

TEMPORARY ACCOMMODATION ACTION PLAN MONITORING

Cabinet Member & Portfolio	Cllr Steve Tuckwell – Cabinet Member for Planning, Housing and Growth
Responsible Officer	Dan Kennedy, Corporate Director, Residents Services
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Papers with report	None

HEADLINES

Executive Summary

This report provides the fourth quarterly update on progress against the delivery of the Temporary Accommodation Strategy and Action Plan presented to Cabinet in February 2025.

Continued progress is being made including improved prevention and consequently meeting the maximum ceiling target for temporary accommodation placements. Move on to the private rented sector has increased and the rate cap has been successful in holding back cost inflation of temporary accommodation. MTFs targets for 2026/27 have been set.

Putting our Residents First Delivering on the Council Strategy 2022-2026	This report supports our ambition for residents / the Council of: Live in good quality, affordable homes in connected communities This report supports our commitments to residents of: Safe and Strong Communities This report supports the Hillingdon Housing Strategy
Financial Cost	The Temporary Accommodation Strategy and Action Plan aligns with and supports the delivery of the Medium-Term Financial Strategy (MTFS).
Select Committee	Residents' Services Select Committee
Ward(s)	N/A

RECOMMENDATION

That the quarterly update report be noted.

Reasons for recommendation(s)

The Temporary Accommodation (TA) Strategy and Action Plan was approved by Cabinet in February 2025 and it was agreed that quarterly updates would be provided to Cabinet, or less frequently as required, and that these would include the delivery impact on the Medium-Term Financial Strategy (MTFS). This is the fourth update.

Alternative options considered / risk management

No other options were considered as the report is required by Cabinet. Risks associated with the delivery of the TA Strategy and Action Plan are covered in the body of the report.

Democratic compliance / previous authority

In February 2025, Cabinet noted the homelessness pressures in Hillingdon and the increasing cost and use of temporary accommodation: noted the Temporary Accommodation (TA) Strategy and Action Plan; and resolved to receive quarterly or less frequent updates regarding delivery of the Strategy and Action Plan.

Select Committee comments

None at this stage.

SUPPORTING INFORMATION

1. In February 2025 Cabinet noted the Temporary Accommodation (TA) Strategy and agreed to receive a quarterly update or at a frequency as determined by the Cabinet Member. This is the fourth of those updates. The TA Strategy contains the following four objectives:
 - Manage homelessness demand and increase rates of successful homelessness prevention;
 - Increase rates of move-on from temporary to settled accommodation;
 - Reduce total expenditure on temporary accommodation;
 - Increase the supply of additional social rented housing and temporary accommodation through acquisition and new build programmes.

Key elements of progress

2. In March 2026, Cabinet approved the Council's five year Homelessness and Rough Sleeping Strategy and agreed to receive annual updates on progress. This is aligned with MTFS workstreams in relation to homelessness which will take forward work in relation to temporary accommodation. It has five priorities:
 1. Resident focussed homelessness services
 2. Early and sustained prevention of homelessness
 3. Support access to safe and sustainable accommodation
 4. Targeted housing pathways for single homeless, rough sleepers and other groups
 5. Modern data-led and cost-effective services

3. The Temporary Accommodation Strategy is operationalised through an MTFS Action Plan. The MTFS workstreams are:
 - 1: Increase prevention and reduce new temporary accommodation placements
 - 2: Increase access to alternative housing options
 - 3: Reduce the cost of temporary accommodation
 - 4: Increase move-on into social housing
 - 5: To deliver the MTFS programme through service modernisation
4. Governance for the MTFS Action Plan is centred on a monthly status report and meeting led by the Cabinet Member for Planning, Housing and Growth and the Corporate Director, Residents Services. At an officer level weekly meetings are led by the Assistant Director and the workstream leads. Key indicator dashboards have been established for the MTFS action plan and further development of the dashboards continues to improve the richness and integrity of the data.
5. Whilst good progress in delivering the action plan has been made in a number of areas to date, it should be noted that managing housing and homelessness need continues to be challenging particularly because of arrivals through Heathrow Airport as a port of entry, private sector evictions and households decanted by the regeneration scheme. Securing compliant and cost-effective housing has proved challenging and has impacted delivery of the Action Plan. Given the supply challenges, the risk of overspend pressures against homelessness budgets remains high.

Workstream 1: Increase prevention and reduce new temporary accommodation placements

6. The key target for workstream 1 is for less than 50 new placements per month into temporary accommodation. The service has achieved the target across the eleven months to the end of February 2026, with an average of 50 placements per month. Reduced placements from a forecast 910 to an expected 600 for the year will provide cost avoidance of £3.1m.
7. The following table shows the number of successful homelessness prevention and relief outcomes i.e. accommodation secured, for the first 3 quarters of 2025/26.

	Apr to Jun 2025	Jul to Sep 2025	Oct to Dec 2025
Successful Prevention	28	105	101
Successful Relief	158	255	197
Total	186	360	298

8. An increase in successful prevention and relief outcomes has been achieved through the creation of specialist and family homelessness services; the integration of the Resettlement Team into the service; and the through the adoption of enhanced performance management techniques.
9. The main drivers of homelessness approaches during the period April 2025 to February 2026 were family and friend evictions (1,588), End of Private Rented Sector (PRS) tenancy

(1,376) and cessation of Government accommodation (1,302). These reasons account for 64.4% of the 6,622 approaches during this period. The main reason for new bookings into nightly paid accommodation April to end of February 2026 were end of private rented tenancy (280), humanitarian assistance (92), domestic abuse (91) and family and friend evictions (56).

10. The biggest challenges in this workstream have been high caseloads and recruitment and retention challenges during a period of high demand. Workstream 1 will continue through the next financial year. In 2026/27, in addition to the prevention of mainstream homelessness temporary accommodation placements the workstream will be widened to cover preventing placements of rough sleepers and those households arriving via Heathrow Airport. The overall target for net placements into TA for these groups is a maximum ceiling of no more than 74 per month.

Workstream 2: Increase access to alternative housing options

11. The key aims of workstream 2 are to increase move on from nightly paid temporary accommodation to the (a) private rented sector and to (b) supported housing.
12. The target for 2025/26 is to secure access to 350 private sector tenancies for General Fund homeless households. At the end of February 2026, the target has been surpassed with 423 placements having been secured in this period, representing an average of 38 per month. This is already 85 more private sector placements than were secured in the whole of 2024/25.
13. The rapid expansion of homelessness applications over the last few years has exceeded the effective resources available in the service. A team has been created for the purpose of supporting families to move-on from temporary accommodation, from within existing resources. This has improved the situation marginally but has been constrained by competing demands for PRS placements.
14. Workstream 2 (a) and (b) will continue into next year. The MTFs targets for 2026/27 are for 16 move-on to private rented sector placements from nightly paid temporary accommodation and a further 4 move-on from nightly paid to supported accommodation. This includes movement to shared supported accommodation schemes [e.g. Single Homeless Accommodation Programme (SHAP), Rough Sleeping Accommodation Programme (RSAP), Extra-care, Trinity and YMCA supported housing for single homeless].

Workstream 3: Reduce cost of temporary accommodation

15. Workstream 3 is concerned with controlling temporary accommodation inflation and with securing additional leased properties for use as temporary accommodation. The savings achieved from this workstream are £2.686m in respect of the rate cap and £0.659m via leasing opportunities.
16. To reduce overall spending and unit costs, a price cap was applied to all spot-purchased units; and providers were quickly negotiated down to below this cap by the end of quarter

1 2025/26. Initially, 326 tenancies were above the cap; this phase is now complete. A second phase introduced a lower rent cap, with 393 affected tenancies. By February 2026, this reduced to 20, a 65% reduction. Work continues to fully implement the revised cap programme.

17. The second plank of Workstream 3, to transition to a more cost-effective leased temporary accommodation portfolio is more problematic because of a lack of availability of building safety compliant and cost-effective units. Some negotiations are not continuing because of repair costs. We have completed on 17 leased properties but a larger portfolio of 87 will no longer be progressed. Additional options to increase the leasing portfolio will continue to be considered where these meet the requirements of the Council and offer value for money to residents.
18. Linked to this workstream is a consistent enforcement process for temporary accommodation with regular review meetings having been established with fraud and private sector housing teams.
19. A variation of Workstream 3 will continue into 2026/27. Temporary accommodation management will be strengthened via the creation of a dedicated team. Continued control will be exercised over cost inflation and an inspection programme will be implemented alongside occupancy checks. Rent collection is currently less than 95% and the aim is to increase to more than 96% during 2026/27.

Workstream 4: Increase move-on into social housing

20. Challenges in this Workstream include the ongoing high volume of homelessness applications and housing register applications requiring assessments. There are also competing demands from other housing need groups including decants related to regeneration and management transfers. Use of short life properties for temporary accommodation has delivered savings of £1.9m.
21. The key indicator for this workstream for 2025/26 is for a minimum of 36 social housing lettings to be made to homeless households per month. Between April and the end of February 2026, the total number of social housing lettings made which went to homeless households was 204, representing approximately 46% of all social housing lettings in this period. A number of properties available for re-letting in this period were smaller units and not suitable for larger bed size need homeless families. As the delivery of new increased housing supply from acquisitions takes effect, move on of homeless families from temporary accommodation will also increase.
22. The council is on track to deliver an ambitious programme of new additional social rented housing to meet the needs of local families. This includes working with a partner to purchase additional properties. A successful bid for grant funding to support the purchases (subject to the individual properties meeting their criteria) was approved by the Greater London Authority. Additional acquisitions are being made by our in-house teams. During April to the end of February 2025 there have been a total of 201 acquisitions in total, 70 inhouse buybacks and 131 acquisitions by Madison Brook on our behalf. There has been 174 new build properties for Social / London Affordable Rent delivered in this period including 122 housing association properties.

23. Targets for 2026/27 are for 27 general needs social lettings per month and 6 short life lettings for temporary accommodation. There is a further target to increase supply of general needs/short life lettings by 13 a month through the delivery of a programme of acquisitions. This gives an overall target of 46 move-on into social housing each month.

Workstream 5 - To deliver the MTFS programme through service modernisation

24. Work to modernise the service during 2025/26 has included establishing specialist and family homelessness services; creating a series of dashboards to provide robust data to inform service delivery; the development of the Homelessness and Rough Sleepers Strategy, an extension to the DPS framework, and the MTFS 3 year programme. With additional grant funding in 2026/27, frontline case work is being strengthened to focus on prevention and successful move-on outcomes from temporary accommodation to ensure standards are met and maintained.

End of Year Forecast 2025/26

25. The work undertaken in 2025/26 has contributed to more favourable end of year forecast – meaning that the number of households in TA is likely to be below the number assumed in the MTFS 26/27 starting assumptions. The difference between the M11 forecasts and MTFS 26/27 forecasts is summarised below:

Summary of latest forecast v start of year assumptions for households in nightly paid TA:

- Mainstream 785 M11 v 857 MTFS
- Arrivals via Heathrow Airport 68 M11 v 127 MTFS

Empty Homes

26. In relation to empty homes, our cross departmental working group continues to meet on a monthly basis. An Empty Homes Officer is now in post and is leading on this area of work and is engaging with landlords, property owners and solicitors where properties are in probate.

Measures of success

27. The table below provides an update on the measures of success. The measures indicate positive progress including avoiding the use of shared accommodation for homeless families with children and a currently positive trajectory in reducing the overall expenditure on temporary accommodation.

Measure	Target	Baseline	Apr 25	May 25	Jun 25	Jul 25	Aug 25	Sep 25	Oct 25	Nov 25	Dec 25	Jan 26	Feb 26
1.Higher % Households whose homelessness is prevented	London Average 54% (Oct-Dec 2024)	31%*	19%	33%	31%	38%	39%	59%	50%	48%	48%	34%	27%
2.Families with children/pregnant women in non-self-con B&B > 6 wks	0	0**	0	0	0	0	0	0	0	0	0	0	0
3.Fewer Hshlds homeless and needing TA	50 max (per month)	62***	64	44	66	72	28	39	61	54	35	50	43
4.Fewer Hshlds in nightly charged TA	Zero by 31/03/2026	736**	760	770	789	819	810	809	941	897	892	865	845
5.Lower overall cost of TA (Gross)	Balanced budget by year end	£1,987,313**	£2,007,305	£2,110,797	£1,924,718	£2,003,068	£2,023,660	£1,961,019	£2,105,583	£2,038,995	£2,144,831	£2,089,817	£1,499,146
6.Lower cost per TA unit	Zero over caps set by bedsize	£75.15****	£75.18	£75.99	£78.82	£75.75	£77.16	£72.63	£73.19	£74.91	£79.31	£79.11	£78.97
7.Implementation of acquisition and new build development programme (LBH)	300 acquisition 100 new build	19*** 15***	110	130	252	250	260	320	2015	335	240	150	70
8.Fewer households threatened with homelessness (approaches)	600	609***	568	607	604	616	514	568	722	645	582	626	571
9.Private rented sector placements	30	19***	25	39	33	33	34	43	39	54	31	42	50
Of which let to homeless out of TA	20		4	11	9	7	5	4	3	8	4	5	11

Measure	Target	Baseline	Apr 25	May 25	Jun 25	Jul 25	Aug 25	Sep 25	Oct 25	Nov 25	Dec 25	Jan 26	Feb 26
10.Lettings to homeless households in TA	36 Revised target	32***	8	9	15	14	13	19	22	27	35	19	23

*Average 2024/25

** @ 31/3/2025

*** Monthly average 2024/25

**** March 2025

Financial Implications

The Temporary Accommodation Strategy and Action Plan outlines initiatives to reduce homelessness spend on temporary accommodation. A wide range of measures are detailed in the plan including preventative measures, more efficient service delivery and new ways of working, as well as supply measures such as procuring properties at lower cost, acquisitions and new build.

Some of these measures will have initial cost implications which have been factored in the budget setting process as part of the MTFS and ultimately aim to drive the total cost of homelessness down.

The report outlines progress that has been made in taking forward actions in the strategy. The impact of these actions has begun to show some positive results especially with procuring properties at lower cost through the rent cap initiative. Changes in Rates between April 2025 and February 2026 are shown below.

Category	April 2025 Rates/Unit/day (£)	February 2026 Rates/unit/Day (£)	Difference (£)
1 Bed	64.49	59.43	(5.06)
2 Bed	86.73	77.31	(9.42)
3 Bed	99.86	87.72	(12.14)
4 Bed	108.04	98.39	(9.65)
5+ Bed	126.44	108.46	(17.98)

Weighted average rates show a reduction of £9.19 per unit per day from April 2025 to February 2026. This has generated a cost reduction of £2.46m to date and will generate an estimated full year effect of £2.69m cost reduction based on estimated average annual volumes in February 2026.

As at Month 10, the Housing Service were reporting a pressure of £7.6m, including a £1.3m pressure supporting arrivals from households arriving via Heathrow Airport and presenting to the Council in need of assistance. The pressure is largely driven by Temporary Accommodation and Homelessness Support, with this being a national pressure, but with Hillingdon particularly impacted by having Heathrow Airport within its boundaries having a material impact on supply and demand.

2026/27

The approved budget at Full Council in February 2026 included growth to rebase the budget for the provision of Homelessness Services for General Needs clients, Rough Sleepers and arrivals via Heathrow Airport. This growth has been reduced by the inclusion of 6 savings totally £6,662k aligned to the workstreams detailed above to reduce the overall cost of the Housing Service.

The savings included in the approved budget are:

- Workstream 1 – Prevention £1,704k
- Workstream 2b – PRS Supply and Move on £1,171k

- Workstream 2a – Supported Housing Supply and Move on £464k
- Workstream 3 – TA Rent Inflation Management £230k
- Workstream 4 – Social Housing £1,701k
- Workstream 4 – Acquisitions £1,392k

These savings will be monitored through the demand led financial and activity-based model.

RESIDENT BENEFIT & CONSULTATION

The benefit or impact upon Hillingdon residents, service users and communities?

Those residents affected by homelessness will benefit from the increased focus on fast and effective case handling and on securing sustainable accommodation solutions. All residents of the borough will benefit from the concerted effort to address the budgetary risk related to temporary accommodation expenditure. Sound financial management is a fundamental part of “putting residents first”.

Consultation & Engagement carried out (or required)

This report has not been subject to consultation. The report provides an update on a previously agreed action plan that covers a range of management actions that are necessary to bring high risk expenditure in line with budgetary constraints. Rapid implementation is critical. The strategy covers a wide range of actions, some of which will or have already been subject to consultation, i.e. the recent amendments to the Social Housing Allocation Policy being an example.

CORPORATE CONSIDERATIONS

Corporate Finance

There are no further Corporate Finance considerations other than those highlighted in the financial implications section above.

Legal

This report provides an update to Cabinet and outlines the progress made in respect of the Temporary Accommodation Strategy and Action Plan approved by them in February 2025.

The recommendation is for Cabinet to note the contents of this report and as such Legal Services confirms there are no legal impediments.

BACKGROUND PAPERS

[Hillingdon Homelessness and Rough Sleeping Strategy 2026 to 2030](#)