

## Slough Borough Council

<b>Report To:</b>	<b>Cabinet</b>
<b>Date:</b>	16 <sup>th</sup> March 2026
<b>Subject:</b>	Update on the Service Improvement Plan for Housing Demand and Temporary Accommodation Services
<b>Lead Member:</b>	Cllr Stedmond – Lead Member for Housing, Temporary Accommodation & Estate Renewal
<b>Chief Officer:</b>	Pat Hayes – Executive Director Regeneration, Housing and Environment
<b>Contact Officer:</b>	Lisa Keating – Director of Housing
<b>Ward(s):</b>	All
<b>Key Decision:</b>	NO
<b>Exempt:</b>	NO
<b>Decision Subject To Call In:</b>	NO
<b>Appendices:</b>	Appendix 1 – Detailed Homelessness and TA Service Improvement Plan Appendix 2 – Data pack Appendix 3 – Detailed Operational Update Since November 25 Appendix 4 - TA CISC Minutes and Actions

### 1. Summary and Recommendations

- 1.1. This report provides Cabinet with an update on the Council's homelessness, housing demand and temporary accommodation (TA) services, set within the wider national and local strategic framework.
- 1.2. It outlines progress in delivering the Overview and Improvement Plan for Housing Demand and Temporary Accommodation approved at Cabinet in November 2025, and where the following were noted:
  - The Council's significant challenges in relation to delivery of its statutory homeless duties.
  - The significant financial pressure this was placing on the Council's budget for 2025/26 and over the medium-term financial period.

- That quarterly updates be formally reported to Cabinet, including presenting a more detailed plan and dataset in future updates.
- 1.3. The service operates within the statutory duties set out in the Housing Act 1996 and the Homelessness Reduction Act 2017 and is aligned to the Government's National Plan to End Homelessness (December 2025). Locally, the work aligns with the Council's Corporate Plan commitments to financial sustainability, resident wellbeing and improving housing outcomes.
  - 1.4. The report also updates Cabinet on the current financial position, specifically highlighting continued budget pressure, including those created by subsidy loss. This is the difference between the cost of TA and the Local Housing Allowance (LHA) rate which is the amount that can be reclaimed from central government, being 90% of the LHA rates set in 2011.
  - 1.5. It also sets out progress on the development of the new Homelessness and Rough Sleeping Strategy, which is being produced in accordance with statutory requirements. The Strategy is currently in the review phase (January–March 2026), with analysis of HCLIC data, TA trends and wider needs, alongside engagement with statutory and voluntary partners. Drafting will take place from April–June 2026, with public consultation prior to the final document returning to Cabinet in June.
  - 1.6. Together, the Strategy and SIP form the Council's framework for meeting statutory duties, strengthening early intervention, ensuring suitable accommodation options, and supporting long-term system change. Cabinet receives quarterly updates to support strategic oversight, monitor risks and ensure alignment with corporate and financial priorities.
  - 1.7. CISC – 4 February 2026 acknowledged continued high homelessness demand and significant temporary accommodation financial pressures but noted clear improvements in prevention, move-on activity and cost avoidance. Major concerns were raised about failures in the Jigsaw and NEC systems, with scrutiny prompting MRI to commit to delivering an integration interface by June 2026. CISC specifically recommended that Cabinet receive a more detailed breakdown of the IT budget and future investment requirements.

**Recommendations: Cabinet is recommended to:**

- (a) Note the progress made in delivering the Service Improvement Plan (Appendix 1), including plans to refresh the plan to align with the new Homelessness and Rough Sleeping Strategy.
- (b) Note the development of the new Homelessness and Rough Sleeping Strategy, including completion of the statutory Homelessness Review (January–March 2026) and the timetable for drafting, consultation and return to Cabinet in June 2026.

- (c) Note the recommendations and actions made by CISC on 4 February 2026 and specifically that Cabinet receives a more detailed breakdown of the IT budget and future investment requirements.

**Reason:**

The Council has statutory duties to provide advice, assistance and accommodation to eligible households who are homeless or threatened with homelessness. The Council currently provides services to over 2,400 households at various stages of the homelessness process.

The SIP focuses on early intervention and prevention so that the number of households for whom the Council accepts a main housing duty reduces to around 150 per year, and the number in TA reduces from approximately 1,300 to 900 over five years by securing suitable and affordable permanent accommodation.

These will bring the overall cost to within a more sustainable level, as benchmarked against boroughs with similar demographics and housing supply costs. Subsidy loss would reduce from £21.58m in 2025/26 to approximately £10.79m in 2030/31 if the 5-year plan is resourced and successful. Of this, £1.2m is programmed for 2026/27. Further details on the transformation programme for Housing are set out in the 2026/27 Budget and MTFS report, and the Transformation Plan Update report presented to Cabinet in February.

The root of the financial problem remains the 1,300 plus households in temporary accommodation for whom only a part of the cost can be reclaimed from Government and the fact that the number of new acceptances exceeds the rate at which people are discharged from temporary accommodation.

For those already in TA, the expected 'wait time' before permanent accommodation can be found is between 4 and 10 years depending on accommodation need. Therefore, reducing cost of temporary accommodation is also essential to reduce the overall cost and subsidy loss gap.

Though key actions remain prevention through early intervention, acquiring cheaper property to use as temporary accommodation both in and outside Slough and increasing the supply of affordable housing in Slough in line with the wider Housing strategy are also important key components of the improvement plan.

Delivering these outcomes will bring costs to a more sustainable level and reduce subsidy loss associated with TA, with an indicative halving of the current pressure over the medium term if the SIP is delivered in full.

**Commissioner Review**

Demand for and the management of homelessness and temporary accommodation not only represent substantial human and financial challenges but constitute amongst the highest risks currently faced by the Council. This report sets out actions and progress in establishing grip in the service, and taking forward the Council's recovery

programme. More encouraging data is presented in homelessness prevention, the management of applications and assessments and in moving families from temporary accommodation, especially Bed and Breakfast and more expensive nightly lets. The number of cases without housing benefit being paid has fallen and support for those rough sleeping has had impact. The report is clear, however, that the Council is still in the recovery phase.

Whilst the current actions have introduced more stability in the homelessness service this has yet to produce a downward trend in the numbers of households in temporary accommodation. The Council's future plans revolve around this number reducing to 1300 and below. In subsequent reports officers need to set out a smaller number of key indicators and targets in three spheres: homelessness prevention; the gateway for homeless families seeking rehousing and the assessment process; the population of families in temporary accommodation and the supply of lettings/housing options. Members need to see that all the appropriate operational and policy levers are being fully utilised to improve the overall operation of the service and to deliver the councils plans.

Commissioners are content the report be considered.

## **Report**

### **Introduction**

The Council's approach is framed by the Housing Act 1996 and the Homelessness Reduction Act 2017, supported by statutory guidance requiring an up-to-date homelessness strategy based on a review of local need. Nationally, the Government's National Plan to End Homelessness emphasises prevention, partnership working and data-led decision making. Locally, the SIP is being reviewed and updated to ensure it is aligned to the Corporate Plan, Health and Wellbeing priorities and the Council's medium-term financial strategy.

The Homelessness Reduction Act 2017 which came into force in England on 3 April 2018, significantly reformed homelessness legislation by placing a stronger emphasis on early intervention and prevention. It requires local housing authorities to provide services to all eligible applicants threatened with homelessness within 56 days, regardless of their priority need status.

In December 2025, the Government issued a policy paper titled A National Plan to End Homelessness, which recognises the challenges across the public sector in relation to homelessness and identifies five pillars and a foundation for delivery.

Pillar 1	Pillar 2	Pillar 3	Pillar 4	Pillar 5
<b>Universal Prevention</b>	<b>Targeted Prevention</b>	<b>Preventing Crisis</b>	<b>Improving Emergency Responses</b>	<b>Recovery and Preventing Repeat Homelessness</b>
Tackling the root causes of homelessness	Support for people at higher risk of homelessness	Helping people stay in their homes	Improving temporary accommodation and making people's experiences better if they do become homeless	Ensuring people don't experience homelessness more than once and halving long-term rough sleeping

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### Foundations for delivery

Clear roles and responsibilities, sustainable funding, a skilled and supported workforce, and a new accountability framework

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A skills gap analysis of existing staff versus needs will be completed, to ensure we have the people, skills, experience and capability to deliver the 5 pillars. This will align to a re-structure of the teams, agreeing job descriptions, clear accountabilities and development areas.

## Strategic Framework and Context

### Homelessness Strategy – Statutory Compliance and Programme of Work

To ensure full compliance with the Homelessness Act 2002, Housing Act 1996 and statutory guidance, the Council has commissioned Campbell Tickell to support with the development of a new Homelessness and Rough Sleeping Strategy, aligned to the Government's National Plan to End Homelessness (December 2025).

#### 1) Homelessness Review (January – March 2026)

- Analysis of three years of HCLIC homelessness data, TA data, early intervention performance and rough sleeping data.
- Review of key local strategies (Local Plan, Health & Wellbeing Strategy, Adult Social Care, Children's Services and Community Safety).
- Stakeholder engagement with statutory and voluntary partners including health, probation, police, faith groups and commissioned providers.

#### 2) Strategy Development (April – June 2026)

- Draft the Homelessness & Rough Sleeping Strategy with a summary of evidence.
- Identify 4–6 strategic objectives for the next five years and an action plan with timelines and accountability.
- Align objectives to the five pillars of the National Plan to End Homelessness with a strong emphasis on early intervention.

- Undertake public consultation prior to returning the final Strategy to Cabinet in June 2026.

This work ensures the Council will meet all statutory duties to undertake a homelessness review, publish a strategy, align with national policy, and set out clear actions for prevention, accommodation and support. The Strategy will sit alongside the SIP, with Cabinet retaining oversight through quarterly updates on both.

### **Progress Since November 2025 (High-Level Summary)**

- Early Intervention model embedded, increasing preventions and reducing crisis placements.
- Backlog at approach/assessment stage reduced significantly, lowering operational and compliance risk.
- Improved compliance and safety governance across TA, with exit from non-compliant providers where required.
- Rough sleeping pathway strengthened, with specialist roles recruited and strong move-on performance maintained.
- Transition from nightly-let to more affordable, compliant TA options underway, including negotiations on Private Sector Leases (PSLs).
- Data quality and reporting improved; performance information now supports weekly officer oversight and regular Member visibility.

A draft five-year plan has been developed to stabilise and then significantly reduce demand for Temporary Accommodation (TA) in Slough. The plan sets out a strategic shift toward early intervention and prevention activity, increased use of compliant and lower-cost TA options, and stronger pathways into permanent accommodation.

This five-year plan is **currently under review**. It will be **updated and fully aligned** with the new **Homelessness and Rough Sleeping Strategy**, which is scheduled for finalisation in **June 2026**. Once the strategy is complete, the revised five-year plan will be brought back to **Cabinet for approval**.

The emerging plan reflects the challenges highlighted through the transformation work undertaken since Autumn 2024, including the historic backlog in case management, limited system integration, high demand for TA, resourcing constraints, and the resulting financial pressures. Alongside these challenges, progress has been made in implementing the service improvement plan, enhancing financial oversight, accessing additional MHCLG grant funding, and recruiting interim staff to address the backlog.

The refreshed plan will ensure clear alignment with the Council's Corporate Plan, particularly the commitments to financial sustainability, transparency about difficult decisions, and enabling residents and communities to live well.

### **Background**

- 1.8. A large-scale recovery and improvement project was started in October 2024 in response to an emerging budget pressure in the Homelessness and TA service area.

- 1.9. Between January 2025 and December 2025 the recovery effort has focussed on recruiting interim staff to deal with backlog cases, identifying and clarifying ICT requirements, updating the accuracy of data, increasing the level of early intervention and prevention, reducing the cost of TA units, formalising agreements with providers of TA, inspecting properties for safety and creating a strategy and plan for reducing the number of households in TA.
- 1.10. In parallel, a Service Improvement Plan has been developed that has specific and targeted activities relating to Homelessness and Rough Sleeping, TA and Allocations as well as cross-Departmental Projects e.g. ICT and property acquisition activity.

### **Progress updates since November 2025 Cabinet**

- 1.11. Since November 2025, significant progress has been made in addressing the challenges highlighted by Cabinet. Demand for homelessness services remains high, but focused efforts on prevention, case management, compliance and data quality are beginning to deliver measurable improvements. Key developments include enhanced early-intervention activity, strengthened compliance and safeguarding arrangements within temporary accommodation, and improved data quality enabling clearer reporting to Cabinet, Scrutiny and government partners. These improvements have also helped secure additional external funding.
- 1.12. While challenges remain—particularly around caseload backlogs and legacy Housing Benefit issues—the direction of travel is positive, and operational work continues at pace. A more detailed breakdown of operational performance and activity is provided in **Appendix 3**.
- 1.13. **Service demand and early intervention** – Our objective over the next 2-3 years is to ensure that a maximum of 150 households per year are accepted as main duty. Our primary tool to achieve this is to prevent homeless via early intervention with households at risk of homelessness. Between October 2025 and January 2026 there was an average of 44 new approaches per week of households threatened with or homelessness. This is slightly below the average of 45 in the previous quarter. On average, 10% of households that present as homeless end up with a duty accepted. This means they will go into TA.

Since October 2025 the service has shifted decisively to an early intervention model, with stronger triage. Since the Early Intervention initiative went live in October 2025 there has been a clear step change: Between January 2024 and September 2024 the Housing Demand Team business as usual (BAU) team prevented 18 homelessness cases, around two per month. In comparison, between October 2025 and December 2025, 27 homeless preventions were recorded, an average of 9 per month with an approximate four-and-a-half-fold increase in Private Rental Sector (PRS) based prevention and sustainment.

A dedicated PRS procurement function, using targeted incentives, has delivered around £1.3m in savings and cost avoidance by preventing or shortening

placements in expensive TA, and on this trajectory PRS-based preventions alone are running at 100 per year; when combined with other prevention routes this places the service on a credible path to achieving around 150 homelessness preventions by April 2026.

- 1.14. **Backlog cases being assessed** - A key element of the Service Improvement Plan has been addressing the historic backlog of cases at the approach/assessment stage, which initially stood at 941 households. The total now stands at 585, with the most intensively managed cohort reduced to around 430 open approaches, a reduction of roughly half. This has significantly lowered both operational and compliance risk.

Simultaneously, weekly section 184 decisions (the formal written notification from SBC to a person seeking help with homelessness, detailing its decision on what duties (if any) it owes them under the Housing Act 1996) across prevention, relief, main duty, and case closures has increased.

The number of long-running relief cases has started to fall, with households in relief for over 56 days reducing from 549 to around 505. Dedicated officers continue to systematically progress older and TA-linked cases, applying the 14day engagement policy and utilising PRS and studio offers where appropriate. This focus ensures more households reach clear statutory outcomes on time, with far fewer remaining “stuck” in the system.

However, strategic risk remains high, as internal analysis suggests 80–90% of households that move beyond 56 days in relief go on to full duty and typically require support for 4–5 years, generally in TA. This risk is being mitigated in three ways. The Early Intervention team will reduce the number of households requiring assessment in the first place. The backlog team will clear the backlog by August 2026 which will allow us to understand the true risk. Finally, the BAU team must commit to assessing cases within the 56 day limit.

- 1.15. **Housing demand (homelessness) processes and procedures** - Core Housing Demand processes are being redesigned with the corporate Transformation Team to improve the end-to-end customer journey and create a more stable business-as-usual model.

The focus is on making sure “homeless today” and other high-risk cases are identified and prioritised at first contact, that other households receive clear, consistent housing options advice, and that hand-offs between Housing Demand, the Early Intervention team, TA and other services are well defined and efficient. This includes moving away from manual trackers and non-automated dashboards, which present control and assurance risks, towards a more standardised, data-led operating model; early process-mapping work is already giving a clearer view of demand, flow and performance.

This is helping to embed early intervention as part of core BAU rather than a time-limited project, supporting a shift from crisis-driven to more planned and proactive working.

1.16. **Additional grant funding** – As a direct result of improved data tracking and reporting which highlighted even greater demand pressure that was originally discovered, an in-year £195k top-up to the Homelessness Prevention Grant (part of the £467k total additional grant) has been awarded. This is being used as targeted investment to embed a more sustainable operating model, rather than for isolated one-off projects. The funding has been directed to:

- Strengthening front-door Housing Options and Early Intervention capacity.
- Expanding community-based outreach work.
- Supporting the PRS procurement specialism

These measures directly underpin the increased prevention caseload, growth in PRS placements.

1.17. **Rough sleepers** – Rough sleeping remains a significant strategic risk, with verified numbers rising from 13 in October to 32 in December. Around 80% of those were verified as having no recourse to public funds which severely limits housing options and makes cases complex and resource intensive.

Rough Sleeping Average Count-year on year seasonal comparison.

	2023	2024	2025
<b>Spring</b>	21	25	29
<b>Summer</b>	24	25	23
<b>Autumn</b>	30	41	31
<b>Winter</b>	34	29	35

In response, the Council is strengthening the rough sleeping and single homelessness pathway through recruitment to four specialist posts: two Rough Sleeping Navigators, an Immigration Support Worker and a Hostel Support Worker. This will enhance outreach, navigation, immigration advice and day-to-day support in hostel settings.

Despite service pressures, the rough sleeping team is performing strongly, with robust move-on performance from the verified cohort, supported by assertive outreach, a clearer pathway into the single homelessness service and close partnership working with commissioned providers, faith and voluntary groups, health, substance misuse and criminal justice services.

Rough sleeping move on data

KPI Area	2019–20	2020–21	2021–22	2022–23	2023–24	2024–25	2025–26 YTD
Rough sleepers placed in Off The Street Accommodation - total at month end	78	51	4	35	43	33	67

Rough sleepers placed in Off the Street Accommodation - new cases placed	-	-	-	68	84	173	82
Rough sleepers placed in Medium- or long-term accommodation	46	42	64	34	49	65	35

**1.18. Housing demand (homelessness) performance in last period** - The following performance indicators are examples of the significant improvements made by the Homelessness team:

	October 2025	January 2026	Variance
<b>Cases registered as In Approach</b>	926	484	-442
<b>Cases registered as In Relief</b>	700	624	-76
<b>Cases registered as being Main Duty Accepted</b>	1,037	1,174	+137

In addition:

- Between October 2025 and January 2026, 1078 cases were closed, an average of 63 / week
- 38 homeless preventions between October 2025 and December 2026 which equates to TA cost avoidance of approximately £3.8m

**1.19. TA Backlog including Housing Benefit (HB) and Rent Arrears** - The TA Legacy backlog has reduced from 545 to 6 remaining cases. To mitigate against any new backlog of HB, licence agreements and creation of NEC rent accounts not being completed and processed, a sign-up tracker was established. The TA and HB Teams access the tracker daily and it enables any delay in TA or HB to be updated live. If there are any exceptions such as IT issues, these are also recorded to enable exception reporting to be extracted and communicated at the Tuesday TA/HB meetings for urgent action.

There is also a new shorter HB form for TA to expedite processing of HB forms.

In addition to this, the work commissioned by PWC, resulted in 1107 cases requiring reconciliation and updates of which 91 remain and will be concluded by end of February 2026.

As a consequence of a large number of backlog cases being added to the system, there has been an increase in rent arrears. Arrears associated with live cases stand at £6.99m while former tenant arrears stand at £7.3m. Colleagues in SBC Finance continue to pro-actively chase these arrears.

The project to address the backlog of housing benefit claims is progressing well. In March 2025, 547 legacy cases were identified as not having been assessed for HB. As of January 2026, all cases have been reviewed with only 186 cases not in receipt of benefit yet. Overall, though, 394 live homeless cases are still not in receipt of HB. Colleagues in SBC Benefits continue to chase residents for information that will enable payment to be made.

**1.20. Income recovery and benefits performance** - Income recovery and housing benefits are integral to the overall recovery plan. Key performance to note is:

	October 2025	February2026	Variance
<b>Current Tenant Arrears</b>	£8.55m	£6.99m	-£1.56m
<b>Former Tenant Arrears</b>	£5.66m	£7.3m	+£1.64m
<b>Backlog HB Claims Outstanding</b>	287	180	-107

In addition:

- The value of Housing Benefit reclaimed from backlog cases increased by £1.75m between October 2025 and January 2026.

**1.21. TA Process and Procedures** - The team has implemented a range of new process and procedures to strength the governance around the allocation of TA properties to homeless families. These are:

- Defined target nightly rates for each property size with clear escalation and sign-off procedure if a TA unit exceeds the target rate via a TA Spend Control sheet which only the head of service or Director can sign-off.
- A TA sign-up tracker which ensures that all steps in setting up a homeless household in TA are completed. This includes licence to occupy agreement, property safety information, housing benefit form, setting up tenancy and charges correctly on the NEC ICT system, updating the Jigsaw case management system. **Note** – all of this is a manual exercise.
- Fit & Proper test for TA providers
- New property inspection process to ensure properties are compliant with statutory health and safety obligations.

- A new process that ensures the TA booking form created by housing demand (homeless) officers is signed by the TA Manager.
- New Invoicing and Schedule Requirements for all TA providers

**1.22. TA acquisition and transition away from nightly let** - Work is well underway to transition away from expensive nightly let accommodation. Decant projects have been completed with two TA providers and the team is currently working on other nightly let properties as part of this transition.

The introduction of a TA Spend Control approval form has also enabled a reduction in the cost of nightly let as part of a phased approach to reduce cost and then cease use. We are currently negotiating moving to Private Sector Leases (PSLs) with two Providers who have expressed their interest in converting their nightly let properties to PSLs.

**1.23. Update on B&B** – The Bed and Breakfast Elimination Plan (as agreed with MHCLG and aligned to the national plan to end homelessness) enabled the reduction of families over 6 weeks in bed and breakfast from 12 to 0. Our drive to stop using B&B (only by exception) is part of our overall strategy to move to short & long term leased accommodation and to increase the Council's ownership of accommodation. This will increase the availability of TA to our TA officers. The overall number of households in B&B has reduced from 148 to 116 since October 2025.

There has also been an injection of additional Homelessness Prevention Grant funding of £150,000 to further reduce households in B&B and shared accommodation of which there are over 100 that this funding will be used to visit and move on.

**1.24. Compliance (property safety)** - Following the initial project to secure compliance documents for all TA properties from managing agents and landlords, we implemented a rolling programme of compliance checks. Providers who failed to meet requirements within the agreed timeframe were exited (two Providers), and three families moved to safe, compliant accommodation.

SBC now operates to a higher compliance standard, which will be strengthened further through the introduction of a Dynamic Purchasing System mandating full compliance before accepting any units.

**1.25. Move on Strategy** – Four relocation providers have been onboarded to support the Move-On strategy. A Housing Open Day was held on 22 January 2026 which saw over 250 homeless households receive housing options advice. We have a pipeline of properties that will provide 632 units of accommodation at various stages for purchase or lease, intended to discharge our homelessness duties or provide temporary accommodation. Delivery dates range as early as March 2026 through to 2031.

Our property pipeline includes 50-100 units acquired through LAHF4 funding. Slough Borough Council have been awarded just over £10m for 4 years as part of the Local Authority Housing Fund (LAHF) which is a capital grant programme

enabling local authorities in England to acquire or refurbish properties for new housing. This programme is now approaching Year 4, hence LAHF 4 and focuses on reducing homelessness by improving temporary accommodation for families and supporting resettlement for households under the Afghan Citizens Resettlement Scheme (ACRS) and Afghan Relocations and Assistance Policy (ARAP). A secondary aim is to boost long-term affordable housing supply by repurposing these properties for general needs once initial requirements are met.

To achieve final approval of the award from MHCLG, the Council had to submit a validation form, and this was completed on 16<sup>th</sup> December 2025. If successful, the Council can increase its housing supply by 50 – 100 units. This means that 50-100 households in TA would be able to move to permanent accommodation i.e. the Council discharges its duty to house the household. On average, each TA household costs the Council £26,400 / year so if we can discharge duty on 50 the Council would save £1.32m. The Council will be advised of the outcome i.e. whether our submission has been approved or not to utilise the LAHF 4 funding on or around 3<sup>rd</sup> March 2026.

There has been an additional £81,000 of external funding via the Homeless Prevention Grant (HPG) that will be utilised to expand resources, support families and children in TA, accelerate move-on options, and recruitment is underway.

1.26. **TA performance** - The following performance indicators are examples of the significant improvements made by the TA team:

	October 2025	January 2026	Variance
<b>Households in B&amp;B</b>	148	117	-31
<b>Families in B&amp;B &gt;6 weeks</b>	7	0	-7
<b>Backlog TA cases with no HB application</b>	545	0	-545

In addition:

- The transfer of 54 households to cheaper TA has generated £699k of cashable savings between May 2025 and January 2026.
- 66 households have been decanted from TA provider Galaxy to cheaper, safer accommodation since October 2025

### 1.27. Finance

1.28. The financial position continues to reflect the structural gap between TA costs and recoverable Housing Benefit subsidy. This pressure has been recognised within the draft 2026/27 budget following updated forecasting with Finance colleagues, providing a realistic base position from which to track the impact of improvements. Initiatives are in train to reduce average TA costs by moving

households from expensive to more affordable accommodation and to reduce use of B&B, however demand remains high and is being closely monitored.

1.29. Since November 2025 it has been recognised that the £15m budget pressure, associated with subsidy loss, was not factored into the 2025/26 budget. The expected subsidy loss of £21m is a more realistic starting point for the 2025/26 financial year, instead of the budgeted figure of £6.53m. This has been rectified in the 2026/27 budget.

The table below shows that between 2022/23 and 2024/25, subsidy loss was an average of 57.6% against TA spend. In 2025/26, subsidy loss was predicted to be 66% against the budgeted £31.2m of TA spend. The current forecast for subsidy loss is £20.4m compared to the budget of £6.5m. The forecast variance of £15.05m deficit reported at Quarter 2 has improved to £13.86m at quarter 3, as reported to Cabinet in February.

Description	2022/23 Outturn	2023/24 Outturn	2024/25 Outturn	2025/26 Annual Budget - Revised	2025/26 Forecast @P9	2025/26 Variance from Revised Budget	Revised Forecast Risk
TA Households with Rent Accounts	676	846	1,298	1,300	1,300	0	
	£'000	£'000	£'000	£'000	£'000	£'000	
Total Accommodation costs	£8,571	£19,623	£31,979	£31,200	£34,541	£3,341	
Provision for bad debt			£3,027				£1,068
Total Rental Income	-£5,137	-£13,385	-£24,280	-£30,420	-£33,761	-£3,341	£3,543
Variance	£3,434	£6,238	£7,699	£780	£780	£0	
Expenditure & Income Gap	£3,434	£6,238	£3,263	£780	£780	£0	
Total HB Expenditure - Non-HRA	£7,636	£6,967	£24,036	£9,899	£32,411	£22,512	
Total Subsidy Recovered - Non-HRA	-£3,201	-£2,648	-£11,277	-£3,365	-£12,020	-£8,655	
Total HB Subsidy loss (£)	£4,435	£4,319	£12,759	£6,534	£20,391	£13,857	
Total HB Subsidy loss (%)	58%	62%	53%	66%	63%		
<b>Overall Total</b>	<b>£7,869</b>	<b>£10,557</b>	<b>£20,458</b>	<b>£7,314</b>	<b>£21,171</b>	<b>£13,857</b>	<b>£4,611</b>

The Housing team continues to work very closely with Finance and Benefits colleagues to track TA expenditure and income from Housing Benefit.

### 1.30. Data & ICT

#### *System Integration*

Systems and data remain a critical dependency. The lack of integration between Jigsaw (homelessness) and NEC Housing is being addressed through supplier engagement and corporate DDaT planning. Given cross-council impacts, any decisions on procurement, contract extension or system replacement will be brought to Cabinet via a separate report. This report focuses on service implications and the dependencies that must be managed to support sustained recovery.

The lack of integration between the systems used to support TA and homelessness – and in particular the lack of integration between Jigsaw (the homelessness application) and NEC Housing – has been a known gap for over a year. Various attempts to secure resource for this project in early 2025 did not proceed. The PwC review conducted in Summer/Autumn 2025 underlined its significance and recommended that the business case for system integration or consolidation (i.e. using a single system for homelessness casework and housing management) be assessed.

Minimal progress has been made, partly because there have been no additional resources available in year for the work and, more significantly, because MRI (the Jigsaw supplier) does not provide currently an interface into Jigsaw that would permit the required integration.

DDaT has been exploring whether an interim integration is possible even without that interface. No reusable solutions were found from other Councils, and one Council reported that it had abandoned an attempt to integrate the systems. DDaT experimented with the use of robotic process automation to link the systems, but there are specific design characteristics of Jigsaw that make this highly challenging.

In a recent, welcome development, MRI has now stated that it plans to release the interface required to enable integration by the end of June 2026. This will enable us to develop and test that integration in Q2 2026/27, finally resolving this long-running issue.

#### *Housing Management System (NEC Housing)*

The contract for NEC Housing expires in March 2027. There is a separate report on the Cabinet agenda recommending key decisions in this area.

#### *Other development relating to data and ICT*

A comprehensive review of reporting requirements has been undertaken, and requirements are with colleagues from DDaT to implement via a 'Power BI Dashboard Phase 2'. These will be implemented incrementally, in priority order, over the next quarter, and some immediate high priority issues have already been resolved.

A project to procure and implement a Choice Based Lettings solution has been started. However, and partly because of resource constraints, the procurement has only been formally launched in January, pushing go-live until at least June 2026.

No progress has been made on implementing the Private Sector Leasing Module partly because there was no in-year funding allocated to it and partly because it represents additional investment in NEC Housing, so is dependent on the decision on the future of that application.

In summary, the ongoing challenges associated with IT systems and data, as set out above, continue to impede quick progress to a BAU situation, but there are plans, underpinned by investment factored into the proposed 2026/27 Budget, to address them.

1.31. The B&B elimination plan, endorsed by MHCLG, continues to be effective. While a small number of families may still require B&B in emergency situations, there are **currently no families placed for longer than six weeks**, in line with statutory requirements.

#### **Key Risks:**

- Sudden increases in homelessness presentations may exceed available temporary accommodation capacity.
- Limited supply of suitable, self-contained TA could create pressure to use B&B.
- Provider withdrawal or property compliance issues may reduce available stock at short notice.
- Operational delays (e.g., assessments, IT constraints, HB processing) could prolong interim placements.

#### **Mitigations:**

- Strong early-intervention and PRS sustainment activity is reducing the number of households entering TA.
- Expansion of affordable TA supply through PSLs, acquisitions and move-on pathways increases resilience.
- Daily monitoring and strict controls ensure any B&B use is time-limited and senior-manager approved.
- Improved data tracking, surge planning and cross-council coordination ensure rapid response where needed.

With these controls in place, the risk of breaching the six-week limit remains **actively managed**, and the Council aims to sustain a **zero-breach position**, except in unavoidable emergencies.

Current and former tenant arrears is virtually £15m with former tenant arrears increasing week on week. Officers are seeking additional interim staff to deal with this and an external third party has been commissioned to chase former tenant arrears where the tenant owes £5k or more.

Overall, The Council is still in a recovery phase and has not yet reached a business-as-usual situation. This is likely to continue until integration between systems has been resolved and officers, particularly those in TA team are able to move from temporary to permanent contracts

As requested by Cabinet in November 2025, a data pack has been produced which profiles performance and was shared with Overview and Scrutiny in February 2026. The lead member is regularly briefed on service performance and this has been a focus in informal meetings with cabinet.

### 3 Financial Implications

- 3.1 The budget requirements for the actions outlined in this updated report; to improve the Homelessness, Rough Sleeping, Temporary Accommodation, and Housing Allocation services have been costed and reflected in the 2026/27 budgets recommended by Cabinet to Council in February 2026. A net additional budget of £486k has been e provided to further support the Services plus £15m for HB TA subsidy loss arising from the current TA accommodation spend.

Service Description	2025/26			2026/27		
	Amended Budget	Budget Forecast @ P10	Budget Variance @ P10	Original Base Budget	Approved Budget Changes (net)	Approved Budget
	£'000	£'000	£'000	£'000	£'000	£'000
TA Accommodation costs	31,200	35,037	3,838	31,200	2,302	33,502
TA Rental Income	-30,420	-34,257	-3,838	-30,420	-2,302	-32,722
TA/Allocations	339	481	142	339	49	388
Housing Demand	979	807	-172	979	54	1,033
Housing Prevention	-1,082	-1,082	0	-1,082	2,926	1,844
Rough Sleepers Initiative	0	0	0	0	908	908
<b>Total TA &amp; Homelessness</b>	<b>1,016</b>	<b>653</b>	<b>-363</b>	<b>1,016</b>	<b>3,937</b>	<b>4,953</b>

In addition, the proposed HRA 30year Business Plan to be considered by cabinet in February includes provision for £5m each year for 30 years for new affordable housing. In the current year an additional £426k Homelessness Prevention Grant has been received and being applied towards specific service improvement initiatives.

Further transformation plans, as set out to Cabinet in February will require additional funding, built into the assumed corporate allocations for Transformation.

While initiatives are being implemented to reduce the average TA accommodation costs by moving clients from expensive to more affordable accommodation as well as reducing number of households in B&B, the number of new demand appear to be outstripping the number of clients move out of TA. As a result, there is a risk that the current year forecast spend may well exceed the £34.541m reported above resulting in additional budget requirement next year. The forecast remains under review.

### 4. Legal implications

- 4.1 Under Part 7 of the Housing Act 1996 the Council has duties in relation to the provision of advice and assistance for prevention of and support to those who are at risk of or find themselves homeless. A statutory code of guidance for

homelessness has been published. This requires the Council to have in place a homelessness strategy based on a review of homelessness in the local area. The strategy must be reviewed at least every 5 years. The current strategy is being re-drafted and is scheduled to be submitted to Cabinet in June 2026 for approval. This strategy must set out the Council's plans for the prevention of homelessness and for securing that sufficient accommodation and support are or will be available for people who become homeless or who are at risk of becoming so. Any accommodation provided in furtherance of homelessness duty must be suitable, regardless of whether this is provided from the Council's own housing stock or via a third-party landlord. An applicant has a right of review and a right of appeal in relation to key decisions made in relation to duties under the Housing Act 1996 and associated legislation.

The Council may, but does not have to, utilise its own housing stock as temporary accommodation. Accommodation offered under Part 7 of the Housing Act are offered on a non-secure tenancy or licence depending on the nature of the accommodation and tenants are not eligible for the right to buy. The Council has various powers to acquire land, and when acquired in its capacity as local housing authority, the most appropriate power is s.9 and s.17 of the Housing Act 1985. Expenditure and income relating to property provided under this part to the Housing Act 1985 must be accounted for in a ring-fenced account known as the Housing Revenue Account (HRA). This requires that housing management costs are accounted for in the HRA, however any costs associated with housing advisory or homelessness assessments must be accounted for in the GF. In addition, subsidy loss must be accounted for in the GF. The HRA (Exclusion of Leases) Direction 1997 excludes from the HRA leases of up to 10 years for dwellings taken out by authorities for the purpose of housing homeless households. Properties should only be acquired and accounted for within the HRA if they are financially viable for the HRA based on its approved business plan. The Council's HRA Business Plan was approved by Full Council in February and does reference grant and capital available to acquire properties for TA. As some leasehold property may be acquired on a higher annual rent than that which will be recouped via use and occupation charges, the Council may not always be able to justify using HRA funds. As an alternative the Council could use its power under the Local Government Act 1972 to acquire land and account for this in the General Fund.

The Council must comply with the Rent Standard and Policy Statement on Rents for Social Housing. This applies to low-cost accommodation owned by local authorities and registered providers. This requires rent to be set as social rent or affordable rent (if agreed by the Secretary of State, Homes England or GLA or otherwise permitted in accordance with the Policy Statement).

There are some exemptions from the policy statement including property used for temporary accommodation let under licence and held outside the HRA on a lease of no more than 2 years and fewer than 30 years. The draft Policy Statement from 1 April 2026 provides more flexibility on social landlords,

including local authorities, to charge affordable rent as an alternative to social rents. This permits affordable rent (80% of market rent) to be charged provided that the properties have not been converted from housing let on a social rent basis. If this power is brought into force, it provides more affordable opportunities for the Council to acquire properties on a freehold or long lease basis for use as temporary accommodation within the HRA. Careful consideration needs to be given to this, particularly when grant or RTB receipts are to be used, as grant conditions may require property to be used for specific purpose on social rents basis.

The Council may borrow for the purpose of acquiring housing property to fulfil its local housing authority duties. There is no HRA debt cap, however any borrowing must be in accordance with the Prudential Code for Capital Finance in Local Authorities. Where the Council pools its debt, the HRA is charged with interest on a consolidated rate of interest basis to reflect overall interest cost incurred by the Council.

## 5. Risk management implications

5.1 The corporate risk relating to Homelessness and TA is overseen jointly by Cabinet and CLT. Mitigations are owned by the Director of Housing and the Director of Finance (for revenues and benefits). Key risks include demand surges, workforce capacity, PRS access, grant volatility, systems integration, winter pressures, acquisition risks and income collection. Mitigation actions include surge planning, targeted incentives, grant exit planning, data improvements, strengthened compliance, and progressing acquisition and move-on options.

A summary of the risks has been set out below with the current risk rating as of January 2026. The risk rating considers 3 months of mitigation actions. The overall ownership of risk is shared by Cabinet and CLT with mitigation actions the responsibility of the Director of Housing and the Director of Finance (for revenues and benefits risks). The Corporate Risk Dashboard, which contains a specific risk relating to Homelessness and TA is reviewed on a quarterly basis with the Interim Risk Manager. These are set out in the table below:

Ref	Risks	Potential Impact	Mitigating Actions	Jan 2025 Update	RAG (as of February 2026)
A	Surge in demand (e.g. economic shock, policy change, major landlord exit)	Delays at triage/assessment; higher use of Temporary Accommodation (TA) including nightly-paid; additional General Fund pressure; poorer resident outcomes.	<b>Business continuity</b> surge plan; cross-cover and agency pool; overtime clinics; protected triage/duty lanes; early-warning dashboard (presentations, eviction notices); rapid re-prioritisation of caseload.	Renter's rights act could lead to a surge in approaches. Early intervention team is playing critical role in mitigating the risk	

B	Recruitment & retention of skilled officers	Reduced prevention throughput; growth in backlog; inconsistent decisions; greater reliance on agency; risk to statutory timescales (HRA 2017). No reduction in costs, lack of compliancy information, on-going data reconciliation issues.	Extend successful fixed-term posts subject to performance and funding. All posts to be advertised as with Temp to perm opportunity	Interim staff recruitment has been ongoing for the last 18 months as we have accessed grant funding. Retention in the last 6 months has improved but remains high risk as Temp to Perm activity stopped while SBC deals with financial pressures and a wider Housing restructure will take place in Q4 25/26 through to Q1 26/27	
C	Limited access to the private rented sector (PRS) - impact of Renters Rights Act.	Fewer preventions/increased need for TA placements	Targeted incentives funded by HPG (deposit, rent in advance, capped uplift up to 18%); dedicated Landlord Liaison and forum; quick payments where criteria met; PRS portal/comms packs. Support from NRLA (National Residential Landlords Association)	The Team has increased access to PRS solutions in the last period.  <b>Note</b> – impact of Renters Rights Act.	
D	Grant volatility (HPG / RSAP)	Loss of funding for prevention posts and landlord incentives; reversal of progress; TA spend rises; programme slippage.	<b>Exit strategy</b> for grant-funded roles; evidence cost-avoidance to support base-budget bids; monthly finance reviews and early escalation to Members/Section 151 as needed.	Grant is still volatile, but SBC has benefited from an upturn in grant allocation in past period. Not guaranteed going forward though.	
E	Systems & data delays (case management, reporting)	Manual workarounds; slower decisions; risk benefits realisation deferred.	<b>Interim fixes</b> (standard templates, trackers); backlog data cleanse; named project initial version of portal/uploads while full system is delivered.	Manual workarounds and excel trackers still in place	
F	Rough sleeping winter pressures & institutional discharge (hospital/prison)	RS surge; SWEP pressure; safeguarding and public health risks; emergency spend; reputational risk.	Pre-agreed SWEP rota/capacity; No Second <b>Night Out (NSNO)</b> buffer beds; hospital discharge and probation pre-release protocols	Rough sleeping team performing well and pre-agreed SWEP rota in place	
G	Un-successful acquisition of affordable TA.	Cost (spend) of TA remains high at £34m with subsidy loss at £22m	Current BAU and backlog teams working through re-negotiation of current placements and step-down (transfer) project.	Team is progressing steadily through backlog to re-negotiate nightly rate accommodation. Forecast spend remains £34m and subsidy loss remains at just under £22m.	
H	Un-successful acquisition of permanent move on	Cost (spend) of TA remains high at £34m with subsidy loss at £22m	Investment in Acquisition team. Identify spend to save funding to acquire minimum 100 empty affordable	Working with 4 providers of move-on accommodation.	

	accommodation		homes. Improve relationships with local registered providers to discharge duty to.		
I	Actions by other Local Authorities	Available TA homes in Slough are occupied by TA households from other Local Authorities.	Early engagement with TA providers and commitment to leasing arrangements that protect the commercial position of both parties.	Continues to be a significant risk with little ability to mitigate.	
J	Subsidy fixed at 90% 2011 LHA Rates for private sector tenancies used as temporary accommodation	Subsidy loss continues to increase from current £22m.	Commitment to reduce cost of TA units i.e. target the actual LHA rate	Continues to be a significant risk with little ability to mitigate.	
K	Income collection does not equal rent charges from provider	Current budget pressure forecast of £780k increases because income collected does not meet costs charged.	Dedicated backlog and BAU teams to ensure tenancy and rent accounts are created for all new cases and that Housing Benefit is claimed accordingly.	Detailed tracking in place but remains a risk as backlog cases still be worked through.	
L	Failure to implement up to date, compliant policy, strategy and plans.	If the council does not have up to date statutory plans it increases legal risks on any challenge.	The issue is on the TA and Housing Demand improvement plan and the Landlord Services service improvement plan. The Director of housing will procure external support to consult on and draft an integrated suite of policy and strategy	External support procured. Re-draft of policies has started.	

## 6. Environmental implications

6.1 There are no environmental implications.

## 7. Equality implications

7.1 The Council has a legal duty under the Equality Act 2010 to eliminate discrimination, advance equality of opportunity, and foster good relations across protected groups. Homelessness and TA could comprise all equality groups and some groups will be over-represented such as women, some ethnic groups, disabled people, young people and care leavers. The improvement will positively impact those equality groups who are more likely to find themselves homeless. Locally, the proposed plan particularly supports residents with disproportionate needs, including disabled people, women (especially those affected by domestic abuse or pregnancy), young people and care leavers, ethnic minorities,

migrants with insecure status, rough sleepers, older people, and those facing language, literacy, or digital barriers.

7.2 The plan is expected to have a positive equality impact. Early Intervention staffing will improve access and reduce crisis placements. Targeted financial tools and tailored pathways for rough sleepers will help reduce health and safeguarding inequalities. Digital and assisted-digital options, alongside staff training and quality assurance, aim to reduce unequal outcomes.

Equality impact assessments are carried out on specific cases at key points, for example at the point of eviction and discharge decisions.

7.5 Overall, the plan is assessed to have a positive impact on equality, with earlier support, safer pathways, and reduced harm, provided mitigations are applied effectively.

7.6 The implementation of the service improvement plan will positively impact on residents with protected characteristics by offering safer, more stable temporary accommodation as well as pathways into permanent accommodation that is fit for purpose and aligned to their need.

## **8. Corporate Parenting implications**

8.1 The TA & Homelessness SIP supports our Corporate Parenting responsibilities, aligning with Priority 2 of the Corporate Parenting Strategy 2024–2027: ensuring looked-after children and care-experienced young people have stable homes and the right support. Through homelessness prevention pathways, development of a Joint Housing Protocol for 16–25-year-olds, use of the Housing Allocations Policy to prioritise2addressed in this plan as it will have implications around how housing is offered to young people e.g. they are exempt from intentionally homeless status.

8.2 The number of children and young people requiring services provided by the homelessness and TA function is increasing i.e. the 16 – 25 threshold group as well as care leavers. The number of HRA homes available to allocate to these groups remains very low and in direct competition with families in TA whom the Council also has a requirement to move into permanent accommodation. It is likely that more ‘out of Borough’ solutions will be required in the future.

## **9. Procurement implications**

9.1 Delivery of the improvements will require procurement activity, particularly in relation to DDaT systems. Given cross-council scope, proposals will be brought forward in a separate DDaT Cabinet paper with appropriate recommendations and delegated authorities.

## **10 Workplace implications**

10.1 To successfully deliver the proposed improvements, the directorate will need support to deliver the restructure to recruit and retain a significant proportion of permanent members of staff and to retain interim staff until the new business as usual service is established. Where interim staff have been with the directorate for a significant period, it is advisable to review rates/payroll arrangements. In addition, should interim staff express an interest, they should be encouraged to apply for permanent roles where vacancies arise to support retention of organisational knowledge.

## **11. Property implications**

11.1 The SIP identifies an indicative requirement for additional suitable TA and permanent accommodation. The council is intending to acquire and lease properties and proposals will be subject to separate Cabinet approval through the Council's property governance routes.

## **12. Background Papers**

None