

**HOUSING BOARD**

**2<sup>nd</sup> July 2020**

**SCR HOUSING REVIEW**

**Purpose**

This report presents the outcomes from initial work on the SCR Housing Review. It asks the Board to develop a response to these outcomes for consideration by the MCA.

**Thematic Priority**

This report relates to the following Strategic Economic Plan priorities:

- Secure investment in infrastructure where it will do most to support growth.

**Freedom of Information**

The paper will be available under the Combined Authority Publication Scheme

**Recommendations**

Board members are asked to:

1. Note and discuss the initial outcomes of the SCR Housing Review; and
2. Comment on the how a MCA response to the Review be prepared, including progressing next steps.

**1. Introduction**

- 1.1** The Housing Board was tasked by the Mayor with overseeing the development of a SCR Housing Review. Overall, the Review is intended to take a fresh look at housing across the city region, with no pre-defined ideas or assumptions. It seeks to address some of the more open-ended questions on housing and develop findings and recommendations that can be used by the Mayor, the Combined Authority and individual districts to support the delivery of the right housing, in the right places, and of the right quality and price for local communities.
- 1.2** Following discussions at previous Board meetings, the Think Tank Respublica was commissioned to undertake the work and offer a fresh perspective and new insights on the issues being considered by the Review. An independent Advisory Panel was also established to inform the review. The Panel includes experts and stakeholders from across the public, private and not for profit sectors, acting as a sounding board to test evidence,

comment on emerging ideas and generally strengthen the work by making sure it is grounded and relevant to the SCR.

## 2. Proposal and justification

**2.1** Rather than a traditional research exercise, with a linear methodology and a narrow approach, the Housing Review was always intended to be a more interactive and collaborative process. This aimed to add value to existing activities, raise levels of understanding as the work develops, and bring forward some widely supported proposals for change. As such, the process itself was intended to remain flexible in order to respond to ideas as they emerge and take on board the views of the Advisory Panel and the Board.

**2.2.** This commission therefore involved two distinct parts, each with a separate report that has been discussed and shaped by the Advisory Panel:

- **Part 1:** provides an overview of the housing markets in South Yorkshire, assessing the baseline position and trends; and, identifies possible gaps in understanding (see Annex 1).
- **Part 2:** considers potential options for future activities in addressing potential housing market changes that could occur, and develops some propositions to address the issues identified in Part 1 (see Annex 2).

**2.3** A short presentation has also been prepared for the Board meeting (Annex 3) summarising the key issues and proposals.

### **Developing a response**

**2.4** The Housing Review was always intended to be a provocative exercise, designed to stimulate debate and broaden our thinking on issues we are familiar with but have still to address effectively. Appointing Respublica, informed by the Advisory Panel, has generated some new ideas and a series of ambitious propositions for change. Some of these may be readily supported, others may be more controversial and/or not considered appropriate to address the SCR issues identified. Equally, the propositions may stimulate further proposals and ideas that need to be followed up.

**2.5** The Housing Board is being asked to receive the consultant's reports and recommendations and note them at this time, with a view to engaging over the Summer within Local Authorities and with other organisations, and to feedback comments at the next Board meeting in the Autumn.

**2.6** Board members are therefore asked to initially:

- Consider the evidence and propositions developed by the Housing Review and offer initial comments;
- Ensure that discussions take place within their Authorities over the Summer so that these are properly understood and reported back to the Board at the next meeting; and
- Suggest and agree steps to engage other key partners over the Summer so that they can also consider the propositions to inform the MCA response.

**2.7** Following this, the intention would be to agree a formal response to the Review at the next Housing Board meeting in September. This should include setting out how we proceed with the Review; how we take the propositions forward for the interventions that are considered appropriate and necessary to pursue; and the resources and timelines required to do this. This agreed policy position, specifically on issues like housing

investment or further devolution proposals, would then be recommended to the MCA Board for consideration and approval.

### **CV-19 and other points to consider**

- 2.8** The first part of the Housing Review was commissioned in January 2020 and completed in early March, before the current CV-19 pandemic was fully understood and Government measures initiated to combat the public health threats were only starting to be put in place. However, the second part of the Review provided an opportunity to reflect on the changed context caused by CV-19 and some of the issues and opportunities that this presents.
- 2.9** These issues were discussed by the Advisory Panel and are covered in the Part 2 report. Board members may wish to consider whether the work to date is helpful in identifying and addressing all the new and emerging challenges now presented by CV-19 or whether other issues have since emerged.
- 2.10** Encouraging a dynamic process, early feedback on both reports has already been sought from housing directors in local authorities, Homes England and other partners on the Advisory Panel such as Registered Providers and private sector developer representatives. These have raised a number of useful points which Board members may want to reflect on as they discuss their own response and the next steps for the Housing Review. Key points noted to date are:
- Use of existing public funds and market stimulus – Government programmes (largely overseen by Homes England) are designed to address market failures but can we use these more effectively to meet the same ends?
  - Brownfield and other difficult sites – although not unique to South Yorkshire, the area does contain some very challenging sites that are difficult to bring forward for viability and other reasons. Do the propositions speak to these effectively?
  - Housing need and local priorities – the propositions seek to address specific needs in South Yorkshire as well as the importance of housing for wider economic growth. Are all local needs properly reflected, eg the relationship between health and housing?
  - Local organisational capacity – some of the propositions will require much more work and capacity to progress. Do we have capacity to do this locally, within the MCA, Local Authorities and Registered Providers? Will it be a distraction as organisations struggle to respond to CV-19, etc?
  - Alignment with current initiatives – how will the propositions from the Review work with or alongside existing projects and funding (eg for affordable homes)? Could there be some duplication with the Housing Investment Fund proposed or can we use this to complement existing initiatives better?
  - Alternative approaches – could we address some of the issues identified in the Part 1 report with a less radical or more pragmatic approach? For example, a ‘brokering arrangement’ that can stimulate the market by bringing together the ambitions of local authorities and Registered Providers with housing developers to encourage new entrants and investment.
  - The “devil is in the detail” – all of the propositions are still very high level and will need more work to prove that they will be successful in a South Yorkshire setting. Can we agree what the next tasks are in this process and how do we ensure that enough testing of the propositions is carried out?

## **3. Consideration of alternative approaches**

- 3.1** The work outlined considers a range of housing issues and potential interventions to address them. The Housing Review is being managed by the MCA and includes stages

at which the Housing Board can 'take stock' and consider the next steps. This allows for alternative options to be properly considered as part of the process, with these tested by the Advisory Panel and the Board itself.

## **4. Implications**

### **4.1 Financial**

Funding for the Housing Review is provided from the Mayoral Capacity Fund. As part of taking forward the Review, the financial implications of any propositions will need to be properly explored and reported to the MCA Board.

### **4.2 Legal**

There are no direct legal issues arising from this report, although all propositions will need to be developed in line with appropriate local government and housing legislation.

### **4.3 Risk Management**

Key risks include:

- Partners and Stakeholders unwilling to participate in and/or contribute to the Review and its implementation.
- The outputs from the work will not be sufficient to warrant further progression.
- Conclusions not supported by key housing policy, investment and delivery bodies.
- Availability of budget to take forward any proposals deemed appropriate and necessary to further explore.

These are being managed as part of the project and reported to the Board as necessary.

### **4.4 Equality, Diversity and Social Inclusion**

The Housing Review and its conclusions will take into account issues relating to equality, diversity and social inclusion.

## **5. Communications**

- 5.1** The recognised National Housing Crisis shows that housing continues to be a sensitive issue with a range of views as to how the Crisis should be tackled. The Housing Review includes engagement and involvement of a range of bodies so as to seek to gather a broad range of views and perspectives. There will also be opportunities to publicise progress and highlight specific proposals should they be agreed to be implemented.

## **6. Appendices/Annexes**

Annex 1 – Part 1 Report

Annex 2 – Part 2 Report

Annex 3 – Summary of the Housing Review Outputs and Proposals

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