

## Slough Borough Council

<b>Report To:</b>	<b>Cabinet</b>
<b>Date:</b>	22 <sup>nd</sup> June 2026
<b>Subject:</b>	Update on the Service Improvement Plan for Housing Need and Support Services
<b>Lead Member:</b>	Cllr Iftakhar Ahmed – Lead Member for Housing, Homelessness and Communities
<b>Chief Officer:</b>	Will Tuckley – Chief Executive
<b>Contact Officer:</b>	Karen Shaw – Interim Director of Housing Needs & Support
<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 –Service Improvement Plan Appendix 2 – Data pack

### 1. Summary and Recommendations

- 1.1. The service operates within the statutory duties set out in Part VI and Part VII Housing Act 1996, as amended, 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 deliver financial sustainability, resident wellbeing and improve housing outcomes
- 1.2. This report provides Cabinet with an update on the Council's Housing Needs and Support services.
- 1.3. It outlines progress in delivering the Service Improvement Plan shared with Cabinet in November 2025 and March 2026 and sets out further details of how improvement and transformation will be delivered.
- 1.4. The report also updates Cabinet on the current financial position, specifically highlighting continued budget pressure, including that created by subsidy loss.

- 1.5. The report also updates on the development of the new Housing Strategy, Homelessness and Rough Sleeping Strategy, and Housing Allocations Scheme which underpin the key legal and strategic policy backdrop for Housing Needs services.
- 1.6. The Corporate Improvement and Scrutiny Committee (CISC) of 4 February 2026 acknowledged continued high homelessness demand and significant temporary accommodation financial pressures but noted clear improvements in prevention outcomes, move on activity and cost avoidance from improved prices paid for supply. Scrutiny asked that officers prompt MRI, the IT provider of the homeless casework system, 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

- 1.7. Note the progress made in delivering the Service Improvement Plan (Appendix 1), including a refresh of the plan to re-prioritise activity and ensure there is adequate focus on key strategic priorities.
- 1.8. Note the new Housing Strategy will be brought to Cabinet for approval in June 2026, the Housing Allocations Scheme has completed consultation and will be presented to Cabinet in July 2026, and the Homelessness & Rough Sleeping Strategy will be presented to Cabinet in the autumn post formal consultation.
- 1.9. 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:**

- 1.10. The Council has statutory duties to provide advice and support to households who are threatened with homelessness. In some circumstances, there is also a duty to provide temporary accommodation (TA) and a longer-term housing duty to provide preference on the housing register or a suitable offer in the private rented sector. The Council is currently providing services to over 2,300 households at various stages of the homelessness process.
- 1.11. The Service Improvement and Transformation Plan has been reviewed and now focusses on 4 key themes:
  - **Prevention** – prioritising interventions to sustain households in their existing homes or secure alternative homes that avoid the need for TA.
  - **Move on** – Supporting households to move on from TA, primarily into private rented accommodation or social housing offers via the housing

register and making appropriately robust homeless decisions about housing duties.

- **Supply** – improving the value for money and condition of TA and securing longer term options that provide greater certainty about both cost and standards.
- **Future Service** – policy and infrastructure themes including IT, data and staffing, that will support the development of good services in the future

1.12. Targets include reducing the number of households for whom the Council accepts a main housing duty to around 150 per year and reducing the number in TA from approximately 1,517 to 900 by 2030/31. Given the wait for social housing is between 4-8 years, this will involve increased prevention and other forms of move on activity if targets are to be achieved.

1.13. The overall aim is to reduce HB subsidy loss on TA from £21.58m in 2025/26 to £10.79m in 2030/31 and to achieve the targets set out in the Medium-Term Financial Strategy Report presented to Cabinet in February 2026.

### **Commissioner Review**

This area of work is being given a lot of attention by the Best Value Commissioner team given the significant financial and human cost of the pressures being experienced. It requires a corporate endeavour to respond to these, which is why there has been a new Improvement Board established. There has been some progress evidenced, enhanced by the newly created post of Director of Housing Needs, but there is no room for complacency in this service area so the focus must remain sharp. The high number of interim staff in the service and the need to deal with the data/IT issues remain of concern so dealing with these must continue to be prioritised.

## 2. Report

### Introduction

- 2.1. The Council's Housing Needs and Support service operates within the Housing Act 1986 (as amended) and the Homelessness Reduction Act 2017 and aligns with the Government's *Plan to End Homelessness 2025*.
- 2.2. 2025/26 has been a year of discovery and recovery, identifying key challenges including poor data and ICT, insufficient resources, and inefficient processes, alongside significant staff turnover and new leadership.
- 2.3. Stronger collaboration with Digital, Data and Technology, Finance and Benefits has enabled a clear strategy for 2026/27 focused on transformation. This includes improvement in IT systems that support the service operation.
- 2.4. The service has also strengthened partnerships with Adult Social Care, Children's Services and Public Protection to deliver a more joined-up approach to homelessness prevention, support and move on.

### Progress Since March 2026 - Summary

- 2.5. Since the last update to Cabinet in March 2026, officers have made progress on service improvement in several areas.
  - The 5-year service improvement plan is now embedded.
  - Successful prevention activity with an average of 10 preventions per week.
  - Placements in B&B have reduced from 117 in January 2026 to 91 in May 2026 with zero families in B&B for longer than 6 weeks.
  - An assessment backlog at approach/assessment stage has reduced from 1,307 in January to 905 in May 2026.
  - The procurement of four 'move on' providers to support households to find social housing options through mobility schemes and recruitment of a move on team.
  - Establishment of the Registered Providers Forum and launch of new nominations discussions
  - The development of an ICT and Data plan with imminent appointment of a specialist delivery partner to significantly improve systems
  - Transition from nightly let to more affordable, compliant TA options underway, including setting up a new Private Sector Leasing (PSLs) Scheme and the development of long leasing, purchase and build options
  - The award of £10.4m from the Local Authority Housing Fund 4 (LAHF4) to support the purchase of 49 new homes for TA and 9 for Afghan Resettlement

- The mobilisation of 2 development projects for TA at Rigby Lodge and Garrick house which provide 15 new family homes.
- The appointment of a dedicated Director of Housing Needs and Support.
- The implementation of a new Housing Improvement and Transformation Board, co-chaired by the Chief Executive and one of the Best Value Commissioners for 3 months when it is then to be chaired by the Cabinet Member for Housing.

## **Policy and Strategy Update**

2.6. The Service has also made progress on three key strategy and policy documents.

- **Housing Strategy** – the revised strategy which provides the vision for planned housing activity over the next 5 years will be presented to Cabinet in June 2026.
- **Homelessness and Rough Sleeping Strategy** - The Council has commissioned Campbell Tickell to support the development of a new Homelessness and Rough Sleeping Strategy, aligned to the Government's National Plan to End Homelessness. Consultation will take place over the summer, and the new Strategy will be presented to Cabinet in the autumn.
- **Housing Allocations Scheme** - A new draft Housing Allocations Scheme was subject to public consultation during March-May 2026. A consultation report, equalities impact analysis and revised proposed Strategy will be presented to Cabinet in July 2026.

## **Background**

2.7. A large-scale recovery and improvement project started in October 2024 in response to emerging budget pressures in the Homelessness and TA service area and continued through 2025/26.

2.8. The recovery effort has continued to focus on addressing inadequate staffing levels; identifying IT challenges and progressing a solution; improving the accuracy of data; launching a focus on prevention; improving TA compliance and standards; a programme of TA tenancy audit; identifying accommodation options to reduce reliance on nightly paid accommodation; developing an approach to move on including new mobility providers and move on caseworkers; and improvement to social housing allocations.

## **Progress updates since March 2025 Cabinet**

2.9. While challenges remain, particularly around caseload backlogs and legacy Housing Benefit issues leading to significant rent arrears of over £13m, the direction of travel is positive, and operational work continues at pace. Improvement work has not yet led to a reduction in the numbers in TA and a step

up in performance will be required to achieve this change. A more detailed breakdown of operational performance and activity is provided in **Appendix 2**.

## **Prevention**

2.10. A key strand of activity for the service has been to introduce a strong focus on homelessness prevention. Work includes

- A review of the homelessness 'front door' prioritising early intervention and prevention
- The set up of prevention advice sessions in local hubs providing housing advice and options support, including advice for private sector tenants on the new Renters Rights Act. Outcomes are positive with 60% of those receiving advice not going on to make a homeless application.
- A new online portal for those contacting the service for housing advice digitally which supports early triage of issues.
- Support to access private sector options for households who cannot be sustained in existing tenancies.

2.11. This targeted approach is beginning to deliver measurable impact. Between October 2025-May 2026 the service has secured 102 private rented sector placements, generating an estimated £10million cost avoidance over 4 years. This demonstrates that focussed prevention and rehousing activity can deliver better outcomes for families whilst reducing pressure on TA budgets.

2.12. The wider operating environment however remains extremely challenging, not just in Slough but across the country and in London in particular with the inevitable knock-on effects locally here. Homelessness demand continues to rise, with presentations now averaging around 60 per week, compared with approximately 45 per week in 2025. Families are also presenting with increasingly complex and overlapping needs, including affordability pressures, rent arrears, welfare benefit issues, domestic abuse, overcrowding, family exclusion, complex immigration issues, and wider health, care and support needs.

2.13. Without further capacity and investment in upstream prevention, this rising demand will continue to place significant pressure on statutory assessment, temporary accommodation, rough sleeping services and rehousing pathways. The progress made to date shows what can be achieved through targeted intervention, but current capacity is not sufficient to meet the scale and complexity of demand now coming through the gateway. An expansion of prevention activity will be explored as part of the wider transformation programme.

2.14. Rough sleeping is being brought into the same prevention pathway so that the response is more joined up across housing need, homelessness and street homelessness. Current work is focused on outreach, off-the-street accommodation, immigration support, hostel support, move-on planning and stronger links with partner agencies.

2.15. The next phase is to develop a stronger whole-system prevention model, aligned to the Government’s five pillars for ending homelessness: universal prevention, targeted prevention, preventing crisis, improving emergency responses, and recovery and preventing repeat homelessness. This will require closer working with landlords, commissioned providers, statutory partners and the voluntary and community sector

2.16. The service is also responsible for providing services to rough sleepers. A summary of our position is set out below.

- At the end of March 2026, there were 41 people in ‘Off the Street Accommodation’ compared with 48 in February. This suggests some movement through the pathway, although demand remains significant and remains above the 2025/26 target of 40.
- New placements into ‘Off the Street Accommodation’ remained unchanged, with 6 new cases placed in both February and March. This shows a consistent response to people sleeping rough, although overall activity remains below the annual target of 75.
- Move-on into medium or long-term accommodation improved slightly, increasing from 1 placement in February to 2 in March. However, performance remains below the target of 60 and move-on continues to be the main pressure point within the rough sleeping pathway

2.17. Key performance indicators in the homeless service include

<b>Indicator</b>	<b>Position</b>	<b>Target</b>
Preventions (to be changed to new Local outcomes framework indicator)	46 at the end of April 2026, consistent	450 annually
Percentage of main duty case accepted	89% at end April 2026, improved	70%
Number of rough sleepers	23 at end April 2026, improving	28

## **Supply**

2.18. The overall population of households in TA is 1,517 as of 1st June 2026. This has increased from 1,435 since early March 2026. This total figure in TA represents the entire cohort, and includes approximately 50 households whose TA provision does not generate any subsidy loss (in JEH properties). This whole number will be provided in future reporting to ensure accuracy, with the number generating subsidy loss issues being referenced where the financial impact of TA is being described.

2.19. The team continues to work through a backlog of cases in TA where HB is not being claimed which has resulted in an increase in rent arrears. Current tenant arrears are £5.443m, while former tenant arrears stand at £7.415m. Colleagues in SBC Finance continue to pro-actively chase these arrears.

2.20. **Process and Procedures** - new processes and procedures are in place to strength governance, including a new TA rate-card and management approval process, sign up process and 'fit and proper' person test for providers.

2.21. **Update on B&B** – The Bed and Breakfast Elimination Plan in place to ensure there are no families with dependent children in B&B more than 6 weeks has been successful. No placements have exceeded that maximum in the last 3 months, and B&B is used only in emergencies for new placements. Since October 2025, the overall number of households in B&B has reduced from 148 to 91.

2.22. **Compliance (property safety)** – The safety of households in TA remains a key priority for the service. A programme of compliance visits is in place and monitoring of key documentation is also carried out.

2.23. **Our key TA indicators include**

Indicator	Position	Target
Number of households in TA	1517 at 31/5/26	1300 average in 2026/27
Families with children in TA	As at 5 <sup>th</sup> June 2026 <ul style="list-style-type: none"> <li>833 TA households have families with dependent children</li> <li>2,094 children living in TA</li> <li>132 TA households have children and are outside the Borough.</li> </ul>	New indicator – Target to be set for next period
Households in B&B	94 households in B&B as at 25 <sup>th</sup> June 2026.  0 as at 5 <sup>th</sup> June 2026. This target has been met for more than 3 months continuously	Total in B&B below 50  Zero families with dependent children over 6 weeks
Compliance	Off target. 10 visits per week – 50% down on staff, recruiting new staff in progress  100 % compliant	20 visits per week  100%

2.24. **New supply** – Our focus is on re-balancing our provision to ensure we have a significantly smaller percentage of our stock that is nightly lets, the most expensive provision in the market. We have re-drafted the Private Sector Leasing (PSL) and Private Leasing Agreement (PLA) with HB Public Law and have re-launched our efforts to secure short/medium term lease agreements with our most established providers of TA. We have successfully transferred 69

households from expensive HMO / nightly let accommodation to cheaper more suitable accommodation. This has generated cashable savings of around £780k.

2.25. Future plans include the development of purchase and longer lease options that will provide financial benefits, greater certainty as to cost and higher standards of accommodation as part of our work on MTFs savings projects.

2.26. Our property pipeline includes 49 units to be acquired through LAHF4 funding over 4 years. This includes 9 homes for the Afghan Resettlement Programme. A report will be presented to Cabinet in July 2026 to agree the release of capital resources to match fund the government grant. This will enable the purchase of units to meet the 2026-27 targets. Work to identify suitable homes has already begun. Purchase of larger homes to meet the Afghan resettlement larger home need will be challenging.

Property Type	Year 1 delivery target (2026-2027)	Year 1 delivery target (2027-2028)	Year 1 delivery target (2028-2029)	Year 1 delivery target (2029-2030)	Total delivery target
TA element (2-4+ bed)	11	9	20	9	49
R4 resettlement Element (2-3 bed)	3	1	1	0	5
R4 large resettlement Element (4+ bed)	2	1	1	0	4
All property types	16	11	22	9	58

### Move On

2.27. **Tenancy audit and move on** – between March 2026 and May 2026, 200 occupancy checks were completed by a commissioned provider. Their findings are summarised here

- 133 tenants were at home, and 127 questionnaires were completed (64%); 4 properties were un-occupied, but someone answered the door; 2 tenants refused to answer the questionnaire.
- 67 tenants were not at home after 2 visits.
- 5 residents provided ID which didn't match their homeless application
- 14 residents had not completed a housing benefit application
- 8 tenants did not have detail of their landlord / TA provider.
- 16 tenants' employment has changed
- 15 tenants' have different financial circumstances
- Searches on 2 tenants revealed they have an interest in another property in the UK.
- 67 tenants asked for help to move out of Slough

- 64 (32%) properties had evidence of damp and mould, and 53 had reported the issue to their provider
- 43 properties have lighting or heating issues and 27 have signs of pests

2.28. Officers are now working through follow up actions including investigating potential fraud/sub-letting and serving notice on those that are not occupying their accommodation. Providers are being contacted regarding disrepair in their properties. The team work with residents on their options to move on from TA.

2.29. The team has onboarded four move-on providers. It is expected that tangible outcomes will be seen from Q2 onwards. These providers focus on moving households into social housing, primarily outside the borough.

2.30. Work to improve the targeting of social housing offers (HRA homes and RP homes) to homeless households continues with a number of areas of focus over coming months. Specific projects are:

- Completing the consultation on the housing allocations scheme and implementing the new policy
- Completing a re-registration exercise
- Introducing choice-based lettings
- Eliminating a backlog of housing applications
- Ensuring the workforce are up to strength
- Focussing on maximising nominations from registered providers (RP) and ensuring the relationship with RP's is working effectively.

2.31. **Our new Move on indicators are**

<b>Indicator</b>	<b>Position</b>	<b>Target</b>
Social housing moves	New targets set and monitored once team is recruited and in place – likely July 2026	75% of voids to be offered during works period 100% of voids to be offered within 5 days of being ready to let
PRS moves on	New targets; from July 2026, allowing for assessments and contacts being made	15 per month
Number of cases moved on through mobility schemes	New targets; from July 2026, based on 3 providers as 4th still being on boarded	3 providers: 15 per month

## **Finance**

2.32. The financial position continues to reflect the backlog issues identified in November 2024 that are still being worked through and the structural gap between TA costs and recoverable Housing Benefit subsidy. The position at the end of 2025/26 is that spend on TA was £35.9m which is £4.8m above forecast.

This is primarily because of the increasing number of households in TA and the high cost of provision.

2.33. The average cost of accommodation remains at around £2,200 per month per property. Subsidy loss, the difference between cost of provision and the subsidy the Council can reclaim from central government is currently 64% of spend and equates to £22.3m. This arises because the Government sets benefit subsidy on TA at 90% of the January 2011 local housing allowance rate. Approaches to long leasing of TA may help to improve this position and are currently being considered as part of our review of supply options. Our goal remains to reduce by £850k in 2026/27 and to around £11m by 2030/31. The true subsidy loss figure has been fully recognised within the 2026/27 budget.

2.34. The table below shows a summary of 2022/23 to 2025/26.

Description	2022/23 Outturn	2023/24 Outturn	2024/25 Outturn	2025/26 Outturn
<b>TA Households with Rent Accounts</b>				
Total - Opening				1,252
Movement (net)				148
Total - Closing	<b>676</b>	<b>846</b>	<b>1,298</b>	<b>1,400</b>
<b>Average TA Households</b>				<b>1,326</b>
<b>Average gross costs per HH per month</b>				<b>£2,257</b>
	£'000	£'000	£'000	£'000
<b>Total Accommodation costs</b>	<b>£8,571</b>	<b>£19,623</b>	<b>£31,979</b>	<b>£35,917</b>
<b>Total Rental Income</b>	<b>-£5,137</b>	<b>-£13,385</b>	<b>-£24,280</b>	<b>-£34,130</b>
<b>TA Variance (net)</b>	<b>£3,434</b>	<b>£6,238</b>	<b>£7,699</b>	<b>£1,787</b>
<b>Total HB Expenditure - Non-HRA</b>	<b>£7,636</b>	<b>£6,967</b>	<b>£24,036</b>	<b>£34,017</b>
<b>Total Subsidy Recovered - Non-HRA</b>	<b>-£3,201</b>	<b>-£2,648</b>	<b>-£11,277</b>	<b>-£12,533</b>
<b>Net Adjustments</b>				868
<b>Total HB Subsidy loss (£)</b>	<b>£4,435</b>	<b>£4,319</b>	<b>£12,759</b>	<b>£22,352</b>
<b>Total HB Subsidy loss (%)</b>	<b>58%</b>	<b>62%</b>	<b>53%</b>	<b>64%</b>
<b>TA &amp; HB Subsidy Variance (net)</b>	<b>£7,869</b>	<b>£10,557</b>	<b>£20,458</b>	<b>£24,139</b>

Description	2022/23 Outturn	2023/24 Outturn	2024/25 Outturn	2025/26 Outturn (Draft)
Total HB Subsidy loss (£) ex Provision movements & net cost in Housing	£4,435	£4,319	£12,759	£21,484
Total HB Subsidy loss (%)	58%	62%	53%	63%
TA / HB Provision addition / drawdown	£0	£0	£5,304	-£3,994
Total HB Subsidy loss (£) after HB provision drawdown	£4,435	£4,319	£18,063	£17,490
Total HB Subsidy loss (%) after HB provision drawdown	58%	62%	75%	51%
Net cost in TA cost centre	£3,434	£6,238	£7,699	£4,862
Total HB Subsidy loss (£), plus provision drawdown and net cost of TA cost centre	£7,869	£10,557	£25,762	£22,352
Total HB Subsidy loss (%), plus provision drawdown and net cost of TA cost centre	71%	80%	70%	64%

2.35. Our financial target will only be achieved if we reduce the average number of households in TA to 1,300 on average in 2026/27 (including the 50 cases in JEH properties that make no subsidy impact).

### Future Service and Structural Improvements

2.36. **IT** – Having IT systems in place that support day to day work but also enable effective reporting and data intelligence and insight is a critical issue for the service. Cabinet approved the procurement of a delivery partner to work across the service, DDaT and our IT providers to review and improve systems and insight. They will also support the integration of our homeless casework system and housing management system, a key dependency to effective operation. The projects are underway and will be implemented across 2026/27.

2.37. **Choice Based Lettings** - The project to procure and implement a Choice Based Lettings solution has started. The Business has chosen its preferred solution and is currently working through a detailed plan to specify, develop, test and deploy the solution by February 2027. Implementation of CBL will represent a real improvement in the transparency and choice associated with the housing register.

2.38. Officers are working closely with DDaT colleagues to respond to the CISC recommendation that Cabinet receives a detailed breakdown of the IT budget and future investment in requirements. DDaT presented at the March 2026 Cabinet and committed to quarterly updates on the ICT recovery project. The first detailed update is now due in July

2.39. As of May 2026, the high-level provision of capital and one-off revenue investment in housing related IT over the MTFS period is summarised in the table below.

Category of expenditure	£m
IT change and improvement relating to Temporary Accommodation	£0.76
IT change and improvement relating to Social Housing	£2.59
<b>Total</b>	<b>£3.35</b>

2.40. **Resources** – significant elements of the service rely on homelessness prevention grant funding, including prevention and rough sleeping activity.

2.41. The Directorate overall has an over reliance on interim staff which creates instability and additional cost. A temp to perm project has been started and the new Director of Housing Needs and Support is reviewing the overall structure of the service and will consult on changes during Q2/3 2026/27.

2.42. **Income Collection and Housing Benefit** – As of May 2026, current rent arrears stand at £5.443m. This is down from £11.79m in May 2025. Former tenant arrears stand at £7.415m this is up from £4.08m in May 2025. This reflects the work all teams have done to work through the historical backlog of poorly documented homeless cases. Additional staffing resources are being put in place to focus on collection in cases with high arrears.

2.43. As of May 2026, 1,211 live cases were in receipt of Housing Benefit. This is up from 758 in May 2025. 285 live cases do not receive housing benefit payments; this is down from 533 in May 2025. The Benefits team has less than 100 historical backlog cases to review. The remainder are either being processed or do not qualify for housing benefit.

### **Medium Term Financial Savings (MTFS)**

2.44. During the Spring of 2026, additional projects were identified to support the Councils MTFS. For Housing Needs and Support these are:

- Transformation of the service delivering lower numbers in TA;
- The use of LAHF4 funding to acquire new homes for TA and Afghan resettlement;
- Exploring the use of modular housing solutions for TA;
- Reconfiguring empty space/properties within the HRA estate

- Developing a leasing model for TA from within the HRA estate with non-resident leaseholders

Over three years the project aims to deliver £12.6m of additional savings

2.45. Officers have supplied a data pack at Appendix 2 as requested by Cabinet in November 2025. The pack profiles performance and is shared with Overview and Scrutiny on a quarterly basis. The lead member for Housing and Homelessness receives this pack of indicators weekly and is briefed on service performance by the Director.

### 3 Financial Implications

3.1 Full financial implications are set out in the report, in section 2.38. The Homelessness & TA outturn for 2025/26 and budgets for 2026/27 is set out below. The external providers accommodation costs budget is £34m based on an average of 1,250 TA households compared to last year's outturn of £36m for an average of 1,300+ households. It is anticipated that current year's forecast spend for accommodation costs may well outstrip available budget resulting in adverse impact on the HB TA subsidy loss budget. It is also anticipated that cost reduction initiatives as set out in this report will help manage down the anticipated budget variance.

Any shortfall may be partially mitigated by an improvement on the percentage of cost recovered through housing benefit subsidy. The net impact of this is being assessed as part of refreshing the Medium-Term Financial Strategy and an update will be provided to Cabinet in July

Service Description	2025/26			2026/27
	Amended Budget	Outturn	Variance	Approved Budget
	£'000	£'000	£'000	£'000
TA Accommodation costs	31,200	35,917	4,718	33,501
TA Rental Income	-30,420	-34,130	-3,710	-32,721
Housing Demand & RSI	-105	-924	-819	3,784
TA/Allocations	339	1,008	669	388
JEH TA	0	-53	-53	0
<b>Total TA &amp; Homelessness</b>	<b>1,014</b>	<b>1,818</b>	<b>804</b>	<b>4,953</b>
HBTA Subsidy Loss	6,534	21,483	14,949	20,068

### 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 September 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.

- 4.2 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 2026 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.
- 4.3 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).
- 4.4 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. From 1 April 2026 the Policy Statement 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, particular 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.

- 4.5 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 Housing Needs and Support is overseen jointly by Cabinet and CLT. Mitigations are owned by the Interim Director of Housing Needs and Support as well as the Director of Finance and the Director of Revenues and Welfare Services. Key risks remain 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.
- 5.2 A summary of the risks has been set out below with the current risk rating as of May 2026. The risk rating considers 3 months of mitigation actions. 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	May 2025 Update	RAG (as of May 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 2025 could still lead to a surge in approaches although we have not seen evidence of a huge surge. Early intervention team is playing critical role in mitigating the risk and while approaches have increased to an average of 60 / week we have not seen a massive surge.	
B	Recruitment & retention of skilled officers	Reduced prevention throughput; growth in backlog; inconsistent decisions; greater reliance on agency; risk	Extend successful fixed-term posts subject to performance and funding. All posts to be advertised as with Temp to perm opportunity	Interim staff still a major risk in TA side of the business. Following the departure of the Housing Director and the Head of Service for TA and allocations, further interim recruitment was undertaken. The wider Housing restructure	

		No reduction in TA costs, lack of compliancy information, on-going data reconciliation issues.	Review and re-design of housing demand and TA specific service areas	due to take place in Q4 25/26 through to Q1 26/27 is delayed while new interim Directors review. Timescale now Q2 to Q3 2026/27.	
C	Limited access to the private rented sector (PRS) - impact of Renters Rights Act 2025.	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 2025. Has not been as high as expected.  Access to PRS at prevention stage is relatively successful but we are unable to access enough affordable PRS to discharge into.  The impact is that TA numbers are increasing.	
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 the Council 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. However, the long term outlook has significantly improved with the project to appoint an NEC recovery partner and the appointment of a Project manager / business analysts for systems integration.	
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 <b>Second 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 £35m with forecast subsidy loss at £21m	Current BAU and backlog teams continue 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 £35m and subsidy loss remains at just under £22m. This is above forecast and is a direct result of backlog cases being assessed and poor performance in move-on / discharge of duty.	

H	Un-successful acquisition of permanent move on accommodation	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 homes. Improve relationships with local registered providers to discharge duty to.	Working with 4 providers of move-on accommodation. This has not delivered the desired benefits in the period. Difficulties with legal contracts and SBC 'on-boarding' processes has meant no discharges as of May 2026.	
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 quickly. Long term goal must be to use TA held in the General Fund, the HRA and leased for more than 10 years so that LHA 2011 is not applicable.	
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 and discharge of duty proving difficult because of resource issues and lack of property. Currently 200 above the target of 1,250.	
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 Interim 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 with plans to present at Cabinets throughout Q2 and Q3.  Further work is required to develop all required policy and strategy but the use of external support and the introduction of dedicated HRA / GF Directors will help.	

## 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. Groups with protected characteristics are

over-represented in homelessness, including women, some ethnic groups, disabled people, young people and care leavers. This improvement will positively impact those groups who are more likely to find themselves homeless. Locally, the proposed plan particularly supports residents with vulnerabilities, including disabled people, women (especially those affected by domestic abuse or pregnancy), young people and care leavers, ethnic minorities, , rough sleepers (including migrants with insecure status), older people, and those facing language, literacy, or digital barriers.

- 7.2 The plan is expected to have a positive equality impact. Early intervention and prevention officers will improve access to advice and support and reduce crisis placements through that earlier support, safer pathways, and reduced harm, provided mitigations are applied effectively 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 inequality of outcome.
- 7.3 Homeless casework decisions are carried out in line with the public sector equality duty. New policies, processes and service options are subject to equality impact assessments.
- 7.4 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 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. The Council’s Corporate Parenting responsibilities are supported through homelessness prevention pathways, the development of a Joint Housing Protocol for 16–25-year-olds and use of the new Housing Allocations Scheme to prioritise care leavers.
- 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. Future planning around meeting the needs of young people may include exploring private sector and out of area options where appropriate.

## **9. Procurement implications**

- 9.1 Delivery of the improvements will require procurement activity, particularly in relation to DDaT systems and a number of the new supply projects being pursued as part of MTFs. Initial IT and Data investment proposals were presented to Cabinet in March 2026. These are progressing with delegated

authorities. Authority to purchase new stock using HRA funds was given in 2025. Officer decision reports are utilised for the acquisition of each project. A dedicated cabinet paper relating to match-funding required for the acquisition of LAHF4 dwellings is being presented to cabinet in June 2026.

## **10 Workplace implications**

- 10.1 To successfully deliver the proposed improvements, the directorate will need support to deliver a stable permanent structure. Retaining good quality interim staff until a restructure can happen will also require support.

## **11. Property implications**

- 11.1 The SIP identifies an indicative requirement for additional suitable TA and permanent accommodation. The council is intending to acquire, lease and develop homes to increase the stock of good quality TA and also to increase the available HRA stock available for permanent allocation. Specific proposals will be presented in future reports to Cabinet in line with Council governance.

## **12. Background Papers**

None