



Committee Report

PURPOSE: Final Decision Report

KEY OR NON-KEY DECISION: Key decision affects 2 or more wards

COMMITTEE: Homes and Housing Delivery Committee

DATE: 13 December 2024

TITLE: Using general needs council housing as temporary accommodation

Ward(s): City wide

Officer presenting the report: Paul Sylvester, Job title: Head of Housing

Options

Committee Chair: Cllr Barry Parsons

Executive Director lead: John Smith: Executive Director for Growth & Regeneration

Proposal origin: BCC Staff

Purpose of Report:

1. To seek approval of the preferred option in relation to the transfer of properties that become available for letting from our stock of 'general needs' housing for use as temporary accommodation for a period of two years, with a review after 1 year, and what the annual limit should be on the number of properties transferred. This will provide homes for people in a housing emergency to live in while the council assesses their housing needs, and they wait for a more permanent home.

Evidence Base / Options to consider:

2. The National Temporary Accommodation Crisis

On 31 March 2024, 117,450 households in England were in temporary accommodation, which is

an increase of 12.3% from 31 March 2023. Households with children increased by 14.7% to 74,530, and single households increased by 8.5% to 42,920. Compared to the previous quarter, the number of households in temporary accommodation had increased by 4.3% (Accredited Official Statistics - Statutory homelessness in England: January to March 2024, published 08 August 2024).

3. Many local authorities are feeling the impact of this locally and Bristol is no different. In Bristol, demand has continued to grow and there are now around 1,600 households in temporary accommodation. The council has a statutory duty to house people who are legally homeless and vulnerable. Due to a lack of affordable housing, much of that accommodation is secured via expensive spot purchased accommodation from the private rental sector. The council claims some of the cost back via Housing Benefit, but this is capped by central government, linked to Local Housing Allowance (LHA) rates set in 2011, so the amount that the council pays above the cap results in a loss to the council, known as subsidy loss.
4. The Council is currently forecasting to spend over £14m every year in subsidy loss against a budget of £6m. An annual overspend of £8m is obviously unsustainable and the Council has taken steps to bring these budgets back into balance with substantial investments made into the Tackling Homelessness programme. The potential savings to be gained from this proposal are an integral part of those efforts.
5. With the overall Council budget deficit standing at over £50m in 2025/26, there is an urgent need to further reduce the budget pressure caused by Temporary Accommodation.
6. Long-term, the solution to high numbers of households in Temporary Accommodation is to increase the amount of general needs affordable housing available, so we are working with our Housing Revenue Account (HRA) and Registered Provider (RP) partners to identify opportunities to increase our housing stock at pace. In the short-term we are working on various workstreams to reduce our dependence on expensive private-rented TA to reduce our subsidy loss. Currently the council is forecasting a £5.1m pressure, after these workstreams, and based on the successful ability manage the demand and to

forecast correctly.

7. This paper presents an opportunity to use properties that become available for letting from our stock of 'general needs' housing as temporary accommodation for a period of two years, with a review after 1 year. This will provide homes for people in a housing emergency to live in while the council assesses their housing needs, and they wait for a more permanent home.
8. A decision is required on whether this should go ahead and what the annual limit should be on the number of properties transferred.
9. The proposal impacts three groups of people directly: Those who are experiencing homelessness and need temporary accommodation, those who are on the housing register waiting for a general needs tenancy to become available to them, and those who are already in a general needs tenancy but are waiting to be transferred to a more suitable property. Further details of these impacts are outlined later in the paper.

10. A Tackling Homelessness Programme Summary

The Tackling Homelessness programme is broad and contains many workstreams, of which this paper refers to only one. This particular workstream – using general needs housing for temporary accommodation – is a short-term measure to provide some immediate financial relief to the council, but also to provide a better outcome for some households in emergency accommodation who may otherwise be placed in hotels or other unsuitable accommodation. It is worth noting that the programme, as a whole, is looking to both manage the immediate financial pressures the council faces, but also to provide long term solutions.

11. The programme contains a number workstreams addressing both managing the demand for temporary accommodation and increasing the supply of general needs homes within the HRA through a new build

programme, and an acquisitions programme. The programme also contains workstreams to increase the stock of homes specifically for use as TA including the use of demountable modular units, and the potential further acquisition of homes (subject to an investment proposal).

12. The option in this paper does not increase the supply of housing, rather redistributes it in a way that could make more immediate savings. It is not a solution in the long term to the challenge we face, but does make some immediate, short-term savings.

13. The table below outlines the work streams of the programme. A quarterly update on the programme is going to committee in December 2024.

Area of work	Objectives	Scope of work
Increasing the supply of Temporary Accommodation	This work will increase the supply of various different types of temporary accommodation, with the aim of reducing the amount of subsidy loss compared to our current provision.	Includes property acquisitions, and modular development on small areas of land.
New Use of Registered Providers	This project will explore how we can increase our use of Registered Providers (RPs), to reduce the amount of subsidy loss incurred by the council.	Includes the exploration and implementation of a council-owned RP, as well as identifying more short-term opportunities for the council to work with RPs.
Increasing Access to the Private Rented Sector	This is all about working with the private rented sector to optimise our use of the sector. Getting	Includes incentivising landlords to maintain tenancies, helping individuals access employment which

	<p>people into PRS tenancies reduces the burden on social housing and temporary accommodation. Using the PRS to provide some TA can also be better value than some of our current provision.</p>	<p>in turn helps them acquire and maintain a private rented tenancy, and encouraging some private landlords to lease their properties to a registered provider who can manage it as supported temporary accommodation.</p>
<p>Homelessness Prevention and Demand management</p>	<p>This helps us to fulfil housing needs before people reach the point of becoming homeless, and reduces the number of placements we need to make into TA.</p>	<p>This includes a service redesign, a recruitment drive, changes to ways of working to improve processes, optimising our use of the Home Choice policy to meet needs, and working with other services in the council as well as partnership agencies to embed a culture of homelessness prevention.</p>

14. An overview of the use of general needs homes for TA

The utilisation of general needs homes for temporary accommodation requires taking a void property out of circulation for those on the Home Choice housing register and using it to place a household requiring TA. The process is managed within the Housing Options service and provides a saving to the council by removing the cost of placing that household in a hotel or using the expensive emergency accommodation framework which draws on expensive privately owned or leased properties.

15. Properties used in this way do not need to remain as TA permanently. In the future, these homes can

revert back to be used as general needs homes when they become vacant and no longer required for TA. It is the intention that other workstreams within the programme seeking to increase the stock of both TA provision and general needs housing will work alongside this workstream to enable these homes to revert back to general needs use, in the future.

16. The impact of the use of general needs homes for TA

The proposal impacts three groups of people directly:

- 17.** Those who are experiencing homelessness and need temporary accommodation: when a family or individual is legally homeless and vulnerable, we need to offer them some temporary accommodation whilst we find more suitable long-term accommodation for them. Currently there is not always enough temporary accommodation to meet demand, so we sometimes need to place households in hotels, which is not suitable for most people.
- 18.** Those who are on the housing register waiting for a general needs tenancy to become available to them:
People who are on the housing register are those who need to find an affordable or social housing tenancy.
- 19.** Those who are already in a general needs tenancy but are waiting to be transferred to a more suitable property: People who are general needs tenants can find that their homes become unsuitable over time - for example if the family grows and they are overcrowded, or if they are in an unsafe situation such as experiencing anti-social behaviour or domestic violence.
- 20.** The impacts and benefits of this proposal are increased/decreased depending on the number of general needs homes that are transferred for use as TA.
 - Financial benefits in the short term to the council, through a reduction in service overspend on expensive private TA options (such as hotels), are increased the higher the number of GN homes

used as TA.

- There is a benefit to families in TA who are given a home to live in during their time in temporary accommodation which is more suitable for their needs than other options, such as hotels.
- There is a disproportionately negative impact on families on the Home Choice housing waiting list who have to wait longer for a 2- or 3-bedroom home to become available.
- There is a disproportionately negative impact on those who are already council tenants but seeking a transfer to another property due to overcrowding, domestic violence or other reasons, who have to wait longer for a home to become available.

21. Further breakdown of the lettings per year can be seen later in the paper.

22. Pilot of Reallocation of General Needs Housing for use for Temporary Accommodation

As part of the Tackling Homelessness programme, a pilot was run of the reallocation of General Needs homes for use as Temporary Accommodation. This took place from June 2023 to May 2024, and saw 13 (out of on average 63 homes let or re-let per month and of wider stock of 26,000 homes) of the existing homes in the HRA (as properties are vacated) allocated not via Home Choice but directly to those in Temporary Accommodation. This has delivered savings of £1.4m by the end of August 2024. The pilot was concluded due to the need to review the implications of this workstream as well as to consult about the future of this scheme before continuing further with it.

23. A review of the pilot was undertaken in June 2024 and covered a number of areas for consideration. The use of general needs homes for Temporary Accommodation has from April 2023 to the end of May 2024 reallocated 119 homes, generating subsidy loss savings of £931,357.

24. On a purely financial basis, during the pilot, the transferring of homes for use as TA had no detrimental financial impact on the HRA, and this will continue to be reviewed annually. This is because the HRA still collects the rents for the properties as well as a weekly management charge. This weekly management

charge covers all of the additional costs needed to use these properties for TA (such as decorating and flooring the properties).

25. The impact of the reallocation of GN homes to TA has seen an increase in the average number of days to be rehoused for a general needs home allocated through advertisement on Home Choice. The average wait time for general needs allocations through advertising increased by 10% - from an average wait of 559 days before the pilot, to 614 days.

26. Average wait times to be rehoused through bidding for 2 and 3 bed properties was affected by this pilot where other bed sizes were largely unaffected:

22/23				
Allocations - General Needs through advertising				
All households				
Band	2 bedroom		3 bedroom	
	Number of allocations	Average days to be rehoused	Number of allocations	Average days to be rehoused
Band 1	84	240	69	324
Band 2	262	529	27	1243
Band 3	26	1408	9	1036
Band 4	3	1361		
Total	375	532	105	622

23/24				
Allocations - General Needs through advertising				
All households				
Band	2 bedroom		3 bedroom	
	Number of allocations	Average days to be rehoused	Number of allocations	Average days to be rehoused
Band 1	109	251	72	442
Band 2	213	702	10	1837
Band 3	21	1047	2	2541
Band 4				
Total	343	580	84	658

12 months Preceding-Pilot	Total	Av p/m
2 Bed	185	15.4
3 Bed	58	4.8
Grand Total	243	20.3

12 Months During Pilot	Total	Av p/m
2 Bed	126	10.5
3 Bed	32	2.6
Grand Total	158	13.2

27. The average number of 2 and 3 bed BCC properties available for bidding tenants seeking to move dropped in comparison to the previous year. This means there were fewer 2 and 3 bed properties available through Home Choice.

28. Direct Offers (DO) increased during the pilot (398 DO made during the 12 month pilot, compared to 362 DOs in the 12 months preceding). Frontline staff reported that more households sought direct offers or to be put into band 1 as this was perceived to be the most likely way of being rehoused.

29. Allocation breakdown

For further context and comparison, below is a breakdown of the allocations made through the full year 23/24 and the first two quarters of 24/25.

30. Total Allocations:

April 2023 – March 2024	
Quarter 1	351
Quarter 2	391
Quarter 3	393
Quarter 4	425
Total	1560

April 2024 – September 2024	
Quarter 1	410
Quarter 2	395
Total	805

31. Allocations breakdown by type of application:

Applicant Type Apr 2023 - Mar 2024	Q1	Q2	Q3	Q4	Totals
Housing association	44	52	35	38	169
New application	231	225	233	284	973
Transfer (BCC)	76	114	125	103	418
Grand Total	351	391	393	425	1560

Applicant Type Apr 2024 – Sep 2024	Q1	Q2	Totals
Housing association	43	57	100
New application	269	235	504
Transfer (BCC)	98	103	201
Grand Total	410	395	805

32. Allocations breakdown by band:

Band Apr 2024 – Sep 2024	Q1	Q2	Q3	Q4	Totals
Band 1 (Highest Priority)	82	106	132	141	461
Band 2	190	217	169	218	794
Band 3	49	43	66	42	200
Band 4	30	25	26	24	105
Total	351	391	393	425	1560

Band Apr 2024 – Sep 2024	Q1	Q2	Totals
Band 1 (Highest Priority)	115	148	263
Band 2	228	191	419
Band 3	42	35	77
Band 4	25	21	46
Grand Total	410	395	805

33. Consultation findings

To continue with this reallocation scheme beyond the pilot period, a consultation was undertaken. BCC ran a public consultation on ‘Using general needs council housing as temporary accommodation’

between 20 August 2024 to 1 October 2024. The council met with the obligation to consult with all secure tenants specifically targeting those who will be most affected by this proposal, which in this consultation are secure tenants currently on the housing waiting list. 162 responses were received (133 standard and 29 Easy Read). The consultation comprised information about the proposal and a short online survey asking “Do you agree with the proposal?” and “Do you have any other comments or suggestions you wish to make about this proposal?”. These results show that 55% of respondents either disagree or strongly disagree with the proposal while 38% agree or strongly agree, with 8% neither agreeing nor disagreeing.

Do you agree or disagree with the proposal?	Number of responses	Percentage
Strongly agree	32	20%
Agree	28	18%
Neither agree nor disagree	12	8%
Disagree	25	16%
Strongly disagree	63	39%
Total	162	

Of the respondents, 109 (67%) provided free text comments.

Full analysis of the consultation responses can be found in appendix F.

34. Options for limiting the number of homes transferred per year

The below options matrix, shows the potential financial overspend reduction for transferring increasing numbers of general needs homes for use as Temporary Accommodation, were the council to reach that limit in a given year. To reiterate, the transfer number should be seen as an annual limit, not as an annual target, and is based on the understanding that this is for a period of two years, with a review undertaken after 1 year.

Option number	Limit to number of	Equivalent limit as an	25/26 potential	26/27 potential	27/28 potential	TOTAL potential

	properties re-allocated per year	average per month	overspend reduction	overspend reduction	overspend reduction	overspend reduction
Option 1	108	9	£926,766	£1,710,953	£784,187	£3,421,907
Option 2	144	12	£1,235,688	£2,281,271	£1,045,583	£4,562,542
Option 3	180	15	£1,544,611	£2,851,589	£1,306,978	£5,703,178
Option 4	216	18	£1,853,533	£3,421,906	£1,568,374	£6,843,813

***Please Note:** Savings are generated over 12 months from the point of occupation – therefore savings will continue into a third financial year as the last home occupied within the 2-year period of this proposal will generate savings for the subsequent 12 months.

35. Equalities Impact

The EqIA completed in July 2024 informed us that there is an over-representation of Disabled people in General Needs Housing and on the Housing Register. To mitigate this, we will ensure that properties with disabled adaptations and wheelchair accessible properties are not included in the allocations to Temporary Accommodation.

36. The EqIA informed us that there is an over-representation of Black and Minoritised Ethnic Groups, and people living in poverty, on both the Housing Register and in Temporary Accommodation. Being in an unsuitable housing situation, be that alternative accommodation while waiting for general needs housing, or inappropriate temporary accommodation such as a hotel, can be traumatic, and can negatively impact these groups. This can only be mitigated by an increase in affordable housing, and supported move on accommodation, as well as suitable Temporary accommodation.

37. Officer Recommendations:

That the Committee for Homes and Housing Delivery: -

1. Confirms whether it approves the use of properties that become available for letting from the stock of 'general needs' housing for use as temporary accommodation for a period of two years, with a

review after 1 year.

2. Subject to approval being granted under recommendation 1, confirms the preferred option for the annual limit of the number of properties to be transferred from the options appraisal set out above (at point 34.)
3. Authorises the Executive Director – Growth and Regeneration in consultation with the Chair of the Homes and Housing Delivery Committee and the Director of Finance (S151 Officer) to take all steps required to implement the decision of the Committee under recommendations 1 and 2 to transfer properties, that become available for letting in the stock of ‘general needs’ housing, to be used for temporary accommodation, for a period of 2 years with a review after one year in accordance with the terms stipulated by the committee and as outlined in this report

Notes:

1. Details and outcome of the consultation carried out for this proposal at Appendix F.

Corporate Strategy alignment:

1. HC1 – Housing Supply – the programme will provide more supported housing for those who need it
2. HC2 – Low or zero carbon homes: new builds and refurbishments will increase the number of low carbon homes.
3. HC3 – Homelessness: Cost effective Temporary Accommodation for people who are homeless will increase.
4. ED05 – Good Governance – this programme contributes to making sure that the council is financially resilient

City Benefits:

This proposal will benefit the city in the following ways:

1. Reduction in subsidy loss will contribute to a balanced budget, increasing the financial

sustainability of the council.

2. More suitable temporary and emergency accommodation for those who need it, with less reliance on the use of hotels.
3. Client satisfaction with the accommodation they are placed in will improve, and better value for money will be delivered with council budgets and resources.

Consultation Details:

2. BCC ran a consultation on 'Using general needs council housing as temporary accommodation' between 20 August 2024 to 1 October 2024.

Background Documents:

[Tackling Homelessness Transformation Programme quarterly Report.pdf \(bristol.gov.uk\)](#)

[Budget Report.pdf \(bristol.gov.uk\) 23/24 Budget Report to Full Council](#)

[Final TA Report for Top 4 June Cabinet 005 KS BM SP B.pdf](#)

[Temporary Accommodation Project Key decision report – 6th June 2023](#)

Revenue Cost	£	Source of Revenue Funding	N/A
Capital Cost	£	Source of Capital Funding	N/A
One off cost <input type="checkbox"/>	Ongoing cost <input type="checkbox"/>	Saving Proposal <input checked="" type="checkbox"/> If yes – existing or new saving? Existing <input type="checkbox"/> OR Income generation proposal <input type="checkbox"/>	

Professional comments section:

1. Finance Advice: This report requests approval to transfer up to 216 properties a year from the Council stock of General Need housing for use as temporary accommodation for those experiencing homelessness for up to two years. The financial pressures created by the need to provide temporary accommodation are a significant risk to the financial sustainability of the Council. The Council is currently forecasting over £50m in unfunded pressures in 2025/26 with over £8m of that pressure driven by Subsidy Loss. The Council will not be able to provide an additional £8m per annum in funding over the Medium Term Financial Plan so, unless this pressure is managed, there is a material risk of the Council declaring Section 114. A pilot has been run allocating 13 General Needs properties a month for use as temporary accommodation and generating over £900k in savings. While waiting times for General Needs housing will be longer if the Council transfers General Need housing to temporary accommodation, given the statutory need to house those experiencing homelessness and the wider financial position of the Council, there is clearly a strong case for this proposal.

Finance Business Partner: Ben Hegarty, Finance Business Partner Growth and Regeneration, 25 November 2024.

2. Legal Advice:

It is open to the Council to repurpose housing stock for the use of temporary homelessness accommodation and the proposal is compliant with the Council’s obligations under s.74 LGHA 1989.

The consultation responses must be conscientiously taken into account in finalising the decision. The leading cases on consultation provide that consultation should occur when proposals are at a formative stage, should give sufficient reasons for any proposal to permit intelligent consideration and should allow adequate time for consideration and response. There must be clear evidence that the decision maker has considered the consultation responses, or a summary of them, before taking its decision.

Legal Team Leader: Husinara Jones, Team Manager/Solicitor 18 October 2024

3. Implications on IT: I can see no implications on IT regarding this activity.

IT Team Leader: Alex Simpson – Lead Enterprise Architect 7 October 2024

4. HR Advice: There are no HR implications evident

HR Partner: Celia Williams, HR Business Partner, 8 October 2024

APPENDICES

Appendix A – Further essential background / detail on the proposal	YES
Appendix B – Equality Impact Assessment (EqIA)	YES
Appendix C – Environmental Impact Assessment	YES
Appendix D – Decision Risk Assessment	NO
Appendix E – Exempt Information	NO
Appendix F – Details of consultation carried out - internal and external	YES
Appendix G – Options appraisal matrix	NO
Appendix H – Business case / financial analysis	NO