

# Temporary Accommodation Allocation Guidelines 2023/24

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London Borough of Richmond

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<b>Richmond Borough Council</b>	
<b>Temporary Accommodation Procurement &amp; Allocation – Policy Guidelines 2023/24</b>	
<b>Statutory References</b>	Housing Act 1996 Part VII (as amended) – generally and s208(1) specifically, Children Act 2014 – generally and S11(2) specifically
<b>Statutory guidance and regulations considered</b>	<p>Homelessness Code of Guidance for local authorities, issued by the Secretary of State under s182 (1) in March 2018, specifically chapter 17 which provides guidance on the factors considered suitability issues.</p> <p>The Homelessness (Suitability of Accommodation (England) Order 2012 (SI2012/2601) generally and article 2 specifically.</p> <p>Supplementary Guidance on the homelessness changes in the Localism Act 2011 and on the Homelessness (Suitability of Accommodation (England) Order 2012 generally and paragraphs 48 and 49 specifically.</p> <p>Pan London Inter Accommodation Agreement (IBBA) which places responsibility on the placing authority to accommodate vulnerable households in their own area.</p> <p>Relevant case law relating to affordability of accommodation in relation to suitability– notably, but not exclusively, the judgement of the Supreme Court in the case of Samuels v Birmingham City Council (2019).</p>
<b>Scope</b>	<p>These guidelines are applicable to both the provision of temporary accommodation which does not bring the s193(2) duty to an end and to Private Rented Sector Offers made to bring that duty to an end.</p> <p>With effect from 1st April 2018, these guidelines also apply to accommodation offered under the prevention and relief duties incorporated in Part VII of the Homelessness Reduction Act 2017</p> <p>The guidelines support the Council’s activity in procuring private sector properties to discharge these duties.</p> <p>The findings do not mean that properties can/will (or cannot/will not) be procured in these areas at any given point in time and the data represents information at the point of research. Procurement depends on a range of factors such as landlords’ willingness to enter into agreements with the council and to rent their properties to homeless households, or to hold a property for any considerable length for a family. It is well known that many landlords take a business decision not to let to `homeless’ families or to families otherwise reliant on universal credit /local housing allowance.</p>

	<p>However, the data is indicative of where the Council should focus its efforts when seeking properties.</p> <p>It also supports the conclusion that it is unlikely to be reasonably practicable to procure enough private properties to meet the need in and around Richmond and that the Council may have to look afield.</p>
<p><b>Contextual information</b></p>	<p>These policy guidelines are recommended and adopted in response to the judgement of the Supreme Court in the case of (TN) Nzolameso v Westminster City Council (2<sup>nd</sup> April 2015).</p> <p>That judgement recommended that each local authority has policies in place and approved by elected members of the Council detailing:</p> <ul style="list-style-type: none"> <li>a) how the council will secure enough units of temporary accommodation to meet anticipated demand for the coming year reflecting its' obligations under both the 1996 Housing Act and the Children Act 2004 and</li> <li>b) how the council will allocate such units of temporary accommodation as are available to individual homeless households, to which reference can be made when deciding and explaining who will or will not be allocated accommodation in and out of district.</li> </ul> <p>The Council's Housing and Homelessness Strategy for the period 2018-2023 was approved by the Council's Cabinet on the 15<sup>th</sup> March 2018 including these guidelines that report, which is essential reading to understand the full context in which they operate.</p> <p>The Council report on Homelessness Reduction Act 2017 at the cabinet of 15<sup>th</sup> March 2018, also provides context for procurement of accommodation and reduction of temporary accommodation use.</p> <p>The summary below sets out in broad terms the local housing and homelessness context. This strategy will inform officers on the areas they will be able 1) procure private sector properties and 2) offer the accommodation.</p> <p>Social Services, Health and Housing Committee  DATE: 7th June 2022  Homelessness forecasts and rehousing resources/lettings plan for 2022/23.</p>

**The Housing and Homelessness position in the borough April 2023**

The Borough, in common with most London boroughs, and certainly with inner London boroughs, is facing rising demand for statutory homelessness services and has done so since 2010/11.

Securing private rented properties which are affordable to homeless households in Richmond is extremely (and increasingly) challenging. Private rents here are amongst some of the most expensive in London and most homeless households have low incomes.

As at 31/3/223 the Council was providing temporary accommodation for 575 households (all households sizes); an increase from 351 as at March 2022.

**Temporary accommodation use**

End of March 2023, 59 per cent of all temporary accommodation used at the close of the year was located within the Borough or within neighbouring boroughs (principally within the London Borough of Hounslow), with the balance elsewhere in London or in North Surrey.

The majority of out of borough placements comprises of B and B and/or annex type accommodation, of which there is a very limited supply within the Borough, occupied on a spot purchased basis often at short notice.

Out of the 456, 21 were in B and B or hostels accommodations whereas the other 435 were spread across other types of temporary accommodation, which, by a large majority, provide self-contained accommodation.

**Demand and supply**

During 2023/24, 456 households were placed into temporary accommodation for the first time,

In the same year, some 121 households were accepted, after assessment, as being owed the main housing duty in accordance with s193(2)

We anticipate needing to place 63 households into the private rented scheme to discharge the homeless duty. We further anticipate needing 19 private sector properties to use under the Council's private rented sector leasing schemes.

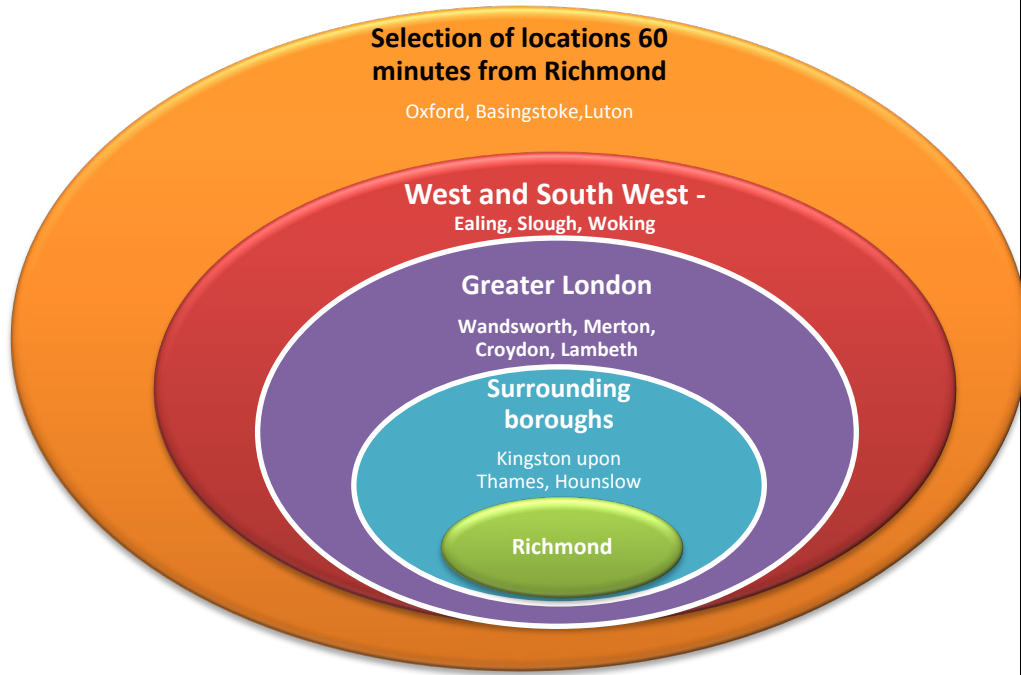
**Procurement guidelines**

	<ul style="list-style-type: none"> <li>• The following principles will apply when procuring properties for both temporary accommodation and private rented sector offers:</li> <li>• The council will act to ensure it is compliant with all relevant legal obligations and have regard to all relevant legal guidance.</li> <li>• The properties need to be affordable and sustainable in the longer term to the households that occupy them, so they are within benefit levels and temporary accommodation subsidy rates. This will give homeless households the lowest likelihood of being unable to pay the rent or of having to move again.</li> <li>• The properties we offer to households will be suitable, compliant with health and safety specifications and be in a decent condition.</li> <li>• The council will focus its primary efforts on securing accommodation that is both within 60 minutes travel by public transport from Richmond Station. The council will also work to secure accommodation for those households who wish to live outside of this area.</li> <li>• Regard will be given to the Pan London Agreement on Inter-Borough Accommodation Placements dated 8 March 2011. This aims to ensure that where a borough is placing a household in temporary accommodation, they will not offer the landlord more than the receiving borough would.</li> <li>• The affordability of properties will be a key factor when procuring properties. Properties should be within allowable subsidy rates or benefit levels in order to meet budgetary targets and therefore cost neutral to the council.</li> <li>• Landlords may be offered incentives above the LHA Levels in order to prevent homelessness and will help secure longer-term savings</li> </ul>
<p>Arrangements for procuring temporary accommodation.</p>	<p>The Council has various supply streams providing temporary accommodation but as the Council does not hold any stock, we are reliant on other landlords to source accommodation.</p> <p>These include working with known accommodation providers/letting agents for bed and breakfast (not self-contained), bed and breakfast annex (self-contained), other nightly paid self-contained properties and include working with individual landlords for individual properties, secured on longer terms leases (3-5 years), and managed by the Council's in house team or secured as a Private Rented Sector Offer.</p> <p>The Council does not have any 'sole' provider arrangements with third party accommodation providers, most of who work with and</p>

	<p>across multiple Councils/Council areas. The marketplace is often characterised as a seller, rather than a buyer, market.</p>
<p>Affordability Considerations</p>	<p>Both secondary regulations, statutory guidance and relevant case-law make clear that affordability is a key component of the suitability of accommodation and that unaffordable accommodation may not be regarded as suitable regardless of the location.</p> <p>The Council aims to procure as much private accommodation in the in Richmond or as close to it as practicable as it can.</p> <p>However, most London boroughs face similar challenges and are finding few properties with rents close to the LHA rates, as well as finding landlords willing to let to households reliant on benefits.</p> <p>The benefit cap has made it harder for boroughs to find affordable accommodation for non-working households and particularly those needing family sized accommodation in borough. .</p> <p>Where a household is claiming Housing Benefit or Universal Credit, the Council will look for properties that meet a household's bed need that are in areas where the LHA rent is affordable and with rising rents that these are likely to be out of the borough and increasingly out of London for larger properties.</p> <p>When assessing suitability, we will consider a household's income and their ability to meet the shortfall between the rent and Housing Benefit paid.</p> <p>For non-working households not exempted from the total welfare benefit cap, the applicable amounts by the DWP are as follows</p> <p>For Greater London, the cap is:</p> <ul style="list-style-type: none"> <li>•£486.98 per week (£25,323.00 a year) for a couple, whether children live in the household or not</li> <li>•£486.98 per week (£25,323.00 a year) for a single parent with children</li> <li>•£326.29 per week (£16,967.04 a year) for single childless people, or with children living elsewhere</li> </ul> <p>The table below outlines property size compared to LHA and average rent in the Inner South West London BRMA that covers Barnes, Mortlake and East Sheen areas of the borough (figures used from <a href="https://www.home.co.uk/for_rent/richmond/current_rents?location=richmond">https://www.home.co.uk/for_rent/richmond/current_rents?location=richmond</a>)</p>

Property Size	2021 LHA rate	Average rent in Richmond	Median Rent in Richmond	Shortfall between LHA and Median Rent
Studio/one bed	£1,280 pcm	£1,978pcm	£1,760 pcm	£480 pcm
Two bed	£1,545.74 pcm	£2739pcm	£2,500 pcm	£954.26 pcm
Three bed	£1914.pcm	£3965pcm	£3600 pcm	£1685.28 pcm
Four bed	£2,572.92 pcm	£4713pcm	£4000 pcm	£1427.08pcm

<p>The availability of properties within and outside the borough</p>	<p>Where the Council is making placements under homelessness provisions i.e. under the interim duty, and especially where there has been little or no notice of homelessness arising e.g. in scenarios of domestic or other violence/harassment, accommodation choices can often be limited, and sometimes as low as one property only at the time of the household presenting</p> <p>For emergency type placements, there is only one bed and breakfast establishment within the borough that works within the homeless family's market, which itself takes bookings from other Councils.</p> <p>As such, through necessity, many such emergency placements will be to accommodation outside the borough, often in adjacent boroughs but regularly to areas further afield within and outside of London.</p> <p>In March 2023 the following research was undertaken to see whether the LHA rate is affordable to those households who are benefit capped.</p>
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Summary of the research findings into affordable private rental markets

<p>Richmond &amp; Central London</p>	<ul style="list-style-type: none"> <li>- Minimal procurement opportunities may exist for studio and one-bedroom and four-bedroom properties for temporary accommodation when utilising the maximum Pan London and Local Housing Allowance rates and private sector offers in specific postcodes, but these are unlikely to be available for family-sized properties.</li> <li>- Private sector rental levels are currently significantly above the maximum rents available via Pan London &amp; Local Housing allowance rates.</li> <li>- Properties are unlikely to be affordable to households affected by the overall benefit cap where occupied by more than 1 adult and 1 child</li> </ul>
<p>Greater London – Merton Croydon Kingston</p>	<ul style="list-style-type: none"> <li>- Slightly increased number of procurement properties available for use as temporary accommodation and private sector offers for studio and one-bedroom properties.</li> <li>- Private sector rental levels are currently significantly above the maximum rents available via Pan London &amp; Local Housing allowance rates.</li> <li>- Properties are unlikely to be affordable to household affected by the overall benefit cap where occupied by more than 1 adult and 1 child</li> </ul>



<p>West and South West</p>	<ul style="list-style-type: none"> <li>- Procurement opportunities available for temporary accommodation and private rents sector offers for one, two- and three-bedroom properties</li> <li>- Small number of 4-bedroom properties available</li> <li>- Properties are unlikely to be affordable to household affected by the overall benefit cap where occupied by more than 1 adult and 1 child</li> </ul>
<p>Areas 60 minutes from Richmond</p>	<ul style="list-style-type: none"> <li>- Some areas offer procurement properties for temporary accommodation and private rents offers for all bedroom sizes</li> <li>- Properties outside of London are likely to be more affordable to households affected by the overall benefit cap</li> </ul>

Affordability and procurement example - One-bedroom property in Inner South West London BRMA April 2022 – (Mortlake, Barnes, East Sheen area) = **£295.49 per week** (£1280.45 pcm)

Benefit cap amount for single over 25 non-working adults = **£326.29 per week.**

Standard personal allowance on UC = £85.09 per week / £368.74 per calendar month

Therefore, if we placed a single client in receipt of UC in the borough, they would only receive £241.20 per week towards their housing costs leaving a weekly shortfall of £54.29 due to the cap: -

Benefit cap £326.29 per week less UC £85.09 per week = £241.20 per week

LHA £295.49 per week less £241.20 per week = £54.29 per week benefit capped shortfall

(this would also include the Outer South West London BRMA at one bed LHA (£241.64 per week)

The closest BRMA to be nearly within the cap would be Outer South London BRMA at £201.37 per week (Mitcham, Sutton, Croydon, Caterham, Coulsdon, Ewell, Epsom)

Conclusions: From the information contained in the tables above, it is obvious that the availability of properties of the size needed by families with children at a rent linked to both the Total Welfare Benefit Cap

	<p>and/or average wages/salary on the market within the Borough is extremely limited or non-existent.</p> <p>As such, it will very often not be reasonably practicable to secure accommodation, sourced through private landlords/agents for households, within the borough and the information on availability of affordable accommodation will impact on the ability to procure properties near to the borough</p> <p>Rather it will often be necessary, because of the realities of the housing market, to source accommodation considerable distances away from the borough necessitating rearranging of schools for children and of other arrangements e.g. health related services and treatment.</p> <p>Therefore, on the discharge of the homeless duties, the potential supply of affordable accommodation will underpin the Council's procurement activity</p>
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<p><b>THE GUIDELINES ON THE ALLOCATION OF TEMPORARY ACCOMMODATION</b></p>	
	<p>Explanatory notes:</p> <p>These guidelines should be followed by staff when allocating/booking temporary accommodation for the placement of homeless households. They distinguish between priorities amongst descriptions of household circumstances to guide officers in deciding when to allocate temporary accommodation in borough, outside but close to the borough, further away from the borough but in London and outside of London if necessary.</p> <p>These guidelines should not be followed blindly and can be applied when there is more than one household under consideration and there is at least more than 1 temporary accommodation vacancy to consider.</p> <p><b>The golden rules</b> are that, if accommodation in the borough is available, and if there is no known higher priority case for it, then the household being considered at the time should always be allocated that accommodation. If accommodation within the borough is not available, then accommodation should be allocated as close to the Borough as is available.</p> <p>These guidelines should also be applied with reference to the individual circumstances of the household needing placement and the characteristics of the property or properties available for allocation to them.</p> <p>Officers should use common sense when making allocations and not necessarily stick blindly to the following guidelines e.g. allocating a property just outside the borough where the household have good reason to prefer to be located in a part of the borough close to the (relevant) borough boundary, then out of borough</p>

accommodation may be a better allocation than in borough accommodation further away.

For example, if the household is from the Ham/Petersham part of the council's district and have young children in schools in that area (e.g. Ham, Petersham or Richmond), an allocation of accommodation in the Kingston part of KT2 would be likely to be more preferable than in borough accommodation allocated in the Whitton area.

**Bed and Breakfast and other emergency access accommodation**

Where bed and breakfast or other non-self-contained accommodation is all that is available officers should allocate in borough accommodation in all cases where such is available. Where in borough accommodation is not available, officers should look to place as close to the borough as possible although these guidelines recognise that, for such emergency accommodation, choices are often extremely limited and entirely dependent on what is available on any given day or indeed any given hour of the day.

**Self-Contained Temporary Accommodation**

**Self-contained accommodation located within Richmond**

- Priority will be given for:
- Families with children in education in the borough where those children are too young or otherwise unable to commute to school and back again unaccompanied.
  - Families with children in special educational learning in Richmond or one or other of the pupil referral units located in the borough unless there are good reasons to place outside of the borough.
  - Families with a household member attending very regular outpatient or inpatient hospital treatment e.g. on a weekly or a fortnightly basis.
  - Families with children coming up to major nationally assessed examinations GCSEs.
  - Families receiving very regular care from relatives/friends in the borough or providing very regular care to relatives/friends in the borough

**Self-contained accommodation located in boroughs adjacent to Richmond or otherwise in the SW London sub region**

- Priority will be given for:
- Families with children presenting a mix between those able to commute to and from school accompanied and unaccompanied.
  - Families with regular attendance at hospitals located in the borough for outpatient treatment at a frequency of at least monthly.
  - Families with employment in the borough at irregular hours which makes travelling to and from the workplace by public transport very difficult.

**Self-contained accommodation**

Priority will be given to:

<b>located elsewhere in London</b>	<ul style="list-style-type: none"><li>• Families with children of an age able to commute to and from school unaccompanied.</li><li>• Families with regular attendance at hospitals located in the borough for outpatient treatment at a frequency of greater than monthly.</li><li>• Workless households.</li></ul>
<b>Self-contained accommodation out of London</b>	Priority will be given to: <ul style="list-style-type: none"><li>• Families subject to the total welfare benefit cap where closer accommodation is not available.</li></ul>
<b>Effective from:</b>	April 2023
<b>Review Date:</b>	May 2024