

**MEARS**

Housing Management



**HOW TO**

# Enhance temporary accommodation provision

AUGUST 2016



## Introduction

This briefing is aimed at officers responsible for commissioning and securing temporary accommodation (TA) provision for homeless households. It outlines the wider policy context of levels of homelessness and how this drives up demand for temporary accommodation, and offers practical examples of how others are addressing the challenge of providing effective solutions.

For the purpose of this briefing, the term 'TA' refers to any accommodation made available by a local authority in exercising their statutory functions under part 7 of the Housing Act 1996 (as amended).

Local authorities in England are legally obliged to provide accommodation for certain groups of homeless people. Households might be placed in TA as an interim measure, pending the completion of inquiries into an application, or until suitable secure accommodation becomes available once a full housing duty has been accepted. TA can also be provided by a local authority on a discretionary basis while advice and assistance is given to help someone secure their own accommodation.

## The wider policy context

Official figures show that placements of homeless households in TA rose sharply by 40 per cent between 2010/11 and 2014/15. In addition, the total number of households with children living in temporary bed and breakfast style accommodation increased by [45 per cent](#) in September 2015, compared with the same period in 2014, and the number of these placements exceeding the legal six week limit [more than doubled in a year](#).

The cumulative effects of economic and social pressures have combined to drive up placements in TA including:

- public sector spending cuts
- diminishing stock of genuinely affordable homes for rent in the social sector

- welfare reforms like sanctions, the Local Housing Allowance (LHA) shared accommodation rate (SAR) and the benefit cap
- insecurity and affordability in the PRS

## Different ways to provide TA

As local authorities are required by law to secure suitable accommodation in certain circumstances, they face increasing pressure to come up with solutions in an often very challenging environment.

Local authorities can reduce demand for TA and the associated costs by preventing homelessness so that people do not enter the TA system in the first place. In addition, developing a move-on strategy can help free up existing TA for use by other homeless households, therefore preventing the need to make placements into more expensive and/or less suitable emergency provisions.

However, in addition to using local authority owned stock and leasing arrangements between registered providers and local authorities, there are some good examples of how local authorities are coming up with new cost-effective ways to provide TA, against a backdrop of growing demand and limited resources.

## Guest house/bed and breakfast

In 2003 it became unlawful for local authorities to place households with children, or where a household member is pregnant, into bed and breakfast accommodation unless there is no other suitable accommodation available and placements do not exceed six weeks in total.

However, despite this change many local authorities find it almost impossible to avoid use of bed and breakfast accommodation altogether. In order to utilise this form of emergency provision while also ensuring compliance with the law, some local authorities have brokered arrangements with small guesthouses to block purchase rooms for a set period of time.

If this model is adopted, there would need to be a limit on the length of stay to ensure that alternatives are actively sought to prioritise move-on as soon as feasibly possible. Having sole use of smaller sized guesthouses which are family friendly can also enable better risk management and service providers will need to have robust risk management and placement procedures in place.

### Learning from others: Gloucester City Council

Gloucester City Council (GCC) has a block purchasing agreement for rooms in a small guesthouse up until the end of March 2017. There are eleven rooms in total - four single, five family sized and two double rooms. GCC has sole use of all but one of these rooms, which is being used by Children and Family Services to accommodate a family.

The accommodation is to a high standard and caters for people with disabilities. The property can also be separated into sections allowing an area to be blocked off and used to accommodate a larger family if needed. By having sole access to these rooms, GCC no longer needs to make out of area placements. In addition, the financial arrangement is less expensive than if they were to book rooms on an ad hoc basis.

Households placed into this guesthouse are fully risk assessed prior to placement and are moved on to other suitable temporary or longer term accommodation as soon as possible.

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## The private rented sector

Sourcing accommodation in the private rented sector for use as TA can enable local authorities to make efficiency savings while also avoiding placements into bed and breakfast type accommodation. Local authorities can make use of private sector leasing (PSL) by either managing an in-house scheme or by appointing an agent or contracting a registered provider to undertake operational and/or management responsibility for a scheme.

PSL arrangements offer landlords a range of incentives which - depending on how individual schemes are set up - can include:

- guaranteed rental income even if the property is empty
- advance payment of rent
- protection against tenant damage
- day-to-day repairs
- property management services
- long term leases from two (plus) years
- when the lease ends, guaranteed vacant possession of the property in a good state of repair
- a dedicated point of contact within the local authority

Local authorities are currently able to make a claim for some of the services they provide. For each tenant in receipt of housing benefit, local authorities can charge a management fee, for which they are currently reimbursed via the housing benefit subsidy system - £40 per tenant per week in London and £60 for the rest of England.

However, it should be noted that the government is changing the way TA management fees are funded from April 2017. Instead of the current demand-led subsidy system, funding will be allocated to local authorities up-front, which aims to give flexibility to find local solutions to TA demand.

### Learning from others: Swindon Borough Council

Swindon manages an in-house PSL scheme with dedicated officers liaising with landlords to procure accommodation. The council itself enters into a lease arrangement for use of the available accommodation and then sublets the properties to homeless households.

They manage 432 properties, of which thirty per cent are one bedroom/bedsits, forty per cent two bedroom, thirty per cent three bedroom and a small number of four bedroom properties.

Any surplus generated from the scheme is used to financially support prevention activity which helps reduce demand for TA and ease the pressure on the council's housing general fund budget. In terms of standards the properties must all meet the Decent Homes standard plus all are inspected prior to being leased. All the usual requirements apply, such as energy performance certificate (EPC), electrical safety certificate (ESC) and gas safety certificate (GSC).

It is not a requirement for a landlord they work with to be accredited, although they are all supported to become accredited, even when they have already entered into a lease agreement. Swindon cites their eight-weekly property inspections conducted by members of the team as a factor for having a successful PSL scheme.

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### Learning from others: Solihull Metropolitan Borough Council (SMBC) and Solihull Community Housing (SCH)

SCH is an ALMO that delivers housing management, allocations and homelessness functions on behalf of SMBC.

Solihull has worked directly with a private landlord to lease two multi-occupied properties to meet the TA needs of single homeless people with low/medium support needs. There are twenty units across the two schemes in total: seventeen self-contained with shared kitchen facilities and three completely self-contained flats which can be used to help with move-on support.

Housing related support is provided to residents by a housing association while SCH provide the housing management services. Members of the SCH housing options team carry out a suitability and risk assessment before anyone is placed.

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## Purchasing property in the private market

Property purchasing schemes are increasingly being used as a way to reduce the costs of current TA provisions such as bed and breakfast hotels and nightly paid properties in the private rented sector. Purchasing properties allows local authorities to secure accommodation more locally and helps to minimise disruption to homeless households. Securing local provision helps a local authority to mitigate the risk of legal challenge on the grounds of suitability and helps to avoid exceeding the legal six week limit for placements of families with children in bed and breakfast accommodation.

Existing purchasing schemes have demonstrated the potential for substantial saving in expenditure as they help to negate the impact of rising demand for homelessness services. Alongside other types of TA provision, purchased properties can help to reduce overspend on TA budgets, allowing local authorities to avoid costly bed and breakfast use and nightly paid arrangements with private landlords.

In addition, there is the potential for a local authority to invest in a long term capital asset with profits potentially directed towards other services for vulnerable residents. It is also considered a relatively quick option to deliver, helping to realise savings in a short period once a purchasing scheme is approved.

### Learning from others: More Homes Bromley - a Mearsgroup and London Borough of Bromley joint venture

Mearsgroup and the London Borough of Bromley (LBB) have created a Limited Liability Partnership (LLP) to provide 400 homes for use as TA for homeless households within the borough.

Mears Housing Management has begun to identify, acquire and refurbish properties to Decent Homes standard. Through their not-for-profit registered provider, Mears will provide a full tenancy and asset management service on behalf of the council for a 40 year term. At the end of the term the properties revert to the council.

With more than 1,000 households in costly TA, the majority of whom are in nightly let accommodation, LBB expects to achieve £6 million of revenue savings per annum.

Managing Director at Mears Housing Management, John Taylor, states: "Increasingly, local authorities across the country have no option left to them but to house vulnerable people in places like B&Bs. Our new joint venture, More Homes Bromley, will allow many more homeless families to be placed in suitable temporary accommodation and provide a proper solution to this problem."

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**Find out more:** [mearsgroup.co.uk](http://mearsgroup.co.uk)

### Learning from others: Swale Borough Council

Swale purchased a property in Sittingbourne in November 2014 to use as TA. The property was funded using ring-fenced Public Service Agreement (PSA) reward monies awarded to Swale BC as part of a county-wide strategy to bring empty homes back into use.

Using this property has so far demonstrated a significant saving compared with what would otherwise have been spent on alternative forms of TA.

Swale BC used Empty Homes funding to purchase a two bedroom property in Teynham which until 2015 was used to house people fleeing domestic abuse but is now being used as additional temporary provision.

#### Find out more:

[www.swale.gov.uk/homelessness-prevention/](http://www.swale.gov.uk/homelessness-prevention/)

### Learning from others: Newham Council

Newham Council has purchased a property in Stratford which will provide TA to hundreds of homeless households. Previously owned by East Thames Housing Group, the building consists of 210 self-contained units.

Newham expects the purchase to lead to significant savings due to reducing the use of other more expensive types of TA. The purchase is also considered as a future investment for Newham as any potential profits made can contribute funding for other key services for people living in the borough.

#### Find out more:

[www.newham.gov.uk/Pages/Category/Housing.aspx](http://www.newham.gov.uk/Pages/Category/Housing.aspx)

### Learning from others: Ealing Borough Council

Ealing has completed the purchase of 70 private sector properties with a further twelve in progress. Properties are funded through borrowing and held in the general fund.

It hopes to extend the scheme in 2016/17 and is also considering bulk purchasing opportunities. These properties will be managed in-house and will form part of the hostel portfolio to help limit use of bed and breakfast accommodation.

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## Making use of empty homes and vacant sites

Many local authorities are now making use of empty homes, buildings and vacant sites to increase their TA supply. Some examples include use of modular homes, properties earmarked for demolition as part of a programme of regeneration, converting unused buildings for hostel use and making use of empty homes.

### Learning from others: Enfield Council

Keeping House, Enfield Council's innovative scheme for home owners living in long term residential care, means families can keep ownership of their property at the same time as generating income to put towards the cost of care home fees for their loved ones.

Under the scheme, an owner leases their empty home to the council for a fixed period of between two and five years and in return receives guaranteed rental income to help fund the cost of their care. The local authority uses the property to provide TA and manages and maintains it at the same time. At the end of the lease term, the property owner has the option to either take back their home or extend the lease.

Enfield offers grants towards the cost of any repairs needed to bring a home up to rental standard.

**Find out more:**

<https://new.enfield.gov.uk/services/adult-social-care/support-and-care/keeping-house-scheme/>

## Partnership working

Working collaboratively can help enhance the TA offer in the local area and help with managing costs. Partnership working also acknowledges that different organisations can provide many elements of expertise, each having their own specialism to offer.

### Learning from others: Durham Council's Holistic Temporary Accommodation Support Service (HTASS)

Durham commissions housing and support provider Stonham to manage TA units and offer a support package to homeless households. This is offered to clients who need to access TA interventions and assessments take place to assist with moving people into suitable, more permanent accommodation. This is jointly funded by Housing Solutions and Children and Adult Services (CAS). This service has effectively reduced the use of bed and breakfast usage since its implementation.

**Find out more:** [youthhomelessnortheast.org.uk/wp-content/uploads/HTASS-Leaflet.pdf](http://youthhomelessnortheast.org.uk/wp-content/uploads/HTASS-Leaflet.pdf)



### Learning from others: Bradford Council

Bradford Council is currently working in partnership with Bradford Cathedral to develop a new TA scheme for homeless households. This project addresses the combined issues of homelessness and empty homes.

Phase one of the project to renovate and convert the high profile, long-term-empty property known as Clergy House into five self-contained flats was completed in August 2015. Phase two of the project involves the construction of a new building adjacent to Clergy House that will comprise thirteen self-contained flats along with offices and activity space. Phase two is currently on site and will complete in October 2016.

#### Find out more:

[https://www.bradford.gov.uk/bmdc/contact\\_us/contact\\_us\\_by\\_telephone/housing\\_contact\\_details](https://www.bradford.gov.uk/bmdc/contact_us/contact_us_by_telephone/housing_contact_details)

### Learning from others: Solihull Metropolitan Borough Council (SMBC) and Solihull Community Housing (SCH)

SMBC and its ALMO SCH are working together to deliver a new general purpose TA facility for single people and childless couples. The development will take into account the need to enable access to those with more complex needs and will allow strategic planning across a range of TA provision to meet presenting needs.

The new scheme is being developed on council-owned land with capital funding coming from a combination of Homes and Communities Agency grant through the Homelessness Change programme and Housing Revenue Account contribution and will be managed by SCH once complete.

It will provide a setting that allows support to be provided across housing and other partner organisations to meet the wider needs of those placed there.

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## Modular/prefabricated units

Installing modular homes on vacant or underused sites can be a cost-effective, innovative and rapidly deployable TA solution which can supplement the existing portfolio of TA provision. Schemes can be scaled to meet demand and flexible usage means that local authorities can utilise units to provide both emergency and temporary provision to homeless households.

Flexible leases can make use of existing local authority-owned land and can later be removed or relocated once their use on the site has ended. Modular units can offer an opportunity to secure quick build, flexible, energy efficient and environmentally friendly accommodation which can be built off-site at a faster rate than traditional methods of construction allow.

Other benefits of this approach include the ability to change the size or location of units, or even stack them, to meet varying demand or site requirements.

Local authorities can work with a partner organisation to purchase and lease the units or work directly with a provider to lease the units to use as TA. The model used will depend on a financial viability assessment which should consider site setup costs, unit costs, scheme lengths and specifications. Sites should be located close to services including transport, schools, shops, medical services and other community amenities.

### Learning from others: Enfield Borough Council

Enfield plans to develop two modular unit schemes after its cabinet agreed the principle of providing temporary pre-fabricated units as a cost-effective alternative to nightly paid accommodation.

The scheme sites are Enfield Road in Acton and Bordars Road in Hanwell. The Acton site allows for up to forty-four units, with Hanwell allowing for up to thirty-two. Each of the units will house between two and six people.

As well as housing, the proposal for the Acton site includes outdoor seating and a children's play area (under-10s).

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### Learning from others: Lewisham Council in partnership with Rogers Stirk Harbour + Partners

Lewisham began moving temporary pre-fabricated units onto a former leisure centre site in Ladywell in November 2015. They anticipate the units will be ready for occupation in 2016 to form what is [referred to as the UK's first 'pop-up village'](#). All units will exceed the current space standard requirements by ten per cent.

Known as PLACE/Ladywell, the scheme will provide TA for twenty-four homeless families and ground floor space for community and local business owners' use. Lewisham intends for the structure to remain on the Ladywell site for no more than four years, after which it will be deconstructed and then reconstructed elsewhere in the borough. Lewisham plan consultation with local residents and the wider public before any decisions are made about its long-term future.

**Find out more:** <https://www.lewisham.gov.uk/inmyarea/regeneration/lewishamtowncentre/Pages/Lewisham-Central-opportunity-site.aspx>

## Young people and TA

Young people are particularly vulnerable to the effects of homelessness and accordingly any TA provided must take this into account. Any TA provided to a young person should take into account individual support needs and independent living skills. Some young people may manage well in a self-contained flat with low level support but others may need a more supported environment such as supported lodgings.

[Statutory guidance for local authorities](#) states that bed and breakfast accommodation is not considered suitable for 16 and 17 year olds and that there should be joint protocols in place, setting out how housing and children's services meet their statutory duties to 16 and 17 year olds in need of accommodation. In the majority of cases, the duty to provide accommodation will rest with children's services but where a homeless 16 or 17 year olds first approaches the housing authority, they must secure that suitable accommodation is made available for their occupation pending a child in need assessment by children's services.

In addition, care leavers are a particularly vulnerable group who should not be placed into bed and breakfast accommodation. Birmingham-based charity St Basils has worked with children's charity Barnardos to develop a [care leaver accommodation and support framework](#) which sets out how to work with care leavers to address their housing needs in a way that helps them make a positive transition to adulthood.

Many local authorities have adopted a single access point for access to all accommodation for young people in an area, including emergency and temporary provision. One of the options in this model is to place young people into supported lodgings where a host family in the local community provides a room in their home at the same time as offering some support to help the young person develop their independent living skills. Particularly vulnerable young people are more likely to make a successful transition to independent living if they are linked in with the community and local support networks. Hosts receive a weekly fee, which varies from area to area, for making



their home available and providing relevant support.

Nightstop is an emergency provision to help make sure no young person has to sleep in an unsafe place. Like supported lodgings arrangements, hosts in the local community provide accommodation in their home but instead on an emergency night-by-night basis.

All hosts should be fully DBS (formerly CRB) checked and thorough matching procedures followed before any young person is placed.

### **Learning from others: Birmingham and Solihull - St Basils Home2Home**

St Basils' youth hub, based in Birmingham, operates a single access route for all young people aged 16 to 25 to access support with their housing needs. The hub works with young people primarily to prevent homelessness by offering a range of interventions including options advice, mediation and employment support.

The hub also acts as a single point of access to a wide range of accommodation in the city, including supported lodgings, nightstop and other types of supported accommodation for people with low, medium and high support needs. St Basils provides services on behalf of Birmingham and Solihull councils as part of their statutory homelessness functions.

St Basils' Home2Home scheme is for vulnerable 16 to 21 year olds and both the hosts and young people receive ongoing support for the duration of each stay, which can be anything from a few months to two years. All hosts receive a support package which includes training, opportunities to network, social activities and invitations to events. Home2Home provides both supported lodgings and a nightstop provision.

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