**Temporary accommodation – How can we best work with external providers – practice exchange pre-read 28/09/2021**

**The historic figures**

Official statistics published in December 2011 marked the end of the long-term downward trend in the number of households in temporary accommodation; seasonally-adjusted figures had fallen in each successive quarter since peaking in 2004. By the end of March 2021, there were 95,450 households in temporary accommodation, a rise of 3.5% on 31 March 2020. This rise was primarily driven by an increase in single adult households placed in temporary accommodation during the Covid-19 pandemic.

Of the 95,450 households in temporary accommodation on 31 March 2021, 61.9% included dependent children. A total of 119,830 children were placed in temporary accommodation. The number of families with dependent children placed in B&B-style accommodation increased from 630 at the end of March 2010 to 1,350 at the end of March 2021, although this figure represents a decrease of 11.8% on the end of March 2020.

Many local authorities seek temporary accommodation outside their own areas. At the end of March 2021, 26,170 (27.4%) of households in temporary accommodation were in accommodation in a different local authority district. 82% of these placements were from London authorities.

**The cost**

The National Audit Office (NAO) observed that of the £1.1bn spent by English local authorities in 2015-16, £845 million was spent on temporary accommodation, of which three-quarters (£638 million) was funded by housing benefit. The NAO identified a 39% increase in real terms expenditure on temporary accommodation since 2010-11.

There are also wider costs stemming from the impact of homelessness and use of temporary accommodation which represent a cost to public services, such as health care. Criticism has been leveled at the government around lack of “a robust estimate of this wider cost” and called for joint working with local authorities “to ensure that they are making the most effective use of temporary accommodation.”

[More recent analysis of expenditure by local authorities over 2019/20](https://www.gov.uk/government/statistics/local-authority-revenue-expenditure-and-financing-england-2019-to-2020-individual-local-authority-data-outturn) reportedly showed that councils spent £1.19 billion on temporary accommodation, up 9% on the previous year and up 55% on 2014/15.

**Private providers**

The beneficiaries of this extreme expenditure are often private providers. Shelter suggests in [Cashing In](https://assets.ctfassets.net/6sxvmndnpn0s/6VxSonb4KGpSgjT9awfRrA/d03bc6e1eeb5c21c527941c15952510d/Cashing_in_-_How_a_shortage_of_social_housing_is_fuelling_a_multi-million-pound_temporary_accommodation_sector.pdf) that a lucrative private market has developed in which brokers are exploiting the difficulties authorities face in sourcing temporary accommodation.

The Public Accounts Committee’s (PAC) December 2017 report, [Homeless Households](https://publications.parliament.uk/pa/cm201719/cmselect/cmpubacc/462/462.pdf), observed that temporary accommodation is “often of a poor standard and does not offer value for money”. The Committee recommended the Department take steps to eliminate the use of non-decent temporary accommodation and help authorities source local alternatives offering better value for money. The Government agreed with this recommendation.

**Good practice in this area**

* Assessment of all potential temporary accommodation to ensure it is of sufficient quality
* Timely follow up of complaints and trends seen following placements
* Reduce the need for/time spent in temporary accommodation by adopting a housing led approach
* Placing of people according to needs to avoid breakdown of placements
* Ensure any landlord is a 'fit and proper person' to manage the premises

**Something to think about before the exchange.**

* How can we reduce our reliance on temporary accommodation?
* Might there be a way to reduce the reliance on private providers?
* How can we encourage a rise in standards in temporary accommodation?
* Can more innovation help us to plan and provide future services?
* What support models are we using?
* Who provides the support whilst in TA?
* Are support services commissioned?