

**SURREY COUNTY COUNCIL****CABINET****DATE: 25 OCTOBER 2022****REPORT OF CABINET MEMBER: SINEAD MOONEY, CABINET MEMBER FOR CHILDREN AND FAMILIES****LEAD OFFICER: MICHAEL COUGHLIN, EXECUTIVE DIRECTOR FOR PARTNERSHIPS, PROSPERITY AND GROWTH****SUBJECT: A COUNTY STRATEGY FOR HOUSING, ACCOMMODATION AND HOMES: BASELINE ASSESSMENT****ORGANISATION STRATEGY PRIORITY AREA: GROWING A SUSTAINABLE ECONOMY SO EVERYONE CAN BENEFIT/TACKLING HEALTH INEQUALITY/ENABLING A GREENER FUTURE/EMPOWERING COMMUNITIES****Purpose of the Report:**

This report outlines the background to and drivers for the initiation of a county-wide housing, accommodation and homes strategy and sets out the initial findings of a baseline assessment exercise, upon which key priorities and action will be derived, through a partnership-based, collaborative deliberation programme.

**Recommendations:**

It is recommended that Cabinet:

1. Endorse the consultative research work undertaken in partnership, to establish a strategic baseline assessment of accommodation and housing across the county
2. Approve the proposed deliberative engagement approach to secure the views and buy-in of partner bodies to the identification of strategic priorities for accommodation and housing in Surrey
3. Agree to a further report, confirming the Accommodation and Housing Strategic needs and priorities, coming to the Cabinet meeting in January 2023.

**Reason for Recommendations:**

1. The housing circumstances and conditions in which one lives have a profound effect on many aspects of our lives. Housing, accommodation, and homes across Surrey reflect a complex mix of tenures, provision, quality, quantity and affordability and accessibility and in a number of these respects presents serious challenges. Housing also has a distinct impact on the economy and its potential to grow.
2. In considering these issues, it is apparent that an evidenced, joined-up, county-wide partnership strategic approach to housing, accommodation and homes would be beneficial in providing ambition, focus, direction, and alignment across the whole Surrey housing system.
3. Acknowledging the complexity and potential sensitivity, the recommendations seek to secure endorsement at this stage of the engagement, assessment and analysis of the

current position and proposed next steps, to provide a common platform of awareness and understanding of the key issues, in order to drive strategic priorities for action and improved delivery and outcomes, over time, in pursuit of ensuring more residents in Surrey live in secure, affordable, and sustainable housing, are able to fulfil their full potential and make their best contribution to economic, civic and community life.

## Executive Summary:

### Background

4. As part of the development of the County's Economic Strategy statement during 2021, the One Surrey Growth Board raised the critically important issue of housing and its impact on Surrey's economy. It was noted that whilst a number of different bodies, organisations and agencies played significant roles in the planning, delivery, management and improvement of housing, there was no one, overarching, unifying strategic approach across the county.
5. In parallel, the Surrey Delivery Board comprising Council Leaders and Chief Executives from across Surrey, at their meeting in April 2022, agreed to the commissioning of research and analysis to create a 'baseline assessment' in order to better understand the challenges and opportunities experienced with housing and accommodation, that could be used to identify shared priorities and the basis of a future Accommodation, Housing, and Homes Strategy.
6. In addition, the Adult Social Care Reform White Paper 'People at the Heart of Care' (Dec 2021) states that ICPs would play a 'critical role' in driving the necessary integration of housing within health and care, both through the development of local strategies and in the delivery of services. The White Paper confirmed investment to embed the strategic commitment in all local places to connect housing with health and care and drive the stock of new supported housing. The White Paper also set out the ambition to 'make every decision about care a decision about housing' and to give more people the choice to live independently and healthily in their own homes for longer, by allowing local authorities to integrate housing into local health and care strategies, with a focus on boosting the supply of specialist housing and funding improved services for residents.
7. Arising from these discussions and identification of the need for a more strategic approach, advisors (Inner Circle Consulting) have been commissioned to i) undertake an initial broad baseline assessment of a wide range of housing, accommodation and homes matters, to support a better understanding of the accommodation and housing environment and the resources available, ii) conduct an engagement and deliberation programme, to establish where greater collaboration and partnership working may be most fruitful and iii) to derive a common set of strategic priorities for action.

### Introduction

8. Surrey County Council is ambitious for Surrey and has identified four priority objectives for Surrey: growing a sustainable economy so everyone can benefit; tackling health inequality; enabling a greener future; and empowering communities. Good quality, sustainable housing can make a significant contribution to all four of these objectives.
9. The places where people live and the housing conditions they are born into, have a fundamental bearing on their life chances. Housing is a fundamental determinant of individuals' wellbeing, along with employment, health and quality relationships. Housing conditions, accessibility and mix are key determinants of a thriving and sustainable

workforce and economy. Housing also links strongly to poverty/fuel poverty and the cost of living and climate change and net zero ambitions.

10. It is apparent that a significant number of Surrey's residents, businesses, authorities and the economy face contextual and strategic challenges around accommodation and housing. These include:

- *Contextual* - an aging population, areas of economic decline, congestion, cost inflation, health inequalities and increasing demand for services
- *Affordability* - despite positive average wage rates, high land values, property prices, and rents, translates into some of the worst affordability rates in the country
- *Supply* - the extent of Green Belt and other protected land designations places significant constraints on the availability of land for housing and specialist accommodation
- *Inequality, social inclusion and social mobility* - despite relatively high levels of affluence across the county, there are still areas of significant comparative deprivation where life expectancy, health, child poverty, employment, skills, educational attainment and housing etc, are significantly behind what is being achieved by communities living just a few miles away
- *Maximising the positive impact of available accommodation and homes* - making best use of the housing allocation system only addresses part of the issue, with a continued requirement to find even better ways to align the total supply of accommodation and housing with the most pressing social and economic needs of the area,
- *Securing inward investment* – increasingly Government investment is away from the relatively affluent South East, into more traditionally deprived parts of the country
- *Climate change, net zero and 20-minute neighbourhoods* – and the positive contribution that housing can make to these policy objectives.

11. Across all these areas of activity and issues, there is not currently an evidenced and joined-up county-wide strategy or ambition that directs focus and alignment across the whole housing system. This is a gap that the baseline assessment and proposed strategy is intended to address.

### **The County Council's role and contribution**

12. Alongside District and Borough Councils, Registered Social Landlords, Developers, investors and regional and national agencies (e.g. Homes England), the County Council plays an important role as part of the housing system in Surrey, for example:

- Delivering and maintaining much of the large-scale enabling infrastructure that businesses and residents require including transport, digital infrastructure, waste facilities and schools
- Promoting economic growth across the county requires appropriate housing growth as part of a place-based approach to attracting investment and job opportunities
- Public health working in partnership with others has a key role in addressing homelessness, which came to the fore during the Covid-19 pandemic.
- The Greener Future programme and ambitions support new homes being designed and provided to mitigate and adapt to climate change, to be energy and water efficient, and have regard to low carbon waste and flood management
- As a care and support organisation the Council works with and shapes the market to ensure the housing offer meets the needs of residents throughout their lifetime and with partners to ensure a joined-up approach to preventing homelessness
- The Council's work to alleviate poverty (e.g. income, food, fuel) across the county, has highlighted the requirement for a housing strategy to ensure that we an holistic

approach is taken to tackling poverty, in view of the enormous role housing plays in determining whether someone lives in poverty

- In the direct provision of residential housing stock and through a draft 'housing delivery strategy' for Build to Rent housing, which includes the initial identification of four development sites
- as a strategic leader on large scale housing and regeneration programmes, driving new and innovative thinking about types of housing, investment and investment vehicles and the connection between place and people and inclusive communities.

13. In addition to the above, the County Council is well-placed to commission a county-wide strategy and convene and engage partners in its delivery.

### **Scope of the baseline assessment**

14. In order to prioritise and address the above issues, a partnership approach to developing a collaborative strategy across Surrey has been initiated, the first stage of which is to establish a shared baseline assessment of the current position in respect of a wide number of elements of housing and accommodation. The scope of the work commissioned covers the following:

- a strategic housing market assessment
- Social Housing provision and the experience of tenants
- Low-cost Housing, including for essential workers
- Increasing the positive contribution of accommodation and housing to wider determinants of health, including enabling more older people to continue to live safely and independently in their own home
- Social Care provision, for older people (e.g. Sheltered Housing, Extra Care, residential care)
- Increasing the contribution that accommodation and housing is able to make to addressing deprivation and promoting greater social mobility
- Those with special housing needs, e.g. young people in care
- The key role of and inter-relationship between housing and health
- Homelessness and rough sleeping
- Affordability, accessibility and demand within the housing market, aligned with labour market and economic factors
- The contribution of housing in Surrey to the Climate Change agenda, either through new builds or retrofit programmes
- Increasing the scope to deliver the concept of 20 minute neighbourhoods in more areas, with the significant quality of life and climate change benefits that this brings.
- Innovative approaches to the identification of key opportunity sites across the county, investment strategies, unlocking land and funding, speeding up delivery of affordable housing, supporting the vulnerable etc.
- Increasing the opportunities to secure inward investment from Government, Homes England, and attract inward investment from businesses
- Approaches to increasing the overall supply of accommodation and housing

15. Within this broad and comprehensive remit, full account has been taken of the sovereignty of Borough and District Councils and their statutory powers, including housing and the responsibility for planning decisions, agreeing local planning policy, and the leadership of the Local Plan process.

16. It is anticipated that by working in partnership with a range of others that have a contribution to make to housing, homes and accommodation in Surrey, residents will see and experience benefits over time, in respect of:

- improved affordability brought about by addressing collectively the supply of housing and accommodation,
- reduced homelessness within the local area
- improved range of housing types and quality of provision and conditions,
- a positive impact for the Surrey workforce and economy with the potential for additional investment being made in priority areas and housing issues and
- improved performance across the County's housing in terms of climate change, net zero ambitions and 20-minute neighbourhoods.

### **Baseline assessment**

17. Inner Circle Consulting have been appointed as advisors for this work and have since July 2022, undertaking an extensive research and engagement programme to build a 'Baseline Assessment' of housing, accommodation and homes in Surrey. Their report setting out their methodology, analysis and findings is attached at Appendix A.

### **Deliberative engagement programme**

18. The next stage in the preparation of the strategy is to engage with a wide range of partners on the Baseline Assessment to build as far as possible a consensus around the strategic priorities for action. It is proposed that a series of discursive workshops be held during the autumn, involving a wide range of representative stakeholders and interested parties (see Appendix B) with a final step being a Housing, Accommodation and Homes Summit to be held on the 8<sup>th</sup> December, prior to a final draft strategy being brought to Cabinet at its meeting in January 2023.

### **Consultation:**

19. As noted within the Baseline Assessment report, the council and/or its agents have engaged with a wide range of local partners including Surrey District and Borough councils, Registered Social Landlords, businesses, health partners and charitable bodies.
20. An all-Member Development Session was delivered on 23<sup>rd</sup> September 2022 that presented the work to date and findings for the baseline assessment of housing, accommodation and homes in Surrey.
21. Further engagement with a wide range of stakeholders will be undertaken as part of the next stage of the work, to develop strategic priorities for action.

### **Risk Management and Implications:**

22. There are no immediate risks arising from the preparation and creation of the Accommodation, Housing and Homes Strategy for Surrey, that would need to be incorporated into the Councils Risk Register.

### **Financial and Value for Money Implications:**

23. No direct financial implications are known at this stage, given the high-level, strategic nature of the work. As strategic priorities are determined, broad estimates of the financial implications for the County Council and other partners will be more readily identifiable.

#### **Section 151 Officer Commentary:**

24. Although significant progress has been made to improve the Council's financial position, the financial environment remains challenging. The UK is experiencing the highest levels of inflation for decades, putting significant pressure on the cost of delivering our services. Coupled with continued increasing demand and fixed Government funding this requires an increased focus on financial management to ensure we can continue to deliver services within available funding. In addition to these immediate challenges, the medium-term financial outlook beyond 2022/23 remains uncertain. With no clarity on central government funding in the medium term, our working assumption is that financial resources will continue to be constrained, as they have been for the majority of the past decade. This places an onus on the Council to continue to consider issues of financial sustainability as a priority in order to ensure stable provision of services in the medium term.
25. The cost of the Baseline Assessment report will be funded from Transformation resources. There are no other direct financial implications at this stage; financial implications of the developing Strategy will be captured for the January Cabinet report. Given the strategic importance of housing, accommodation and homes to the delivery of the Community Vision and No One Left Behind, the Section 151 Officer supports the recommendations in this paper.

#### **Legal Implications – Monitoring Officer:**

26. There are no specific legal implications at this stage

#### **Equalities and Diversity:**

27. Enhancing housing and accommodation provision and quality are effective mechanisms in support of the council's ambition of No One Left Behind, with the potential to accelerate and enable work to tackle inequalities and inclusion within the county.
28. Where relevant, Equality Impact Assessments will be completed for individual strategic priorities.

#### **What Happens Next:**

29. The baseline assessment and initial findings reported here are being widely engaged and deliberated upon in the coming months to inform the determination of a number of strategic priorities for action and delivery, by identified partners and the County Council.
30. A further report on the outcome of the next stage of this work will be presented to Cabinet at its meeting in January 2023.
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**Consulted:**

District and Borough Councils (incl. Housing Officers, Chief Executives), SCC Member Development session, RSLs, businesses, health agencies.

**Appendices:**

Appendix A: Summary report: Housing, Homes & Accommodation Strategy

Appendix B: Surrey Housing, Homes & Accommodation Strategy

**Sources/background papers:**

Reports to Surrey Delivery Board: 21<sup>st</sup> April 2022 and 4<sup>th</sup> July 2022  
Scope for Housing, Accommodation and Homes strategy

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