

## PLACES OVERVIEW AND SCRUTINY COMMITTEE

<b>Subject Heading:</b>	Emergency Temporary Accommodation in Havering and the lack of supply
<b>ELT Lead:</b>	Patrick Odling-Smee – Director Living Well
<b>Report Author and contact details:</b>	Darren Alexander, Assistant Director Housing Demand
<b>Policy context:</b>	Temporary Accommodation

### SUMMARY

1. Havering Council continues to experience structural pressure on its temporary accommodation (TA) system driven by sustained homelessness demand, collapse of the private rented sector, and accelerating costs in hotel and nightly charged accommodation-.
2. As at February 2026, TA costs now represent the single largest growing risk to the Housing General Fund, with combined families and singles TA forecast overspends exceeding £1.18m in 2025/26, despite active mitigations.

### RECOMMENDATIONS

3. That Members note and comment on the contents of the report.

### REPORT DETAIL

**4. Temporary Accommodation in Havering – the current position**

5. Havering’s use of hotel and nightly charged accommodation continues to exert severe pressure on revenue budgets. Current monitoring shows: - charged accommodation continues to exert severe pressure on revenue budgets. Current monitoring shows:

**6. Homeless families TA (FY25/26):**

- a. Revised budget: £5.165m
- b. Forecast: £5.86m
- c. Forecast overspend: £0.683m

**7. Homeless singles TA (FY25/26):**

- a. Original budget: £1.636m
- b. Forecast: £1.796m
- c. Forecast overspend: £159.9k

8. This pressure is structural, not operational, and is driven by:

9. Continued inflow into homelessness

10. Insufficient supply of lower cost TA

11. Reliance on hotels and nightly lets as last resort accommodation

**12. Temporary Accommodation Supply – Current Mix**

13. **Table 1.** Number of households directly placed into emergency accommodation including hotels and nightly paid accommodation

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Total Placements	16	106	125	388	491	455
% increase from 2019	n/a	563%	681%	2,325%	2,969%	2,744%

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**14. What is Driving the Supply Shock for Havering?**

**15. Private Sector Lease (PSL) Decline**

16. The long term erosion of PSL supply remains the single largest supply side risk. The borough has lost over 400 PSL properties since 2019/20, with the steepest losses in 2 and 3 bed family homes.

**17. Table 2. PSL stock by bedroom size**

PSL stock (Bed size)	Number of units 2019-20	Number of 2025-26	Total loss of units	Percentage loss
- 1 bed	208	90	118	56%
- 2 bed	341	158	183	53%
- 3 bed	241	129	112	46%
- 4 bed	50	30	20	20%
Total	840	407	433	51%

**18. Hand backs – Private Sector Lease Properties (PSLs)**

19. **Hand backs** are temporary accommodation units (PSL) that leave the Council’s supply, typically following the expiry of a Private Sector Lease or a landlord decision to withdraw a property, reducing available lower-cost TA and increasing reliance on higher-cost emergency provision.

20. In Havering’s context, hand backs most commonly occur where:

- a. Private Sector Lease (PSL) agreements expire, or
- b. Landlords choose to exit leasing arrangements, often due to affordability pressures, changing market conditions, or alternative use of the property.

21. As at early 2026:

- a. Hand backs are outpacing new TA acquisitions, and
- b. Expired leases and landlord exits remain the dominant drivers,
- c. Delays in securing onward accommodation mean that hand backs increase the risk of litigation with landlords and reliance on hotels and nightly charged accommodation

**22. Homelessness Demand**

23. Homeless approaches for two years remained consistently above 290 per month, more than 70% higher than pre-COVID norms, with the three dominant drivers unchanged:

- a. Family and friends exclusion
- b. Private rented sector eviction
- c. Domestic abuse

24. The number of homeless approaches each year has consistently peaked above 270 since 2020.

**Table 3. Number of approaches since 2019-20**

	Number of approaches annually	Average approaches per month	Percentage increase since 2019-20
2019-20	2032	169	n/a
2020-21	2536	211	25%
2021-22	3137	261	54%
2022-23	3517	293	73%
2023-24	3552	296	75%
2024-25	3429	286	69%
2025-26	2843*	284*	68%

\*To date

**25. Table 4: The three top main reasons for homelessness**

	Domestic Abuse	Private Rented Eviction	Family Friends Exclusion	Total
2020-21	226	390	871	1487
2021-22	254	622	780	1656
2022/23	247	696	712	1655
2023/24	319	847	938	2104
2024/25	353	946	1093	2392
Average % of total	15%	38%	48%	

26. Table 5: illustrates the spend on rent deposits for private rented properties as part of our Find Your Own initiative



	Apr 24 to Mar 25	Apr 23 to Mar 24	Apr 22 to Mar 23	Apr 21 to Mar 22	Apr 20 to Mar 21	Apr 19 to Mar 20
Find your Own	306	137	150	221	322	240
Budget	£425,000	£425,000	£425,000	£425,000	£425,000	£425,000
Find your own expenditure	£969,844	£403,834	£389,813	£514,466	£834,094	£640,524
Average spend per Household	£3,169	£2,948	£2,599	£2,328	£2,590	£2,669

27. Temporary accommodation supply

28. We have a range of mitigations to provide additional supply to temporary accommodation many of the initiatives have already secured approval at cabinet and are being mobilised others are still in negotiation. We have currently in the process of securing a supply of 1056 units and anticipate this will be sufficient properties to exit out of high cost accommodation for a few years.

29. These include the following initiatives

- a. Private equity finance
- b. Office to residential conversions
- c. Pension fund property investments
- d. New development opportunities for temporary accommodation.

30. Table 6: Is a temporary accommodation pipeline planned to meet the existing volume of demand

<b>Action/Mitigation</b>	<b>Number of units</b>	<b>Delivery Timeframe</b>
Property Purchasing Scheme (Chalkhill)	130	October 27
Family Welcome Centre	74	May 26
Eastgate House	34	February 27
Chesham House	55	February 27
Modular Units (18) Waterloo Estate	18	April 26
Modular Units	30	TBC
Inspired Solutions	71	First tranche late 2029



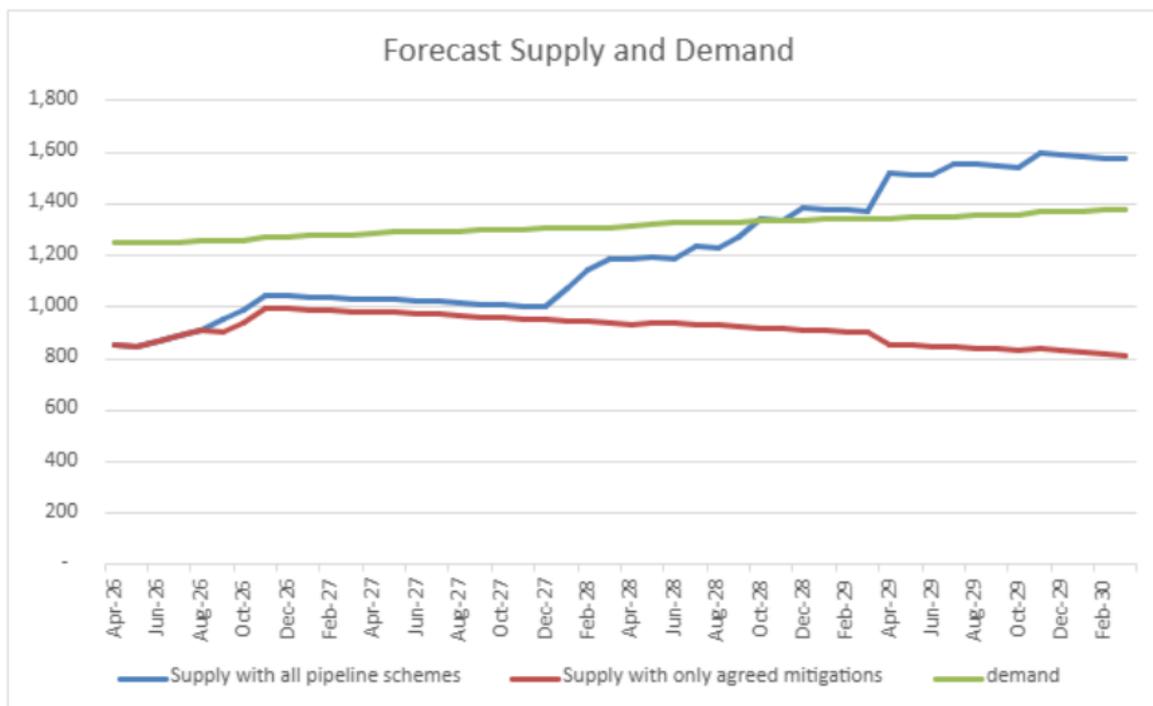
### 31. Cost of Temporary Accommodation

### 32. Current Financial Risk Position (Updated)

- 33. Combined TA gross spend now exceeds £14m per annum
- 34. Hotels and nightly lets remain the largest marginal cost driver
- 35. Only ~33% of hotel/nightly cost is recoverable through HB subsidy

### 36. If We Do Nothing vs With a Pipeline (UPDATED ASSUMPTIONS)

37. The Graph illustrates the risk of to the council of not taking action. The green line shows the projected demand for Temporary Accommodation over the period which is anticipated to continue to grow. The red line represents the supply of properties if only the currently agreed mitigations are delivered; under this scenario, supply declines in later years as Private Sector Leased properties are handed back and other schemes come to an end, alongside the potential decanting of TAGEN properties. The blue line shows the position if all pipeline schemes were to materialise. In this scenario, supply is expected to exceed demand, creating a point at which properties could be repurposed for other Council housing needs. All figures shown are based on forecast data and therefore subject to change.



38. Updated modelling confirms:



39. Without intervention, nightly-charged accommodation would exceed 900 households within three years
40. With the full delivery of the approved and proposed pipeline, demand can be stabilised and reversed

## IMPLICATIONS AND RISKS

### **Financial implications and risks:**

None associated with this report

### **Legal implications and risks:**

None associated with this report

### **Human Resources implications and risks:**

There are no human resources or risks from this report.

### **Equalities implications and risks:**

None associated with this report

### **Environmental and Climate Change Implications and Risks:**

None associated with this report

## BACKGROUND PAPERS

Appendix 1 – TA limited Assurance Audit Committee

Appendix 2 – Housing Demand Audit Report and Summary

## Appendix 1 Housing Association Stock Numbers in Havering 2025



Regulator of  
Social Housing

[Return to Area Summary](#)

[To change area return to Area Summary](#)

**Havering**

Number of PRPs operating and LARPs present in area  
(PRPs who do not own stock are excluded)

33

### Social stock in Havering by provider 2025

		Number of additional LAs PRP operates in	Total Social Stock (unweighted)	% Total Social Stock in area	% of LARP/PRPs total Social Stock	General needs self-contained units (unweighted)	% General needs self-contained units in area	% of LARP/PRPs total general needs self-contained stock	General needs bedspaces (unweighted)	% General needs bedspaces in area	% of LARP/PRPs total general needs bedspaces stock	Supported housing/ housing for older people units (unweighted)	% Supported housing/ housing for older people units in area	% of LARP/PRPs total supported housing/ housing for older people stock	Low cost home ownership (LARPs and large PRPs only - unweighted)
<b>All units:</b>			<b>15,274</b>	<b>100%</b>		<b>12,235</b>	<b>100%</b>		<b>290</b>	<b>100%</b>		<b>1,444</b>	<b>100%</b>		<b>1,305</b>
1 London Borough of Havering Council	LARP	-	9,147	59.9%	105.8%	8,178	66.8%	105.7%	-	-	-	753	52.1%	108.8%	216
2 A2Dominion Homes Limited	Large	44	41	0.3%	0.3%	14	0.1%	0.2%	-	-	-	-	-	-	27
3 Anchor Hanover Group	Large	244	207	1.4%	0.6%	-	-	-	-	-	-	207	14.3%	0.6%	-
4 Bespoke Supportive Tenancies Ltd	Large	90	4	0.0%	0.3%	-	-	-	-	-	-	4	0.3%	0.3%	-
5 Brentwood Housing Trust Limited	Small	1	29	0.2%	17.0%	29	0.2%	17.7%	-	-	-	-	-	-	-
6 Centrepont Soho	Small	15	12	0.1%	3.4%	-	-	-	-	-	-	12	0.8%	5.3%	-
7 Clarion Housing Association Limited	Large	150	684	4.5%	0.6%	544	4.4%	0.6%	-	-	-	14	1.0%	0.2%	126
8 Cromwood Housing Ltd	Small	20	32	0.2%	9.3%	32	0.3%	10.2%	-	-	-	-	-	-	-
9 Encircle Housing	Small	53	11	0.1%	1.8%	-	-	-	-	-	-	11	0.8%	1.8%	-
10 Estuary Housing Association Limited	Large	17	579	3.8%	13.5%	430	3.5%	12.1%	-	-	-	8	0.6%	4.9%	141
11 Golden Lane Housing Limited	Large	199	1	0.0%	0.0%	-	-	-	-	-	-	1	0.1%	0.0%	-
12 Habinteg Housing Association Limited	Large	77	2	0.0%	0.1%	1	0.0%	0.0%	-	-	-	1	0.1%	0.1%	-
13 Hastoe Housing Association Limited	Large	62	117	0.8%	2.3%	117	1.0%	2.7%	-	-	-	-	-	-	-
14 Home Group Limited	Large	171	44	0.3%	0.1%	22	0.2%	0.1%	-	-	-	-	-	-	22
15 Housing 21	Large	210	113	0.7%	0.5%	-	-	-	-	-	-	108	7.5%	0.5%	5
16 Local Space	Large	18	129	0.8%	7.7%	129	1.1%	7.9%	-	-	-	-	-	-	-
17 London & Quadrant Housing Trust	Large	137	1,954	12.8%	2.2%	1,210	9.9%	1.8%	-	-	-	226	15.7%	3.0%	518
18 Look Ahead Care and Support Limited	Large	21	15	0.1%	1.5%	-	-	-	-	-	-	15	1.0%	1.5%	-
19 Major Housing Association Limited	Small	4	1	0.0%	1.4%	1	0.0%	1.4%	-	-	-	-	-	-	-
20 Metropolitan Housing Trust Limited	Large	114	20	0.1%	0.0%	16	0.1%	0.1%	-	-	-	-	-	-	4
21 Moat Homes Limited	Large	90	2	0.0%	0.0%	-	-	-	-	-	-	-	-	-	2
22 Newlon Housing Trust	Large	10	2	0.0%	0.0%	-	-	-	-	-	-	-	-	-	2
23 Notting Hill Genesis	Large	54	352	2.3%	0.8%	348	2.8%	1.0%	-	-	-	-	-	-	4
24 Notting Hill Home Ownership Limited	Large	67	26	0.2%	0.5%	-	-	-	-	-	-	-	-	-	26
25 Orbit Group Limited	Large	80	42	0.3%	0.7%	-	-	-	-	-	-	-	-	-	42
26 Peabody Trust	Large	80	159	1.0%	0.2%	141	1.2%	0.2%	-	-	-	-	-	-	18
27 Southern Housing	Large	106	10	0.1%	0.0%	-	-	-	-	-	-	-	-	-	10
28 Swan Housing Association Limited	Large	21	879	5.8%	10.3%	523	4.3%	7.3%	290	100.0%	43.0%	19	1.3%	5.5%	47
29 The Guinness Partnership Limited	Large	150	401	2.6%	0.6%	400	3.3%	0.8%	-	-	-	-	-	-	1
30 The Riverside Group Limited	Large	149	220	1.4%	0.3%	82	0.7%	0.2%	-	-	-	44	3.0%	0.4%	94
31 Trinity Housing Association Limited	Small	35	17	0.1%	4.2%	-	-	-	-	-	-	17	1.2%	4.2%	-
32 Westmoreland Supported Housing Limited	Small	71	4	0.0%	0.4%	-	-	-	-	-	-	4	0.3%	0.4%	-
33 YMCA Thames Gateway	Small	5	18	0.1%	5.6%	18	0.1%	29.5%	-	-	-	-	-	-	-