying for the care (including the Council), more time travelling rather than giving care, and environmental impacts from longer journeys. Time spent travelling further away from home to work may also make being a carer a less attractive career option, especially for younger adults and those with families.

The right housing in the right place has wider benefits than ensuring that someone has a home; it also has the potential to shape and enable the local economy, environment, and the health and wellbeing of those living in the area.

- 12.8. This raised some questions that Members felt needed to be considered:
 - Is there scope to support older or elderly people to understand the options and opportunities that might include considering downsizing or a move to housing that would better meet their future needs?
 - What approaches to awareness raising and communication would be most effective including for families and friends? What scenarios would be most impactful and resonant and how could newer technology and approaches help, e.g., using avatars?
 - Could this help people to make use of the equity in their home, identify demand for different housing types and tenures in communities to inform development, and help ensure that their existing homes become available for people to live in?
 - Have affordable homes been built to replace those that have been purchased through right to buy?
 - Is there scope to look at larger properties, where they need to be updated and retrofitted with better insulation and heating, converting into flats? Is

there scope for these to have communal gardens and possibly be used for multigenerational living?

- 12.9. Discussions also covered a range of opportunities and options in terms of support to vulnerable people living in rural areas. Suggestions included:
 - promoting and developing opportunities for multigenerational living (including lobbying for changes in grant funding to enable this),
 - developing and enabling the opportunities for a range of flexible supported housing and residential care provision to be developed in rural communities e.g. using a hub and spoke model,
 - going further with the use of aids for day-to-day living including an extension of the handy person scheme,
 - identifying, promoting and introducing even more use of technological development to support people to be as independent as possible and remain in their own home, and
 - considering how care and support services can be commissioned from locally based voluntary and community organisations.
- 12.10. Members did reflect on the challenges in some rural areas of Shropshire where the digital infrastructure will not be at a level that enables access to the internet consistently or at all.
- 12.11. In a linked conversation Members asked whether the reasons why some communities don't want affordable housing is understood. The illustrative scenario they shared was related to a parish with a nursing home in it, but the community did not want affordable housing in their area, which could help to house the staff. Members questioned whether the potential benefits to the local communities were evident and understood and whether there was more the Council could do to demonstrate the opportunity, potential benefits and the need to promote sustainable and integrated communities.
- 12.12. With a more direct view of the contribution of housing to the economy, Members identified that there is a lot of housing development planned, highlighting 29,000 new homes anticipated by 2038. They felt that this could offer opportunities to local companies, people working in the trades, and supply chain businesses. They questioned whether the big national developers should always take building work forward, often seeing the Shropshire pound leaving the area, e.g., by bringing in builders from elsewhere.
- 12.13. In a housing related economic opportunity, Members asked what the Council could do to promote the development of the future skills that are required such as those related to renewable energy like solar energy and battery storage, insulation, and air source heat pumps. They shared the example of a local company having to look to other parts of the country to support the work of retrofitting properties. They asked whether links could be or have been made to local employers, whether the opportunity to close the skills gap was understood, and whether there were plans in place or being developed to address the gaps where they exist.

Page 10

12.14. At a strategic level, Members considered how the relationship between Housing Strategy and Planning Policy could be developed to help ensure that some of the specific considerations that those working in Housing have that should be considered in the development of key local strategy and policy documents such as the Local Plan, the Economic Growth Strategy and key transport policies and strategies such as the Local Transport Plan. Members were also clear that housing also needs to be a key consideration at an early stage in the development of community-based plans and programmes related to health and social care, as well as being an enabler to the transformation and development of acute health services.

13. Conclusions

- 13.1. It has become very clear through this work that there is no one size fits all solution to social hosing and affordable housing more widely for the Shropshire Council area. It has a vast geography with different opportunities and challenges in its many different communities, as well as distinctly different urban and rural places.
- 13.2. A feature of social housing is the allocations process. The process is designed to ensure that people with the greatest housing need are able to access housing, including in the places that they would like to live. Adherence to the process is important to ensure that people with identified housing need get the housing, and sometimes the associated support, that they require in a timely manner.
- 13.3. Housing and access to affordable housing were recognised as part of the solution to the challenges of an aging population, rurality, maximising people's independence, and access to care and support where required. For example, through older people being able to downsize to the right type of property (for example, sufficient two-bedroom properties of the right size in the right area), with domiciliary carers enabled to live in or very close to the community in which they work.
- 13.4. The discussion indicates that affordable housing is not a solution in itself. It needs to be looked at as part of a system-wide approach including:
 - economic growth providing access to employment opportunities and wider economic impacts in communities,
 - supporting health and social care needs to be met and demand being managed,
 - harnessing opportunities offered by technology to do this,
 - addressing sustainability and environmental considerations,
 - tackling access to public and community transport, and
 - expanding access to digital infrastructure.
- 13.5. The availability of properties for rent can be impacted by a number of factors, with one that has come through in this work being an increase in the number of holiday lets. With legislation expected, this should be something that is kept in focus, including the impact of any changes being monitored and understood to inform future planning and strategies.

- 13.6. A feature of housing as an economic driver for Shropshire is the opportunity to help retain the Shropshire Pound in Shropshire. Whilst a range of different considerations need to be taken into account in housing developments in Shropshire, and in the choice of developers, it will be important to take opportunities to ensure that the Shropshire economy has a central focus, and benefits are realised for local people, communities, and businesses.
- 13.7. The contribution of housing and affordable housing to help reduce environmental impact and progress sustainability issues are wide. These can relate to new builds and to the retrofitting of existing stock, as well as reducing travel requirements. This can be achieved by enabling people to live closer to the place they work, go to school, need to shop, or access services such as health services. Delivering improved energy efficiency and a move to renewable and lower carbon energy generation can also contribute to developing the local economy, e.g., with the creation of jobs and the identification and promotion of skills that need to be developed.
- 13.8. This work has also highlighted the need for strong relationships between Housing Strategy and Planning Policy, as well as the other key strategies of the Council. Affordable housing and housing in general must be part of a strategic system approach that needs to be in place for people, families and communities to thrive. Greater working between Housing Strategy and Planning Policy should realise opportunities for alignment and progressing types and tenures of housing that will better meet current and future housing need.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

Allocations Policy and Scheme

Local Member: All

Appendices

Appendix I: Glossary of terms

Appendix II: Additional requested data

Appendix I: Glossary of terms

Affordable Housing	Housing for sale or rent, for those whose needs are not met by the market. For the full definition see the <u>National Planning Policy</u> <u>Framework</u> .
Affordable Rent	Rent which is to 80% of local open market gross rent.
Allocation	Selecting a person to be a council tenant or nominating a person to be a housing association tenant.
Arm's Length Management Organisation (ALMO)	Provides housing management services on behalf of a stock holding local authority (as opposed to the stock being managed in- house).
Choice-Based Lettings (CBL)	A process used to advertise available social housing and enabling applicants to express an interest for the properties they would like to be considered for.
Discounted Market Sale	A form of low-cost ownership whereby the home is purchased at discounted price (this is usually 20% to 30%) and must be re-sold with the same discount percentage.
Home Ownership for people with Long term Disabilities (HOLD)	Shared Ownership purchase of a home on the open market for people with a long-term disability who are unable to find a new build home which meets their specific needs.
Housing Register	The list of all those registered with Shropshire Council for social housing.
Housing Revenue Account (HRA)	The Council's landlord account, recording income and expenditure arising from the provision of housing accommodation. It is not a separate fund but a ring-fenced account within the General Fund.
Interim Duty to Accommodate	A local authority has a duty to provide interim (temporary) accommodation if, at any point during enquiries surrounding a homelessness application, there is a reason to believe that an applicant may be: homeless; eligible for assistance, and in priority need. Where an applicant is owed the main duty, this being an offer of settled accommodation, and is currently accommodated in temporary accommodation the local authority has a duty to provide temporary accommodation until such time as the duty is ended,

	either by an offer of settled accommodation or for another specified reason.	
Key worker	Someone whose role provides an essential service deemed crucial to the economy and wellbeing of society.	
Key worker housing	Housing at sub-market rent or sale specifically for key workers.	
Local Housing Allowance	How much help towards their rent someone would have when renting from a private landlord – it is used to work out housing benefit and the housing element of universal credit.	
Main Duty	Where a homeless household is found by the local housing authority to be eligible for assistance, homeless but not intentionally so, in priority need and with a local connection they are owed the main duty of an offer of suitable accommodation.	
Nomination	When a person is allocated a housing association tenancy in line with the Council's allocation policy and scheme.	
Older Persons Shared Ownership (OPSO)	Shared Ownership available to over-55s. Ownership is capped at 75% of the value of the home. Once this cap is reached, no rent is payable on the remaining share.	
Prevention Duty	If a homeless household is eligible for assistance and threatened with homelessness within 56 days, the local housing authority is required to work with them to prevent them becoming homeless.	
	Under the Housing Act 1996 local authorities must ensure that when allocating and nominating to housing accommodation reasonable preference is given to the following groups:	
Reasonable	 people who are homeless within the meaning of Part 7 of the Housing Act 1996 (including those who are intentionally homeless and those not in priority need); 	
Preference	 people who are owed a duty by any housing authority under the Housing Act 1996 sections 190(2), 193(2) or 195(2) (or under section 65(2) or 68(2) of the Housing Act 1985) or who are occupying accommodation secured by any such authority under section 192(3); 	
	 people occupying insanitary or overcrowded housing or otherwise living in unsatisfactory housing conditions; 	

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	 people who need to move on medical or welfare grounds, including grounds relating to a disability; and people who need to move to a particular locality in the district of the authority, where failure to meet that need would cause hardship (to themselves or to others). Reasonable preference is also used by central government as a 	
	definition of a household being in housing need.	
Registered Provider (RP)	Housing organisation that is registered with the Regulator of Social Housing. Local authorities who own social housing stock are Local Authority Registered Providers (LARP). Private Registered Providers (PRPs) are usually Housing Associations, however, not all Housing Associations are PRPs.	
Regulator of Social Housing (RSH)	Undertakes economic regulation, focusing on governance, financial viability and value for money and sets consumer standards, it may take action if these standards are breached and there is a significant risk of serious detriment to tenants or potential tenants. It is important to note that a new proactive consumer standard regime is to come into effect in April 2024.	
Relief Duty	If a homeless household is eligible for assistance and is homeless, regardless of priority need, the local authority is required to take reasonable steps assist the household to obtain accommodation, this duty could last for up to 56 days.	
Rent to Buy	Homes let to working households at a lower cost to give them the opportunity to save for a deposit to buy their first home. The rent (including service charge) is set at or below 80% of the market rent for an equivalent home for at least five years to allow a tenant to save for a deposit or purchase sooner via Shared Ownership.	
Section 21 Notice	A formal document giving two months' notice on an Assured Shorthold Tenancy to vacate a property (sometimes referred to as a no-fault possession notice).	
Section 106 Agreement	Section 106 agreements are used to ensure planning obligations are delivered and adhered to.	
Shared Ownership	Where a person buys a proportion of a new home and pays rent on the remaining portion.	
Shropshire Towns and Rural (STAR) Housing	Shropshire Council's ALMO, which manages all the Council's own housing under a Management Agreement.	

Social Housing	Housing provided by local authorities and housing associations, it can be for rent or shared ownership. Its role is to assist people who cannot afford to rent or buy a home on the open market.
Social Rent	Rent is calculated according to a formula based on property value, number of bedrooms and local earnings.
Spare Room Subsidy	Commonly referred to as the "bedroom tax", this is a reduction in Housing Benefit or the Housing Cost element of Universal Credit when social housing tenants of working age have one or more spare bedrooms.
Statutorily Homeless	Households who are eligible for assistance, homeless but not intentionally so, in priority need and have a local connection.

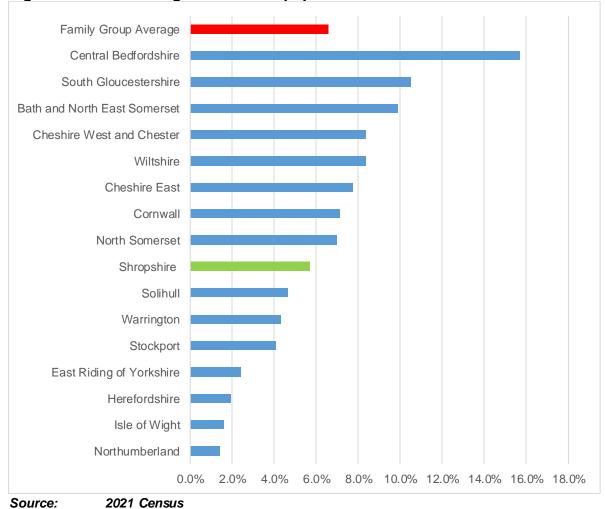
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Appendix II: Additional requested data

1. Population and demographics

1.1. The population of Shropshire increased by 5.7% to around 323,600 over the period 2011 to 2021, as can be seen in Figure 1 below this increase is less than the CIPFA family average of 6.6%³.

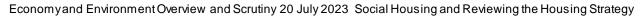
Figure 1: Percentage increase in population from 2011 to 2021



- 1.2. The median age of Shropshire's residents is 48, this compares to the CIPFA family group median age of 44⁴. As can be seen by Figure 2, a high proportion (12.2%) of Shropshire's residents are aged 75 and over, this is over the CIPFA family average of 10.6%.

³ Census 2021 (ons.gov.uk)

⁴ Census 2021 (ons.gov.uk)



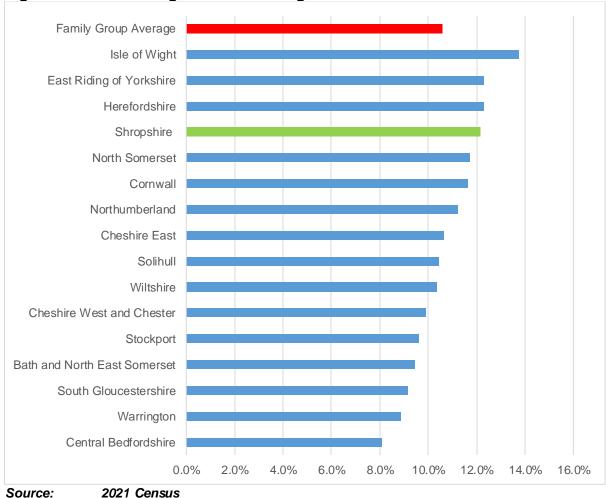
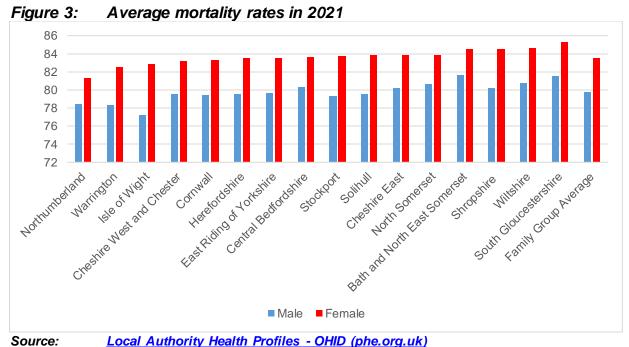


Figure 2: Percentage of residents aged 75 and over in 2021

2. Health, well-being and deprivation

- 2.1. As shown by Figure 3, the average male and female mortality rates in Shropshire, these being 80.2 and 84.5 respectively, are both above the CIPFA family average figures of 79.7 and 83.6.
- 2.2. Personal well-being estimates show that Shropshire residents feelings are in line with the CIPFA family group average for life satisfaction, above the CIPFA family group average for feeling life is worthwhile, whilst levels of happiness and anxiety are below the CIPFA family average (Figure 4).
- 2.3. The Index of Multiple Deprivation's 'barriers to housing and services deprivation' is mapped at Figure 5, which calculates the physical and financial accessibility of housing and key local services. The indicators fall into two sub-sections: 'geographical barriers', which relate to the physical proximity of local services (road distances to a post office, primary school, general store or supermarket, and GP surgery), and 'wider barriers' which includes issues relating to access to housing such as overcrowding, homelessness and affordability.
- 2.4. The barriers to housing sub-domain (Figure 6) shows that the LSOAs with the highest levels of housing deprivation (overcrowding, homeless and housing affordability) all fall into urban areas.

<u>Page 18</u>



<u>Local Automy hearth homes - Onio (pile.org.uk)</u>

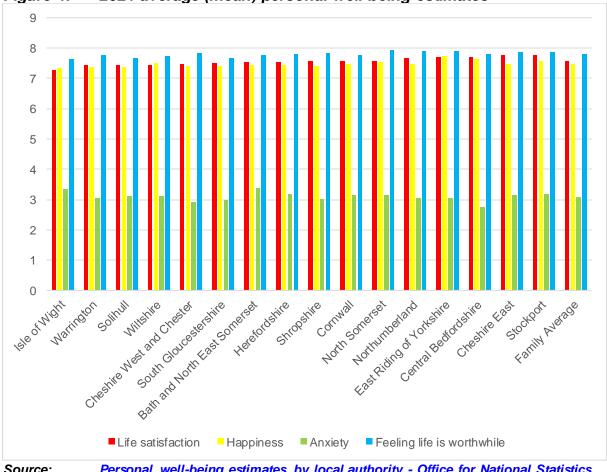


Figure 4: 2021 average (mean) personal well-being estimates



Figure 5: Index of Multiple Deprivation – Barriers to Housing and Services Deprivation

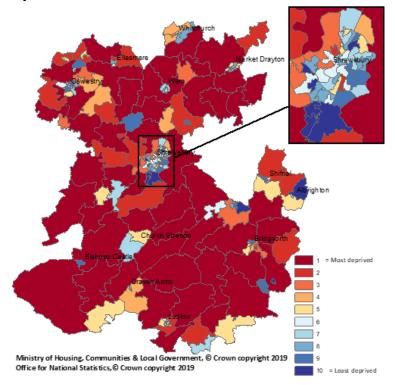
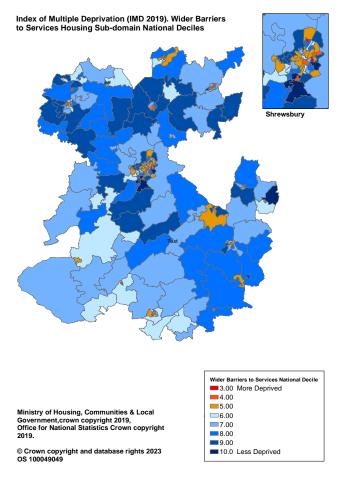


Figure 6: Index of Multiple Deprivation – Barriers to Housing and Services Deprivation: Barriers to housing sub-domain

Page 20



3. The economy

3.1. Figure 7 shows that 58.8% of the Shropshire population is of traditional working age (16-64), this being slightly below the CIPFA family group average of 60%.

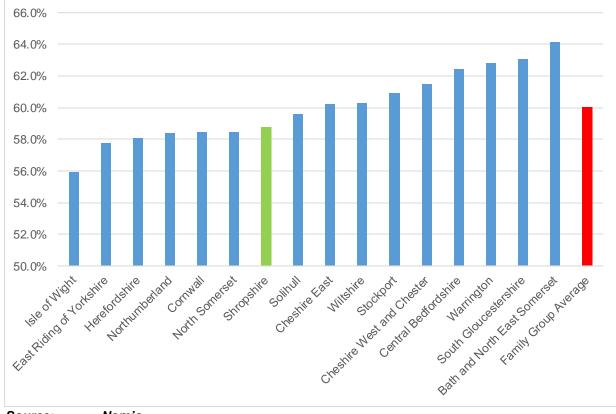
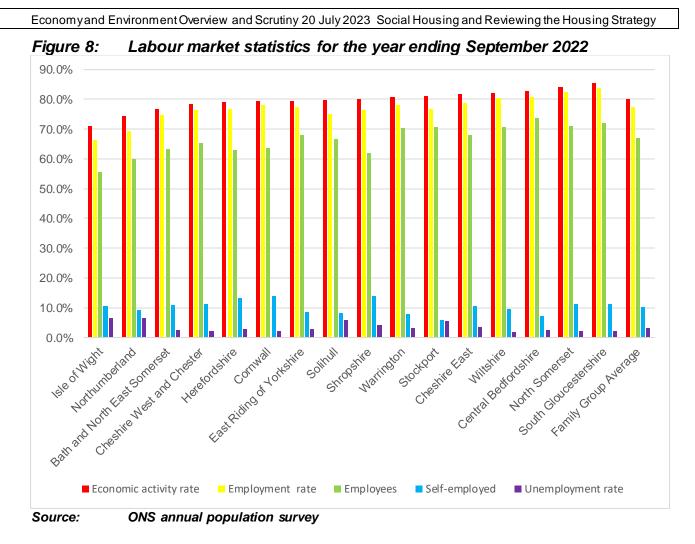


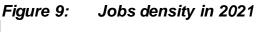
Figure 7: Percentage of population aged 16 to 64 in 2021

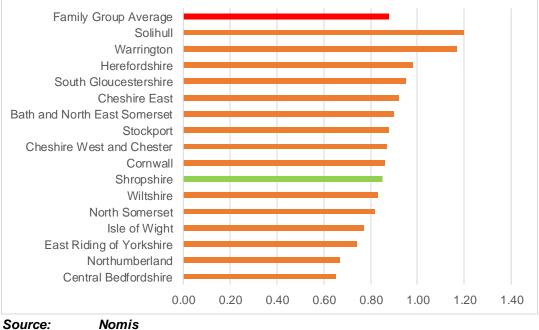


3.2. Figure 8 shows that in Shropshire 80% of working age people were economically active (working or seeking work) in the year ending September 2022. 76.6% of working age people were employed at this time, with an unemployment rate of 3.5%. This is comparable to the CIPFA family average unemployment rate of 3.3%. Most people in employment are employees, but self-employment is high in Shropshire - 14% of the working age population as compared to the CIPFA family average of 10.3%.



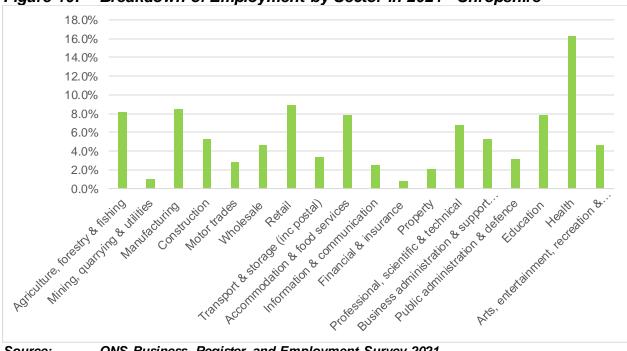
3.3. Jobs density is the level of jobs per resident aged 16-64. For example, a job density of 1.0 would mean that there is one job for every resident aged 16-64. With a jobs density of 0.85 Shropshire has fewer jobs than it does resident workers, meaning that more people commute out of the county for work than commute in. As can be seen in Figure 9, this is below the CIPFA family average of 0.88.





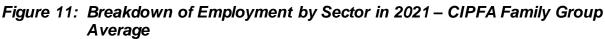
Page 22

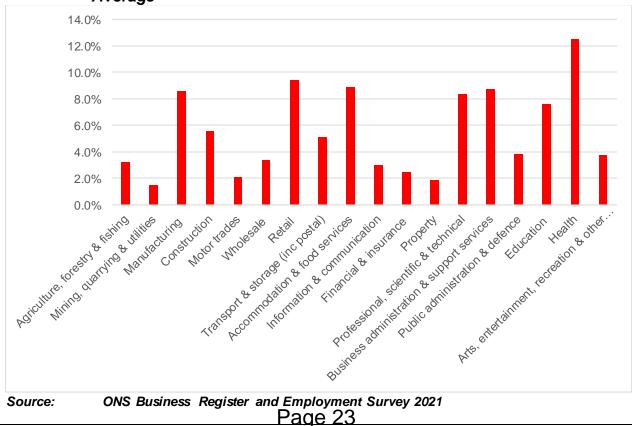
- 3.4. As shown in Figure 10 the six top employment sectors in Shropshire are: health; retail; manufacturing; agriculture; education; accommodation and food services. Together, these account for 57.5% of all employment in Shropshire.
- 3.5. However as can be seen in Figure 11, the six top employment sectors across the CIPFA family group are: health; retail; accommodation; business administration; manufacturing and professional.



Breakdown of Employment by Sector in 2021 - Shropshire Figure 10:

ONS Business Register and Employment Survey 2021 Source:





- 3.6. Gross value added⁵ per capita is below the CIPFA family average (£18,748 compared with £22,187). GVA per hour worked in Shropshire stood at £28.36 in 2020, as compared to the CIPFA family average of £34.22.
- 3.7. Figure 12 shows average gross weekly earnings for people who work in the specific local authority, but who do not necessarily live there (workplace earnings). Figure 13 shows average gross weekly earnings for people who live in the specific local authority, but do not necessarily work there (residents' earnings).

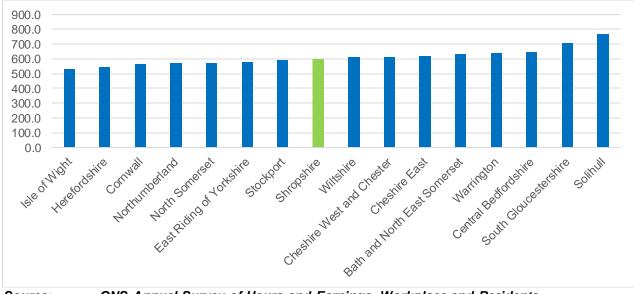


Figure 12: Average Workplace Earnings in 2022



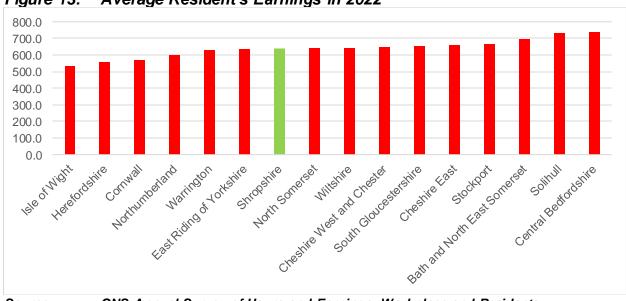


Figure 13: Average Resident's Earnings in 2022

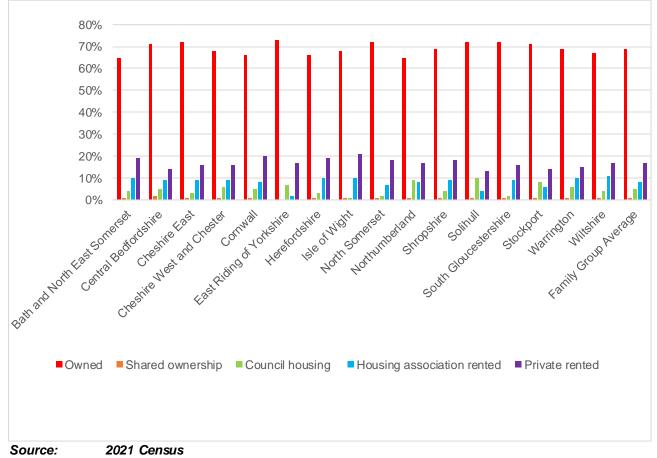
Source: ONS Annual Survey of Hours and Earnings, Workplace and Residents

4. Housing supply

4.1. As shown in Figure 14, when compared to CIPFA family group average, Shropshire has the same level of owner occupation (69%), a lower level of Council housing (4%

⁵ GVA (Gross Value Added) is the measure of the value of goods and services produced in an area Page 24

as compared to 5%); and higher levels of housing association and private renting (9% and 18%, as compared to 8% and 17% respectively).





4.1. Figure 15 shows how the median house price to median income ratio, this being the median house price divided by the median income, in Shropshire this is 8.01. The figure also shows the lower quartile house price to lower quartile income ratio - this is considered entry level for owner-occupation - in Shropshire this is 7.8.

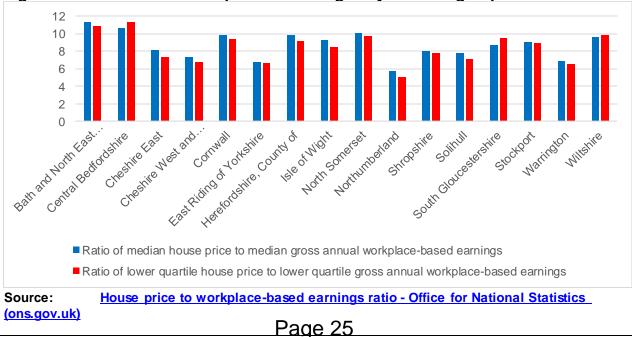


Figure 15: Ratios of house price to earnings at year ending September 2021

4.2. As compared with the CIPFA family group averages, Shropshire has slightly lower proportions of one- and two-bedroom dwellings and slightly higher proportions of dwellings with three or more dwellings (Figure 16).

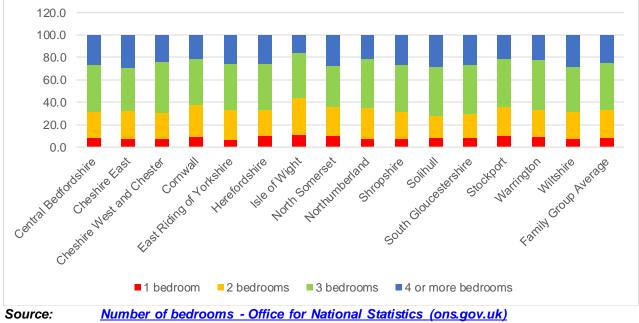


Figure 16: Number of bedrooms in dwellings as a percentage of all housing stock