

# **Are we facing a temporary accommodation crisis? What can be done?**

Society of District Council Treasures  
Temporary Accommodation and Migration Pressures



# Welcome

Adrian Rowbotham  
President of the Society of District Treasurers  
Section 151 Officer at Sevenoaks District Council



# Introducing our Speakers

Bob Porter – Thanet District Council

Terry Collier – Spelthorne Borough Council

Emma Foy – West Lindsey District Council

Roy Millard – South Eastern Migration Partnership



Emma Foy – West Lindsey District Council



# Is this a National Crisis?

- At the end of June 2022 there were 94,870 people in temporary accommodation
- Between 9,000 and 10,000 Afghan people in hotels
- Councils have enabled hosting of over 163,000 Ukrainian people into the UK
- Over 91,000 asylum applications in the year ended 31 March 2023.
- Centres for City have reported that we are 4 million houses short in terms of housing delivery requirements



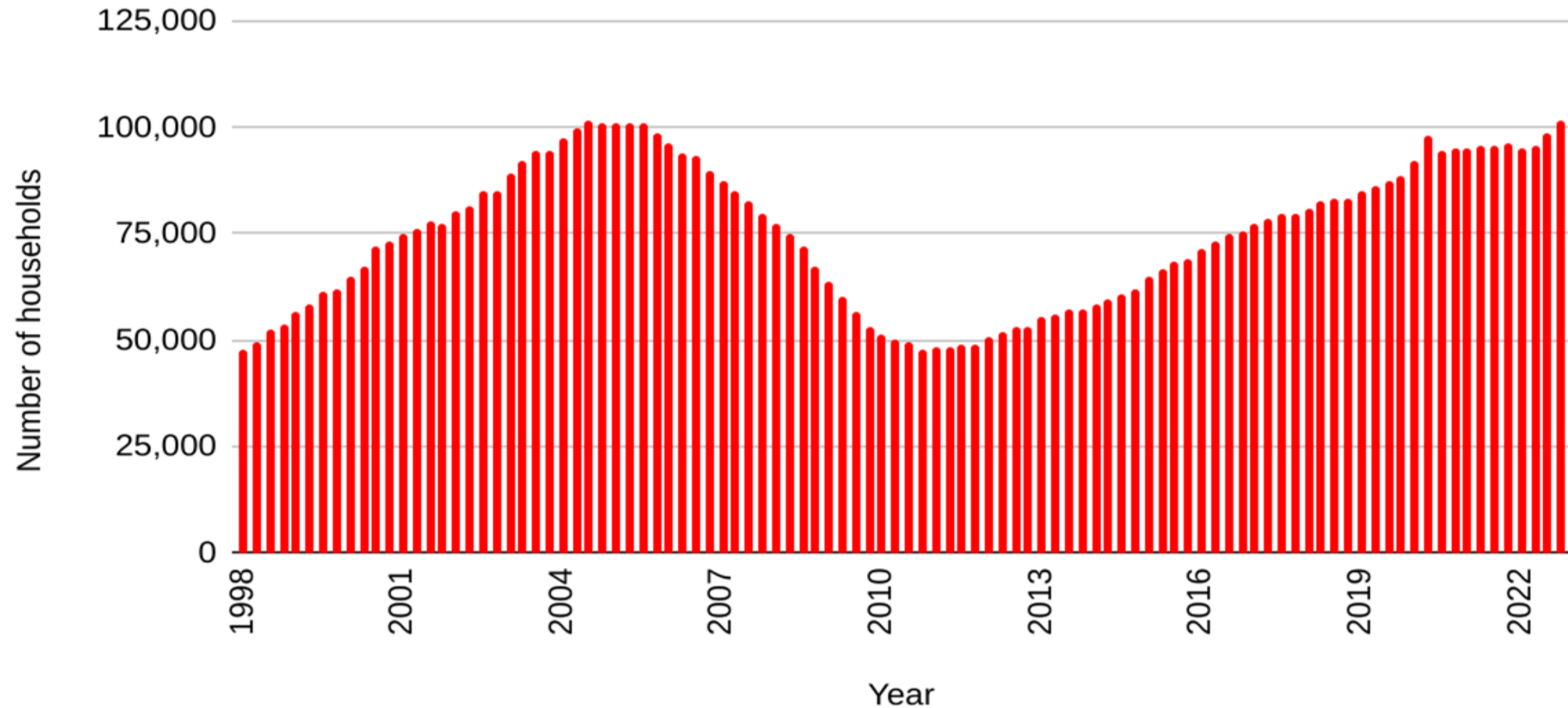
# What are our duties for Temporary Accommodation

- The Homelessness Reduction Act 2017 introduce relief duties requiring council to take reasonable steps to help secure accommodation for any eligible person who is homeless for up to 56 days.
- Where a main housing duty is accepted then the household must remain in Council provided accommodation until they are permanently rehoused
- Local Housing Allowance rates and benefit caps mean that Councils claim the cost of temporary accommodation where B&Bs used through Housing Benefit claims



# All Households in TA

English Authorities (1998-2002)



Terry Collier – Spelthorne Borough Council





Terry Collier – Spelthorne Borough Council



# Temporary accommodation demand in Spelthorne

136 households in emergency accommodation (inc. 159 children)

limited family size accommodation available

lack of choice: households are placed outside borough

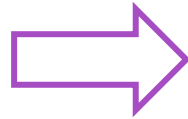
difficulties with funding emergency B&B space in the borough

wider impact: education, nutrition and associated stigma



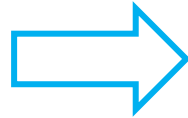
# Refugee and Asylum Seekers accommodation demand in Spelthorne

Afghan refugees



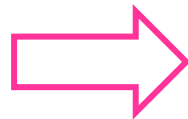
- bridging hotel closure on 16 August 2023
- 27 families (137 individuals) residing
- LAHF - 11 homes delivered through round 1, 4 homes through round 2
- PRS - 6 Afghan families

Ukraine refugees



- 355 guests living in 96 sponsor properties in the borough

Asylum seekers



- 84 individuals in Hotel Contingency Accommodation and 18 in Dispersed Accommodation



# Complexity of needs



greater levels of complex needs amongst client group, with **increasing instances of anti-social behaviour, mental health issues, substance addiction**, and other issues which make housing them more difficult, driven or exacerbated by the **Cost of Living crisis**



- client profile has changed from residents who are facing immediate hardship to people with complex needs, some who cannot be housed independently



- shortfall from partner services and agencies who are under severe stress due to the Cost of Living crisis



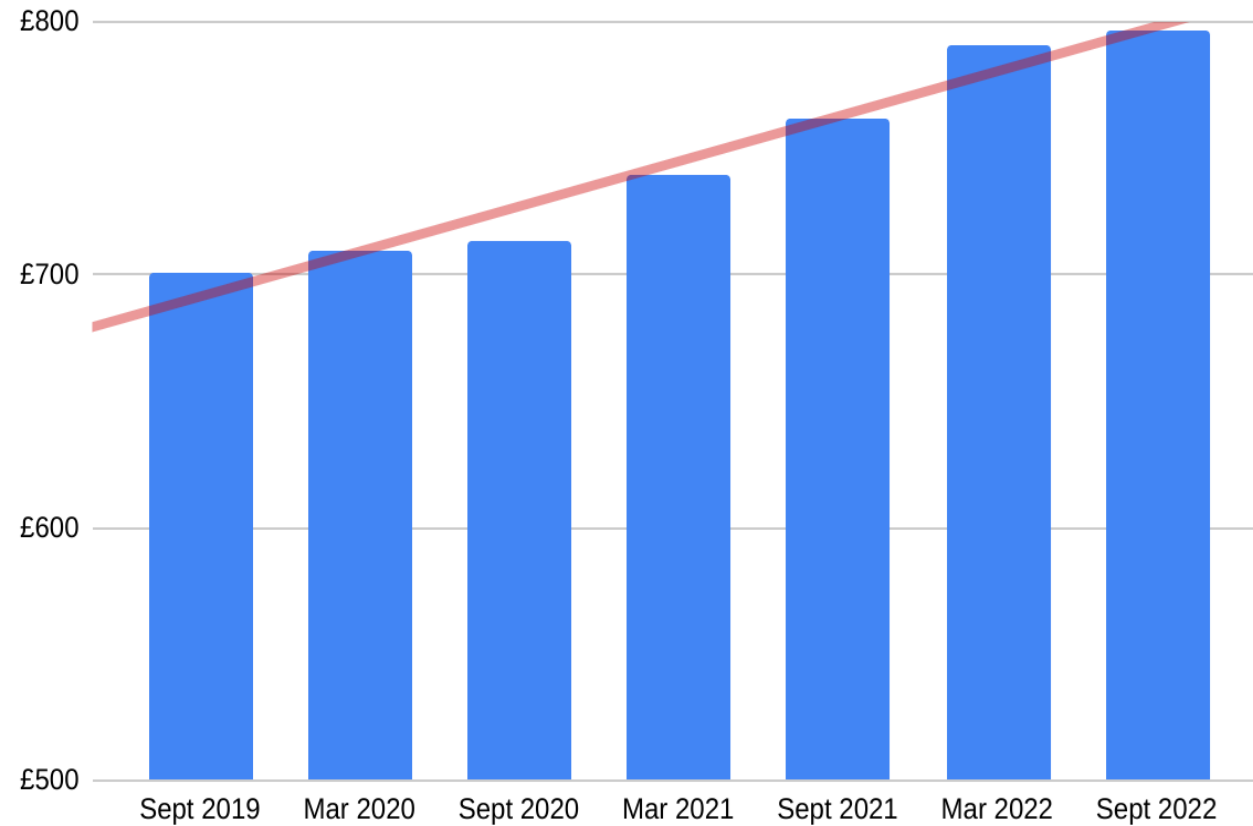
- higher demand for support services
- higher proportion of client death, requiring suicide conversation training for frontline staff

Bob Porter  
Thanet District Council



# Thanet Market Rents

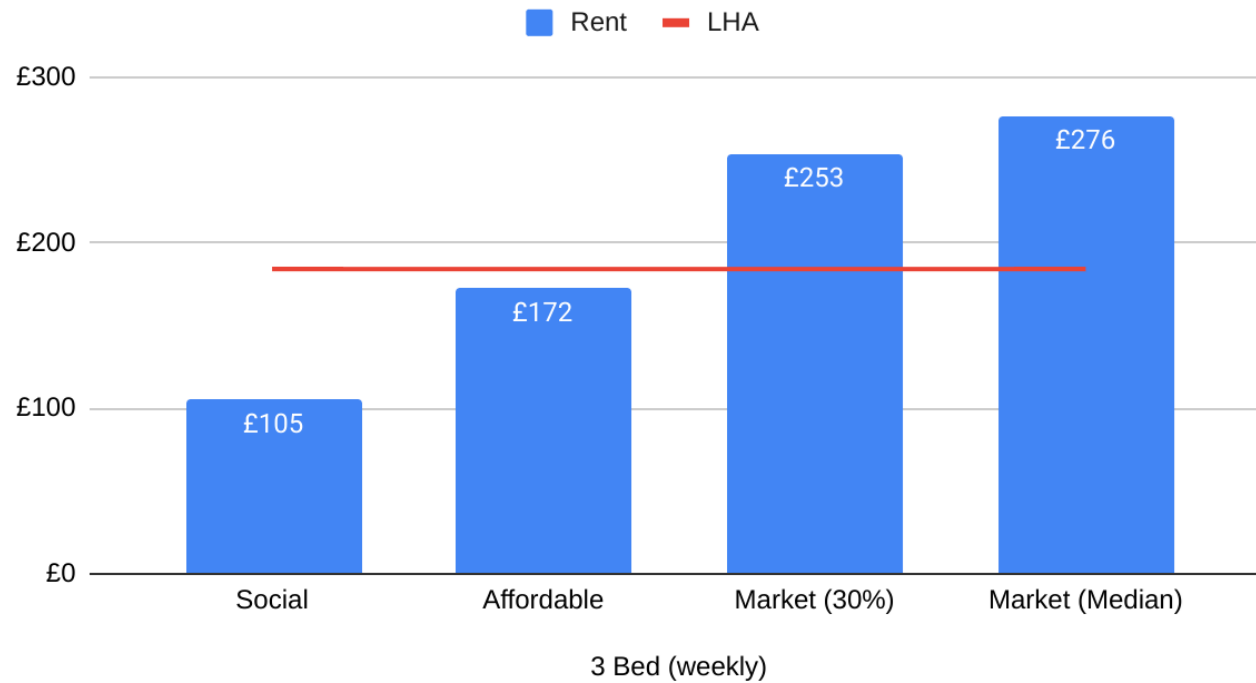
- Highly competitive local market conditions
- 15% increases in the past 2 years
- Use of section 21 procedure



Average 2 bedroom rents

# Rents and Local Housing Allowance

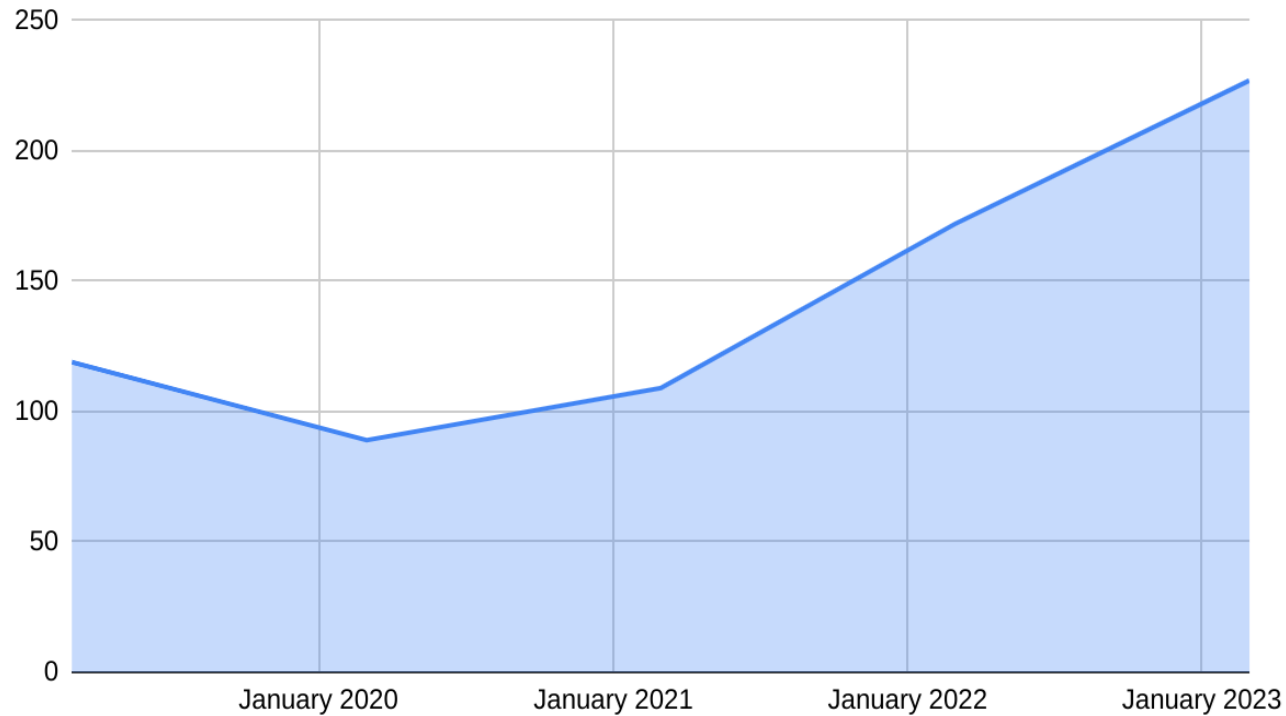
Weekly Rent and Local Housing Allowance - 3 Bed



- LHA previously reflected the 30th percentile
- Prolonged freezes in LHA rates
- 30th percentile is now £69 p.w. higher
- And the median rent is £92 p.w. higher.

# Temporary Accommodation

Households in Temporary Accommodation



- More than doubled in 2 years
- 217 households (May 2023)
- 120 households placed outside of Thanet.
- Mostly nightly paid, in the private rented sector
- £35 to £70 per night



## Key Numbers:

- Total gross cost of TA (2022/23): £3.4m
- 19% of a General Fund base budget of £17.9m
- Net TA budget overspend (2022/23): £1.2m
- Growth in 2023/4 budget:
  - Overall: £3.5m
  - 22% of which is for TA: £800k



TA is fast becoming the District council equivalent of adult social care

# A new approach to Temporary Accommodation

- Foy House - A vacant commercial building on Margate High Street
- Previously a bank and office
- Permitted development rights for residential
- Potential for 8 flats and small office



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# Multiple Outcomes

- Tackling a vacant derelict building in the town centre
- Adding vitality to the town centre by introducing residential development
- Improving the quality of temporary accommodation
- Enabling homeless households to return to the district
- Reducing the cost of TA



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# Scheme Costs

- Purchase cost: £500k
- Refurbishment and Conversion costs: £1.2m
- 15 month construction period
- Funded with general fund borrowing and Retained right-to-buy receipts



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# Foy House

- 4 x 1 bedroom, and
- 4 x 2 bedroom
- Costs funded from rents, set at the LHA rate:



Size	LHA based rent	Private sector nightly rate
1 Bedroom	£11.62	£27 to £35
2 bedroom	£21.36	£40 to £59

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## Savings:

- Business plan includes:
  - Debt costs
  - Management and Maintenance costs
  - Bad debts and voids
  - Depreciation
  - Rent income
- Overall saving of £35k p.a for the scheme
- That's £4,375 per unit.
- Scalable: For 225 cases that's a saving of £984k p.a.
- (44% of total net budget of £2.2m)

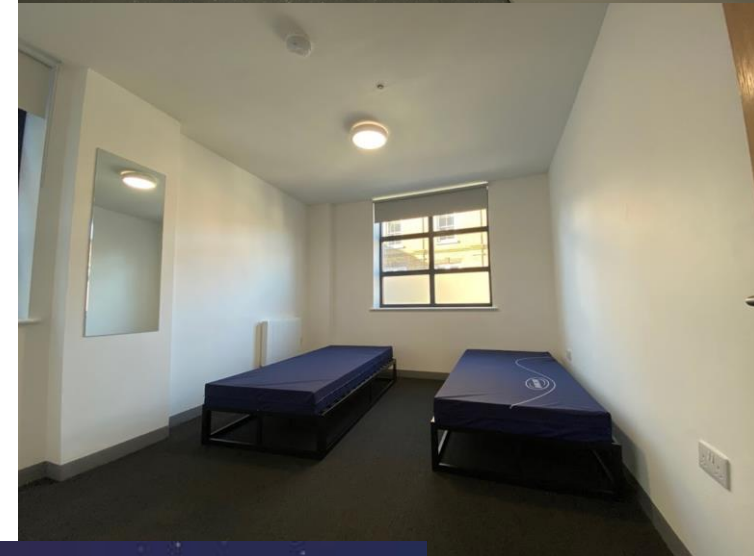


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## Move On:

- Households in Foy House are owed a full housing duty
- Dedicated on site support
- Average stay is 38 nights
- Compared to 195 days for accepted cases in other TA.
- Overall: 40% of cost and 20% of duration.



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# Thank you

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Roy Millard  
South East Migration Partnership



# Information Sharing from the Migration Partnership

- Home Office pays funding to different tiers of councils depending on the programme – Borough/District/City and County Councils work together to agree formula to share funding.
- SMP-facilitated shared learning and best practice across experienced and newer areas on all programmes – some excellent examples of projects in areas being replicated elsewhere, and projects being delivered across council borders.
- Local Authority Housing Fund (district-level) – programme to support Ukrainians and Afghans into longer-term accommodation. Good regional take-up. Round 2 announced and more councils eligible for funding to support Afghan move on from hotels. Learning from Round 1 to be shared.
- Asylum cost collation exercise – used several district/county submissions. Increase in one-off asylum funding available to councils as a direct result.
- Consideration of “place based” approach to work across all programmes – consider impact on services and utilise flexibility of available funding to meet need.



# Information Sharing from the Migration Partnership

- A joined-up single “place based” view of migration programmes and impact in a local area.
- Local government desire to utilise available funding in a single-stream to meet need locally, rather than siloed approach to funding programmes and services.
- More information sharing via SMPs to improve the experience for people in the various systems.
- Review of funding arrangements (especially on asylum) to ensure local services are receiving the support they need to deliver.



Any Questions ?



# Thank you for attending!

Reminder:

SDCT General Meeting: 7-8 March 2024 at Warwick University

SDCT Executive Members required. See for further details:  
[www.cipfa.org/partners/society-of-district-council-treasurers](http://www.cipfa.org/partners/society-of-district-council-treasurers)

