

Temporary accommodation at crisis point:

Frontline perspectives
from London and Greater
Manchester

Paul Hackett and Maura Farrelly





The Smith Institute

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This report was supported by the Wates Family Enterprise Trust. The Trust is supporting thought leadership to tackle the critical challenges of quality and quantity of housing in the UK and understand some of the triggers leading to homelessness. <https://www.wfet.org.uk/>

About the authors

Paul Hackett is director of the Smith Institute and author and editor of several reports on housing and housing related issues.

Maura Farrelly is an experienced housing manager and researcher and former local government officer.

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Contents

Foreword	3
Preface	4
Executive summary	6
Introduction	10
Homelessness trends	12
Households in temporary accommodation	16
Prevention from homelessness	24
Supply of temporary accommodation	28
Welfare and benefits	36
Innovation and new supply	40
Private finance and social investment	44
Partnership working	48
Housing conditions	52
Costs, funding and incentives	56
Homelessness plans and housing teams	60
Conclusion and recommendations	66
Annex 1: Definitions, classifications and statutory homelessness duties	72

Foreword

The Wates family has been involved in housing and the built environment for 125 years. We believe that good housing can enable and support life opportunities from cradle to grave and continue to be committed to this in the long-term

Becoming homeless is a result of many complex and interlinked issues. It is mainly due to a series of difficult factors rather than an individual's choices or poor decision making. The cost-of-living crisis, housing affordability and poverty is causing more people to lose their homes. We want to help to encourage a policy and funding environment that leads to everyone having a place to call home, where they are provided with the support they need to keep it.

This piece of research, undertaken by the Smith Institute with funding from the Wates Family Enterprise Trust, offers a valuable but disturbing insight into the state of temporary accommodation in the UK today. It clearly shows that increasing numbers of families, children and individuals are becoming trapped in the system. This fact, coupled with a continued underinvestment in social housing, leaves many facing life without a secure home – with the reality of being homeless for years. What this report shows is that the system is at crisis point.

When we set out on this project, we wanted to explore the innovative approaches being applied to tackle homelessness through temporary accommodation. This report shares examples of such approaches as investing in new properties and hostels, buy-back refurbishment schemes with private investors, more generous incentive schemes for landlords, better prevention, strengthening partnerships and inter-borough collaborations. But it became clear that this is just tackling the tip of the iceberg. The interviews contained in this report highlight the fact that policy, standards, supply and processes all need to be reconsidered in the pursuit of providing quality, safe and secure homes for those in great need.

We hope that this research provides an opportunity to start a conversation around how best to make the changes we need. We invite you to join us in moving forward a collective knowledge so we can better achieve a provision of accessible and quality housing for society.

Tim Wates
Lead Trustee for Housing, Wates Family Enterprise Trust

Preface

This report examines statutory homelessness and temporary accommodation (TA) in London and Greater Manchester. It is a public-policy facing report to shed light on what is currently happening with the supply and demand of TA and to open up a wider discussion around what can be done to improve the situation going forward. It is not intended as an academic or technical comparative analysis of the different boroughs homelessness activities.

The findings and evaluations are based on extensive desk research and one to one interviews with housing officers and other housing professionals, housing providers, investors, politicians, experts, homelessness charities and campaigners. We also hosted two virtual roundtable discussions in the Spring of 2022: on Greater Manchester, chaired by Paul Dennett, Salford City Mayor and Deputy Mayor for Greater Manchester; and on London, chaired by Tom Copley, London Deputy Mayor for Housing and Residential Development.

Where relevant we have highlighted what specific boroughs are doing and have included examples of best practice and new ideas and approaches. We have laced the report with anonymised quotes from the interviews and made reference to the work of the GLA, London Councils, GMCA and other relevant organisations. We have evaluated the data and opinions and on the basis of what we've found offered a series of talking points and policy recommendations.

The concept of a TA system as used in this report combines the boroughs' statutory duties under the Homelessness Reduction Act (2017) with their responsibilities under relevant housing legislation and regulations. We have also referred to the rules and regulations surrounding welfare benefits and housing policy more generally that impacts on TA, as well as looking at local, city-wide and national plans and strategies. Although not quite a whole-system approach, the report does cover a range of inter-connected demand and supply side issues, including the different challenges the boroughs face preventing homelessness, managing and providing the different types of TA and finding settled, move-on homes.

We have concentrated primarily on the actions of local authority housing teams and tried to capture the salient, most pressing issues, mindful that there are important differences between them. We have also made reference to the causes of homelessness and the different cohorts of homeless households, as well as to some of the concerns facing homeless households.

We appreciate that this wide canvas risks conflating some of the complex problems around tackling and preventing homelessness with specific concerns around managing and providing TA and move-on housing. We also recognise that the root causes of homelessness – and many of the lasting solutions – lie outside the TA system and demand multiple (and joined-up) policy interventions covering a range of public policy, not least housing and planning, welfare, and local/regional government.

The report covers the GLA and the 32 Greater London boroughs and the GMCA and its boroughs (Bolton, Bury, City of Manchester, Oldham, Rochdale, Salford, Stockport, Tameside, Trafford, Wigan). The data was drawn mainly from DLUHC, GLA, GMCA and other official statistics, as well as information collated by the boroughs, housing charities and professional bodies.

The Smith Institute would like to thank everyone who has contributed to the research. We are particularly grateful to the co-author Maura Farrelly, who conducted most of the in-depth interviews, to all the interviewees who participated, to all those who attended the two roundtables and to those who gave their time to peer review the report. The Institute would especially like to thank the Wates Family Enterprise Trust for supporting the project.

The report covers the responsibilities of the boroughs regarding statutory unintentionally homeless households, specifically regarding homeless prevention, the provision of TA and the discharging of housing duties when an applicant accepts a tenancy from a private or social landlord. It does not cover other homeless categories beyond the borough's statutory duties, such as the 'hidden homeless' who are not included in official statistics.¹ Other homeless households not covered by the report are those in 'unsupported' TA,² in supported 'exempt' TA,³ or those who have 'no recourse to public funds' (such as non-UK nationals and people subjected to immigration control).

An explanation of the definitions, classifications and statutory duties the boroughs hold regarding homelessness and TA are included in annex 1.

Executive summary

Homelessness acceptances are rising in many boroughs while the availability of temporary accommodation (TA) is shrinking. The problem has been made worse by increased housing poverty, benefit shortfalls, overcrowding, acute shortages of low-cost housing and (in London) private landlords exiting the TA market.

There has been a sharp increase in homeless households in TA in London and Manchester – up 68% between 2010–22. This prolonged rise has pushed the homelessness and TA system to crisis point. London and Greater Manchester now account for 64% of all TA in England and on current trends the numbers of children in TA in the two city-regions could soon reach 100,000 by next year unless urgent action is taken.

Not all boroughs face high rates of homelessness and there have been improvements in the prevention of homelessness and supporting people with complex needs. However, more homeless households (and more children) are now trapped in poor quality TA – increasing numbers in expensive emergency accommodation or placed far away from where they lived.

This report highlights the extent of the TA crisis and shows that many boroughs are now struggling to cope. Based on the latest research and interviews with housing practitioners the report examines the causes and consequences of the crisis, the different responses from council housing teams and discusses what works and what needs to change.

The authors conclude with a call for a major overhaul of the TA system, including increased investment in new move-on social housing and rehousing programmes where councils buy and refurbish local properties, reforms to the benefit system to make TA affordable, extra funding for adaptations and new hostels, as well helping improve TA housing standards.

Temporary accommodation at crisis point

- The use of TA has increased over the last decade and after a slight reduction during the pandemic is rising again – back to the record levels last seen in the mid-2000s. Most of the increase has been driven by London and Greater Manchester, which combined account for nearly two thirds of all TA in England.
- The situation is worsening in the majority of London boroughs and in the City of Manchester where the number of households per '000 in TA is three time the England average. In Newham its 12 times more; Southwark, Redbridge 6 times; Wandsworth, Westminster 5 times.
- This is a city-wide problem. TA is higher in individual boroughs like Wandsworth, Newham, Southwark, Westminster and the City of Manchester than the whole of Yorkshire & Humber.
- Not all boroughs have a homelessness problem. However, the cost-of-living crisis, housing affordability, poverty and overcrowding is causing more homelessness in areas where TA rates are already high.
- The number of children living in TA in London has increased by almost 60% between 2011-2022. Children in TA in London and Greater Manchester combined now account for 67% of the total in England.
- There has also been an increase in homelessness applications from single people (many with multiple disadvantages) and from those fleeing domestic abuse.
- The increase in demand for TA is placing a huge strain on some boroughs. In Enfield, for example, the TA market has expanded to a point where it accounts for a fifth of all private rented homes in the borough.
- The situation is hitting a crisis point because of the lack of all types of suitable, affordable accommodation (TA and settled, move-on housing). More and more London boroughs are now having to "fish in the same property pool" for TA – mainly in lower housing cost areas.
- Housing associations are less active in the TA market and the London boroughs are reporting that private landlords are not renewing TA leases.
- The lack of TA and move-on homes means more homeless households are stuck in the TA system, some for ten years or more. The majority (67% in London) are families with children.
- More homeless households are being placed out of their boroughs – some hundreds of miles away (nearly 4 in 10 in TA in London are living in another borough, 3 in 10 in the City of Manchester).
- The number of asylum seekers stuck in TA has increased dramatically and the Home Office is reported to be outbidding London boroughs for TA.
- More new homeless households are now being placed in expensive nightly paid accommodation and B&Bs. In some boroughs

(Newham, Bromley) nightly paid accommodation now accounts for over half of all TA.

- Market rents have risen and there is very little accommodation in London close to the 30th percentile Local Housing Allowance (used to work out housing benefit).
- The benefit system (especially the benefit cap) is not helping and is having a perverse effect on households in TA. It's pushing more people into homelessness and can disincentivise those in TA from seeking work and moving to more permanent housing.
- TA costs have risen in London and the City of Manchester. In London by 35% over the past 7 years to £1.35bn. Government grants are falling short and many boroughs have TA deficits.
- The TA system is underfunded. Homeless households are struggling to pay their rent without council support, which has been cut back and many are 'priced out' of living locally.
- Housing teams report that government homelessness funding programme are insufficient, not joined-up, short-term and inflexible.
- Homeless households in TA have few housing options to choose from and have limited rights (and redress) to decisions that affect them.

Agenda for change

The worst hit boroughs are trying new approaches to address the TA crisis, such as investing in new properties and hostels, buy-back refurbishment schemes with private investors, more generous incentive schemes for landlords, better prevention, strengthening partnerships and inter-borough collaboration. But without extra help and reforms to the housing market and benefit system there are limits to what can be achieved.

Recommendations to government

- The government should adopt a national, cross-cutting homelessness and TA long-term strategy to prevent homelessness and provide the TA and settled homes needed.
- Boosting the supply of social housing for low-income renters should be a national priority. Government must do more to support councils investing in new build social housing, including for homeless households.
- The government should actively support borough housing acquisition and buy back schemes through a national or city-region housing conversion fund.
- The benefit cap should be abolished or returned to its original criteria and the Local Housing Allowance must increase (significantly in some areas) to reflect the real cost of renting.
- The government must deliver on its pledge to improve housing conditions in the private rented sector, including improving the inspection and enforcement of TA accommodation.
- Government should increase spending on TA to reflect growing need and rising costs. Cuts to the Discretionary Housing Payment must be reversed and the subsidy rate upgraded.
- The Home Office should ensure that there is no overbidding for TA for asylum seekers and that the dispersed accommodation provided by contractors meets the required standards.
- Government and the GLA/GMCA should explore ways of encouraging housing associations to return to the TA market.

Recommendations to the boroughs, Greater Manchester Combined Authority (GMCA) and GLA

- The boroughs should continue to engage in pan-city actions and partnerships to regulate and improve the TA market.
- Councils should be allowed to keep more of their Right to Buy receipts to support housing acquisitions, buy-backs and new build for homeless households.
- The GLA and London boroughs need to continue to work together in a concerted effort to reduce the reliance on expensive emergency accommodation.
- The GLA and GMCA should undertake independent reviews into increasing private and social impact investment in TA and move-on housing.
- The boroughs should review the out of borough placement protocols to ensure that they are being adhered to and that the relevant authorities and support services are notified when homeless households are placed in their area.

- The boroughs should seek to enforce minimum standards, including national space standards, on property conversions to TA and move-on housing.
- The boroughs that have not done so should plan for a phasing out of any routine use of B&Bs for families in TA.

Introduction

The provision of temporary accommodation for the homeless has a long history dating back to the Elizabethan poor law infirmaries, the homeless hostels of the Victoria era and the mass construction of prefab housing for displaced families after the second world war. Homelessness though remained ever-present in the post-war era, and it wasn't until the late 1940s, under the landmark National Assistance Act in 1948, that local authorities began to provide temporary board and lodging for 'unsettled' people.

In 1966 the nation was rocked by the BBC drama, 'Cathy Come Home', which highlighted the scourge of housing poverty and ended with Cathy and her children moving into temporary emergency accommodation. Since then, national governments have intervened more. In the 1970s - and again in the 1990s (the Housing Act 1996) - councils were given more duties of care for the homeless: households might be placed in TA while their homelessness application is determined, or if their application is accepted and no suitable secure accommodation is available. The statutory duties to house were extended in 2017 in the landmark Homelessness Reduction Act (HRA), which prioritised a preventative approach to homelessness.

All these reforms have helped councils tackle homelessness and provide TA for those who need it. However, in both London and Greater Manchester (and notably in the City of Manchester) the system of TA has been under growing pressure. Levels of homelessness and the numbers of households in TA have increased, and especially so over the past five years. There was a sort of interregnum during the pandemic when the lockdowns and various emergency measures, such as the ban on evictions and the 'Everyone In' programme alongside the reduction in general demand for private renting, led to more rehousing of homeless households. This led to a slight fallback in London in 2021/22, but in general the trend has been upwards and the numbers in TA today remain historically high, and for many boroughs well above the England average.

The vast majority of people presenting as homeless are accepted by councils,⁴ although each case is different and borough housing teams need to source suitable accommodation and secure access if necessary to support services. Some people in TA have complex issues and may struggle to navigate the housing and care system. They may have been sleeping rough on the streets or been ex-offenders. The majority though - and many with children - are homeless because of family or financial reasons or face immediate eviction. Whatever the circumstances homeless households are understandably worried and stressed about where they will live and what their future holds.⁵ For many homeless households securing TA is their last resort.

Responsibility for preventing and tackling 'unintentional' homelessness and providing TA rests with the local authority's housing service and homelessness teams, who work with a range of public and voluntary sector organisations. The broad policy approach is shaped by national policy and central government grant funding, covering not only homelessness and TA but also policies and regulation covering welfare and the social and private rented sector (PRS). The Greater London Authority (GLA) and the GMCA are also influential, especially regarding borough-wide TA initiatives and funding new low-cost housing.

The challenges facing the boroughs' housing and homelessness teams are multifaceted and extend beyond the local authority boundary. Levels of homelessness and the pressures on housing teams to procure and source suitable move-on housing options are largely shaped by local and city-region wide social, economic and demographic factors and by the condition of local housing markets. Other macro externalities, such as the state of the economy and cost of living also have a major impact. As such, borough housing teams are constrained in what they can achieve.

"TA is not a solution to homelessness, it is a stop gap until the underlying issues are resolved." (Housing officer, London)

Nevertheless, the boroughs have responsibility for rehousing homeless people and they generally provide a mix of accommodation to meet their statutory duties, from interim emergency housing to temporary social lets or private rented properties. The system though is constantly in flux as new households are accepted as homeless (or prevented from homelessness) and others are found settled, move-on accommodation. However, the problem facing many boroughs is that the numbers in TA builds-up if the throughput of homeless households isn't matched by the availability of suitable, affordable settled homes. People then become effectively stuck in the system and often for prolonged periods.

As this report demonstrates, there are no quick fixes to the TA crisis. In most boroughs in London and in parts of Greater Manchester demand for TA and affordable housing is rising and supply is contracting. These imbalances are getting worse in many places and urgent action is required to avoid a major crisis. On current trends we could see TA in London and the City of Manchester at record levels this year, with the number of children in TA could soon reach 100,000.

Homelessness trends

The trend in households owed a homeless prevention or relief duty in London and parts of Greater Manchester dipped slightly during the pandemic but has since been on an upward trajectory. Levels of relief duty owed⁶ though – which links directly to providing TA – rose year on year in London from 22,530 in 2018/19 to 28,440 (2021/22).

Latest data shows several London boroughs, as well as the City of Manchester and Salford, having ratios of people assessed as homeless well above the England average.

Households assessed as homeless 2021–22

	Prevention duty owed	Relief duty owed	Assessed as homeless (per '000 households)
England	133,450	144,620	6.06
London	23,500	28,440	7.91
<i>Highest ranking boroughs:</i>			
City of Manchester	2,648	3,877	17.8
Salford	684	1,801	15.3
Wigan	740	1,499	10.2
Brent	792	1,383	11.7
Croydon	712	1,694	10.9
Hackney	694	1,329	10.9
Lambeth	1,500	1,714	12.3
Southwark	1,257	1,707	12.6
Greenwich	832	1,216	10.9
Islington	649	1,127	10.5

Source: DLUHC homelessness data 2021–22⁷

There are variations between the boroughs in terms of the homelessness prevention and relief duties owed,⁸ with the relief duty owed accounting for around half of all households owed a duty in London, compared with 72% in Salford and 68% in Wigan. These differences are partly explained by people's circumstances, such as being registered unemployed or classified as vulnerable (both of which are higher in Greater Manchester).⁹

It is also important to note that increase in homelessness approaches does not necessarily lead to an increased need for TA; where prevention remains a viable option then the need for TA is not necessarily affected at the same rate.

Causes of homelessness

There are many different reasons for people to present as homeless. One of the main reasons given is that family or friends are no longer willing or able to provide accommodation.¹⁰ This reason accounts for around a third of all homeless applicants in London and Greater Manchester, reflecting the concerns we heard from housing officers about over-crowding (often in multi-generational homes).¹¹

The second principal reason for homelessness applications is the end of private tenancy, which accounts for around quarter of applicants.¹² The other major reasons are domestic abuse (see below)¹³ and relationship breakdown.¹⁴

"There's a strong emphasis on supporting people fleeing domestic abuse but the [benefit] cap has the opposite effect - it reduces options and affects the move-on from refuges and hostels." (Researcher, housing charity)

The City of Manchester has seen a rise in homelessness owing to the end of a private rented tenancy, seemingly more so than in London.

Data for London shows that those owed a prevention duty at the time of application, around a third were living in the PRS and a third in social housing. For relief duty, 40% were living with family and friends and around a fifth were rough sleeping or of no fixed abode.¹⁶

In the City of Manchester around a third of applications owed a prevention duty were from the PRS and around 5% from social housing. For relief duty owed, 27% were living with family and friends and nearly half were of no fixed abode or sleeping rough.

Domestic abuse: According to the Domestic Abuse Housing Alliance, housing is the primary barrier for women attempting to leave abuse – 70% of women responding to a Women's Aid survey said their housing situation and concerns about future housing, including fears of homelessness or lack of safe housing, prevented them from leaving an abuser. Since the Domestic Abuse Act (2021) more people have come forward reporting experiences of domestic abuse. DLUHC data shows that the percentage of households owed a prevention/relief duty who gave the reason for homelessness as domestic abuse rose from 10.6% of all reasons in 2018/19 to 14.8% in 2020/21. Shelter state the number of homeless women living in TA has almost doubled from 40,030 in 2011 to 75,410 in 2021.¹⁵ Under the provisions of the Act the boroughs are adopting domestic abuse strategies with partnership boards, which must have regard to housing and homelessness reduction. New initiatives are being introduced to support people fleeing domestic violence, in part because the Act states it is not considered safe to place domestic abuse victims in B&Bs. The GMCA is seeking cross-boundary procedure agreements on domestic abuse cases which would waive local connection criteria if people wanted to go and live in another area. The GLA has refocused its Housing Moves scheme, which support cross-borough moves, on victims of domestic abuse. It was reported that in some boroughs the sudden spike in domestic abuse cases was placing extra pressure on homelessness services and that households fleeing domestic violence were at risk of becoming stuck in refuges and hostels.

Evictions and waiting times

Eviction levels were reduced dramatically during the pandemic with some boroughs (Rochdale) implementing pre-eviction protocols with social landlords as part of their homelessness prevention plans. However, we were told that the number of court cases are rising fast, and that although social tenants will gain some protection for rent caps more household (in both social and private rented housing) are expected to fall into rent arrears.¹⁷

"We know the courts are churning very slowly at the moment. But we fully expect to see huge numbers of cases coming through, in a kind of accelerating stream." (Housing officer, London)

It was said that the protective measures taken during the pandemic showed that adopting a financial inclusion rather than a solely enforcement approach to rent arrears is effective. Mention was also made of the efforts that the boroughs make to help homeless households secure their housing benefit and any back payments.¹⁸ It was said that 'getting in early' to stop rent arrears building up is key, although tenants are often hesitant about seeking assistance until the last moment.

"The flow on the street is going up all the time and we are really struggling to find accommodation for people being evicted, many who have high needs" (Housing officer, inner London)

The Government has announced that Section 21 'no-fault' evictions (Housing Act 1988) is to be scrapped under the provisions of the Renters Reform Bill, alongside abolition of arbitrary rent review clauses and rights to challenge unjustified rent rises.¹⁹ The Bill also introduces new, specialist grounds for possession to ensure those providing supported and TA can effectively deliver their services. The proposals have been broadly welcomed and should give greater security for families who are able to afford their rent, although to what extent the legislation will impact on homeless applications and the TA market is unclear.

"We've done quite a lot of work in engaging landlords and the tenants on resolving rent arrears, but there's an awful lot who just go straight for possession." (Housing officer, London)

Housing campaigners mentioned that there are many (unreported) cases where landlords and agents actively discriminate against households on benefits.²⁰ It was said this behaviour can undermine efforts by homeless households to find more permanent housing. It was felt that the proposals in the Renters Reform Bill to strengthen the ban on landlords discriminating against benefit claimants should help, although stronger enforcement was also necessary.

Waiting lists: Longer waiting lists for social housing lets and low rates of churn place additional pressure on the TA system. London borough waiting lists have increased since 2018 to 295,953 (2021). The largest rises have been in Brent, Greenwich, Lambeth, Hackney and Newham – which combined account for over a third of the total waiting list.²¹ Waiting lists are shorter on average in Greater Manchester.²² Average waiting times for a 2 bed social let in London (2021) was 7 years and in the City of Manchester 3 years.²³

Recommendations:

The Government should do more to support households in financial hardship, and good practice on tackling rent arrears should include a stronger focus on early intervention and the promotion of financial inclusion and income maximisation schemes.

The Renters' Reform Bill – including an end to Section 21 evictions – should be passed by Parliament in full and implemented as soon as possible.

Households in temporary accommodation

Over the period 2010 to 2022, England saw an increase of 43,750 households in TA, 30,000 of which were over the period 2015–2022. Much of this increase was from households in London and Greater Manchester (together up by almost 25,000), and within the two cities most was from London (just under 21,000).

	2010 Q1	2015 Q1	2022 Q1	2010–2022 change	2015–2022 change
England	51,310	64,710	95,060	43,750	30,350
London	35,850	48,240	56,460	20,610	8,220
Greater Manchester	467	721	4,574	4,107	3,853

Source: Analysis of DLUHC, Detailed local authority level homelessness figures: 2009 to 2016 and Detailed local authority level tables: January to March 2022; Greater Manchester figures for 2010 exclude Bury

As a result of these surging numbers of households in TA, levels rose in London and Greater Manchester by 68% from 2010 to 2022. The two city regions now account for 64% of all TA in England.

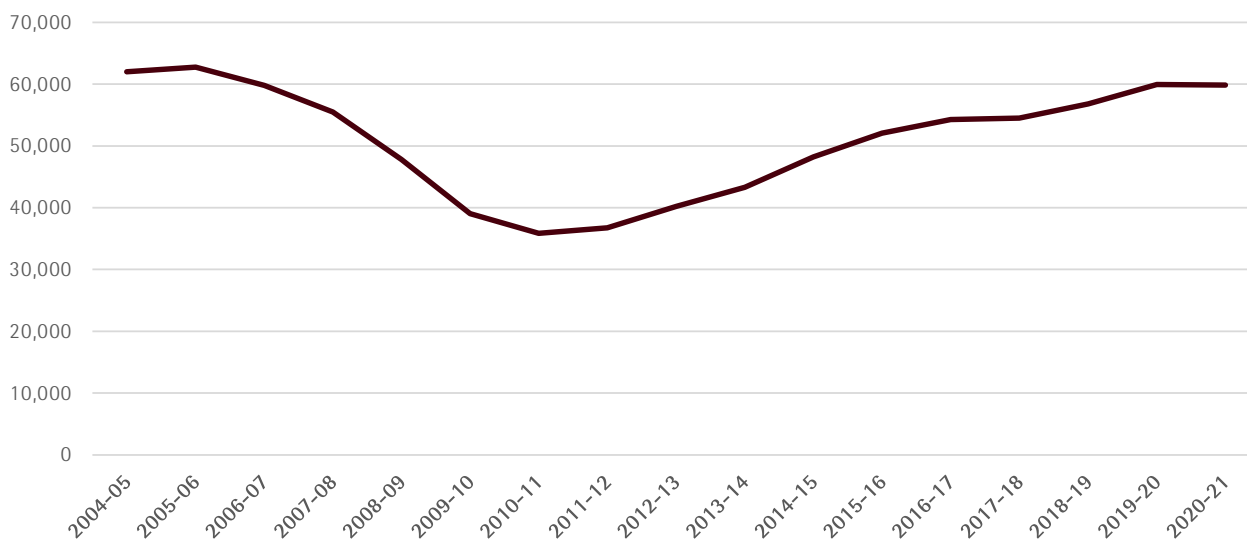
London

The total number of homeless households in TA in London has risen by 57% between 2010 and the first quarter 2022 and by 17% since 2015. After a slight reduction during the pandemic, levels are now back to the peak rates of the mid-2000s and are widely predicted to reach 60,000 plus households in TA by the end of 2022.

London now accounts for 60% of all TA in England, despite the fact that acceptances are not much above the England average.

Latest DLUHC data (March 2022) shows that the total number of households in TA is falling back slightly in some boroughs (Redbridge, Haringey, Westminster), but others (Newham, Wandsworth, Southwark) showing an increase.

Total number of households in temporary accommodation: London



Notes: 2018–19 onwards figures taken from period end

Source: DLUHC, Live Tables on Homelessness - Statutory Homelessness: Detailed local authority level tables

The London average of those in TA per 1,000 households remains relatively high at 15.7 – 4 times the England average. In Newham the ratio is a staggering 48.3 and is above 20.0 per 1000 households in five other boroughs. Only Richmond and Merton are below the England average.

Households in temporary accommodation in London*End March 2021 and end March 2022*

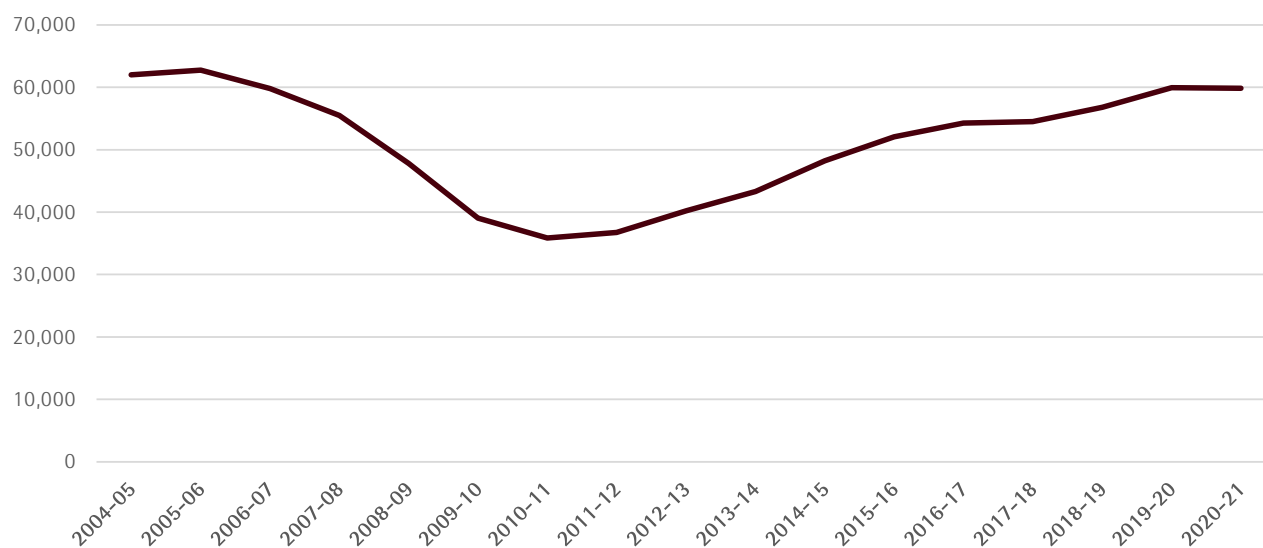
Borough	2021		2022	
	in TA	(per '000 in area)	in TA	(per '000 in area)
Barking Et Dagenham	1,483	18.9	1,384	17.5
Barnet	2,184	14.4	2,013	9.1
Bexley	-	-	911	9.1
Brent	-	17.6	870	7.4
Bromley	1,847	13.1	1,653	11.6
Camden	-	-	554	4.8
Croydon	2,029	13.1	1,988	12.8
Enfield	3,422	26.3	3,198	24.4
Ealing	-	17.7	2,295	18.6
Greenwich	1,446	12.8	1,600	14
Hackney	-	-	3,000	-
Hamm Et Fulham	1,081	13.2	1,070	13
Haringey	2,903	26.8	2,556	23.4
Harrow	1,120	13	1,015	11.7
Havering	860	8.1	870	8.1
Hillingdon	451	4.1	494	4.4
Hounslow	858	8.5	-	-
Islington	546	5.1	873	8.1
Kensington Et Chelsea	2,212	29.3	-	-
Kingston upon Thames	928	13.5	837	12
Lambeth	2,837	20.5	-	-
Lewisham	2,486	19	-	-
Merton	200	2.5	222	2.8
Newham	5,540	48.2	5,624	48.3
Redbridge	2,768	25.5	2,665	24.3
Richmond	255	3	314	3.7
Southwark	2,895	21.6	3,189	23.5
Sutton	873	9.9	844	10.1
Tower Hamlets	2,696	19.7	-	-
Waltham Forest	-	17	985	9.5
Wandsworth	2,312	17	2,894	21.2
Westminster	2,744	22.3	2,478	19.8
London	59,830	16.8	56,460	15.7
England	95,290	4	95,060	3.9

Source: DLUHC, Live Tables on Homelessness - Statutory Homelessness: Detailed local authority level tables

Greater Manchester

Levels of TA in Greater Manchester have increased from below 500 households in 2010 to 4,574 by the first quarter 2022 – a 879% rise (and a 534% rise between 2015-22). Most of the growth is attributed to the City of Manchester, which now accounts for around seven in ten households in TA in the city-region.

Total number of households in temporary accommodation: Greater Manchester



Notes: 2006-07 no data available for Manchester; 2004-05 to 2007-08 not data available for Oldham; 2018-19 no data available for Wigan; 2018-19 onwards figures taken from period end

Source: DLUHC, Live Tables on Homelessness - Statutory Homelessness: Detailed local authority level tables

Between 2021 and 2022 there was an 18% rise in the numbers in TA across the GMCA, against the national trend. Higher rates of growth are reported in the City of Manchester and Salford, where rents have risen sharply.²⁴

Households in temporary accommodation within Greater Manchester

(End March 2021 and end March 2022)

Borough	2021		2022	
	in TA	TA per '000 households	in TA	TA per '000 households
Bolton	211	1.8	266	2.2
Bury	47	0.6	73	0.9
City of Manchester	2,537	11.7	2,793	12.8
Oldham	221	2.3	235	2.5
Rochdale	124	2.3	128	1.4
Salford	270	2.3	493	4.2
Stockport	114	0.9	104	0.8
Tameside	154	1.5	224	2.2
Trafford	103	1	116	1.2
Wigan	100	0.7	142	1
GMCA	3,881	-	4,574	-

Source: DLUHC, Live Tables on Homelessness - Statutory Homelessness: Detailed local authority level tables

Out-of-borough placements

Out-of-borough placements (OBPs) of homeless households, primarily into the PRS (for both TA placements and permanent, move-on accommodation) has increased sharply in London, which now accounts for 8 out of 10 of all OBPs in England. We were told that this is happening despite government guidance that homeless households should be housed within the local area "so far as is reasonably practicable."

We were also told that the increase in OBPs has pushed up TA prices and that the London Councils' Inter-Borough Temporary Accommodation Agreement (IBTAA) was no longer working as well as it did and that in some instances boroughs are out-bidding each other and paying a higher rent than the 'host' borough would pay. It was also said that some boroughs that place households in OBP do not gather enough information on the properties or provide inadequate inspection of the TA.

"We don't have much choice but to look elsewhere, but there's a lot of reluctance to do it from officers. I think that's the hardest part of the job" (Housing officer, London)

Housing campaigners argue that OBPs risk adding to the problems that homeless households already face, including having to resettle (often for prolonged periods) away from work, schools and support networks. We were told of cases where some families in TA had to move across London and were travelling long distances to keep their children in the same school.

Over a third of Londoners (37%) accepted as homeless are placed – often with the assistance of estate agents and letting agencies – to TA out of the borough. However, levels of TA in local authority areas varies considerably, with OBPs accounting for three quarters of all those in TA in Bromley and around 40-60% in Lambeth, Southwark, Hackney, Hammersmith & Fulham. But 21% in Harrow and only 4% in Croydon.

"The benefit cap is one of the main reasons why we are having to house people out of borough into more affordable accommodation." (Housing officer, inner London)

The majority of OBPs in London are in nearby (lower housing cost) boroughs, although a growing number appear to be in the surrounding home counties (especially Essex, Kent and Bedfordshire). However, we were told that some London boroughs now source properties – with the help of companies like Help2rent²⁵ – much further away, in seaside towns on the south coast or in places like Stoke on Trent, Wolverhampton and Telford.

"It's Hobson's choice between a Bed Et Breakfast – and you have to move them in six weeks – and out of borough: you don't want to breach pan London (IBTAA) rates, then what can you do?" (Housing officer, London)

A few inner London boroughs are also buying and refurbishing TA and move-on properties outside London. It was also reported that some boroughs have secured long term nomination agreements with housing associations for settled accommodation out of London.

Boroughs who place people in lower housing cost area outside of London usually provide some basic support. However, we were told that day to day costs, such as transporting children long distances, are not always covered. An LGA report into OBPs and children in homelessness families stated that, "communications between placing and receiving councils were often poor, and that families placed out of area could face difficulties relating to gaps in support."²⁶

"We pay for transport and removals and offer a support package to help them settle in a new area. If necessary, we pay an agency to put some basic furniture in as well." (Housing officer, London)

We were told that securing TA in other boroughs is driving up costs and reducing local supply, as well as placing extra pressure on local communities and local services. It was said that the pace at which OBPs were moving was "simply unsustainable". One housing officer in an outer London borough told us that – at the last count – there were 21 other boroughs competing for TA properties in their local market.

In the GMCA, OBPs are mostly from the City of Manchester. Latest data (May 2022) shows around a third of all TA households in the City of Manchester (the majority singles and many in B&Bs) are currently in TA outside the borough (mainly in the north and east areas of the city-region).²⁷

We were told by some housing officers in low market value areas in Greater Manchester that the placement of more and more homeless households into their boroughs was becoming a serious concern. It was noted that in some boroughs the OBPs far outnumber the council's own TA placements.

"The bigger boroughs are procuring TA and HMO style accommodation in our area with big incentives and then discharging their duty into PRS offers. It's creating unhelpful competition and distorting the market." (Housing officer, Greater Manchester)

It was also said that the attitude of councils furthest from London to OBPs was much less negative and that the views of homeless households varied depending on the strength of their local links and connections. A survey by Homefinder UK of 690 homeless households who moved a long distance out of their area into permanent social housing found that the majority (73%), "were happy and settled in the new area" and that people were "willing to broaden their areas of choice if that option is presented to them within the first year of joining a housing list."²⁸

Homeless families with children

Homeless families with children account for a growing share of homeless household in TA, many single mothers.²⁹ The number of children living in TA in London has in fact increased by almost 60% since 2011 to 75,850 in first quarter 2022 (68% of the England total). According to London Councils, London families placed in TA are much more likely to have dependent children than other area of the country.³⁰

"A lot of families get a decision letter accepting the main duty, but they stay in the stage one accommodation because we don't have enough self-contained properties to move people on – they can stay in a one or two bedroom hostel for years." (Housing officer, inner London)

In London, homeless households with children are mainly in private sector accommodation although more are being placed in nightly paid self-contained TA. Latest data (March 2022) showed that 20% of all homeless households in nightly paid accommodation in London were families with children, and over 40% in Newham, Bromley and Haringey.

In the GMCA families with children in TA account for around half of the total in TA (some 5,000 children in 2022). The majority (68%) are in the City of Manchester (which has a higher proportion of families in TA (around 64%) than the other boroughs (average around 30-45%).³¹

Children in TA in London and Greater Manchester combined now account for 67% of the total in England. The increase is creating strong demand (and higher charges) for family homes, especially 3-4 bed properties. In boroughs, like Brent, around 60% of all accepted households require larger family sized properties.

Single homeless and sharing

In London, the majority of single households in TA are in nightly paid self-contained accommodation or private sector accommodation. In Greater Manchester more are in B&Bs or in social housing.

A rise in the number of vulnerable single homeless – which began pre-pandemic – has led to higher demand for single person TA. This is a pressing issue in both London and Greater Manchester. In Stockport and Hackney, for example, we were told that there is now an acute shortage of accommodation for single people, especially for those with complex needs (i.e. mental health, substance abuse and physical health problems).³²

"Our biggest challenge in meeting demand is from the ever-increasing number of applications from single people with complex needs – they take up an awful amount of time and resources, particularly when we have to mitigate risk with TA placements" (Housing officer, inner London)

It was also noted that the shortage of TA in London is resulting in more homeless households being placed in shared accommodation for more than six weeks.

"We're seeing more people with chaotic life-styles and huge mental health issues who in the past would have been picked up by acute services." (Housing officer, inner London)

Reference was also made to the challenge of finding affordable shared housing for homeless households under 35. It was noted that for most single renters under 35 the Shared Accommodation (benefit) Rate is lower than the LHA rates. This leaves tenants with large shortfalls and makes it "virtually impossible to find shared accommodation in their area."³³ It was also said that landlords are reluctant to rent to sharers, and that in general sharing gets a "bad press".

However, we were told that shared housing can help people experiencing homelessness and that Crisis and other charities, like Commonweal Housing, have had considerable success supporting shared housing projects.³⁴

It was reported that in some boroughs landlords were chasing one bed "entitled customers," such as young people leaving care who are exempt from the shared rate restrictions. This was said to be pushing prices upwards.

"We get inundated with emails from landlords wanting us to pay a one bed rate for a bedsit or room in a shared house." (Housing officer, inner London)

Rough sleeping

The number of people sleeping rough fell during the pandemic in London and Greater Manchester when additional accommodation was available.³⁵ It was reported that in the City of Manchester, collaborative working and intensive support through initiatives such as 'Everyone In' and 'A Bed Every Night' reduced the nightly head count of rough sleeping to under 50.

There was a smaller reduction in London (which accounts for nearly 40% of all rough sleepers in England), although the numbers overall are still significantly higher than a decade ago – particularly in inner London boroughs such as Westminster and Camden.³⁶

We were told that despite the efforts of the GLA³⁷ and the London boroughs rough sleeping numbers are now increasing fast, and that extra support is needed.

The 'Bed Every Night' scheme, set up by the Greater Manchester Mayor in 2018, has been central to the GMCA's efforts to reduce rough sleeping in the city-region. The scheme, which brings together a range of organisations, including all the boroughs, Greater Manchester Health and Social Care Partnership, Greater Manchester Police and other Criminal Justice Agencies and the Homelessness Action Network, is available to people who cannot access other accommodation. It has helped over 3,000 homeless people.

The government has promised to end rough sleeping altogether within this Parliament and aims to deliver 2,900 extra long-term supported homes by 2025 (including refurbished flats from unlettable homes in disrepair and new build properties, converted hotels and schools).³⁸ While welcoming the government's commitment to provide new accommodation and support new local Integrated Care Systems, several officers commented that the collaborative efforts and funding made to support rough sleepers needed to be replicated for the statutory homelessness as a whole. It was also said that the focus had to be on tackling the structural issues and that the acute lack of affordable homes in many areas continues to increase the likelihood of rough sleeping.³⁹

Asylum seekers

There has been an increase in asylum seekers in London over the past four years, especially in boroughs such as Barking & Dagenham, Redbridge and Newham. Numbers are expected to increase as Ukrainians begin to move-on from being housed by local people under the 'Home for Ukraine' scheme. We were also told that there has also been an increase in refugees from Afghanistan.

"We still have some very large, often refugee, families in our TA because we can't actually find anything for them" (Housing officer, West London)

Most asylum seekers move from initial accommodation into dispersal accommodation within 35 days. However, the surge in demand has meant many households are placed in hotels for much longer periods.⁴⁰ According to the Asylum Information database, "it is common to find asylum seekers stuck in initial accommodation for many months due to a lack of dispersal accommodation."⁴¹ The Refugee Council claims around 3,000 people are "trapped in unsuitable hotel accommodation for more than six months."⁴²

We were told that the company which is contracted to provide dispersed accommodation on behalf of the Home Office, Clearsprings, is struggling to find suitable accommodation and is overbidding the London boroughs for TA, despite agreeing not to cause rental price escalation.⁴³

Stuck in temporary accommodation

Many boroughs are struggling with the combination of an increase in homelessness acceptances and a shortage of both TA and move-on accommodation. As a consequence, more homeless households have become stuck in TA and some are moved several times. According to the charity Justlife, the longer someone lives in TA, the more adverse long-term impact it can have, including new and repeated trauma, decreasing mental and physical health, isolation and sometimes the higher likelihood of death.

We were told that it wasn't unusual for a homeless household in a one-bed studio flat in London to be in TA for at least three years, and for some families – in larger properties – for five to ten years. A recent FOI request showed ten London boroughs had households in TA for over 10 years.⁴⁴

We were told that the situation is different in Greater Manchester, although still far from satisfactory. Manchester City Council (MCC) reported in 2020 that over half of the homeless households living in dispersed temporary were spending between 2-4 years in TA, although only 2% spent more than four years. The average waiting time in TA for all groups in Greater Manchester in early 2022 was 1.2 years, although lower in boroughs like Rochdale (at 30 weeks).

It was suggested that some households who have been in council-owned TA for long periods should have at least the possibility of remaining in the accommodation permanently. We were told the practice of 'flipping' TA has been successfully tried in Scotland,⁴⁵ but that it is complicated in England because of the shortages of social housing and legal barriers concerning a secure council tenancy. However, it was noted that conversions are easier if the property is void.

Recommendations:

The boroughs should review the out of borough placement protocols to ensure that they are being adhered to and that the relevant authorities and support services are notified when homeless households are placed in their area.

The government must honour its pledge to eliminate rough sleeping by 2024 and ensure that the investment is in place for the extra accommodation.

The Home Office should ensure that there is no overbidding for TA for asylum seekers and that the dispersed accommodation provided by contractors meets the required housing standards

Prevention from homelessness

We were told that boroughs take various preventative measures, such as mediation with families and landlords and help with rent arrears, to try to maintain the existing accommodation until alternatives (if still needed) become available. A number of boroughs also actively support households in pursuing a private rented sector offer (PRSO) alternative.

It was said that homeless prevention and working with other upstream agencies, such as adult social care, JobCentre Plus and children services, not only helps residents but offers longer term cost savings for the council and other public services.⁴⁶

We were told by one outer London borough that prior to the HRA around half of all interactions with the housing team led to an application. That has now been reduced to one in seven. Several boroughs we spoke to aim to improve their homeless prevention rate – something DLUHC ministers are also keen on.⁴⁷ The City of Manchester, for example, aims (by increasing its PRS offer) to improve its rate from 33% to at least 50%.⁴⁸

"We have 56 days to try and prevent the family becoming homeless. We have to pull-out all the stops. Prevention is not an add on, it's central to what we do" (Housing officer, outer London)

We were told that the preventative approach took precedence during the pandemic and that housing teams learnt a lot from the experience of working in the community and around early help and safeguarding pathways and hubs.⁴⁹ However, it was said that the eviction ban was the critical factor and that with the cost of living crisis impacting on energy costs, rather than rents, prevention is much harder.

"I think we need to get a lot more serious about the cost benefits of funding prevention over providing TA." (Housing expert, Greater Manchester)

It was also said that the majority of private landlords continue to "play the system" and many only want to sign leases or contract for nightly rates - which are more profitable. It was commented that it was not easy to engage private landlords in preventative solutions such as getting eviction notices withdrawn when there is fierce competition for TA properties.

Interviewees stressed how progress was being made with collaborative, multi-agency preventative working. Mention was made of the whole family approach to helping homeless families and to the development of strategies and protocols between housing and other care organisation, such as those in the Greater Manchester Homelessness Prevention Action Plan and Islington's early intervention strategy.⁵⁰

"Quick access to services is key, so referrals can be turned around in 24 hours. That often involves brokering a solution between a range of service providers." (Housing officer, Greater Manchester)

We were told that housing officers work hard to persuade people to either stay in situ or find an alternative without going through a formal homeless application. It was said that tenancy sustainment and mediation services can prove "lifesavers" and that people often need hands-on support to avoid becoming homeless. However, as caseload increase finding enough time to work effectively with people is difficult.

Mention was made of pre-tenancy training and help-to-rent schemes, especially those tailored for people who had never rented before or most at risk of repeated homelessness. Support with claiming benefit entitlement and working with households to link them into the relevant services in the local area was also highlighted as important in helping maintain the tenancy for households rehoused into the private sector

"Sometimes it makes sense to pay off someone's rent arrears to avoid homelessness – it's better than putting people in costly TA" (housing officer, Greater Manchester)

We were told the boroughs work closely (and some part fund) mental health support teams and hospital discharge workers, as well as other outreach care services in developing pathways for particular vulnerable groups. It was said that there are exciting new approaches being piloted, such as Crisis' Critical Time Interventions focused on refugees⁵¹ and the ground-breaking Rapid Rehousing Transition Plans in Scotland, developed by Scottish local authorities.⁵²

Reference was also made, for example, to the award-winning North London Early Homelessness Prevention Service, which includes six boroughs working alongside private landlords, hospitals, prisons and Job Centre Plus.⁵³

"Multi-agency support work and interventions/pathways for people with complex needs and ex-offenders has really improved, helped by zoom and virtual team working." (Housing officer, Greater Manchester)

Some boroughs, like Ealing, which has one of the highest rates of homelessness prevention in London, have switched emphasis from caseworkers mainly dealing with crisis cases to a more intensive holistic prevention approach whereby each case is dealt with and followed through by an identified caseworker who links into the appropriate support services.

"We provide support directly for 12 weeks and then do quarterly checks. When you have got people with mental health issues or whatever else, it's difficult for staff to walk away." (Housing officer, London)

We were also told that helping people maximise their incomes and find work at the assessment stage can make a major difference. It was also noted that specialised employment support through homeless/employment services like BEAM are helpful.

"We are looking at employability schemes. It's early days, but we're scoping out more prevention initiatives and models." (housing officer, Greater Manchester)

It was also said that the official data on homelessness and TA is inadequate and that there was a need to better map supply and demand and to utilise new tools like the low-income family tracker with council datasets on homelessness to improve prevention.

Housing First

Housing First was often mentioned as an example of a more holistic, preventative approach to tackling homelessness – and breaking the cycle of repeat homelessness – see below. It was said the scheme presented an alternative to the traditional "stairway" model, which concentrated on equipping people for independent living.⁵⁴

"If you compare the cost of Housing First with keeping people in a hostel, it's not expensive to run. The cost-benefit and VFM arguments are clear" (Housing charity, London)

Housing First: developed in the USA in the 1990s, Housing First focuses on supporting people experiencing repeat homelessness and multiple disadvantages, with social landlords providing the vast majority of the properties. It was said that the scheme – based on intensive and flexible wrap around care and targeted interventions for homeless people with complex needs – was expanding on the back of the successful three-year pilots, including a pilot scheme in Greater Manchester in 2018.⁵⁵ However, it was also noted that the person-centred scheme, which provides secure unconditional housing for rough sleepers, can prove costly over time as the support is (deliberately) not time limited. It was also noted that Housing First providers are sometimes in competition with the boroughs for suitable private rented properties⁵⁶ and that when there were no available properties in an area the individual was often housed in TA.⁵⁷ Government evaluations of the Housing First pilots have been largely positive and the Centre for Social Justice recommended on the back of the pilots that the government should design a national Housing First programme.⁵⁸

We were told that the 'Positive Pathway Model',⁵⁹ which allows young people to access a range of housing options and support so they don't need to approach homelessness services, has also had some success. Reference was also made to the wider use of trauma-informed care which is complementary to the Housing First model.⁶⁰

"Housing First is a lot more intensive and resource heavy in terms of time spent with a person that it would be for our normal independent living scheme. But it's been positive for those with complex issues" (Housing officer, Greater Manchester)

While there has clearly been widespread progress on prevention we were told that housing teams are often dealing with difficult and complex emergencies. One officer told us that in eight out of ten cases, homeless households are already in a crisis – homeless or imminently homeless – when they first interact with the council. It was said that it is particularly difficult to engage with people who are in a crisis situation and may have underlying mental health issues and can't or don't want to acknowledge their problem.

"A lot of single clients with mental health issues, as well as ex-offenders, aren't willing to be referred to support accommodation – they feel they don't need it, even if it helps them." (Housing officer, London)

Recommendations:

The Government should continue the national rollout of the Housing First scheme and ensure the necessary support funding, access to housing and co-ordinated service responses are in place.

Local authorities should continue to work with health, social care and other relevant partners to ensure more joined up holistic approaches and pathways to preventing homelessness and providing suitable accommodation for those in need.

Supply of temporary accommodation

We were told that the availability of TA and more permanent accommodation that emerged during the pandemic has now dried up and that the pool of affordable housing is shrinking.⁶¹ It was said that the general contraction in the PRS was impacting on the supply of TA, and that for some London boroughs is likely to worsen as more landlords (we were told one in four) look to sell or not renew leases. We were told that around a quarter of all Section 21 notices in London are now being triggered because landlords want to sell their property.⁶²

"When I first started as an officer, I was able to house residents. It was really something that was a satisfaction. Now it's near impossible to find suitable, affordable homes" (Housing officer, London)

It was noted that in some places the reverse has occurred where landlords had exited the student market for TA as larger professional landlords moved in. However, the general trend in London has been a contraction in the supply of affordable private rented properties, including TA.⁶³

"The Big Deal is that we're all fishing in the same pond for property, and worryingly we're now starting to face increased competition from government departments themselves, like the Home Office and MOJ." (Housing officer, London)

Strong rental growth in the PRS is also expected to lead to a further drop in the number of TA listings in high demand areas.⁶⁴ It was said that housing teams often have little option but to pay more and that it was hard to regulate prices. It was reported, for example, that efforts by MCC to increase payments for bed rates to improve the flow of new properties was unsuccessful and that costs continue to rise.⁶⁵

"Turnover in the PRS market is down a third. It's a seller's market at the moment and landlords are making hay." (Housing officer, Greater Manchester)

It was also noted that borough TA procurement in some areas can shape the local PRS. More TA (and exempt accommodation) can also equate to less PRS, which in turn can drive homelessness. In Enfield, which takes homeless households from many London boroughs, TA now makes up a fifth of the borough's entire PRS. It was commented that the concentration of TA, especially in poorer areas, makes raising standards all the harder.

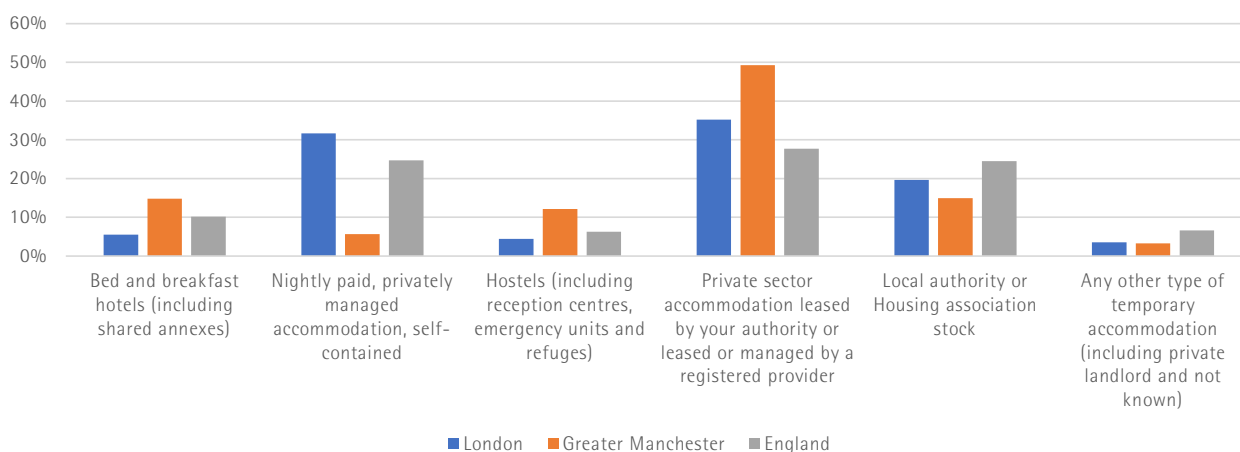
"Exempt accommodation suppliers are moving and buying up properties in inner-city areas – that has a negative knock-on effect on other types of TA." (Homelessness charity spokesperson)

Types of temporary accommodation

Most boroughs maintain a mixed portfolio of TA and offer interim accommodation (for the assessment period) and longer-term accommodation for those owed the main housing duty. These vary by borough and can overlap. The main categories include:

- Private sector accommodation leased by councils or leased/managed by a registered provider, houses in multiple occupation
- Local authority or housing association stock, including TA on properties that are due to be redeveloped or demolished
- B&B hotels and nightly paid, privately managed accommodation, self-contained
- Hostels, including reception centres, emergency units and refuges
- Other such as modular accommodation

Types of temporary accommodation



Source: DLUHC, Statutory homelessness: Detailed local authority-level tables (July to September 2021)

Private renting

Private sector TA – under leases and licences arranged with the borough or housing association or through letting agents – is the most common type in London and Greater Manchester.⁶⁶ Some boroughs also operate private rented schemes for landlords who want to manage their own properties.

We were told that Private Sector Leases (PSLs) for TA have increased since the Localism Act 2011, which allowed councils to discharge their housing duty to the private sector. They now account for around a third of all TA in London, above the England average. There are though wide variations between the boroughs, with a much bigger share in places which have high levels of homelessness – see below.

The cost of PSL contracts has risen sharply in recent years, reflecting the competition for properties and the overall rise in market rents (in all London boroughs average rents are now higher than their pre-pandemic levels, rising 15.8% from June 2021 to June 2022).⁶⁷ We were told that finding affordable TA for singles and families – even with generous PSL incentives – is proving ever more difficult and more costly. It was reported that there are now very few places in London where rents are affordable for homeless households on benefits – see section on Welfare and benefits.

“People are starting to move again: gazumping is back and people are offering to pay a bit more rent. This is not good for TA.”
(Housing officer, London)

The PRS has also increased its share of TA in Greater Manchester, but mainly owing to growth in the City of Manchester where it accounts for over three quarters of all TA. Most of the other boroughs have very low or no reliance on the PRS.

Boroughs with high levels of temporary accommodation in the private rented sector

Borough	Households in TA	Total households in private sector leased accommodation	% share of total
City of Manchester	2,537	1,945	77%
Barking & Dagenham	1,483	1,172	79%
Enfield	34,442	1,348	39%
Kensington & Chelsea	2,212	2,002	90%
Tower Hamlets	2,696	1,217	45%
Westminster	2,744	1,814	66%
Hammersmith & Fulham	1,081	883	82%
Lewisham	2,486	990	40%
Havering	860	560	65%
Redbridge	2,768	1,624	59%
London	59,830	21,640	36%
England	95,290	28,020	29%

Source: DLUHC, Live Tables on Homelessness – Statutory Homelessness: Detailed local authority level tables: March 2021

Most boroughs would prefer to secure longer leases and PRSOs directly to the individual, which are less costly and provide more secure accommodation – but are in short supply. It was widely acknowledged that landlords and letting agents prefer short-term PSLs because they guarantee rent and have dilapidation provisions.⁶⁸

“If all of the properties in our borough that are currently used as TA were converted to privately rented, we wouldn't have a problem. We are collectively throwing money at landlords to provide emergency accommodation for people.” (Housing officer, London)

Letting agents

Most boroughs work with private letting agents, some of whom operate at scale (such as Homefinder UK) or as specialist providers and property management companies, such as Local Space, which works with several East London boroughs.⁶⁹ Many of the boroughs are also working with city-wide social letting agencies (such as Let Us in Greater Manchester and Capital Letters in London) or run their own lettings agency for TA (Brent, Havering, Kensington & Chelsea, Lewisham, Enfield and Bolton). There are also charity run agencies, such as St Mungo's Real Lettings.

We were told that in high demand areas agents and brokers have become more active and that private lease annexe are becoming more common, and that competition between private letting agencies is pushing up prices, especially for one-bed accommodation.⁷⁰

"We want to make our accommodation as affordable as we can. But having very vulnerable tenants requires more intensive management and removing financial barriers. It's a difficult balance to achieve." (Social letting agent)

It was reported that lettings agencies often make more money out of the repairs service they provide than they do out of the rental income, so their primary interest is in maintaining bids. It was noted that some boroughs manage properties on the basis that agent holds the repairs responsibility.

"We have set up a direct letting scheme to lease and manage private sector properties. It gives us more control over standards. We carry out the repairs and charge the landlord." (Housing officer, central London)

Houses in multiple occupation

The TA market also includes houses in multiple occupation (HMOs), which are subject to national (and in some places local) licensing conditions – see section on quality standards. Latest data for 2020/21 shows HMOs accounting for around 9% of all relief duty ended in accommodation in London and 17% in the City for Manchester.

We were told that the number of HMOs is rising again after falling during the pandemic, especially in Greater Manchester. It was said that the competition for properties and presence of more brokers are the main reasons.

Oldham council, for example, has called for stronger planning powers to control the spread of HMOs in its borough, which the local MP claims is driven by housing benefit changes.⁷¹ It was also reported that splitting up accommodation – converting family homes into HMOs – is happening more often in London boroughs.

Social housing

GLA/DLUHC data suggests the number of households in TA in London in some form of social housing⁷² has increased from around 13% in London in 2017/18 to 18% in 2021 (c. 11,000), although we were told that the figure today could be 20% above that. The number of move-on homes for homeless households at social rent though remains low,⁷³ reflecting the general decline in the social housing stock.⁷⁴

Levels of social housing for TA across London vary (below 500 for most boroughs) and are much higher in boroughs with bigger social housing stock, such as Southwark and Barnet.

The number of homeless households in social housing is much lower in the GMCA, largely owing to very low rates in the City of Manchester (where the number in social housing is around 2% of the total).⁷⁵ It is a much higher share in other boroughs (such as Bury and Salford).

There has been a noticeable increase in placing homeless households in older council properties on regeneration sites in London and to a lesser extent Greater Manchester. It was said though that the accommodation is often very poor quality, with problems of damp and cold, although for some homeless households it is preferable to moving out of the borough.

"A lot of the stock in regen areas is not in great condition and isn't ideal – there's overcrowding, but we have an agreement with the housing provider that they will replace like with like." (Housing officer, Greater Manchester)

Some boroughs, such as Lewisham reported pre-pandemic that, one of the key reasons behind the reduction in general access to social housing available to the Council has been due to the use of council stock for temporary use by homeless people.⁷⁶ Others reported that they were making a bigger effort to link their housing nomination policies to the prevention of homelessness, including incentivising households accepting private rented offers with extra points on their social housing application.

In boroughs such as Brent, homeless households in TA on regeneration estates are guaranteed a home on the new estate once the schemes are completed. However, this is not always the case. We were told that households who are placed outside the borough, for example, can be at risk of being removed from the housing register.

Housing Associations

Housing associations are the main providers of new social and affordable housing, although relatively few of the new units are used for TA or earmarked for move-on housing. However, housing associations have a long history of co-operating with councils, who nominate households for TA in properties that are typically leased by the associations from private landlords – usually under Housing Association Leasing Schemes (HALS).⁷⁷ Notting Hill Genesis, in London, for example, is a major provider of TA. Salix Homes and Riverside provide TA in Greater Manchester and Southway provide low-cost homes at below the LHA rate. One Housing Group works with the London boroughs on tackling rough sleeping and Network Homes provide supported housing. Hackney, meanwhile, operates a Housing Challenge Fund in which the council gives money from Right to Buy receipts to housing associations for social housing.

"Housing associations did a lot of TA voluntarily 15 years ago, but much less so now because of the costs and the shortage of properties." (Homelessness lead, housing association)

Several boroughs noted that HALS are becoming less common and that housing associations generally see the margins for TA as "too tight". We were told that housing associations often find it difficult to meet support management costs given the drop in the TA subsidy and the benefit cap. It was noted that some boroughs, like Brent, have taken over TA properties from local housing associations.

Housing associations in London and Greater Manchester also manage TA hostels and provide homelessness prevention services or work closely with borough housing teams and charities, some part funded by inhouse charitable trusts. Others are commissioned by other council directorates involved with TA, such as adult social services.⁷⁸ Mention was made, for example, of the ForHousing First collaboration with Salford Council and the Greater Manchester Housing and Social Care Partnership and Greater Manchester Mental Health Service to help rough sleepers leaving hospital.

We were also told about how housing associations run useful TA tenancy sustainment services and 'social management' mediation services. It was also said that housing associations sometimes lead on Housing First schemes (such as the Great Places Housing Group which leads on the Greater Manchester Housing First Partnership) and offer dedicated support to specific homeless groups, such as veterans, ex-offenders and people fleeing domestic violence.

However, we were also told by some borough housing officers that housing associations can be difficult to work with and that there can be tensions over allocations policies and property suitability. We were also told that in London some housing associations had a tendency to push difficult homelessness cases over to the boroughs for placement in TA, rather than resolving the issue within their own stock. How widespread this is was difficult to determine.

According to the NHF "the greatest difficulties lay in how to accommodate households who had more complex issues that might disqualify them or stop them sustaining a tenancy and there was no support and no funding for support."⁷⁹ The Federation has called for councils to work with housing associations to introduce pilot approaches that match families with housing association homes to facilitate faster moves out of TA.

"We would like to see more coordination on housing assessments, especially from housing associations – they need to look at how people have moved on from their problems and take a more risk-based approach, rather than just looking at people's past histories" (Housing officer, Greater Manchester)

Reference was made to research by the Homes for Cathy group of housing associations and homelessness charities which ascertains that "the current regulatory regime does little to encourage housing associations to play a part in tackling the homelessness crisis."⁸⁰ The group is calling for amendments to the Social Housing Regulation Bill (2022) to give the Regulator of Social Housing new powers to monitor housing association progress in housing and supporting homeless households

"Some housing associations may have stock, but it is a question of whether they're willing to release it... some are banking stock frankly." (Housing officer, inner London)

It was reported that housing associations in London and Greater Manchester were facing major challenges – over fire safety, net zero and possible government plans to extend the Right to Buy to the sector – and therefore are reluctant to build or acquire properties for TA.

It was said that specialist housing often doesn't fit the association's business model. The National Housing Federation recently stated, for example, that supported housing could become unviable for housing associations if a complete rent freeze or a 3% rent cap is introduced.⁸¹

"Housing associations are not going to go near buy back without significant grant funding. It's just too risky" (Housing expert, Greater Manchester)

It was observed that because there are now fewer associations active in the TA market, so those that are present are under pressure to do more. We were also told that housing associations are concerned about the levels of funding for support services for people with complex needs. Mention was also made about nomination agreements, which some associations said were too inflexible.

"We seem to have a high proportion of singles with high support requirements and complex needs coming to use who have been refused access by other social landlords." (Housing association officer, Greater Manchester)

Bed and Breakfasts

B&Bs for homeless households in London remains a relatively small share of all TA. However, the numbers have risen from a low point in 2010/11 to around 4-5,000 households today (5-6% of the total).⁸² We were told though that there is considerable under-reporting and that the true figure is much higher.

It was remarked that owing to shortage of other suitable accommodation homeless families with children are often staying longer than the statutory six-week period in B&Bs. It was also noted that B&Bs are much more expensive than other types of TA, especially for large households as the subsidy only covers the one-bedroom nightly rate.⁸³

"We've worked really hard to keep families out of B&B, but we are struggling now because there's been a really big step change in demand." (Housing officer, London)

The share of B&Bs in Greater Manchester is higher at around 15% of the total in TA, above the England average (10%). The largest concentration is in the City of Manchester (with households also placed in B&Bs outside the borough)⁸⁴ and to a lesser extent in boroughs like Bolton and Tameside.

"We don't have any other option but to use B&Bs. We have a commitment not to, but it is not fully backed up" (Housing officer, Greater Manchester)

MCC reported that while the government is eager to eliminate the routine use of bed and breakfast for families in the first instance and then single people, "the reality is that this continues to be challenging due to the increase in demand and reduction in overall supply."⁸⁵

Nightly paid accommodation

Nightly paid (rates) TA is mostly privately managed, self-contained accommodation. The numbers have been increasing steadily for a decade and now account for around a third of total TA in London. Although intended to be very short-term, we were told that more households (notably families with children) are having to stay in nightly paid accommodation for longer periods. Some nightly paid accommodation is just self-contained annexes to hotels with very basic cooking and washing facilities.

"We don't have a choice but to put people on nightly paid if there are no hostels or leased accommodation available" (Housing officer, inner London)

There are wide variations between the London boroughs, with very high levels recorded in the first quarter 2022 in Newham (50% of all TA in the borough), Enfield (62%), Bromley (62%) and Haringey (50%). The proportion in most other boroughs is much less.

"The rise in cases across London means virtually every local authority is in panic mode in terms of being able to secure enough emergency accommodation – hotels, B&Bs, hostels." (Housing officer, London)

It was said that private landlords and agents in London have been steadily moving leased TA accommodation into nightly lets in order to maximise profits.⁸⁶ It was noted that this was adding to the overall costs of TA and making it harder to secure more permanent accommodation.

"Private landlords receive more money from nightly paid rates than they do for assured shorthold tenancies (AST) -it's just not in their interest to do otherwise." (Housing officer, London)

There are very low levels of nightly paid TA in Greater Manchester – under 300 for the whole of the GMCA.

Hostel accommodation

The number of homeless households in hostels (refuges, reception centres and emergency units) accounts for around 4-5% of total TA in London, of which more than half are families with children. The numbers fell during the pandemic because shared accommodation was less Covid-secure but have been rising since, especially for women fleeing domestic violence. Some boroughs, like Hackney, Merton, Barking & Dagenham and Lewisham, are investing in new purpose built hostels or refurbishing old hostels.⁸⁷ Hackney, Merton and Lewisham, are building new or refurbishing old hostels. We were told that the boroughs can offer more support to homeless households in hostels where they are the freeholder rather than the leaseholder or the commissioning body.

"We've done some massive refurbishments and worked with the developer on family self-contained accommodation which is kitted out to the same spec as a Travelodge." (Housing officer, London)

Hostels are used mostly in the City of Manchester and Bolton but less widely by other boroughs in the GMCA. We were told that the GMCA was supporting investment in alternative accommodation to hostels, such as Apex House in South Manchester, a former council office building refurbished to provide good quality short-stay accommodation for families.⁸⁸

The numbers of households placed in hostels in London is currently around 2,230, roughly 4% of all households in TA. Over half are families with children, although we were told that there has been an increase among young people with high needs.⁸⁹

The use of hostels is also relatively low in the GMCA, although higher in the City of Manchester (at around 9% all TA). In some boroughs which have few households in TA (such as Bolton and Stockport) the proportion in hostels can be as high as between 40-50%.

Reference was also made to the GLA's Homelessness Change and Platform for Life programmes to improve existing or develop new homelessness hostels and refuges.

It was said that direct investment in new custom-built hostels and refurbishment programmes offers better VFM over the longer term and much better conditions for homeless households.

Adapted properties

We were told that more people with disabilities were presenting as homeless, often in crisis situations.⁹⁰ This presents a major challenge to the boroughs owing to the acute shortages everywhere of suitably adapted properties, especially family homes.

"We just don't have move-on accommodation for people who need adapted properties. We have some accessible places on hostels, but not enough." (London housing officer)

It was said that disability (and ill health) amongst those experiencing homelessness is worryingly under-reported,⁹¹ and growing numbers are being denied access to TA.⁹²

"We need TA units for severely autistic children; we need street level access, wet rooms, lifts, space for hoists, homes for disabled children with life limiting conditions – delivering this at the moment is quite frankly heart breaking." (Housing officer, London)

Although some boroughs prioritise developing wheelchair-adapted properties and make grants available, it was noted that the escalating cost of adaptations generally continues to be a major barrier.

"One of our pressing issues is the lack of suitable adapted properties. There's no wheelchair access, which I put down to failures in the health and care system" (Housing officer, Greater Manchester)

Recommendations:

The GLA and London boroughs need to work together in a concerted effort to reduce the reliance on expensive nightly paid accommodation.

Government and the GLA/GMCA should explore ways of encouraging housing associations to return to the TA market.

The government must do more to facilitate cross-departmental support for the adaptation of TA and move-on properties for people with disabilities.

The boroughs that have not done so should plan for a phasing out of any routine use of B&Bs for families in TA.

Welfare and benefits

The reduction in the real value of benefits (now at their lowest level for 40 years) has been a major driver of housing poverty.⁹³ In most of London and the City of Manchester very few private rented TA or move-on properties are now affordable to households on benefits. We were told that the problem is compounded by long waits for Universal Credit payments and more recently by the rise in the cost of living, which impacts disproportionately on the poorest households.⁹⁴

"The market opened-up during Covid. Everybody was offering properties because councils were a safe bet, whereas now no one wants to wait for Universal Credit. Landlords are going back to renting to working professionals and the smaller ones are concerned about tax changes and getting out." (Housing officer, London)

Housing benefit cuts have also disproportionately affected councils, who are effectively cross-subsidising rents for homeless households claiming benefit. A study by Warwick University in 2021 showed that for every pound DWP saved in housing benefit, councils spent 53p on TA costs.⁹⁵

The benefit cap

The benefit cap (frozen since 2016) was cited as a driver of homelessness as it limits the financial support households can receive towards their rent.⁹⁶ Although there are exemptions to the cap, such as people on health and disability related benefit and those earning £658 or more a month, the evidence shows it is hurting households on low incomes (especially for larger families and single parents).⁹⁷

"The benefit cap hurts the most vulnerable and forces people out of London and makes 3 bed properties anywhere unaffordable – that cannot be what the cap was intended to do." (Housing officer, outer London)

It was said that benefit system is too rigid and that there needs to be much greater flexibility so people can more easily transition to settled accommodation. It was commented that benefit claimants in TA who are out of work needed time to adjust and find employment, especially those recovering from street homelessness. It was unrealistic to expect people to be earning within months.

We were told that if a household in receipt of UC is in supported or specified accommodation or TA then they can claim housing benefit towards their housing costs and it is not taken into consideration when calculating the benefit cap. However, if the household is in TA on legacy benefits they can be capped and the council reduces the housing benefit accordingly. This essentially means that a household in TA is protected from the cap if they are on UC.

"If a household in TA is in receipt of even a small amount of UC they are entitled to full housing benefit for their accommodation costs. Unless exempt from the benefit cap through work or disability, they are better off staying put." (Housing officer, London)

Once a household moves out of TA then they must claim UC to cover both living and housing costs and will automatically be subject to the benefit cap, unless they are exempt through work or disability. For a family with two or more children this provides a real challenge in identifying affordable housing options

"The benefit cap is a significant challenge as it provides a barrier for people who are willing to move out of TA" (Housing officer, London)

It was reported that this anomaly in the benefit system is leading to perverse behaviour. One example was when the council offered a working family in TA a private letting the tenant - because of concerns about moving into insecure private rented accommodation - dropped their working hours because they knew they would then be capped, and that the accommodation is then unaffordable.

"Because of the cap we can't get families out of our TA hostels. They only have to do it for a couple of months – but we are forced to lapse the discharge on affordability grounds." (Housing officer, inner London)

It is unclear how widespread this is, but the notion that working households in TA are reducing their working hours (and therefore earnings) to bring themselves within the benefit cap is problematic. We were told that local and national government plans and statements on homelessness have consistently stated that transferring out of TA should support employment, not deter it.

"If they are on UC, the household is entitled to full housing benefit, full stop. They can be getting a pound a week of UC and still get full housing benefit. And that means their TA is going to be cheaper to stay in." (Housing officer, London)

It was widely agreed that the cap needed to be reviewed and the government should also adjust the cap to enable a smooth transition out of TA to more permanent accommodation. It was suggested that there could be more flexibility in the system, including tiered

grace period for different categories of homeless households.

The Local Housing Allowance

The re-alignment of the Local Housing Allowance rate (LHA) to the 30th percentile (cheapest third of local rents) in 2020 was broadly welcomed by councils and homeless charities.⁹⁸ However, the rate was subsequently frozen and the rental market changed dramatically since then. We were told that in London there is now very little available accommodation close to LHA rate.⁹⁹ According to London Councils all 70 of London LHA rates are now well below the 30th percentile and on average only 8% of the market is affordable across all of London. In inner London boroughs, such as Tower Hamlets, markets rents are now well above LHA rates by £300 a week for a one bed, £400 a week for a 3 bed and £560 for a 4 bed property.¹⁰⁰

"The PRS is just not affordable for anyone on a low income. The gap between rents and LHA rates makes it impossible." (London housing officer)

Without council support in the form of a Discretionary Housing Payment homeless households are forced to draw on funds from their personal allowance for food and clothing to pay their rent.¹⁰¹

"The LHA system is not fit for purpose. It needs to be linked to CPI at the very least, and indices of that should tracks the lettings market or a fixed annual rate of increase needs to be brought in." (Housing officer, London)

The situation is less widespread in Greater Manchester, although in the City of Manchester we were told that:

"There has not been, for some years, a single ward in the city where average rents can be covered by LHA, the housing benefit for private sector tenants. That includes several areas that rank high among the UK's most impoverished neighbourhoods."¹⁰²

There was a widely held view among housing officers that the government urgently needs to increase the LHA rate and introduce some form of index-linked, income-based formula to ensure rates continue to reflect local market conditions.

Recommendation:

The benefit cap should be abolished or returned to its original criteria and the Local Housing Allowance must increase (significantly in some areas) to reflect the real cost of renting.

Innovation and new supply

All the boroughs facing supply shortages are actively seeking to stem the loss of TA and find alternative solutions. Some boroughs, for example, are seeking to get in early and buy properties for TA from the PRS when they know landlords are evicting tenants and selling-up.

We were told that to avoid a “war of all against all” with London boroughs competing even more ferociously with each other for properties there was a need for even greater collaboration over procurement through pan-London bodies, like Capital Letters. It was said that private landlords would be open to pooling provided it offered a quicker and more cost-effective route into the TA market.

New social housing

The build rate for low-cost housing is expected to increase in London under the GLA's latest Affordable Homes Programme, which has a stronger bias towards social rent¹⁰³ – and in Greater Manchester under the Homelessness Prevention Strategy.¹⁰⁴ Southwark, for example, plans to build or purchase 11,000 new council homes by 2043. Hackney is set to deliver 2,000 new homes by 2022. Some boroughs (Havering and Salford) are investing through their arms-length housing companies.¹⁰⁵

“Given the scale of need – we are looking at nearly 100,000 households in TA – we can’t build our way out of this in a matter of a few years.” (Housing expert)

Several new build social and affordable housing programmes will have allocations for homeless households, although levels are likely to be small and vary scheme by scheme.¹⁰⁶ It was also noted that GLA grant funding for large family sized social homes is limited. However, we were told that any increase in social and affordable homes is welcome given the current supply crisis.¹⁰⁷

“Temporary accommodation is effectively becoming the new social housing with some families having to watch their children grow up in it, with no idea when they might be able to access a stable and suitable home.” (Shelter)

Acquisitions and buy-backs

More London boroughs are acquiring street properties and developing buy-back programmes for both general need and TA housing. Havering, for example, have borrowed from their Housing Revenue Account to support buy back schemes with a range of rehousing options for resident leaseholders and freeholders. Kensington & Chelsea are investing £40m from their Capital Programme to purchase properties for homeless households in TA. Enfield has been buying homes for TA under its housing company, Housing Gateway, since 2014, as has Brent under its property company, Invest4Brent. We were also told Greenwich, Hackney and Tower Hamlets have used RTB receipts to part fund a buy-back programme for TA.

Other boroughs, such as Camden, Islington, Hounslow and Lewisham, are using the GLA's new Right to Buy Back fund, which provides grants (up to £65K per unit) for homeless households.¹⁰⁸ Social landlords can also access the Mayor's Rough Sleeping Accommodation and Move On programmes to support purchase and repair schemes. It was said that councils should be able to keep more than 40% of their RTB receipts to help deliver new TA and social housing and that the time constraints on spending the receipts needed to be looked at.¹⁰⁹

Some of the purchasing and refurbishment schemes are funded or part funded by private investors and social impact funds. Mention was made of the St Mungo's/Resonance 'Real letting property fund', for example, which has purchased and refurbished over 250 one and two bed properties for homeless households in London – see section on Private finance. Reference was also made of how councils like Salford are also working with landlords like ForHousing (part of ForViva) on new housing schemes for rough sleepers.

Mention was made to the idea of establishing a national or city-region conversion fund dedicated to financing acquisitions and buy-backs for TA and more permanent housing.¹¹⁰

Modular housing

Several boroughs mentioned they were providing modular (and re-deployable modular) homes for TA. Ealing, for example, said they had built 200 modular homes on four sites, each with 30-70 units. The council's JV with QED Sustainable Developments provided self-contained TA from reusable and moveable parts of shipping containers on a formerly derelict site. The council claimed it was cost effective and popular with residents, offering a much better standard of emergency accommodation than B&Bs. Barking & Dagenham have also invested in new containerised TA housing for families.¹¹¹

“Modular TA can deliver at a quicker pace and offer construction savings of between 30-50% versus a standard new build. Although you do need to balance that against the reduced lifespan.” (Housebuilder, London)

However, modular TA received a bad name following public criticism in 2019 by the Children's Society and Shelter about children living in “overcrowded shipping containers.” This seems to have deterred some councils.¹¹² Mention was also made of the rising cost of modular construction, which could also put councils off alternative approaches.

"We looked at modular housing, but it never got off the ground: our lead member wasn't too keen" (Housing officer, London)

In 2019 a group of London boroughs set up a dedicated not for profit company, PLACE, to seek out and develop 'meanwhile' or 'pop-up' sites for TA modular units (see below). Although the company seems to have taken time to develop a workable collaborative strategy, a number of schemes are now underway (including in Lewisham and Tower Hamlets).

PLACE (Pan-London Accommodation Collaborative Enterprise) is a company owned by a group of London boroughs and London Councils which acquires modular housing for use as TA. Owned by London boroughs and supported by the GLA, PLACE provides high-quality 2-3 beds for families on vacant 'meanwhile' sites earmarked for future development. The units are designed and manufactured by ESS Modular, which claims it can complete projects up to 50% faster than traditional construction methods. The council purchases the unit and determines its use, PLACE acts as the development agent and rents the unit to the boroughs at 90% of the LHA rate. When the site is required for permanent development – usually after 5-7 years – the units can be disassembled and transferred elsewhere. PLACE aims to build 200 TA homes by 2022.

Office block conversions

The conversion of offices to TA under permitted development rights (PDRs) was mentioned by some boroughs and housing campaigners. It was said that converting and repurposing commercial premises into residential could be a quick route to boosting the supply of social housing and that some locations, such as run-down high streets, are ideally suited to conversions. According to research by University College London, it was not uncommon for a larger office-to-residential conversion scheme developer to approach the council and suggest they use the units for TA accommodation.¹¹³

"The planning rules probably need to change, but we need to be creative - you can get good quality accommodation by converting existing buildings and using for different purpose." (Housing adviser, London)

Not all housing officers were happy with PDRs. It was said that all too often converted TA flats were very small and cramped and below the government's new Nationally Described Space Standards.¹¹⁴ London Councils claims that whilst PDRs have produced additional housing, they are often of poor quality and with no affordable housing component.¹¹⁵

Empty properties

There are around 87,000 empty properties in London, roughly 2% of the total housing stock.¹¹⁶ While it was said that bringing these homes back into use this could help with TA supply, it was noted that the process is often complex and difficult.

The number of long-term empty homes remains relatively high in Greater Manchester and has increased recently despite the introduction of incentive schemes such as the New Homes Bonus and Council Tax Premium.¹¹⁷

"Councils have been innovative: some have adapted former care homes and empty properties, which may only offer one room but with amenities and communal space. It's a big challenge meeting basic standards." (Policy adviser, homelessness charity)

Some boroughs offer leasing or council tenant nomination schemes to empty homes owners accompanied by housing improvement grants.¹¹⁸ Others run match maker schemes which link owners with investors to convert empty homes into use – some for TA. Stockport, for instance, provide a range of options for social landlords to purchase properties under the GMCA's 'Empty to Plenty' scheme.

It was mentioned that in some outer areas of Greater Manchester a lot of what were once TA properties (both private and housing association owned) are now empty because the cost of complying with the required housing standards is too high.

"Properties that might have previously gone to people in TA with high priority are now in disrepair – mainly damp and mould – and people have been moved on. So there's fewer properties to assist people in TA" (Housing officer, Greater Manchester housing association)

Reference was made to the Levelling Up and Regeneration Bill (2022) which proposes giving councils more powers to buy empty homes. It was said that this – together with government empty home grants – might open-up new opportunities to buy empty homes for use as TA or more permanent housing.

Recommendations:

Boosting the supply of social housing for low-income renters should be a national priority. Government must do more to support councils investing in new build social housing.

The government should actively support borough housing acquisition and buy back schemes through a national or city-region housing conversion fund.

Councils should be allowed to keep more of their Right to Buy receipts to support housing acquisitions, buy-backs and new build for homeless households.

The boroughs should seek to enforce minimum standards, including national space standards, on property conversions to TA and move-on housing.

Private finance and social investment

There has been a growing interest from private investors and fund manager in the TA market and move-on housing for homeless households.¹¹⁹ This includes real estate and equity investors as well as social impact investors, pension funds, charities and not-for-profit organisations. The property funds typically buy and refurbish properties and usually let or pre-let to housing providers and homelessness charities. Other vehicles for social investment in TA include social impact bonds, often targeted at support for rough sleepers.¹²⁰

We were told that the big institutional investors are attracted by the prospect of long-term leases¹²¹ (underpinned by council guarantees/covenants and predictable rent rises) and see potential to professionalise and expand the sector.¹²² It was said that the private capital is available and that the investment funds can help meet housing need at less cost to the public purse.

"There's a huge number of for-profit registered providers that are circling the TA space, some with investment from China and Hong Kong. They've got fairly large stocks of private rented accommodation and are pitching to councils." (Housing adviser, Greater Manchester)

Reference was made to several investor partnerships with councils and registered providers, including:

- Legal & General's £21.6m investment with Croydon to use funds from its pension pot to provide homes for homeless households at LHA rates. The council manages the properties and takes back the properties after 40 years
- Phi Capital Investment's project to deliver up to 1,000 homes under a leasing arrangement with Let Us¹²³
- Real estate asset manager QSix's work with Capital Letters to develop new public/private investment models
- Mears Homes £88m joint venture with Waltham Forest to purchase and refurbish 365 properties for homeless households through a bond issue¹²⁴
- Manchester-based HS Property Group partnership with the Together housing association to buy, refurbish and lease supported housing
- Peel L&P's partnership with the charity Embassy to provide modular homes for homeless (with wrap around support) in Manchester city centre
- London based property management company, Stef & Philips, is building new accommodation and refurbishing older properties for homeless households

It was also noted that REIT investment trusts, like Civitas, buy completed homes for specialist supported housing in partnerships with housing associations, care providers and councils.¹²⁵ Other REIT's, like Home REIT, specialise in providing lets or pre-lets at low rents to prison leavers and vulnerable women/domestic abuse victims via charities and social landlords.¹²⁶

A recent social audit of the Cheyne Social Property Impact Fund – one of first to invest in TA and recently concluded a 40-year deal with Croydon to provide 388 units for homeless households – concluded that "the Fund enabled local authorities to provide high quality emergency and TA."¹²⁷

"It's still early days, but in terms of really opening-up PRS supply, on paper, it is what is needed at the moment." (Housing expert, Greater Manchester)

It was said by some investors we spoke to that getting the type, rather than the scale, of schemes right can be difficult. We were told that investing in low-rent housing is quite new for a lot of pension funds and institutional investors. The LHA and benefit cap were nevertheless seen by several investors as a barrier. It was said that investors want a "solid and reliable index which they could sort of set their rents off against, and with minimum government intervention." We were told that in the current climate it was though just "simply unrealistic" for investors to want full LHA from day one with rents protected against inflation.

"The investment funds need returns, and how are you going to guarantee and manage that if the returns are way above LHA rates." (Housing officer, London)

We were told that the low-cost housing market is low yielding and for institutional capital to accept low returns (3-4%) they need the investments to be "100% secure". It was suggested that perhaps the government or GLA should stand behind such long-term investments, to de-risk them, or make capital subsidy available?

"We had lots of discussions with investors and could easily have agreed terms to buy several hundred properties which would have paid for themselves. But we weren't given the freedom we needed and got knocked back". (Housing officer, London)

Social impact investors have been investing in homelessness programmes for some time, usually partnering with a housing provider and charity. The Greater Manchester Homes Partnership 'Social Impact Bond' programme to tackle rough sleeping, for example, was part funded by Bridges Fund management. Greater Manchester Mayor's Charity, which is investing in Embassy Village (a project that will create 40 permanent homes for homeless people) and receives the majority of its funding from private donations. Mention was also made of the successful Resonance 'Real Lettings Property Funds' for homeless households, which we were told was delivering both financial returns to investors and providing homes for people at risk of homelessness – see below.

Resonance has been developing funds to buy and refurbish properties for homeless households for 20 years. Its property funds include a National Homelessness Property Funds in Greater Manchester with Let Us and Big Society Capital, Greater Manchester Combined Authority and the Greater Manchester Pension Fund and in London with St Mungo's Real Letting Property Funds and a rough sleepers fund with the GLA and Big Society Capital. The letting agencies lease homes from the funds and lets them to vulnerable individuals and families with a secure tenancy, who would otherwise be in bed & breakfast emergency accommodation or hostels. Resonance also has dedicated funds for women in safe homes (with Patron Capital) and for people with learning difficulties. Resonance's property portfolio now extends to 1,000 units across the country.

It was said though that securing long term (full repairing) leases is a challenging risk issue for some boroughs and that legally – under the rules around housing benefit subsidy – councils can only sign leases with private owners using private finance for up to 10 years.¹²⁸

"It's a way of leveraging in extra investment, but each deal is structured differently and there's not a huge track record, so it's still work in progress" (Housing officer, London)

It was also mentioned that the funding models can become complex and difficult to get off the ground and that some finance directorates were often "less than enthusiastic about the business case", raising concerns over viability, auditability, and long-term risks.

Several boroughs stated that they could borrow (through the Public Works Loans Board and Housing Revenue Account) at cheaper rates than anyone else, and that this was a more cost effective route to buying back properties.

"For us as the guarantor, which is what they want, or even for the residents themselves, compound interest doesn't take long before you're in a completely different place" (Housing officer, inner London)

Recommendation:

The GLA and GMCA should undertake independent reviews into the merits and disbenefits of increasing private and social impact investment in TA and move-on housing.

Partnership working

A regular theme running through the interviews and roundtable discussions was the value housing officers placed on collaboration and partnership working. It was said that a borough's TA system couldn't work in 'splendid isolation' and that the focus on preventative partnerships was a catalyst to cooperation and multi-agency working.

However, it was also said that more could be done to extend and deepen partnership working, especially with non-commissioned providers and with government departments and agencies such as Jobcentre Plus.

Reference was made to ways in which joint working can be strengthened, such as the recent grass root shared learning guide from Homeless Link¹²⁹ and toolkits and advice from the LGA.¹³⁰

Borough housing teams work closely with other council services, such as social care and children's services and are under a duty to refer.¹³¹ Most are also members (or support) multi-agency support teams covering high needs groups, such as rough sleepers. Some also run 'rapid response' units with other local services to speedily assist residents threatened with homelessness and participate in local forums on issues such as debt advice and domestic violence.

All the boroughs we spoke to work with a range of voluntary sector organisations. Specialist charities, like Bridges for example, provide a single homelessness prevention service to boroughs in East London. Others, such as Crisis and the YMCA, operate nationwide. Several boroughs also reported hosting private landlord forums, such as the Tower Hamlets Private Landlords Forum hosted by the National Residential Landlords Association.

Most boroughs have long standing partnerships with social and private housing providers, some of which include TA. Mention was made, for example, of Lewisham Homes' collaboration with the Higgins Partnerships and NHS England to build TA with 24/7 on-site care and support. Other public-private partnerships are cited in the previous section.

Housing professionals collaborate formally and informally. London Councils, for example, has a joint London Housing Directors Homelessness and Housing Needs Working Group on TA and Crisis runs a local authority practice network. There are also country-wide government-backed advice and training services, such as the National Homelessness Advice Service (delivered by Shelter) and DLUHC/Centre for Homelessness Impact's Homelessness research network. It was also said that several boroughs have benchmarking and 'learning from each other' schemes.

"We need to continue working together because we are not going to resolve the problems if we continue competing for a limited supply." (Housing officer, London)

We were told of various examples of partnership working in London between the boroughs, including Setting the Standard, the pan-London TA housing inspection service on B&Bs and studio flats; The joint initiative between Enfield, Newham, Redbridge and Waltham Forest to share an online property purchasing system; the LOTI initiative on tackling digital exclusion in TA hostels; The Healthy London Partnership and the Single Homeless Prevention Service (involving six London boroughs and frontline delivery organisations; and Capital Letters – see below:

Capital Letters: Established in 2019 as a not-for-profit organisation, Capital Letters is coordinated by London Councils and supported by DLUHC. It works with its 21 London borough members and private landlords and agents to find families a secure and settled home. It pools the TA procurement activities of its members (identifying which property suits which borough), provides a property inspection and management service and set of standards/affordability checks, a tenancy sustainment service (with support for claims on backdated payments), rent collection protection scheme. The focus is on private sector leasing, but the organisation's remit includes acquiring TA. By working together, Capital Letters says it provides better procurement, drives innovation and spreads best practice – saving its members £26m in cost avoidance. The organisation's business plan to 2025 provides members: "an opportunity to combine forces and maximise the opportunity to control the housing market, reduce incentive payments to landlords, provide a consistent and good quality service for landlords, and support tenants to be successful."

It was widely acknowledged that the emergency response to rough sleeping during the pandemic highlighted the benefits of multi-agency working, especially around delivering integrated care.¹³² However, it was reported that the limitations of Covid-19 responses are now becoming evident and that much of the extra support was being withdrawn.¹³³

"Too often working with private landlords is seen as a hostile relationship because of the council's enforcement role and the fact that they don't have the resources and capacity to collaborate as much as they would like" (Housing consultant, Greater Manchester)

It was noted that some pan-London schemes were struggling to function, such as the Mayor's Housing Moves scheme, which is now only available to victims/survivors of domestic abuse and former rough sleepers rather than social tenants more widely.

"There's no silver bullet to fixing the problem of competing for properties, it's not easy. But if people are working against each other, it's just not going to get resolved." (Housing chief executive, London)

Borough-wide collaboration is also a prominent feature of the homelessness landscape in Greater Manchester, albeit less extensively developed.

"There's not a huge amount of collaboration across the city-region on TA, other than how support is managed, but it is increasing." (Housing lead, Greater Manchester)

It was said that the GMCA was making progress on partnership working under the auspices of the Tripartite Agreement (a collaboration between the GMCA, Greater Manchester Housing Providers and Greater Manchester Health and Social Care Partnership) and the Greater Manchester Homelessness Prevention Strategy.¹³⁴ Reference was made to a range of different groups, including Greater Manchester Housing Providers (a partnership of 24 housing providers in the city region); the Manchester Homelessness Partnership (a network of local organisations that supports the Street Support Network and produced the Manchester Homelessness Charter); Manchester Move, a partnership between MCC and around 20 not-for-profit landlords which helps homeless find private rented properties; Inspiring Change Manchester initiative, led by Shelter (which supports people experiencing multiple disadvantages); and the Greater Manchester Homelessness Action Network (including charities, faith groups, and public and private sectors)

Several officers mentioned Let Us, Greater Manchester's new ethical letting agency as an example of public-private sector collaboration – see below. Although the agency does not include all GMCA members, it was said that it is helping increase the availability of suitable and affordable private rented properties.

Let Us is the Greater Manchester Ethical Letting Agency. It comprises a group of five housing providers (Salix Homes, Bolton at Home, Stockport Homes Group, Wigan Council and Forhousing), formed by the Greater Manchester Housing Providers partnership, and is funded by the GMCA. It manages over 40,000 private rented properties across the region. Rents are at, or very close to, the Local Housing Allowance rate and offered to homeless households. The Agency has a partnership with the Resonance – the social impact property fund – to acquire and refurbish properties (which are leased back for 10 years to homeless households at affordable rents) – see section on private investors.

Recommendation:

The boroughs should continue to engage in pan-city actions and partnerships to regulate and improve the TA market.

Housing conditions

There are numerous studies documenting unsuitable, unhealthy, and sometimes hazardous private rented TA – all of which negatively affects people's health, well-being and life chances.¹³⁵ A recent survey of people in TA by the All-Party Parliamentary Group on Temporary Accommodation, for instance, highlighted concerns over not just housing conditions and poor maintenance, but also worries about anti-social behaviour and poor security.¹³⁶ Research by Inside Housing found that nearly one in five B&Bs and studios in London contained "some of the worst hazards under council guidance, with many others containing a range of serious but lesser issues".¹³⁷ Similar investigations have revealed poor condition housing in Greater Manchester.¹³⁸

"There are numerous complaints of conditions in our older hostels because of cramped conditions and disrepair – we've spent millions keeping people in squalid conditions." (Housing officer, London)

We were told that housing conditions in private rented TA are inconsistent and that despite the legal requirements, minimum housing standards are not always enforced.¹³⁹ It was commented that as long as councils keep funding poor quality TA – and LHA rates remain as they are – there is little incentive for landlords to invest in improvements. It was also noted though that tougher regulation could lead to more landlords leaving the market and reducing supply further.

"We're saying if you want to operate here, these are the standards, these are the conditions. But they are being undermined by the benefit regulations." (Housing officer, Greater Manchester)

It was nevertheless also said that housing teams can build up trusted relationships with providers and work with them to set up lease deals that include improvements to properties. Reference was made to 'good landlord' and private renters' charters which several boroughs (Hammersmith & Fulham, Tower Hamlets) have introduced to ensure landlords meet minimum standards.

"The vast majority of TA is not horrendous, but it is far from adequate. We need new incentives and more investment to achieve higher standards." (Housing officer, Greater Manchester)

It was said that the standards of emergency accommodation varies considerably and that older hostels are generally in much poorer condition, often with poor space standards, little or no communal space and often no basic facilities, such as laundry rooms.

We were told that it's both the quality of the property *and* the quality of the agent that matters. It was said that the boroughs should do more to hold agents to account, but that it is often difficult to engage with them to improve housing conditions when "they hold all the cards".

"Direct leases work for us financially and in terms of the relationship with the owner, particularly in terms of repairs and maintenance" (Housing officer, London)

It was said that housing teams regularly reject properties that don't have a full Health & Safety Rating System. Boroughs, like Southwark, also survey households – alongside their own inspections – to get feedback on the quality of the accommodation when they are signing the tenancy agreement. Pan London Schemes like 'Setting the Standard' have also been beefed-up to improve standards.¹⁴⁰

"We need to find ways in which we don't drive down standards to the lowest common denominator, whilst making it easier for landlords to stay in the market and offer properties for homeless families." (Housing officer, London)

It was said that collective action is critical to monitoring and enforcing standards. Mention was made, for example, of the GLA's PRS Partnership, which brings boroughs together to share information and best practice to improve standards for renters,¹⁴¹ and to the GMCA's Rogue Landlord Hub, targeting landlords and letting agents who flout the law through bad management or by housing tenants within neglected and unsafe homes. Several boroughs also offer grants for refurbishment as incentives under PSL schemes.¹⁴²

However, it was noted that the large number of poorer quality properties and the high rate of churn in the market mean it is "always a struggle" to maintain regular and complete inspections. We were also told that it is difficult to ensure that all properties in the PRS under 'Find your own home' schemes are checked and that some housing teams rely more than others on the prospective tenant to report any concerns over housing conditions. Some boroughs, like Wandsworth, have pledged to increase their inspection service of TA. It was said that the government should offer more support for inspection services.

It was noted though that improving housing conditions does not necessarily generate more TA. Refurbishment of a hostel, for example, can diminish the available stock (and rental income) when shared rooms in a property are converted to fewer self-contained units.

We were told that there are particular issues in low demand areas where large numbers of properties are in poor condition and there

are higher concentrations of HMOs – see Section on Houses in multiple occupation. It was noted that many of these properties are unsuitable for TA and that retrofit is not always financially viable. We were told that the economics often mean that new purpose built units are a better option than buying and retrofitting street properties.

"Whole streets and neighbourhoods have had no maintenance for so long it's hard to know where to start" (Housing policy advisor, Greater Manchester)

In a bid to improve housing standards some boroughs (Newham, Haringey, Lewisham, Tower Hamlets, Salford, City of Manchester) operate selective licensing schemes for HMOs and other private landlords. These are in addition to the mandatory national licensing scheme, which covers larger HMOs (5 or more people). Landlords that fail to comply with the schemes face fines or criminal prosecution. We were told that such schemes help "raise the quality bar", although it was said by one housing campaigner that all too often "landlords dance rings around the regulations".

"Local supply problems are often related to poor housing quality and poor suitability. This is something councils are struggling to control." (Housing expert, Greater Manchester)

Government proposals in the Renters Reform Bill (2022) to improve housing standard in the PRS (with legally binding agreements to keep properties in a good state of repair) and establish a new ombudsman to enforce higher standards on landlords are expected overtime to improve housing condition.¹⁴³ Local government has welcomed these proposals, although the LGA commented that "it is vital that councils are sufficiently resourced, through new burdens funding, to support the implementation of the standard".¹⁴⁴

A Temporary Accommodation Standards Charter has been developed by Justlife. Working with the Temporary Accommodation Action Group in Brighton, Justlife helped develop a Charter to help raise the standards of emergency TA in the city. The Charter was presented as "a significant step towards improving the physical and emotional wellbeing of those placed in emergency accommodation and is an example of systems change work in practice". It calls for:

- Clear information regarding the emergency accommodation placement to be given to residents.
- Collaborative working between the local authority, providers, support services and residents so that they have the best possible access to support.
- For accommodation staff to be trained with a focus on safeguarding, Multiple and Complex Needs awareness and trauma informed care and Psychologically Informed Environments approaches.
- For providers to maintain an approach, behaviour and commitment to ensure the conditions of their properties are at a reasonable standard consistently and that residents have the best possible chance of moving on from homelessness.

Recommendations:

The government must deliver on its pledge to improve housing conditions in the private rented sector, including supporting local selective licensing and inspections schemes.

A review of the quality and standards and VFM in nightly paid accommodation is urgently required.

Costs, funding and incentives

The cost of TA has increased sharply since 2015, rising overall according to some estimates by more than 35% in London to around £1.35bn pa.¹⁴⁵ Similar increases were reported in the City of Manchester, although costs are lower for many of the other GMCA boroughs.

The biggest cost increases have been for privately leased properties and emergency accommodation,¹⁴⁷ with particularly sharp rises in recent years in some London boroughs, such as Hackney, Ealing and Southwark.¹⁴⁸

"I think we're backed into a corner because of the lack of funding and the way the market is, it's quite a hostile environment, so we have to turn to private developers." (Housing officer, London)

We were told that in pressurised boroughs the revenue funding provided by central government (such as the Homeless Prevention Grant) is now nowhere near covering the costs of TA. The shortfall in London is estimated at around £200m pa, which was said to be unsustainable.¹⁴⁹

"We've been reducing the cost of TA year on year, but now we're being forced back into more costly private leases." (Housing officer, London)

Mention was made of cost-benefit studies which showed that housing more homeless households in social housing represents better value for money – saving (for households on benefit) around £1,100 per year in benefit payments.¹⁵⁰

It was also noted that there are cost savings to be made by taking preventative action and getting homeless households speedily into more permanent accommodation. Capital Letters, for instance, claims councils could save £4,000 for every family moved out of TA over 2 years.

Funding

It was noted that the government had made more funding available to tackle parts of the homelessness and TA system, such as rough sleeping, since the start of the pandemic. Mention was made of extra funding, for example, under the Housing Support Fund and other schemes such as Housing First and the Life Chances Fund to tackle youth homelessness. Other grants, such as the Homelessness Prevention Grant (HPG – formerly the Flexible Homelessness Support Grant) were reported to be better targeted and more discretionary.

However, it was said that these improvements were now being reversed and had to be set against higher costs and a sustained cuts in local government funding.¹⁵¹ It was also observed that with households stuck for longer in TA and benefits reduced it was "simply unrealistic" to continue with short-run funding streams based on rates of homelessness falling.

"The Flexible Homelessness Support Grant was all about prevention and helped pay off the housing benefit deficit." (Housing officer, London)

Funding shortages are now becoming a widespread concern in London.¹⁵² It was said that the TA subsidy rate to councils on leased accommodation hadn't changed for 11 years and that the funding gap for TA was widening. It was noted that some London Boroughs now have teams solely focused on scrutinising property lists in order to reduce the cost of TA.

"We are struggling to bridge the gap between what we pay the supplier and the subsidy we get back. And, there's growing pressure to offer money to the supplier. We try to resist and hold the line on rent guarantees, but the reality is rents are rising." (Housing officer, London)

It was said that most boroughs will have to make spending cuts and that this will undoubtedly impact on housing and homelessness budgets. MCC, for example, is reported to have cut £3.2m from its homelessness directorate in 2021/22.¹⁵³

"Whether they're moving between the housing revenue account or the general fund, or through the trading company, councils face all sorts of Byzantine legislation and statutes on TA. The operation of local authority finances prevents straightforward, flexible deployments of owned properties in different guises." (Housing adviser)

It was said that since the HRA was introduced there has been a removal of ring fencing around some TA funding streams because of the pressure on social services. It was also mentioned that homelessness grants were all too often being used – alongside funding from a council's general fund – to plug the budgetary gaps in TA provision. It was said that councils were effectively "propping up the housing benefit system".

"Additional resources for prevention has proved successful. However, it will be difficult to deliver sustained and improved outcomes unless funding is secured on a long- term basis" (Housing officer, London)

Mention was made of the Discretionary Housing Payment, which can cover housing costs for rent shortfalls and deposits. It was noted that the DHP budget has recently been cut and some boroughs have been received smaller allocations.¹⁵⁴ It was stated that DHP funding was at its lowest level since 2013 and that the cuts risk hastening arrears and evictions – pushing more households into TA. The LGA has called for a review of DHP, “so that councils can continue to play a vital role in alleviating financial hardship.”¹⁵⁵

“Short-term funding is a problem. You get funding for a year or two at max and then it's gone. So you can't get the continuous improvement” (Housing officer, Greater Manchester)

Several interviewees complained about how short term, disjointed and piecemeal some of the homelessness funding streams have become. Mention was made about problems with the restrictions around the bidding process and how funding tended to be limited to very specific cohorts. It was said that such barriers make it hard to marry up and pool different funding streams across different timelines and a range of stakeholder into a single project. It was also noted that the Kerslake Commission also highlighted the need for a better alignment between the capital and revenue funds.

“We're making multiple applications, some of which are dependent on others being successful in different timescales in terms of delivery. That needs changing if we are serious about holistic delivery” (Housing officer, inner London)

“There's too many silos. There's five different schemes funding cash incentives to landlords as part of the Move On scheme for ex-offenders.” (Housing lead, Greater Manchester)

On procurement, it was said it can take time (often a year) to identify a property (make sure it meets the specifications and get approval etc) and that this needs to be built into the grant system so it doesn't take so long. “Stop-go grant-making” also makes sustaining capacity and capability difficult. It was said this increased the risk of losing experienced TA staff. It was also said that efforts by the boroughs to secure private investment in TA was difficult when co-funding is only available for three years at most.

“We have to jump through hoops for a pittance from various funders. You can't plan anything. It feels like we are the voluntary sector given the amount of bid writing we do” (Housing officer, inner London)

It was noted that DLUHC is reviewing the local allocation and conditions of the funding for the Homelessness Prevention Grant for 2023/24 onwards.¹⁵⁶ Whilst the proposals to simplify the grant were welcomed, it was said that the government needed to ensure that the funding allocations reflect local housing affordability. London Councils is concerned the new system – on the proposed measures – could see London's homelessness funding cut by a third.¹⁵⁷ London Councils is calling on the government to undertake a cross-departmental review of homelessness funding – including the role played by welfare policy.

Incentive schemes

Most of the boroughs run landlord inducement schemes, such as cash incentives, rent advances, deposit bond guarantees and insurance cover. Some boroughs fast track LHA payments and offer incentives through social services-led schemes for people with specific needs. Others offer finder fees, pay rent deposits under preventative placement schemes and offer extra incentives if the tenancy is renewed.

“We offer a one-off payment for moving to the PRS, equivalent to 12 weeks LHA, which can include a rent-in advance and deposit.” (Housing officer, inner London)

We were told that cash incentives to private landlords are becoming more prevalent and in London can reach over £5,000 for larger properties.

A recent study on incentive schemes found that cash up-front and rent guarantees had the biggest impact on the willingness of landlords to rent to people on low incomes.¹⁵⁸ Bonds for damages and deposits were said to be less impactful. We were also told that cash incentives to house families threatened with homelessness into an AST were generally a cheaper option for boroughs than placing families into TA.

“We spend a significant amount on rent in advance and other incentives to landlords to take families. Our scheme yields over 400 properties a year.” (Housing officer, London)

According to London councils, London boroughs paid over £16m in cash incentives to private landlords to house households who were homeless or at risk of homelessness in 2019, with some boroughs (Lambeth, Barnet and Brent) spending over £1m pa each.¹⁵⁹ We were told that the figure today would probably be much higher.

“After two years with the landlord the private household is moved to another borough. The landlord advertises the vacancy and asks for another incentive payment.” (Housing officer, London)

It was said that price pressures were making it hard for the London boroughs to stick to IBAA rates¹⁶⁰ and that the incentive rate for emergency accommodation needed to be raised. Others argue that any increase would negatively impact on the overall supply of TA and move-on homes and that the root problem is growth in demand for suitable, affordable properties.

Recommendations:

Government should increase spending on TA to reflect growing need and rising costs. Cuts to the Discretionary Housing Payment scheme should be reversed and the subsidy rate upgraded.

The Treasury should undertake a review of the different homelessness and TA funding envelopes with the objective of improving efficiency and providing greater freedoms and flexibility.

Homelessness plans and housing teams

While commending the work of borough housing teams several housing charities told us that the long-term goal must be to move away from the presumption that TA is the pathway out of homeless. Crisis, for instance, is calling for a national debate around complete "system change" and addressing the root causes of homelessness.

Mention was made of the lack of policy coherence on homelessness and TA and the need for a greater effort at integrating housing, welfare and health plans. It was said that housing policy was still far too piecemeal and that this was not helped by the constant chopping and changing of housing ministers and the fact that the homelessness brief was divided up between different government departments, each with their own priorities and funding streams. Reference was made to the Kerslake Commission, which called for a cross-departmental, cross-cutting National Homelessness strategy.

"We need an aligned and joined up approach to these issues at government, local and central government level so that we don't have the unintended consequences of different policy decisions that cause the people to be trapped in TA." (Housing officer, London)

The government's recent rough sleeping strategy does stress the benefits of cross-departmental working and partnerships with employers, police and public health. This has been welcomed by housing campaigners, although the commitments made on rough sleeping are detached from other homeless households in TA. It was said that ministers all too often view TA through the single lens of rough sleeping.

We were also reminded that in many boroughs housing teams are struggling to cope and that councils are now fighting for resources on several fronts. It was said that getting the political (and media) attention for TA as a whole, rather than just rough sleeping, was difficult and that borough plans can quickly become detached from reality.

"People aren't thinking strategically at the moment about how to change the market. There are focused on how to we get a roof over this family's head." (Housing officer, London)

The London Housing Strategy and implementation plan (2018–22) seeks to: prevent homelessness in all its forms and support the homeless into sustainable accommodation; and ensure there is a route off the streets for every single rough sleeper. In achieving these objectives the Mayor will work with councils, government and charities to support the Homelessness Reduction Act; press Government to provide adequate funding for councils to deliver their new duties; tackle the root causes of homelessness by investing in affordable homes; lobby Government to reform private renting and review its welfare changes; and act to prevent youth homelessness by investing in accommodation. The Mayor will also invest in accommodation for homeless Londoners and working with councils to coordinate procurement of accommodation; expect councils to meet their obligations to inform other councils when they place homeless households in their areas, and to have in place clear policies around the provision of accommodation for homeless households; work with councils to build a case for a fairer funding regime for accommodation for homeless households; provide a package of interventions to address homelessness caused by violence against women and girls; and help homeless veterans.

Many boroughs have set homelessness reduction targets: Enfield, for example, aims to reduce the amount of time spent in TA; Southwark to reduce the number of single households in TA; the City of Manchester and Rochdale to eliminate the use of B&Bs; Islington to halve nightly paid accommodation; and Tower Hamlets extending the choice of private rented accommodation. It was said that in the current climate meeting these objectives will be extremely challenging and that borough strategies and goals may need revisiting.

Greater Manchester Homelessness Prevention Strategy (2021–26)

The GMCA strategy sets out a long-term vision to reduce the number of people finding themselves at risk of homelessness. It seeks to do this through the following principles:

- Principle 1: Working with People; being truly person centred, reducing and responding to inequalities and trauma
- Principle 2: Building Participation; building inclusive participation so that people can participate in decisions that affect their lives and where lived experience is highly valued
- Principle 3: Embedding Prevention; reforming public services to deliver genuinely preventative and person-centred support

The strategy includes the Council's Homelessness Transformation Programme, which aims to increase prevention from 36% to a minimum of 50% over three years, reduce rough sleeping 20% year on year, and develop a new multi-partner commissioning strategy.

Borough housing teams

We were told that housing teams were trying to adopt more holistic person-centred approaches and seeking to improve communication with residents and partner agencies.

All the borough housing teams¹⁶¹ work closely with a range of agencies from the state and voluntary sector. We were told that charities, like Shelter, Crisis, St Mungo's and Citizens Advice, provide invaluable support, advocacy and advice to homeless families. Organisations, like the Sir Oswald Stoll Foundation, also offer local authorities advice and guidance to help particular groups, such as veteran homeless.

Housing officers told us that the process of applying to the council as homeless under the HRA is an improvement on the past but has "taken time to bed-in." It was said that applicants usually need to be helped with navigating the system, which can be challenging for people who are in a stressful situation and feeling insecure.

A survey on the effectiveness of the HRA and housing options services by Crisis between 2018-21 concluded that the HRA has opened up support and assistance for significantly more people facing homelessness, although services were often more focused on deciding whether people were eligible for support over actually providing support.¹⁶²

It was said that councils are still adjusting to the disruption to services caused by the pandemic, which "took its toll" and pulled resources into the emergency homelessness relief effort and away from procurement and skills training.

"We need to equip people with the skills to manage a tenancy in the PRS through training and support." (Housing officer, London)

A homelessness adviser in Manchester commented that there needed to be a much faster culture change about the way some local authorities view people in TA. It was said that the typical approach was often still too "institutionalised" and that more effort should go into de-stigmatising homelessness.

One housing charity stated that the boroughs need to do more to improve communication with homeless households. It was suggested that housing officers could use more consultative methods, such as resident TA focus groups.

"How things are explained is important. People are already blaming themselves for their children's homelessness and feel shame and guilt. If you're treated like you've brought it on yourself it makes it worse." (Housing charity worker)

We were told that housing teams in most boroughs are experiencing increased workloads, which inevitably affect staff morale and retention and recruitment. It was said that the situation is far from settled and that even though the boroughs are supported by the homelessness charities and specialist support services, housing teams were often stretched and 'fire-fighting'.

Staffing problems in housing services are mirrored elsewhere in the sector. According to Homeless Link there are now widespread concerns about staff burnout among homelessness charities and that the "constant churn of employees, coupled with difficulties in finding replacements, leaves services in a seemingly endless battle to plug gaps, often relying on expensive, short-term agency staff."¹⁶³

"There's a lot of churn in frontline staff as people can now earn more working for an agency." (Housing officer, London)

We were told the homelessness teams have had to "fight their corner" within councils and that cross-departmental working is not always easy to deliver when all departments are under pressure. Several officers though stressed how they were successfully introducing early identification protocols, 'one-stop shops', early help hubs and referral pathways with the buy-in and support from other council services.

"We are developing more individually tailored assistance and ensuring all staff are trained and have the right information – it is putting the personal before the process." (Housing officer, central London)

It was noted that to avoid repeat homelessness housing team needed to provide follow-up support (tenancy maintenance) for households who have moved to more permanent housing. We were told that this does happen, although the time and resources for follow-up support are becoming "very stretched".

The Centre for Homelessness Impacts is calling for more trials into the effectiveness of experimental ways to sustain tenancies, such as incentives for landlords to offer and maintain tenancies for people on low incomes or with a history of homelessness.¹⁶⁴

"If they can't find something local, then we have to put them on a direct offer list. But it's about working with them and showing them what the options are...driving them around...looking at places together." (housing officer, Greater Manchester)

Rights of homeless households

We were told that the rights of homeless households are compromised by the fact that people are in in short-term, often dispersed accommodation. There is also a notable absence of a collective resident voice on TA.

However, some boroughs are pro-active in promoting tenant rights and tenant participation. The GMCA's 'Homelessness Prevention Strategy' (2021-26) also stresses the importance of co-production and the need to build inclusive participation into the homelessness system.¹⁶⁵ Several charities, such as Trust for London and London Renters Union, work to strengthen the voices of homeless households.

It was said that in general though the TA system limits the extent to which households are involved in decisions which affect them and often unable or unwilling to seek redress. This was considered to be an "unspoken" issue when households are moved (evicted) at short notice from one TA to another.

"People in TA are living with a constant anxiety that at any time they might be moved. They don't know where so can't plan: they struggle to prepare the kids, who get stressed about moving schools." (Homelessness charity worker)

It was said that the problems are complicated where families are involved because of the lack of suitable housing options. Reference was made to research by Human Rights Watch which claimed that children in TA are "suffering appalling abuses of their rights."¹⁶⁶

It was reported by Fulfilling Lives South East that TA providers are often unaware of the needs of clients due to restricted information sharing between providers and local authorities, and for some TA providers there's an absence of joint working with existing support services.¹⁶⁷ We were told this is particularly the case when families are moved out of the borough.

Housing teams work on Personalised Housing Plans (PHPs) with applicants to help them find move-on, settled housing – mainly in the PRS.¹⁶⁸ Most boroughs also run 'Find your own home' schemes (with officers aiding property searches through services like Homefinder UK¹⁶⁹) and assist with deposit and moving costs. Some boroughs also provide home swap schemes and run workshops and open forums with letting agencies and estate agents.

"Getting people to pick and choose themselves has been successful. They're more likely to be happy there when they find a place themselves" (Housing officer, London)

It was reported that homeless households are maybe offered two choices of settled, more permanent accommodation¹⁷⁰, and in some case only one choice.¹⁷¹ According to the NHF, "families feel under pressure from some local authorities to bid or accept an offer of accommodation. This included pressure to move out of TA quickly once an offer was accepted."¹⁷²

It was noted that rejecting a housing offer can become problematic for homeless households who risk being penalised for a 'deliberate and unreasonable' refusal to cooperate. This can lead to the council serving a notice to end their housing duty. It was said that greater legal clarity was needed to allow households to challenge the suitability of a housing offer, especially when it's outside the borough.¹⁷³

We were told that housing officers usually "go the extra mile" to help homeless households find suitable accommodation, but that sometimes the person is faced with making a quick decision. It was said that households must be listened too and given adequate time to make decisions on their options. It was also said that the resettlement teams need to keep in regular contact and that having a named case worker is important.

"Being in TA diminishes everything: it diminishes your health, your access to mainstream society, to opportunities and there is lots of stress and pressure because of the lack of insecurity, space and privacy. You're often in poor quality accommodation as well." (Housing officer, Greater Manchester)

Reference was made to housing assessments and the need for to ensure that the process is transparent and fair and fully considers how an applicant's circumstances may have changed. It was said that assessing a homeless households income and expenditure can be difficult.¹⁷⁴

It was reported that the determination and eligibility criteria of 'priority need' can be a particular stumbling block. According to Amnesty International, the current system in England – where an applicant is disqualified from being provided with housing, based on their inability to fulfil the criteria such as 'priority need' – is inconsistent with international human rights standards.¹⁷⁵

It was noted that Scotland abolished the 'priority need' condition in 2012 and that Scottish councils no longer make assessments as whether a homelessness applicant had become intentionally homeless.¹⁷⁶

Some boroughs have faced legal challenges from homeless households over issues such as not giving reasonable preference to homeless people. It was said that such cases highlighted the importance of ensuring that there are proper provisions in the council's allocations policy.¹⁷⁷

"We've changed our allocation scheme to prioritise people who move out of TA into the PRS. So, we're actually incentivising people to help themselves." (Housing officer, London)

We were told that there is growing pressure on councils to increase the number of placements to homeless households as direct (rather than choice-based) lets. It was also noted that giving homeless households a higher priority for general needs housing though can make it harder to maximise vacancy chains and free up more homes.¹⁷⁸

Striking the right balance between lets for general need housing and providing priority/urgent band housing for homeless households (especially for people too vulnerable to live in the PRS) was said to be difficult, particularly where there are problems of overcrowding and long waiting lists. Some boroughs that are badly impacted by overcrowding, such as Newham, have revised their allocations policies to prioritise households in overcrowded housing.

It was mentioned that the government recently announced plans to give councils greater powers to end TA private tenancies to allow homeless households to move more easily into move-on settled accommodation.¹⁷⁹ It was said that while extra powers to act were useful, the core problem remains the lack of affordable, suitable homes for people to move into.

We were told by several housing officers that there is all too often a disconnect between the housing options available and the expectations of homeless households – which is generally to be resettled in social housing.¹⁸⁰

"A lot of families come in, they want social housing and you spend the next six months telling them not possible. But they've got that idea in their head and it doesn't matter how much advice you give them." (Housing officer, London)

Recommendations:

The government should adopt a national, cross-cutting homelessness and TA long-term strategy to prevent homelessness and provide the move-on, permanent homes needed.

The boroughs individually and collectively need to do more – and at an early stage – to provide and communicate accurate information and advice to homeless households on the housing options available.

The Government should seek to strengthen the housing rights of households in TA, including the rights to information and effective redress.

Conclusion and recommendations

Homelessness is a trauma and tragedy for people and many of those seeking help from their local council are desperate and vulnerable. Circumstances vary from person to person and place to place, but in general the health, well-being and life chances of people accepted as statutory homeless is significantly worse than that of the general population. Black and minority ethnic households are also disproportionately affected by homelessness.

Unfortunately, over the past decade the number of homeless households (notably families with children and single people with complex needs) in TA in London and Greater Manchester has increased significantly, largely driven by the lack of affordable housing, overcrowding and poverty.

"It's very unlikely you're going to get someone into work until they move from emergency accommodation to somewhere they can afford to live" (Housing officer, London)

Levels of homelessness (and applications for TA) fell during the pandemic but have risen since in many of the boroughs that were already facing shortages of affordable, suitable accommodation. The worry going forward is that the cost-of-living crisis – combined with real term benefit cuts – will push even more households into homelessness and TA.¹⁸¹ This not only negatively affects the lives of local residents and local communities, but places pressure on public services and housing markets.

"During lockdown people on the verge of homelessness tended to stay put. What we're starting to see now is those high numbers that we were seeing previously resuming" (Housing officer, inner London)

The core problem facing most borough housing teams is that the prolonged rise in homelessness acceptances has not been matched by an increase in the supply of TA or more permanent, move-on housing. Whilst the supply of social housing has contracted, with fewer lets available for TA or move-on housing, the provision of private rented accommodation has remained limited, and in many places diminished. Competition (and costs) for TA have consequently risen and housing teams are relying more on emergency accommodation.

"If there's a big queue and there isn't the accommodation there to move people into, then all the prevention in the world won't make a huge difference." (Homelessness charity worker)

Despite concerted efforts to prevent homelessness the supply gap has widened, pushing the TA system to crisis point. Shortages of TA mean more homeless households are placed in TA for longer periods. This creates blockages in the system, with more and more households being moved from place to place and a rising number placed out of their local area.

The benefit cap is making the problem worse – trapping people in TA and placing more families at risk of homelessness. We were told that in some London boroughs, like Hackney, it is now more affordable for families to stay in TA hostels than to seek private rented accommodation.

"Housing teams are starting to panic because everybody is reporting double the presentations across London. People are being evicted and some of the rented properties are not coming back into the market." (Housing officer, London)

It was reported that in some London boroughs with relatively lower housing costs the market for TA has grown substantially and now risks destabilising communities. Other housing officers observe that private landlords in London are now exiting the TA market – some switching to AirBnB.

"We know the storm is brewing and we know we're not going to be able to keep up with getting supply, not with current levels of demand coming through the front door." (Housing officer, Greater Manchester)

It's not the same story in every area and it would be misleading to suggest that all boroughs in London and Greater Manchester face a homelessness and TA crisis. The situation in Newham, for example, which has a very high use of TA, is very different to Richmond, which has relatively few households in TA. The City of Manchester, which has a very high ratio of people in TA, is completely different to Bury where homelessness levels are low. However, homelessness impacts on an entire city-region and the problems facing one borough quickly spill over into others.

What works?

We were told that despite all the pressures and lack of resources there has been measurable progress in tackling homelessness and improving TA services. Prevention and relief activity before a placement in interim accommodation becomes necessary has markedly improved and most boroughs are investing in new approaches around early intervention – in sustainable tenancies, debt advice and family mediation.

It was also reported that borough housing teams are working more closely with other support services in both the public and voluntary sectors and that significant improvements have been made in providing person-centred support and specific pathways for homeless people with high needs and histories of repeat homelessness.

"We need to step in to prevent people from becoming homeless at the earliest possible stage, rather than waiting until they have a crisis." (Housing officer, outer London)

Greater efforts have also been made by many of the boroughs to increase the supply of TA and move-on housing, partly by direct investment in new build social rent homes and through modular housing and acquisitions and buy-back programmes. Housing leads in councils continue to press the argument that such schemes are fundable and cost effective.

There has also been a growing interest in securing private finance and social impact investment for newbuild TA and property acquisitions. Several boroughs also use vacant properties on their regeneration estates for TA, albeit with concerns over housing conditions. It was also noted that several boroughs have increased investment in new supported housing and hostels.

"We are investing (with private owners) in improving standards of our hostels, delivering free wi-fi, 24 hour CCTV, communal space etc. Although it sounds awful to say it, we want our families to thrive in TA." (Housing officer, inner London)

Most of the boroughs have introduced schemes to enhance the quality of TA and PRS accommodation more widely, notably through selective licencing and pan-borough initiatives. It was widely hoped that the long-awaited Renters Reform Bill will lead to further improvements and better protect tenants in TA and reduce evictions rates.

We were told about good examples of cross-sector and inter-borough co-operation, such as Capital Letters in London and Let Us in Greater Manchester. Most of the boroughs also said they had improved their relationship with private landlords and letting agents and were offering a range of incentive and tenancy sustainment schemes.

"Collectively we are the largest lettings agencies in the country. What we do matters and shapes the market." (Housing officer, outer London)

What needs to change

All the housing officers we interviewed were committed to their work and positive about the changes that have been made since the introduction of the HRA four years ago. However, there is widespread concern in many boroughs around the capacity and capability of the TA system to cope with higher (and sustained) levels of homeless households and a general unease and uncertainty about the future.

We were told that local government can only do so much with the limited resources it has, and that central government needs to acknowledge that many boroughs are struggling to cope. There is a widespread expectation that the numbers of homeless will increase and that preventing homelessness will become harder to achieve. On current trends levels of homeless households in TA in London and much of Greater Manchester are likely to increase further, with possibly much higher levels of families with children stuck in TA.

"No fancy policy intervention is going to change the fundamentals of the housing markets. At some point there has to be some sort of national level reckoning around what we do. It's all a bit of a losing battle at the moment." (Housing officer, London)

The consensus view was that is an urgent need to invest long-term to achieve a step change in the supply of all types of TA and move-on housing. The good news is that the supply of social housing in many London and GMCA boroughs is now starting to increase, but it's still not replacing the on-going loss of stock. We heard that homeless applicants hope for a social tenancy but that the waiting time for a family home in London can be over 10 years.

The reliance of many boroughs on private landlords is also proving problematic, especially at a time of market volatility. In nearly all housing areas in London - and in parts of Greater Manchester - properties are no longer affordable on the LHA. We were told that benefit dependent households simply can't afford private rents and that the housing poverty is deepening.

Subsidies and incentives have increased to support private sector TA leases, but acute supply problems persist in many areas and affordability remains a widespread problem. There are also concerns about how an economic downturn would impact on the PRS and the future supply of TA.

"People in TA are victims of a broken system. We need to flip it round and rather than pumping revenue in for support services, we should invest in a sustainable infrastructure to move people on quickly." (Housing lead, Greater Manchester)

We were told that housing conditions in the TA market are among the worst in the PRS and that the bottom end of the market in

some boroughs is increasingly dominated by TA. It was also mentioned that levels of inspection and enforcement were hit and miss. It was commented that as long as the boroughs keep funding poor quality TA most private landlords will be reticent about making improvements until they are legally obliged to do so.

"We don't have anywhere to move people. The agents are in the bottom of the market, just picking up rubbish properties and making a killing on nightly rates" (Housing officer, inner London)

Cuts in local government funding over the past decade have also had adverse effect on homelessness services and other public services, as well as assistance provided by the voluntary sector. We were told that in places where caseloads are rising housing teams and other support services are struggling to keep pace. There were reports that in some boroughs resources are being pulled away from preventative action.

"The boroughs are competing and chasing little pots of funding for homelessness and rough sleeping." (Housing policy adviser, Greater Manchester)

Several boroughs are now experiencing serious staffing issues and "scrambling to get things done." According to the LGA, recruitment and retention of staff in homelessness and rough sleeping services continues to be a huge barrier towards delivering successful services.¹⁸²

"We are ramping up the procedures and processes with prevention officers, but the procurement team are really struggling to find any suitable private accommodation anywhere in south London" (Housing officer, London)

Homelessness pressure not only affects the levels of care and support that housing officers provide but also efforts to involve homeless people in the housing decisions which affect them. It was reported that growing caseloads make it even harder for the boroughs to improve the processes around assessments and exploring housing options. While it was mentioned that applicants often have unrealistic expectations about their housing options – most are hoping for a social let – there are issues to be addressed concerning the rights of homeless households, not least rights of redress.

"The government needs to take a longer term view to tackling homelessness with a ten year plan for whole system transformation including key partners such as health and social care." (Housing Campaigner)

It was stressed by several interviewees that national government needed to urgently tackle the anomalies in the benefit system, particularly the Local Housing Allowance which no longer covers local rents and the benefit cap which is trapping people in TA and disincentivising homeless households from seeking work. It was also noted that that homelessness grants were being used to top up the shortfall in the costs of TA.

"The big challenge now is getting people into settled accommodation because of the benefit cap because they're not going to be able to carry on working for the required minimum earning to avoid the cap". (Housing campaigner)

We were told that the disconnect between the benefit system and the TA system was getting worse and that the problem is exacerbated by Whitehall's homelessness funding regime, which is too short-term and fragmented. There is also a worry that the government may continue funding rough sleeping schemes, but cutback spending on TA more generally.

"We spend our time running between DLUHC, health, social care, the GLA, plus the council. It's not co-ordinated and the housing benefit shortfall doesn't help" (Housing officer, London)

Most of the boroughs have set ambitious targets to reduce homelessness and the use of TA, but we were told that the list of competing priorities facing councils is getting longer by the day and that there is a worry that TA may "slip down the list". It was said that lasting change will demand a sustained political commitment from ministers and well as from local and city-region leaders.

The way forward

The homelessness and TA system has improved since the HRA was implemented. Housing teams are clearly focusing more on prevention and partnership working and there are excellent examples of good practice and a willingness to innovate and collaborate.

It is also important to acknowledge that not all boroughs are in the same boat. The TA system operates differently in different places, with greater pressures on those boroughs with tight housing markets and higher rates of housing poverty.

However, a growing majority of boroughs (notably in both inner and outer London and the City of Manchester) are clearly struggling to cope. There are now serious shortages of settled homes for homeless households to move into, and many on benefit face higher housing costs if they leave TA.

While the boroughs will continue to do their best to house people locally, there are limits to what can be realistically achieved given the uneven spread of low-cost housing. More and more London boroughs are now having to “fish in the same TA pool” – in lower housing cost areas – and many councils with large numbers of out of borough placements are themselves sending their own homeless households to other places, often out of London.

We were told that improving inter-borough and pan city-region collaboration should help improve efficiency, reduce competition and prices for TA and better regulate outer borough placements. It was also said that a return by housing associations to the TA market could boost supply and help stabilise prices.

Greater decentralisation of resources to the boroughs (and greater devolution of housing powers and responsibilities to the GMCA) could help deliver improvements to the TA system, not least by supporting pan-regional rehousing programmes (covering new build and acquisitions).

It was said that government (and city-region governments) should be working more closely with the boroughs and other stakeholders on developing a national homelessness and TA strategy. The focus should be on improving the entire homelessness and TA system – from prevention and interim accommodation to specialist care and finding affordable, suitable settled housing.

Borough and city-wide housing and homelessness strategies may need to be reviewed to complement the ambitions of a long-term, national TA strategy. The voluntary sector will also need extra support and changes could be made to secure greater involvement from across the housing sector.

A failure to provide more TA and rehouse more homeless households in affordable, suitable homes will inevitably place extra stress on housing teams, push-up costs, risk undermining the improvements that have been made, and most importantly, let down the homeless households who have turned to their local authority for help.

Recommendations

The recommendations listed below are not a complete list of all the actions needed to address the homelessness and TA crisis. However, they do cover the issues highlighted in the report and are based on the evidence we found. They are grouped under ‘tackling homelessness’ and ‘improving TA access and supply’. We hope they will stimulate interest in improving the TA system among practitioners, providers, investors, policy-makers, campaigners and local and national politicians.

Tackling homelessness

- Boosting the supply of social housing for low-income renters should be a national priority. Government must do more to support councils investing in new build social housing.
- The government should adopt a national, cross-cutting homelessness and temporary accommodation long-term strategy to prevent homelessness and provide the move-on, permanent accommodation needed.
- The government must honour its pledge to eliminate rough sleeping by 2024 and ensure that the investment is in place for the extra accommodation.
- The Government should do more to support households in financial hardship, and good practice on tackling rent arrears should include a stronger focus on early intervention and the promotion of financial inclusion and income maximisation schemes.
- The Renters’ Reform Bill – including an end to Section 21 evictions – should be passed by Parliament in full and implemented as soon as possible.
- The Government should continue the national rollout of the Housing First scheme and ensure the necessary support funding, access to housing and co-ordinated service responses are in place.
- The benefit cap should be abolished or returned to its original criteria and the Local Housing Allowance must increase (significantly in some areas) to reflect the real cost of renting.
- The government must do more to facilitate cross-departmental support for the adaptation of properties for homeless people with disabilities.
- The government must deliver on its pledge to improve housing conditions in the private rented sector, including supporting selective licensing and inspection and enforcement of temporary accommodation.

- Councils should be allowed to keep more of their Right to Buy receipts to support housing acquisitions, buy-backs and new build for homeless households.
- Local authorities should continue to work with health, social care and other relevant partners to ensure more joined up holistic approaches and pathways to preventing homelessness and providing suitable accommodation for those in need.
- The boroughs individually and collectively need to do more – and at an early stage – to provide and communicate accurate information and advice to homeless households on the housing options available.

Improving TA access and supply

- The Government should increase spending on temporary accommodation to reflect growing need and rising costs. Cuts to the Discretionary Housing Payment scheme should be reversed and the subsidy rate upgraded.
- The Treasury should undertake a review of the different homelessness and temporary accommodation funding envelopes with the objective of providing greater freedoms and flexibility.
- The government should actively support borough housing acquisition and buy back schemes through a national or city-region housing conversion fund.
- Government and the GLA/GMCA should explore ways of encouraging housing associations to return to the temporary accommodation market.
- The boroughs that have not done so should plan for a phasing out of any routine use of B&Bs for families in temporary accommodation.
- The GLA and London boroughs need to work together in a concerted effort to reduce the reliance on expensive nightly paid accommodation.
- The GLA and GMCA should undertake independent reviews into the merits and disbenefits of increasing private and social impact investment in temporary accommodation and more permanent homes.
- The boroughs should review the out of borough placement protocols to ensure that they are being adhered to and that the relevant authorities and support services are notified when homeless households are placed in their area.
- The boroughs should seek to enforce minimum standards, including national space standards, on property conversions to temporary accommodation and move-on housing.
- The boroughs should continue to engage in pan-city actions and partnerships to regulate and improve the temporary accommodation market.
- The Home Office should ensure that there is no overbidding for temporary accommodation for asylum seekers and that the dispersed accommodation provided by contractors meets the required housing standards
- The Government should seek to strengthen the housing rights of households in temporary accommodation, including the rights to information and effective redress.
- A review of the quality and standards and VFM in nightly paid accommodation is urgently required.

Annex 1: Definitions, classifications and statutory homelessness duties

A person is considered to be homeless if they do not have accommodation that they have a legal right to occupy, which is accessible and available to them (and their household) and which it is reasonable for them to continue to live in. A person is "threatened with homelessness" if they are likely to become homeless within 56 days

Households in TA refers people living in accommodation secured by a local authority under their statutory homelessness functions as set out in the Housing Act (1996), the Homelessness Reduction Act (2017) and the associated regulations and Code of Guidance. Local authorities are required to either:

- provide accommodation to eligible homeless households in priority need (the main homelessness duty)
- seek to prevent households becoming homeless (the prevention duty)
- or relieve homelessness when it does occur (the homelessness relief duty)

The majority of households in TA have been placed there by local authorities under their **main homelessness duty** to secure suitable TA for eligible homeless households in priority need until such time as the duty is ended, either by an offer of settled accommodation or for another specified reason

To qualify for the main housing duty, a person must be both homeless and in priority need. They will be assessed as in priority need if they, or a member of their household are: pregnant woman; have dependent children who reside with them; homeless because of domestic abuse; a care leaver aged 18-20; homeless due to a fire, flood or other disaster; classified as 'vulnerable' (e.g. because of old age, disability or a serious physical or mental health condition or if particular circumstances makes it harder to cope with being homeless and puts them at greater risk of harm). Being vulnerable has a specific legal meaning. A vulnerable person is one who is 'significantly more vulnerable' than an 'ordinary' person facing homelessness and who is at greater risk of harm or other ill effects when they are homeless than the ordinary person would be (e.g. care leavers, ex-prisoners).

The relief duty requires an authority 'to take reasonable steps to help eligible homeless applicants to secure that suitable accommodation becomes available for the applicant's occupation for at least six months. The relief duty can be ended before 56 days from when it was accepted if the applicant has suitable accommodation available for at least six months, and the local authority serves a notice to end the relief duty. Where the local authority is yet to decide on whether the applicant is in priority need and/or intentionally homeless, the relief duty does not end automatically. If there is reason to believe that the applicant is in priority need, the interim accommodation duty continues until a decision is made on main housing duty.

The prevention duty requires an authority to help stop households at risk of homelessness losing their accommodation. It applies where homelessness is predicted in 56 days or less. Councils are required to 'take reasonable steps to help eligible applicants to secure that accommodation does not cease to be available, including providing support and advice producing a personalised housing plan (PHP) and any other activities aimed at preventing a household threatened with homelessness within 56 days from becoming homeless. The prevention duty continues until the local authority serves notice to end it. The authority can serve notice where 56 days have passed and the authority have complied with the duty.

The HRA placed a major focus on prevention and early intervention. Public services such as hospitals and prison/probation services now have a 'duty to refer' people to a local authority if they come into contact with someone they think may be homeless or at risk of becoming homeless.

The HRA requires the council to conduct assessments of housing need and develop personalised housing plans for eligible applicants and these can be undertaken during the prevention and relief stages. Homelessness legislation also specifies that the accommodation provided must be suitable to the applicant's circumstance from the start i.e. not unsuitable in respect of condition of the accommodation, location, affordability, income, overcrowding, medical grounds, risk of violence etc, and must be looked at over time. The suitability of accommodation offered to disabled people must comply with the public sector equality duty.

https://assets.publishing.service.gov.uk/media/5ef9d8613a6f4023cf12fc67/current_Homelessness_Code_of_Guidance.pdf

https://england.shelter.org.uk/professional_resources/legal/homelessness_applications/local_authority_homelessness_duties/local_authority_duty_to_relieve_homelessness#title-

House of Commons library briefing on temporary accommodation (2022) <https://researchbriefings.files.parliament.uk/documents/SN02110/SN02110.pdf>

End notes

1. See Crisis, 'Homelessness Monitor' 2021 which estimates around 22,000 homeless households nationally were deemed either not to be in priority need or to be intentionally homeless, and therefore not owed the main rehousing duty. Crisis' Homelessness Monitor' 2022 claims around 100,000 people are 'sofa surfing'
2. See Justlife, 'Unsupported temporary housing: Housing for single homeless households in Greater Manchester' (2020) and 'Hidden homelessness exposed' (2020)
3. Exempt TA is funded directly by DWP and outside the Housing Benefit system. It's estimated there are around 150,000 households receiving this form of support, with the largest concentrations in the West Midlands. See Inside Housing, 'The story explained: what is exempt accommodation' (December 2021)
4. On average around 5% of applications are classified as not homeless or threatened with homelessness in London and Greater Manchester
5. See Justlife, 'Hidden homelessness exposed. Loneliness in temporary accommodation' (2020)
6. The relief duty owed requires housing authorities to help people who are homeless to secure accommodation
7. The relief duty owed only includes households assessed as homeless on initial assessment. This excludes the number of relief duties owed to households who were homeless at the end of a prevention duty
8. Prevention duties include any activities aimed at preventing a household threatened with homelessness within 56 days from becoming homeless. Relief duties are owed to households that are already homeless and require help to secure settled accommodation
9. DLUHC data for 2021/22 shows registered unemployed accounting for 34% of those owed a relief/prevention duty in London and 43% in the City of Manchester; vulnerable households account for 34% of those owed a main duty by priority need in London, compared with 44% in the City of Manchester
10. Latest DLUHC data (2020/21) shows that at time of application for prevention 45% of households are living with family or friends. For relief duty it is 41%
11. Many of these households are living in over-crowded multi-generational homes and have never had a formal tenancy – families within families
12. During the pandemic there was a temporary fall in the number of households becoming homeless due to the end of a private sector tenancy
13. The percentage of those owed a relief duty suffering domestic abuse in London is 15% of the total relief duty owed, in the City of Manchester it is 30%; for prevention duty it is 7% in London and 36% in the City of Manchester
14. See CIH, '2022 UK Housing Review'
15. Shelter, 'Fobbed off' (2021)
16. Figures from DLUHC Statutory Homeless 2020/21
17. Hyde Housing/Demos warn of more tenants falling into financial difficulty: 'The bottom line: An investigation of rent arrears in social housing' (2022) and Social Housing, 'Rent setting and the rising tide of inflation' (December 2021)
18. Capital Letters, for example, ensures that people claim housing benefits from the start of their tenancy and help with claim problems
19. Renters Reform Bill (2022) and 'A Fairer PRS' White Paper (2022)
20. Shelter claim 38% of private rented households are at risk of unlawful discrimination (2021). A Shelter/YouGov survey in 2021 showed that 59% of private landlords said they do not let, or prefer not to let, to people who receive housing benefit
21. DLUHC Households on Local Authority Waiting Lists
22. See GMCA Housing Market Monitor (2021)
23. My London survey June 2021 and GMCA
24. According to Rightmove the average asking rent in Manchester rose 23.4% from second quarter of 2021 to second quarter 2022
25. The Help2 Rent 'West Midlands project', for example, unites West Midlands councils under one umbrella and allows agents and landlords to only support existing WM authorities and tenant
26. LGA Children & Young People's Board, 'Outer borough placements protocol' (2021)
27. MCC, 'Homelessness Update' (June 2022)
28. Homefinder UK, 'Moving on: the reason and outcomes' (March 2021). Many boroughs use Homefinder UK (which works in partnership with social landlords, other housing providers and the voluntary sector) to find properties in other areas
29. DLUHC data shows single mothers account for around 30-40% of families in TA in the boroughs with high levels of TA
30. London Councils, 'Housing and Planning Briefing' (December 2021)
31. The exception is Salford where the figure is 50%
32. In Hackney it now accounts for as much as 70% of total approaches
33. Most single private renters under 35 can only get the Shared Accommodation Rate of LHA – even if they don't share with others. It is lower than the LHA one bedroom rate. Centrepoint claim the difference in Lewisham was £146 p/w (2021)
34. See Crisis, 'Sharing in social housing' (2018)
35. The GMCA records a fall for the city-region of 67% since 2017. Official figures put the number of rough sleepers on a single night in London for autumn 2021 at 640 and Manchester at 43 ('Rough sleeping snapshot' 2022). The Chain multi-agency database puts the numbers in London at 1,295 for the period January-March 2022.

36. Crisis records a 94% increase in rough sleeping 2011/12 (5,678) to 2020/21 (11,018)
37. Under scheme such as the Mayor's 'Move-on' programme and the Homelessness Change and Platform for Life programmes
38. DLUHC's, 'Ending rough sleeping for good' (2022)
39. See LGA, 'Working in partnership: creating an effective rough sleeping strategy' (2022)
40. We were told that c.13K asylum seekers were in hotels. The Refugee Council claims the total number of asylum seekers in TA was 26,380 at start of 2021, compared with 9,421 at end 2021– see 'Lives on hold' report (2022)
41. Asylum Information Database, 'Types of accommodation – UK' (2022)
42. ITV News 21/06/22
43. See the London Asylum Procurement Framework (2020) – agreed between all London boroughs, the Home Office, Clearsprings, London Councils and the GLA
44. Tower Hamlets, Bromley, Barking & Dagenham, Hillingdon, Harrow, Bexley, Lambeth, Waltham Forest, Islington, Redbridge – SW Londoner (15/06/22)
45. See Scottish Government, 'Rapid Rehousing Transition Plans Annual Report: 2020-21' and CIH Scotland, 'Rapid Rehousing Transition Plans, temporary accommodation and housing options: a survey of Scotland's local authorities' (2021)
46. People moved to poorer quality TA are at higher risk of ill health and the lack of TA prevents timely discharge of people otherwise ready to leave hospital
47. See 'Homelessness Prevention Grant 2023/24 onwards: technical consultation' (2022)
48. MCC, 'Homelessness update' (June 2022) – the national average is 57%
49. See the recommendations of the Kerslake Commission on Homelessness and Rough Sleeping (2021)
50. Greater Manchester Homelessness Prevention Action Plan ('GM Action Plan'), emanating from the Homelessness Prevention Strategy, has been developed by a Task and Finish Group of the GM Homelessness Programme Board (2021/22); and Islington Council's, 'Early intervention and help strategy' (2015-25)
51. See Crisis Best Practice Programme and The Centre for the Advancement of Critical Time Interventions
52. See Scottish Government, 'Rapid Rehousing Transition Plans Annual Report: 2020-21'
53. See LGA, 'A councillor's guide to leading the homelessness sector' (2021)
54. House of Commons Library Briefing, 'Housing First: tackling homelessness for those with complex needs UK' (2021)
55. See GM Housing First and Homeless Link, 'The picture of Housing First in England' (2020). There were also pilots in the West Midlands and Liverpool
56. London Assembly Housing Committee, 'Housing First in London' (2019)
57. MHCLG, 'Evaluation of the Housing First Pilots: Interim Process Evaluation Report: Final Report (2020)
58. Centre for Social Justice, 'Housing First' (2017)
59. The 'Positive Pathway' is a nationwide framework created by St Basils to help councils and their partners develop a more collaborative and integrated approach to service development and delivery for young people
60. Trauma informed care recognises the importance of understanding an individual's trauma and its profound effect on their physical, mental and emotional wellbeing. It emphasises physical, psychological, and emotional safety for everyone and aims to empower individuals to re-establish control of their lives
61. According to London Councils the number of properties listed to rent across London in the first quarter of 2022 was 35% lower than the pre-Covid quarterly average. London Councils/Capital Letters/Savills briefing, 'Affordability of Private Rented Sector accommodation for London Households in receipt of Housing Support' (2022)
62. In Havering, for example, over 100 private landlords in the past year have ended their leases with the council
63. According to Propertymark the number of private properties to rent has halved over the past three years (June 2022)
64. Savills data shows rental growth in PRS in London at 14.3% between Feb 2021-Feb 2022 and predicts continued growth over next five years. According to Rightmove's 'Rental Price Tracker', private rents in London rose 14% pa in London (to first quarter 2022) and 19% in Manchester
65. MCC, 'Homelessness update' (June 2022)
66. PSLs are usually for 2-3 years and up to 7 years with a non-secure tenancy. The council nominates to the property and collects the rents. Private Licensed Accommodation (PLAs) are similar but more flexible, short-term (28 day) rolling licence agreements. Maintenance responsibilities for the council may also be less than in a PSL
67. (London Councils/Rightmove Rental Tracker 'Affordability of Private Rented Sector accommodation for London Households in receipt of Housing Support/ 2022)
68. Dilapidation provisions are the liabilities to return a property at the end of the lease in the same condition it was when the lease commenced
69. Local Space buys the properties (in and out of London) and leases them on 30 year deals with assured shorthold tenancy and rents set at the cheaper 2019/20 LHA rates
70. Crisis are calling for a pan-London social letting agency focused on securing suitable and affordable accommodation for the single homeless
71. See the Oldham Times (30/9/21)
72. Council, ALMO, local authority housing companies and housing association homes
73. The proportion of new lets in the social housing stock in the London boroughs has fallen from around 7% in 2010/11 to around

- 3.5% in 2019/20. In some (Wandsworth, Newham, Barnet) it was recorded below 2% (ONS live tables)
74. Only 6-7,000 new social rented homes (at around 50% of market rent) are built a year. The government's housing policy and affordable housing programmes have consistently focused on intermediate rent (Affordable Rent) and shared ownership
 75. According to MCC, in-house TA in the City of Manchester has risen slowly over the past two years, but is still under 500 households
 76. Lewisham Housing Commission (2020)
 77. HALS are 2-5 year leases on private rented properties (with guaranteed rents) under the management of the housing associations for TA. The housing association collects the rent and manages the property. The council makes nominations and has an agreement to fill voids. Housing associations are permitted to provide leased accommodation (often 5 year terms) for homelessness prevention without homelessness duty being accepted
 78. NHF, 'Experiences of housing associations delivering Housing First' (2020)
 79. NHF, 'Housing homeless families' (2022)
 80. Homes for Cathy Submission to the Levelling Up, Housing & Communities Select Committee Inquiry on the Regulation of Social Housing (2021)
 81. Kate Henderson, CEO NHF at the NHF annual conference Sept. 2022
 82. There are exceptions, such as Hounslow where B&Bs account for some 40% of all TA
 83. LGA research showed that council spending on placing homeless households in B&Bs rose 430% between 2010/11-2019/20 to £142m (LGA website, July 2021)
 84. MCC 'Homelessness update' (June 2022) reported that 41% of singles in B&B and 48% of families in B&B are out of the city. The Meteor reported that the use of B&Bs increased by 58% between 2019-21 in the City of Manchester (15/1/22)
 85. MCC 'Homelessness update' (June 2022)
 86. It was said that landlords prefer nightly rates because the council collects the rent bears the risk. Nightly paid accommodation now accounts for 18% of total TA national spend
 87. Hackney has signed 10-year leases with private owners of hostels who then develop the facilities to minimum standards for TA (with the council guaranteeing the rental income stream)
 88. Since opening in 2021 Apex House has housed 82 families - 62 have been supported to move-on, over half rehoused within eight weeks
 89. Homeless Link, 'Annual Review 2020' (2022)
 90. See studies by Justlife
 91. See Justlife, 'Hidden homeless exposed' (2020)
 92. Inside Housing research (21/2/20) highlighted rising numbers of homeless applicants with a learning/physical disability who were denied access to TA
 93. NRLA/Big Issue et al joint statement on impact of benefit cuts claimed over half of households privately renting on UC in the UK have a gap between their housing cost support and the rent they had to pay (2021). According to DWP the median shortfall is around £100 a month
 94. See JRF analysis 'From pandemic to cost of living crisis: low income families in challenging time' (May 2022)
 95. Warwick Univ. Cage Research Centre, 'The impact of the 2011 housing benefit reform' (2021)
 96. Benefit Cap remains at the 2016 level of £20,000 per year (or £13,400 for single adults with no children) nationally; and £23,000 per year (£15,410 for single adults with no children) in Greater London
 97. According to analysis by Policy in Practice in London in 2022, a family with any number of children affected by the benefit cap cannot afford to rent privately in any area without using money from their personal allowance to pay rent
 98. LHA rates, set by the Valuation Office Agency, are based on private market rents paid in broad rental market areas. For claimants in self-contained licensed and short-term lease accommodation, the maximum housing benefit subsidy is determined by using 90% of the LHA rate for the size of the property. For board and lodging or licensed accommodation, housing benefit is limited to the one bedroom self-contained LHA rate based on the location of the property
 99. See Policy in Practice, 'Evidencing the link between the LHA freeze and homelessness' (2020 and 2022)
 100. Latest research by London Councils/Savills showed that for a capped single parent household with two children over four years-old, only 0.8% properties in London were affordable in the two years to the first quarter of 'Affordability of Private Rented Sector accommodation for London Households in receipt of Housing Support' (2022)
 101. See Policy in Practice, 'Mind the benefit gap' (2022). There are exemptions, such as anyone who qualifies for Working Tax Credit, Disability Living Allowance, Employment and Support Allowance and for first 39 weeks of unemployment
 102. Manchester Evening News (13/2/22)
 103. Over 20 councils and a range of housing associations have secured higher grant rates under the programme (2021-26) to build some 16,739 new social rent homes
 104. The GMCA Homelessness Prevention Strategy plans to deliver at least 50,000 affordable homes by 2037. The GLA's Affordable Housing Programme around 20 boroughs have grant funding for some 2,500 new social rent homes.
 105. Havering is investing £59m through its company Mercury Land Holdings to buy 750 properties to house homeless families. The company will offer 12-month tenancies and the council will offer support to the tenant for the first two years under the plans. After five years the properties are sold on. Salford's housing company, Derive, is planning 188 homes for social rent
 106. GLA Home for Londoners: Affordable Housing Programme (2021-26)

107. Shelter, 'Caught in the Act: A review of new homelessness legislation' (2020)
108. The fund forms part of the GLA's Affordable Homes Programme 2016-2023
109. The government has a cap on the use of Right to Buy receipts for acquisitions to help drive new supply with effect from 1 April 2022
110. The Affordable Housing Commission called for a nation housing conversion fund to help boost affordable supply, including for TA: 'A national housing conversion fund: buying properties to boost affordable housing supply' (2020)
111. See the borough's developments with its regeneration company 'Be First'
112. Children's Commissioner, 'Bleak houses: tackling the crisis of family homelessness in England' (2019)
113. UCL/Liverpool University, 'Research into the quality standard of homes delivered through change of use permitted development rights' (2020)
114. Since 2020 space standards applying to new homes through PDRs begin at 37m sq of floorspace for a new one bed with shower room
115. London Council's response to government consultation on PDRs (2021)
116. GLA data. The number of empty homes has been around 70-85K for a decade
117. Estimates vary but current levels for GMCA are put at around 10-12K - see DLUHC Empty Properties live tables. According to Action on Empty Homes, Greater Manchester now has 12,590 long term empty homes, with over 2,000 in the City of Manchester (2022)
118. Action on empty homes, 'Nobody's home' (2021)
119. Some large investors, such as Legal & General, Blackstone and M&G are also investing in affordable housing, which in some cases is move-on housing for homeless households. Also see Social Impact Bond for Entrenched Rough Sleepers in GMCA
120. Such as Social Finance's 'Fair Chance' fund to tackle homelessness in Manchester and the London Homelessness Social Impact Bond
121. We were told that some of the lease deals being discussed were up to 25-30 years, although most seem to be around 10 years
122. We were told the target internal rate of return total for a fund, or a life of a fund, is around 6%, although in the current economic climate the figure is now likely to be above that
123. Phi Capital Investments is also assisting Homes England to help more than a dozen councils with their Rough Sleeper Accommodation
124. Mears oversees the purchase and refurbishment of the properties and manages them for the life of the venture
125. The Civitas Social Housing Fund has invested in 619 properties across England and Wales - See The Good Economy, 'Civitas Social Housing - Impact Report (2021)
126. Since year end 2021 Home Reit have purchased 539 properties, deploying £229m of funds. They claim their low rented properties save councils 60% compared with housing people in B&Bs
127. The Policy Institute, King's College, 'Social audit of the Cheyne Social Property Impact Fund' (2021)
128. Council leases of under 10 years are exempt from a Council's housing revenue account
129. Homeless Link, 'Learning from the Manchester Homeless Partnership Guidance for places building grassroots responses to homelessness' (2022)
130. LGA, 'Making homelessness strategies happen: ensuring accountability and deliverability Advice for local housing authorities' (2019)
131. Duty to Refer under the HRA (2017) is a duty on specified public authorities to refer service users who they think may be homeless or threatened with homelessness to local authority homelessness/housing options teams
132. See the Kerslake Commission on Homelessness and Rough Sleeping (2021)
133. See 2022 UK Housing Review, CIH, chapter by Lynne McMordie, 'Homelessness' (2022)
134. The strategy was drawn up with the involvement of multiple public, private and voluntary bodies (and residents)
135. See LGA, 'Impact of homelessness on health' (2018), Journal of Public Health, 'A building concern? The health needs of families in temporary accommodation' (Volume 43, Issue 3, September 2021; Human Rights Watch, 'Families in temporary accommodation in London UK' (2022), Healthwatch Hackney, 'We are still human: stories from temporary accommodation in Hackney' (2021); and reports by Shelter, Health Foundation and Kings Fund
136. See APPG on Temporary Accommodation's recent survey 'Call for evidence on the current standards of temporary accommodation in England' (2022)
137. Inside Housing (March 2022)
138. See reports from MCC and Institute of Health Equity, 'Build back fairer in Greater Manchester: health and equity and dignified lives' (2021)
139. The government's homelessness guidance states that councils must ensure households are not placed in accommodation with any Category 1 issues. However, the council is not under a duty to carry out a full inspection and a hazard assessment. It is entitled to decide on the basis of evidence already available to it whether an inspection is necessary
140. Setting the Standard inspection service was developed by the London Housing Directors' Group with the support of London Councils/DLUHC and is being delivered by the West London Alliance's Commissioning Alliance programme. It covers some 18,000 properties
141. Projects delivered via the Partnership include The Rogue Landlord and Agent Checker

142. The grants usually require a 30-50% contribution from the property owner and are conditional that the property will be managed by a social landlord for period of the lease and let at affordable rent levels.
143. The Local Government ombudsman covers TA not the Housing ombudsman
144. LGA response to Fairer PRS white paper announcement (2022)
145. See report by SW Londoner based on FOI requests (15/06/22). The Homelessness Impact Centre/CIH, 'Housing for people on low incomes – how do we make the best use of government subsidies in England? (2021) states overall spending on TA has risen by 55% in the last five years
146. It was reported in The Meteor (14/7/22) that MCC had increased its spending on TA from £11.48m in 2016-17 to £29.16m in 2020/21 – with around 40% allocated to companies providing private sector leases, such as Accommodation Links and Mack Residential Letting
147. The cost of TA privately leased by Havering Council, for example, rose by more than 50% in the four years up to 2020. The LGA claims councils are now spending over five times as much on emergency accommodation as they were a decade ago (£142m on B&Bs in 2019/20, compared with £26.7m in 2010/11 – a 430% increase (July 2022)
148. There are though wide variations between the London boroughs, with Newham, Enfield, Barking & Dagenham, Brent, Ealing and Bexley accounting for over half the total spend in London (SW Londoner *ibid*)
149. London Councils, 'The costs of homelessness services in London' (2019). Most London boroughs estimate the direct cost of TA to their budgets (i.e. the gap between the cost of the accommodation and the rent that's recoverable at between £3-6m pa. However, some inner London boroughs said the net cost of TA was now over £12m pa
150. See CIH/Centre for Homelessness Impact report, 'Housing for people on low incomes – how do we make the best use of government subsidies in England?' (2021). The report also claims that moving each family in temporary accommodation out of an expensive private letting into social rented accommodation saves about £7,760 pa. Research by Crisis, 'Better than cure' (2016) estimated that on average preventing homelessness for one year would reduce public spending by £9,266 per person
151. The Institute for Government states that local government funding – from government grants, council tax, and business rates – has fallen by 16% since 2010. IFS analysis shows the funding cuts have reduced council spending per person in services by 25% since 2010. London Councils' submission to the government's Spending Review 2021 claims London boroughs have experienced a 25% reduction in funding since 2010
152. London Councils' submission to the government's Spending Review 2021 claims London boroughs have experienced a 25% reduction in funding since 2010
153. Social Housing, 'Tackling homelessness: Manchester in focus' (7/1/22)
154. The DHP was cut from £140m in 2021/22 to £100m in 2022/23: London's allocation was reduced from £37m to £26.7m
155. LGA June 2021
156. The DLUHC review seeks views on the approach to the funding for the Homelessness Prevention Grant with the aim of determining new funding allocations based on current pressures for local authorities
157. London Councils, 'Boroughs urge rethink on homelessness funding reforms' (2022)
158. Centre for Homelessness Impact/Kolker, E., et al, 'Encouraging landlords to let to people receiving benefits and at risk of homelessness: two online randomised controlled trials' (2021)
159. Estimate based on FOI requests by Novara Media (July 2020)
160. London Councils inter-borough temporary accommodation agreement (IBAA) sets rates for private sector placements
161. Including homelessness prevention teams, housing option teams, private tenancies teams, tenancy sustainment teams, housing procurement/supply teams, rough sleeping teams, inclusion officers, Housing First officers, benefit and needs officer, assessment officers, case workers, housing advice teams etc
162. Crisis, 'I hoped there'd be more options: Experiences of the Homelessness Reduction Act, 2018-2021' (2022)
163. Homeless Link, 'Annual review' (2021)
164. Centre for Homelessness Impact, 'Tackling tenancy insecurity in the PRS' (2022)
165. The strategy states that: "We can reduce inequalities and prevent homelessness by giving people choice and control over their lives. People can thrive if they can choose how to interact with services and understand and influence the decisions that affect them"
166. Human Rights Watch and the Childhood Trust, 'Families in temporary accommodation in London, UK' (2022)
167. See case studies in Fulfilling Lives South East 'Manifesto for Change' (2019)
168. The PHP is a written agreement detailing how the council will work with the applicant to prevent or relieve your homelessness. After the council has made an assessment of an applicant's needs it must try to seek agreement on steps to find (or retain) accommodation
169. Housing options staff in several boroughs use Homefinder UK as an option for people who are potentially homeless. The mobility scheme offers accommodation through a single sign-on and case management for more permanent housing
170. Some, such as Tower Hamlets, provide a maximum of three offers, with a third offer should prevention fail
171. MCC, for example, has a 'one offer' policy
172. NHF, 'Housing homeless families' (2022)
173. Government homelessness guidance states: "There is no simple test of reasonableness. It is for the housing authority to make a judgement on the facts of each case, taking into account the circumstances of the applicant." Relevant considerations include

- poor physical conditions of the accommodation, affordability, overcrowding and risk of violence
174. Recent court judgements in England have highlighted a lack of "reliable objective guidance on reasonable levels of living expenditure." See *Samuels v Birmingham City Council* (2019)
 175. Amnesty International report, 'An obstacle course: Homelessness assistance and the right to housing in England' (2022)
 176. A household can be judged to be "intentionally homeless" if they left their home when they could have stayed, if they failed to pay their rent despite it being judged affordable, or if they were evicted because of their behaviour
 177. See Shadacia White's case against Brent Council 2022 – as a result of the High Court ruling the council agreed to amend its allocation policy to ensure homeless households are not deprived of their right to bid for social housing
 178. See Smith Institute, 'Housing allocations and the vacancy chain: how coordinating chains can better meet housing needs and widen tenant choice' (2022)
 179. DLUHC, 'A new deal for renting: government response' (2022)
 180. See report by NHF, 'Housing homeless families' (2022)
 181. London Councils estimates 125,000 low-income households in the capital are now at a heightened risk of homelessness because their benefit entitlement now falls short of meeting their rent. See London Councils/Capital Letters/Savills briefing, 'Affordability of Private Rented Sector accommodation for London Households in receipt of Housing Support' (2022)
 182. LGA, 'Working in partnership: creating an effective rough sleeper strategy' (2022)

