Committee and Date

Housing Overview and Scrutiny Committee

26 November 2026

HOUSING OVERVIEW AND SCRUTINY COMMITTEE

Minutes of the meeting held on 23 September 2026
In the Council Chamber, The Guildhall, Frankwell Quay, Shrewsbury, SY3 8HQ
10.00 am - 12.17 pm

Responsible Officer: Shelley Davies
Email: shelley.davies@shropshire.gov.uk Tel: 01743 257718

Present
Councillor Andy Davis (Chairman)
Councillors Rosemary Dartnall (Vice Chairman), Duncan Kerr, Vicky Moore, Carl Rowley and Chris Naylor (Substitute for Teri Trickett).

Other Members in Attendance:
Councillor James Owen – Portfolio Holder for Housing
Councillor Heather Kidd – Leader
Dawn Husemann – Group Leader

Officers in Attendance:
Claire Braddock – Overview and Scrutiny Officer
Paula Mawson - Service Director Communities & Customer
Laura Fisher - Head of Service - Housing, Resettlement and Independent Living
Fiona Whitaker-Stranks - Homelessness Operations Manager
Mannie Ketley - Interim Director of Finance Improvement (remotely)

23 **Apologies for Absence**

Apologies were received from Councillors Jeremy Blandford, Harry Hancock-Davies, Nigel Lumby, Jon Tandy and Terri Trickett (Substitute: Chris Naylor).

24 **Disclosable Interests**

None received.

25 **Minutes**

RESOLVED:

That the minutes of the meeting held on 3rd September 2026 be confirmed as an accurate record.

26 **Public Questions**

There were no public questions.

27 Member Questions

There were no member questions.

28 Housing Revenue Account Business Plan

Paula Mawson, Service Director for Communities and Customer, introduced the draft Housing Revenue Account (HRA) Business Plan Policy, explaining that it had been developed following an independent review to provide a clear framework for the long-term management of the Council's housing stock. She highlighted that the HRA was a ring-fenced, tenant-funded account and outlined the key policy principles, including maintaining safe and compliant homes, protecting the HRA's financial sustainability, and supporting investment decisions through a 30-year planning approach.

In response to questions from the Chairman on the policy's "golden rules", Mannie Ketley, Interim Director of Finance Improvement explained that the HRA was currently fully compliant with these financial rules, which act as safeguards to ensure the account remains financially viable. She noted that the rules allow the Council to model future investment requirements, borrowing and regulatory pressures and provide early warnings if adjustments to the business plan become necessary.

Members also asked how the Council would monitor performance by STAR Housing. Paula Mawson explained that this would be achieved through regular contract and performance meetings, detailed financial monitoring, attendance at STAR Board and subcommittee meetings, and ongoing collaboration on the development of the HRA business plan. She added that issues could be escalated through formal contractual arrangements if required, although relationships with STAR had generally been positive and constructive.

Questions were raised regarding the £174 million borrowing cap, future inspections and the treatment of debt within the HRA. Paula Mawson advised that the regulator would inspect the Council rather than STAR Housing, with approximately six weeks' notice expected before an inspection. She stressed that the Council's approach was to embed compliance requirements into everyday operations rather than simply prepare for inspections. Mannie Ketley explained that the borrowing cap represented the upper limit of affordable debt for the HRA and was routinely reviewed to ensure financial sustainability.

Members sought clarification on borrowing arrangements and principal debt repayments. Mannie Ketley explained that while interest payments were mandatory, repayment of principal debt within the HRA was discretionary, allowing resources to be prioritised towards maintaining homes and meeting regulatory requirements. She noted that loans could be refinanced where appropriate and that future principal repayments would be considered when financial capacity allowed.

Significant discussion focused on how recent regulatory changes were affecting the HRA's ability to deliver new homes. Members questioned the previously stated aspiration to build 500 Council homes and requested more detailed data on housing stock numbers, capital expenditure, borrowing assumptions and future housing delivery. Paula Mawson explained that there were currently 4,073 homes within the

HRA and that ongoing stock condition surveys were informing future investment requirements. Mannie Ketley advised that increased regulatory obligations, including compliance with Awaab's Law and housing quality standards, had increased investment pressures, and further detailed information would be brought back to the Committee in November.

James Owen, Portfolio Holder for Housing, advised that the report focused on establishing the HRA Policy and its financial principles ahead of detailed consideration of the Business Plan in November. He emphasised the need to balance investment in existing housing stock, regulatory compliance and future housing development within a financially sustainable framework, while maintaining an ambition to maximise the delivery of new council homes and protect the Council's housing stock.

Members expressed concerns about balancing investment in existing homes against the need to provide additional housing, the use of reserves, borrowing costs and governance arrangements. Officers acknowledged these concerns and agreed to provide further breakdowns of investment requirements, including distinctions between statutory obligations and discretionary improvements.

Recommended:

That the Committee note the draft Housing Revenue Account Policy and receive a further report in November setting out the detailed HRA Business Plan, including financial assumptions, stock projections, investment requirements, borrowing implications and housing delivery ambitions, to enable further scrutiny before consideration by Cabinet and Council.

29 **Shropshire Council Allocations Policy and Scheme**

Councillor James Owen, Portfolio Holder for Housing, introduced the Shropshire Council Allocations Policy and Scheme, explaining that the purpose of the report was to seek members' views before consultation on a revised policy. He highlighted several key issues for consideration, including whether the housing register should remain open to applicants from outside Shropshire, the suitability of the current choice-based lettings system, the role of local and rural connections in allocations, and whether the existing £50,000 household income threshold remained appropriate given current housing costs and affordability pressures. He noted that demand for social housing continued to exceed supply, with almost 5,000 households on the register and only 855 lettings in the previous year.

The Chairman welcomed the report but agreed that the issues raised were too complex for a single discussion and suggested that a Task and Finish Group be set up. Members stressed that any changes would have a significant impact on residents' lives and should therefore be based on evidence and careful consideration of the potential consequences. Concerns were raised about the need to understand practices adopted by other councils, the interaction between housing need and income thresholds, and the implications of any changes to local connection requirements.

Councillor Heather Kidd, Leader, supported the proposal to establish a Task and Finish Group and highlighted concerns that some working households on modest incomes were unable to access the housing register despite facing significant affordability challenges. She also discussed the importance of supporting sustainable rural communities, retaining local people within their communities and ensuring that affordable housing met local needs.

Questions were raised about consultation arrangements, the accuracy of housing register figures and the role of local and rural connection criteria. Officers advised that any significant policy changes would require public consultation and explained that the housing register was regularly reviewed to ensure applicants still wished to remain registered. Councillor James Owen advised that approximately 1,200 applicants on the register did not have a local connection to Shropshire and that around 500 applicants had previously been assessed as not meeting the financial need criteria, illustrating the potential impact of any policy changes.

Members further discussed the relationship between the Allocations Policy, the Local Plan and the role of Registered Social Landlords. There was support for hearing evidence from housing providers and other local authorities as part of the review. Concerns were also raised about ensuring local allocations were honoured, particularly on rural exception sites, and about balancing statutory housing duties with wider objectives such as supporting rural sustainability, family networks and local services. Officers confirmed that nomination agreements with housing providers would be an important consideration within the review.

Recommended:

That a Task and Finish Group be established to undertake a detailed review of the Housing Allocations Policy, including local connection criteria, income thresholds, rural housing needs and nomination arrangements, and that its findings be reported back to the Committee for further consideration.

30 **Statutory Duties: Homelessness - A National Plan for Homelessness**

Councillor James Owen, Portfolio Holder for Housing, introduced the report on the Government's national plan to end homelessness, explaining that while the report provided an overview of national reforms, its primary purpose was to seek members' views on what success should look like in Shropshire and the level of ambition that should be reflected in future local targets. He emphasised that homelessness remained a significant challenge, requiring continued focus on prevention, reducing rough sleeping and improving pathways into sustainable accommodation.

Fiona Whitaker-Stranks, Homelessness Operations Manager, outlined progress made since implementing service improvements in 2025, including the removal of historic backlogs, improved triage arrangements and a stronger emphasis on prevention. Members were advised that the proportion of successful prevention outcomes had increased and that the Council had significantly reduced its reliance on bed and breakfast accommodation, with no families exceeding the statutory six-week limit. However, it was acknowledged that challenges remained, particularly around rough sleeping and supporting individuals with multiple and complex needs.

Members welcomed the positive progress but asked how Shropshire's performance compared with similar authorities and whether sufficient context could be provided when future targets were brought forward. Questions were also raised regarding the methodology used to measure rough sleeping in a predominantly rural county and whether official figures fully reflected the scale of the issue. Officers acknowledged the difficulties in accurately identifying all rough sleepers in rural areas but advised that dedicated outreach teams worked continuously across the county and responded to reports from communities.

Questions were raised about funding and the financial implications of delivering the national plan. In response, officers advised that Shropshire would receive additional funding through the Government's Rough Sleeping Programme, including approximately £950,000 over three years. It was explained that while some funding was linked to the Government's objective of reducing rough sleeping by Christmas, there was flexibility in how future funding could be used locally to support accommodation, prevention and long-term solutions.

Members stressed the importance of treating homelessness as a whole-council issue rather than solely a housing matter. Concerns were raised about the links between homelessness, mental health, substance misuse, adult social care and wider support services. Officers confirmed that the report was being considered by other committees and partnership bodies and that a whole-system approach, supported by health partners and council services, would underpin the development of the local delivery plan and future targets.

In summary, the Chairman welcomed the positive progress made in reducing the use of bed and breakfast accommodation and strengthening homelessness prevention. He acknowledged that challenges remained but commended officers for their transparent reporting and emphasis on partnership working, expressing confidence that realistic and ambitious targets would be developed to further improve outcomes for residents.

Recommended:

That the Committee note the report and receive a further update on progress against the homelessness action plan and associated outcomes at a future meeting.

31 **Work Programme**

Members considered the Committee's future work programme and agreed that the following items be included:

- Housing Revenue Account (HRA) Business Plan to include detailed scrutiny of the business plan, supporting financial information and investment proposals.

- Housing Allocations Policy Task and Finish Group to undertake a detailed review of the Allocations Policy and report back to the Committee.

- Fostering and Housing - focusing on the housing-related barriers faced by foster carers, including housing size requirements and links with planning and children's services.

- Houses in Multiple Occupation (HMOs) including consideration of HMO licensing, the scale and location of HMOs in Shropshire, and the potential implications of an Article 4 Direction.

Recommended:

That the Work Programme be updated to include the additional items noted above.

32 **Exclusion of the Public and Press**

RESOLVED:

That in accordance with the provisions of Schedule 12A of the Local Government Act 1972, and paragraph 10.4(3) of the Council's Access to Information Procedure Rules, the press and public be excluded during consideration of the following items.

33 **Exempt Minutes**

RESOLVED:

That the exempt minutes of the meeting held on 3rd September 2026 be confirmed as an accurate record.

34 **Date of next meeting**

Members noted that the next meeting of the Housing Overview and Scrutiny Meeting will be held at 2.00 p.m. on Thursday 26th November 2026.

Signed ..... (Chairman)

Date: .....