

## **Temporary Accommodation Q2 Performance**

The updated forecast for quarter 2 is an adverse variance of £1.175m, an increase of £300,000 since the last forecast, due to the continued elevated numbers of households in temporary accommodation (TA).

The first half of 2025/26 saw an average of 116-118 households in Nightly Paid (NP), peaking at 128 in June, with the Council's budget is set to accommodate an average of 70 households.

As at Q2, the latest forecast for the year assumes the numbers will not fall and will stay at an average of c116 households in NP for the whole year.

The chart below shows the total number of homeless households in all types of temporary accommodation (\*in borough) 2025/2026:

	<b>NPA</b>	<b>*Housing Association TA</b>	<b>*EEBC owned TA</b>	<b>*PSL TA</b>	<b>*Defoe Court</b>	<b>Total</b>
April	110	125	10	14	12	271
May	118	125	10	14	12	279
June	128	125	10	14	12	289
July	119	125	10	13	13	280
August	113	125	10	13	13	274
September	117	125	10	13	13	278

A report detailing the expenditure and an action plan is going to the Community and Wellbeing Committee on 19 November 2025. This report includes a summary of a recently completed service review, which focusses on homelessness prevention as well as move-on from temporary accommodation, with the aim of reducing not only the numbers but also the length of time spent in TA. It also provides details of priority action points and proposed next steps.

Nevertheless, there is concern that homelessness numbers may rise again, particularly with the onset of winter, which historically sees increased demand. The root causes are both national and local, including a prolonged shortage of newly developed affordable housing, such that only two units were delivered last year.

The review of service delivery highlights that without access to sufficient affordable accommodation, and with the private rental sector remaining unaffordable, temporary accommodation (TA) usage may increase further.

This situation has developed over several years and reflects broader systemic issues. Continued efforts to improve service delivery are ongoing, but structural housing challenges remain a significant barrier. There is a service review to address some of the challenges, see appendix 1.

Its worth noting that as part of MTFS we have already agreed to increase TA budget by at least £500k for 2026/27 to address some of the structural deficit in this area.

## **Housing & Homelessness Service Review**

In response to the extraordinary pressure which the housing service is and has been under, a service review has recently been completed. The review highlights the areas of the service where the pressures are most acute, where resources are most stretched and where the proposed changes could have the most significant impact.

The review proposes a more proactive and creative approach to spending Homelessness Prevention Grant (HPG) in line with government guidance to spend up to 49% of HPG on prevention-based activity and in anticipation of the Renters Reform Bill, which is likely to become an Act by early 2026.

The review advocates a One Council approach to the housing crisis, which brings together multiple disciplines of the Council, recognising that there are several parallel actions which can be taken to reduce the instances and cost of homelessness.

The review focusses on the length of time spent in temporary accommodation rather than solely the total number of households, and specifically highlighted the following priority areas:

- Increased emphasis on prevention-based activity, including expanding the portfolio of private sector landlords to increase availability and access to the private rented sector.
- Increased emphasis on move-on from temporary accommodation, including assisting households into employment to increase their housing options.
- The requirement for a specific role to work with the resource intensive cohort of hospital discharge to cover both physical and mental health discharge.
- Increased focus of front of house triage, to ensure officers are able to intervene at an earlier stage for the more time pressured homelessness approaches.
- Increased resource for the management of temporary accommodation placements and the administration of the housing needs register, to help improve the link between temporary and settled accommodation, and to process the increase in housing register related activity.
- A requirement to revise and update existing policies, which includes a review of the rent deposit offer to landlords, updating the processes for managing and terminating temporary accommodation placements and implementing an out of area settled accommodation policy.