

Briefing

Alternatives to bed and breakfast: an overview of practice in Scotland

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Foreword

Since the passage of the Homelessness Act, I have been asked time and again how Scotland has managed to take such enormous steps towards resolving, and responding to homelessness in a way that promotes social justice. In my view the success has been down to a willingness on the part of our MSPs to view homelessness as a problem that could happen to us all; that warrants a response that does not place blame but rather finds lasting solutions.

But it is also testament to an acceptance on the part of practitioners that homeless people require the best services, and the highest quality advice and support to find and keep their home. Scotland should be proud of its recent record in tackling homelessness.

However, the continued practice of placing children in B&Bs was at risk of staining that record. It did not persist because of any desire to put families in unsuitable accommodation. I don't believe there is a single homelessness officer in Scotland who supported placing families in accommodation that could put their health and safety at risk. Practitioners wholeheartedly agreed with the Homelessness Task Force when it recommended the eradication of the use of B&Bs for families with children, and what's more, have been working ever since to implement that agenda. The problem for practitioners was *how*. Against a backdrop of increasing demand for accommodation, ending the use of B&Bs for families with children sometimes seemed impossible.

Yet some local authorities have succeeded, and others have made major steps towards that goal. The Unsuitable Accommodation (Scotland) Order 2004 will ensure that this happens across the board. That's not to say it hasn't presented difficulties; there will be challenges in keeping families out of B&B, but as many local authorities have shown, it is possible.

Changing practice does not solely belong with local authorities. All stakeholders in the homelessness agenda, including Shelter, have a role to play in its success. To this end, we have produced this practice guide for local authorities as they implement the Order. The guide sets out tried and tested alternatives to B&B accommodation that have been proven to work. As part of our work to develop practice solutions, we work alongside practitioners to share examples of what works. I hope this briefing is useful for practitioners as they continue to work for better homelessness services, and implement the Task Force vision.

The briefing contains examples from various parts of Scotland of practical initiatives. However, the list is far from exclusive. If you have an example of good or innovative practice in the area of B&B use or temporary accommodation generally, then we'd welcome you sending it via the 'Practice Solutions' section of our website www.shelter.org.uk



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Alternatives to bed and breakfast: an overview of practice in Scotland

1. Introduction

The commencement of the Housing (Scotland) Act 2001 marked a radical shift in the duties of Scottish councils to homeless people. For the first time, all homeless people in Scotland had a right to temporary accommodation. This put significant additional demands on councils to provide temporary accommodation. As a result, the number of homeless applications to Scottish councils increased by 18 per cent in two years. Traditionally, many councils have relied on bed and breakfast (B&B) as one element of their temporary accommodation provision. Bed and breakfast use therefore rose relative to the increase in demand for temporary accommodation. However, this took place alongside a long-standing consensus in the homelessness sector that B&B accommodation is not a suitable option for homeless families with children.

In its final report in early 2002, the Homelessness Task Force recommended that councils' Homelessness Strategies should include proposals to reduce B&B use and to eliminate its use for families¹. During the passage of the Homelessness etc. (Scotland) Act 2003, an amendment was passed that gave the Scottish Executive a power to introduce regulations to ban the use of B&B accommodation in the future. This resulted in the recent introduction of the Unsuitable Accommodation (Scotland) (Order) 2004.

In the lead up to the Order, many Scottish councils had been reducing their reliance on B&B by developing alternatives to this form of accommodation. However, this change has been motivated by considerations other than simply anticipating the Unsuitable Accommodation (Scotland) (Order) 2004. Factors such as the cost savings of reducing B&B use and an acceptance of the negative impact B&B can have on the lives of homeless people have also influenced change.

The increasing numbers of homeless applicants requiring temporary accommodation, coupled with the implementation of the Unsuitable Accommodation (Scotland) (Order) 2004 will require councils to think innovatively about how they provide temporary accommodation for families, as, indeed, several councils have been doing for some time. Shelter sees the solutions as focused on maximising alternative sources of accommodation, reviewing allocation policies and examining assessment procedures. Underpinning these practice developments is a variety of cost effective measures to divert council finances from B&B provision. However, as a starting point, all councils should

¹ Homelessness Task Force Report, 2002, Recommendation 88(iii).

adopt a strategic approach to temporary accommodation provision that sets out key objectives and timescales for B&B reduction.

This briefing begins by describing the recent Unsuitable Accommodation (Scotland) (Order) 2004 and some of the developments in the homelessness field that preceded it. The financial case against using B&B is set out. The chapter goes on to discuss some actions that councils across Scotland are taking to minimise the impact of B&B. Chapter three outlines a number of cost saving options which can assist councils to reduce their use of B&B. Chapter four sets out the need for each council to adopt a Temporary Accommodation Strategy incorporating B&B reduction as a key part of this. A practical checklist of questions is provided to monitor the progress of a Temporary Accommodation Strategy. This chapter goes on to discuss a variety of initiatives that councils can take to reduce or end their reliance on B&B. These include changes to allocations policies and practice, reviewing assessment procedures and developing a range of alternative temporary accommodation resources. The chapter examines alternative sources of temporary accommodation including: Private Sector Leasing Schemes, leasing RSL accommodation and converting council stock as temporary accommodation. The options presented have proven to be cost effective alternatives to B&B. Finally, the briefing concludes by looking at the future of temporary accommodation and presenting a strategic approach that could develop in line with best practice.

2. The need to limit bed and breakfast use

2.1 The Housing (Scotland) Act 2001

Although there has been a legal duty upon councils to accommodate homeless households in priority need since the late 1970s, the Housing (Scotland) Act 2001 marked a significant expansion of the groups of homeless people entitled to accommodation.

The requirement on councils to provide temporary accommodation for all homeless applicants is arguably the most important change introduced by Part One of the Housing (Scotland) Act 2001. The consequence of this provision is that councils across Scotland have had to provide more temporary accommodation for homeless households. Thus, the number of households in temporary accommodation increased by 20 per cent between 31 March 2003 and 31 March 2004. Moreover, it appears that in some councils this has had a knock-on effect of increasing the use of B&B as a temporary accommodation option. In Scotland on, 31 March 2004, there were 6,574 households in temporary accommodation of which a total of 1,208 (18 per cent) were in B&B. This represents a 32 per cent increase in the use of B&B since the previous year. However, the figures also show that during this period the number of households with children in bed and breakfast increased by 39 per cent. Given that the new duties for councils related to families without children, the increase in use of B&B for families raised a number of questions about how councils coped with increasing demand.

The figures are unequivocal regarding the substantial increase in amount spent on B&B for some councils. However, at the same time other councils have shifted their resources into the development of other temporary accommodation options, especially in relation to homeless households with children.

Housing families with children in B&B accommodation has always presented particular difficulties for both applicants and councils. Living in this accommodation means living in overcrowded spaces with a consequent lack of privacy; with shared cooking and toilet facilities; a lack of play areas or space for children to do homework; and often sharing accommodation with other households with support needs, such as substance misuse or mental health problems. The family can also experience isolation in a B&B because of restrictions on visitors. Distance from education, health and social work links cause particular problems; oftentimes living in a B&B can mean families have distances to travel to schools, with out of area placements exacerbating these problems. However in other cases, proximity to schools can be used as a reason for placement in a B&B.

As this guide shows, there are a number of ways to provide alternatives to B&B. B&B hotels, at least for families, are increasingly out of step with progressive alternatives developed by councils over the last decade.

2.2 Trends in B&B use across Scotland.

As a response to the inherent problems with B&B use in terms of its impact on homeless households and its financial cost, many councils have been seeking to develop alternative sources of emergency and longer term temporary accommodation. A common model is the provision of council owned emergency assessment units or hostels linked to a network of furnished tenancies located throughout neighbourhoods.

Fife Council has pursued a bed and breakfast reduction strategy since October 2002. The strategy incorporates a, 'Home 4 Good', partnership between the council, NHS Fife and voluntary sector providers, that is managed via service level agreements. The B&B Reduction Strategy has involved the provision of furnished flats (320 and rising), 80 of which are specifically allocated to 'B&B diversion'.

Fife Council has also been developing alternative emergency access arrangements to end its reliance on B&B for out-of-hours placements. The council has recently opened an additional hostel in Cupar and will soon open another hostel in Dunfermline.

The council also has a partnership agreement with the voluntary sector to provide independent advice on site. Fife Council operates two 'Home4Good' centres that have temporary accommodation on site and independent advice provided by the voluntary sector. The voluntary sector also manages supported accommodation to which the council has access on an emergency basis.

The result of this proactive approach has been to eradicate the use of B&B accommodation for families. Between October 2002 and March 2003, the number of families in B&B accommodation in Fife reduced from 80 to ten. By March 2004, there were no families with children in B&B accommodation in Fife.

2.3 The financial case against bed and breakfast

Bed and breakfast has long been acknowledged as the most expensive form of temporary accommodation available, particularly for families.

The majority of homeless households are eligible for housing benefit to assist with their rent payments. Housing benefit entitlement is assessed and paid by councils to eligible claimants. The council can claim some or all of this money back from the Department of Work and Pensions (DWP) in the form of housing benefit subsidy. Each council is notified of a cap and a threshold set by the DWP on B&B accommodation.

The caps and thresholds set by the DWP do not reflect market costs and usually fall well below the actual charges made by B&B. As B&B costs are calculated on the basis of the number of people and/or number of rooms occupied, larger families are the most expensive to place in B&B.

The main concern for councils for accounting purposes is the net cost of B&B, once any rent payments or housing benefit subsidy has been offset against the B&B charges. For example, Stirling Council estimates that an average unit of B&B costs the council £50 per night, but the housing benefit subsidy will only amount to £80 for the whole week. Therefore, the average net cost of a unit of B&B in Stirling is £270 per week. Similarly, City of Edinburgh Council estimates an average unit of B&B costs the council £36 per night with B&B costs exceeding £1,000 per month.

The short term costs of developing alternatives to B&B must therefore be weighed against the long term savings that can be achieved by incorporating B&B reduction into a council's Temporary Accommodation Strategy.

2.4 Background to the Unsuitable Accommodation Regulations.

The introduction of the Unsuitable Accommodation (Scotland) (Order) 2004 represents the culmination of a long consensus in the homelessness sector that B&B is not a suitable temporary accommodation option for homeless households with children. In 1999-2000 the Scottish Executive issued an additional £6 million to a number of Scottish councils to fund alternatives to B&B. This was followed in 2002 by the work of the Homelessness Task Force, a multi-agency group, consisting of representation from the Scottish Executive, COSLA, SFHA and voluntary sector agencies such as Shelter. In its final report in early 2002, the Homelessness Task Force recommended that bed and breakfast use for families should be ended.

During the passage of the Homelessness etc. (Scotland) Act 2003, an amendment was passed that gave the Scottish Executive a power to introduce regulations to ban the use of B&B accommodation in the future. Specifically, the Act gave Scottish Ministers a power to introduce regulations to proscribe the use of certain types of temporary accommodation. In 2003, then Communities Minister Margaret Curran announced that she would use that power in relation to B&B accommodation for families in 2004. Throughout 2004 councils were consulted on how this might be implemented: first of all, with a formal three-month consultation in March 2004 and then with one-to-one dialogue. The summary report can be found on the Scottish Executive website.²

² Scottish Executive, 'Summary of responses to the consultation on unsuitable temporary accommodation for families with children.' 2004

<http://www.scotland.gov.uk/library5/housing/uasr-00.asp>

In their responses to the consultation, ten of the 22 councils, including Edinburgh, Glasgow, Fife, Scottish Borders and Orkney, agreed with the initial implementation date for the Unsuitable Accommodation Order, which was October 2004. However several councils favoured a later implementation date, while others felt they could not comment without more information. Some councils such as Fife and Orkney felt the maximum period families should spend in bed and breakfast was seven days while other councils proposed six weeks, as in England. Councils such as Scottish Borders wanted to go beyond the draft regulations and proposed restricting unsuitable accommodation for other groups of homeless households.

Ultimately, the regulations represent a compromise in terms of reflecting the differing stages Scottish councils have reached in reducing reliance on bed and breakfast provision for families. The impact of the commencement of the regulations has depended on the extent to which councils had already begun ending the use of B&Bs for families. However, for councils still highly reliant on B&B use, the regulations do present a challenge.

2.5 The Unsuitable Accommodation (Scotland) (Order) 2004

This order commenced on 6 December 2004 and requires that any accommodation for families with children must meet certain basic standards. Without these basic standards the accommodation will be deemed unsuitable. Families can only be placed in accommodation that does not meet these standards (usually B&B accommodation) in specific circumstances. The Order includes both homeless people with children and pregnant women.

Accommodation will be deemed unsuitable if:

- it is outwith the council area
- it does not have a toilet and personal washing facilities for the exclusive use of the applicant (this does not necessarily mean a bathroom or a shower but could just be a toilet and a sink)
- there are not adequate bedrooms for the exclusive use of the applicant
- there is no access to adequate cooking facilities
- there is no access to a living room
- it cannot be used 24 hours a day
- it is not near schools or health facilities that are used or might reasonably be expected to be used by members of the family, or the location of the accommodation prevents them being easily accessed by public transport or transport provided by the council. (Ideally, these will be facilities that are already used by the family but if not then they should be similar to ones they are using)

- it is not suitable for children to live in.

Accommodation that meets the above criteria will be deemed unsuitable, but may be used in certain limited circumstances.

- The applicant is homeless or threatened with homelessness as the result of an emergency such as fire or flood.
- The council makes an offer of accommodation that was suitable, but the applicant expressly wishes to stay in unsuitable accommodation, for example because of proximity to schools, family networks etc.
- The accommodation is a women's refuge.
- It is council accommodation in which support services such as health or childcare is provided.
- The homeless application is made outwith normal office hours.
- The council does not have any suitable accommodation that meets all the above standards available.

In the event that unsuitable accommodation is provided because the applicant made the application outside office hours or the council did not have suitable accommodation available, the maximum amount of time a family can stay in the unsuitable accommodation is 14 days.

However, if at the end of 14 days, a family chooses to stay in unsuitable accommodation rather than be moved, they can exercise that choice (this might be because they want to stay near a child's school, for example). In doing so, they must be offered alternative suitable accommodation by the council in order to ensure their choice is an informed one. However, the Homelessness Code of Guidance indicates that families should be given ample time within the 14 days to decide whether to stay in B&B or accept the alternative offer of suitable accommodation.

2.6 Minimising the impact of bed and breakfast

As noted earlier, many councils have already achieved major successes in decreasing use of B&B accommodation for families. While the ideal is to end reliance on B&B for all homeless households, the practical reality is that many councils will need to rely on B&B provision for other groups of homeless people for some time to come.

A good practice approach will seek to ensure that households living in B&B accommodation face minimum disruption to their lives.

Stirling Council has established its own minimum physical standards for B&B for use by single people and couples without children. The council has also begun tendering for B&B providers so that quality, as well as finance, determines which B&B establishments are selected for use as temporary accommodation.

West Dunbartonshire Council has created a Health Support Worker post that is jointly managed by the council and the two local Health Boards. The post is intended to work with families who are moving between two health board areas, to ensure that health needs are identified.

Edinburgh City Council has developed the 'Keeping Safe' Project, which is an outreach project working with vulnerable women with children living in B&B.

Falkirk Council has employed a Senior Social Worker employed through the housing department to provide support to vulnerable adults with behavioural problems or personality disorders. The role includes supporting single people in temporary accommodation, including the remaining B&B accommodation the council uses for single people.

Fife Council has provided easier access to advice, assistance and assessment for households in B&B. Improved services to meet short- and medium-term needs have resulted in a shorter stay in B&B and placement in more appropriate temporary and supported accommodation in or around their own locality.

The Children and Young People Affected by Homelessness Group in **Aberdeen** provides a cross-sector discussion forum, ensuring that particular issues for families living in B&B accommodation in the area are brought to the attention of service providers.

South Ayrshire Council provides funding for children to travel to school to enable the child to remain in school for the period of homelessness.

3. Cost effective ways of reducing bed and breakfast use

3.1 The advantages of alternative forms of temporary accommodation

Alternatives to B&B can be more cost effective on two fronts. Firstly, many alternatives are in themselves significantly cheaper. Secondly, the housing benefit subsidy available is substantially higher and closer to the actual costs of the accommodation.

The cost to councils of using their own stock is considerably less than placing households in private sector accommodation. Private sector accommodation leased by councils will also cost substantially less than providing B&B for a family or single person. For example, an average unit of B&B in Edinburgh will cost £13,140 per annum while an average unit of private leased accommodation (assuming the rent is £500 per calendar month) will cost the council less than half this amount.

Temporary accommodation leased or managed by housing associations, or rented directly from private landlords, is eligible for substantial housing benefit subsidy. Again, overall rents will be well below B&B costs.

Apart from the advantages of alternatives to B&B in terms of lower rental costs and higher housing benefit subsidy, there are 'hidden costs' to B&B in terms of staff time which much be considered when comparing the management costs of other options.

3.2 Furnished tenancy grants

One factor making it easier for councils to provide more furnished tenancies as temporary accommodation has been the introduction of the 'Temporary Furnished Grant' by the Scottish Executive. In 2003/04 the Scottish Executive made funding available to all councils to create 5,000 furnished tenancies across Scotland over five years, with a recommendation that councils work with local furniture projects to provide furnishings. The packages are to be made available to households who were homeless, regardless of whether their application was assessed as priority need. Councils across Scotland have used these packages to provide permanent and temporary accommodation. Councils seeking to reduce B&B use should consider ring-fencing part or all of this funding to help sustain temporary furnished flats.

3.3 Council discretion to reduce council tax discount

Another new source of funding that could be ring-fenced to provide more temporary accommodation comes from the Scottish Executive's new regulations on council tax discounts. The new regulations take effect from April 2005 and give councils the discretion to reduce from 50 per cent to 10 per cent the discount on council tax on second homes and long-term empty properties.

At 1 September 2003, there were around 66,500 dwellings entitled to a 50 per cent council tax discount, the majority of which will be second homes or long-term empty dwellings. Potentially, around £24 million could be raised if all councils chose to reduce these discounts to 10 per cent.³

Significantly, any additional income generated by cutting the discount will be retained locally and used to provide affordable social housing. To date, the main focus has been the provision of more permanent new build accommodation through local RSLs. However, it would be possible for councils to agree to lease much of the new build accommodation from RSLs as temporary accommodation. This could be agreed at development stage with both the RSL and Communities Scotland. This new funding could therefore provide more resources to enable councils to develop their temporary accommodation strategy.

Associated guidance, drafted in consultation with the COSLA, Communities Scotland and the Scottish Federation of Housing Associations has been issued to all councils setting out the detailed arrangements for the new powers.⁴

3.4 'Spend to Save' initiatives

Also known as 'Invest to Save', 'Spend to Save' consists of a variety of innovative schemes to save the council money by reallocating funds from the existing B&B budget. The main characteristic of 'Spend to Save' is to allow the B&B budget to be used for any purpose that prevents homelessness or a lengthy stay in B&B. The logic is that by freeing up small amounts of cash to prevent homelessness the council can save large sums that would have otherwise been used on B&B. Moreover, all savings from the scheme are reinvested into homelessness prevention. As part of the 'Spend to Save' initiative councils create a Homelessness Prevention Fund which is a calculated and planned reinvestment of funds that would have been paid to B&B proprietors to allow front line officers to provide self contained housing or to prevent or delay homelessness occurring. Savings from the scheme are recycled both to pay off any initial investment and to fund alternatives to bed and breakfast.

The principle behind 'Spend to Save' is not new; for some time, Scottish local authorities have worked to save money on B&B in order to spend it elsewhere. This particular 'Spend to Save' model was pioneered in a number of English councils and now some Scottish councils are planning to develop the scheme. For example, North Lanarkshire and Midlothian Councils are currently considering introducing 'Spend to Save' initiatives

³ Scottish Executive News, 27/12/04, <http://www.scotland.gov.uk/News/Releases/2004/12/20161120>

⁴ Scottish Executive, 'Guidance on Council discretion to reduce Council Tax discount on second homes and long term empty properties', 2004. Copy available on Shelter Scotland website: <http://scotland.shelter.org.uk/policy/index.cfm>

as part of their bed and breakfast reduction strategies from April 2005 onwards. 'Spend to Save' is potentially an even more attractive option in Scotland, where there is a legal duty to place all homeless people in temporary accommodation.

Colchester Borough Council in England was awarded a Beacon authority status by the Office of the Deputy Prime Minister (ODPM) for its 'Spend to Save' scheme. Following a two-year 'Spend to Save' action plan, Colchester Borough Council eliminated use of bed and breakfast for families by undertaking a range of initiatives.

- Funding additional staffing (including project workers, a housing benefit officer, and the creation of a private sector lettings team).
- Providing rent in advance, damage deposits and goodwill payments.
- Providing rent top ups and tenancy sustainment payments.
- Assisting tenants with rent arrears payments.

General ideas for 'Spend to Save' schemes include the following.

- Interest free payments to tenants in rent arrears to prevent eviction.
- Rent and/or housing benefit guarantees for RSLs and private landlords.
- One-off payments for food, furniture, house clearance and removals.
- Funding independent advocacy services to prevent homelessness.
- More staff to provide debt advice/income maximisation services targeting those threatened with homelessness.
- More staff to provide housing support on an outreach basis.
- Using funds saved from B&B to convert council stock as temporary accommodation.
- Reallocation of funds to set up Private Sector Leasing Schemes or leasing arrangements with RSLs.
- Purchase of properties on the open market to convert to temporary accommodation.

In Scotland, **North Lanarkshire** Council is developing a 'Housing Benefit Guarantee Scheme' as part of its B&B diversion strategy. The scheme will pay to landlords housing benefit that has been delayed due to processing problems to assist tenants with rent arrears. It will also seek to assist young people facing eviction from friends or family by covering the non-dependent charges, while arrangements for alternative accommodation and mediation are explored. Interest free loans will also be offered to tenants in rent arrears to prevent homelessness. North Lanarkshire is also seeking to maximise discretionary housing benefit payments to prevent homelessness through rent shortfalls.

North Lanarkshire is also about to establish an Advocacy Worker post which will combine a number of roles including: direct advocacy; second tier housing advice; training and the promotion of good practice among providers of services for homeless people. The service is funded jointly by North Lanarkshire Housing, Social Work and the local Health Board. The service will be provided by Shelter.

Stirling Council has allocated significant resources to its homelessness prevention services. The council currently has one full time Income Maximisation Officer (IMO) who is dedicated to providing information, advice and assistance to council tenants. The IMO operates as part of Advice Services, which includes three other IMOs, two Money Advisers, an Ethnic Minority Adviser and two Mediation Workers. All the staff involved provide housing information and advice. Moreover, the council's Advice Services operate independently of Housing Services, being part of the council's Community Services.

Midlothian Council is planning to divert funding from its B&B budget to buy approximately 15 properties on the open market to provide temporary accommodation for families. This will generate long-term savings for the council in terms of its temporary accommodation budget. The council estimates that it cost £43,800 to accommodate a three-person household in B&B for one year. Purchase of a three-bedroom property at local market prices of £90,000 would take just over two years to recover the initial outlay of savings from B&B. The council estimates that purchasing a four-bedroom property for a five-person household would recover the initial outlay in terms of saved housing benefits within 18 months.

4. Alternatives to bed and breakfast accommodation

4.1 Background issues

Councils undoubtedly face a number of challenges in maximising overall housing supply. The ongoing impact of 'right to buy', combined with the increased responsibility to accommodate all homeless people, places additional demands on the existing pool of social housing. Reductions in the use of bed and breakfast must therefore be viewed as an important part of each council's Local Housing Strategy, as it places a small but significant demand on housing supply. Despite these challenges, many councils in Scotland have been proceeding with a range of creative alternatives to bring about a dramatic reduction in the use of B&B for families.

4.2 A strategic approach to temporary accommodation

The Housing (Scotland) Act 2001 placed a duty on all councils to produce a Homelessness Strategy. The Scottish Executive issued guidance in March 2002 to councils as to what should be included in their homelessness strategies. In terms of temporary accommodation the guidance from the Scottish Executive stated:

*'This would include a reduction in the number of homeless people placed in bed and breakfasts and large-scale hostels and the elimination of bed and breakfast provision for families.'*⁵

All councils were required to submit their initial homelessness strategies to the Executive by March 2003. Following receipt, the Executive, working closely with the Homelessness Monitoring Group (HMG), fed back comments to councils, highlighting both strengths and weaknesses within particular strategies and, where necessary, indicating sections requiring redrafting. All Scottish councils have now developed an updated draft of their homelessness strategy, which has been assessed by the Scottish Executive.

Because of the corporate nature of homelessness strategies, councils have had to develop a multi-agency approach to monitoring and implementing them. This has involved greater joint working between different council departments, such as Housing, Social Work and Housing Benefit, as well as more strategic planning with external partners, such as the NHS, Registered Social Landlords, and the voluntary sector.

This process, combined with the increased demand on temporary accommodation following the commencement of the Housing (Scotland) Act 2001, has been a major impetus for councils to review their use of B&B and develop alternatives. For example, in

⁵ Scottish Executive, Homelessness Team, *Housing (Scotland) Act 2001, Guidance on Homelessness Strategies* p19, March 2002

its homelessness strategy produced in March 2003, Fife Council identified a number of gaps and shortfalls in relation to its provision of temporary accommodation. These included:

'excessive use of B&B, not only for reception and emergency purposes. The concern is that B&B is being used to accommodate those homeless people whose needs could not be met by any other of the services. Ending dependence on B&B is therefore not simply about numbers – the need for a greater range in the type and intensity of support is also required'.⁶

Homelessness strategies have clearly allowed greater joint planning between homelessness services and other council departments such as tenancy services. One upshot of this greater co-operation is that many councils have prioritised the conversion of council stock as temporary accommodation. Similarly, closer joint working with RSLs and private landlords has increased the recognition of these partners as valuable sources of temporary accommodation.

Homelessness strategies have also encouraged longer-term financial planning. The financial disadvantages of using B&B are even more apparent when the budget is projected over a three-year spend period rather than on an annual budgetary basis.

Incorporating B&B reduction into an overall strategic approach to temporary accommodation is the kind of good practice now expected by the Scottish Executive and something many councils are engaged in. The Communities Scotland Inspection Reports have made this point emphatically. Moreover, even the existence of a temporary accommodation strategy is not in itself sufficient good practice. In its inspection reports, Communities Scotland has recommended a council's temporary accommodation strategy should:

'conduct a proper needs assessment of its current and future requirements for temporary accommodation, and ensure that it has access to sufficient good quality temporary accommodation to meet that demand.'⁷

In this context, many councils are now planning to end the use of B&B for all homeless households in their homelessness strategies. For example, Fife Council has a corporate target to eliminate all bed and breakfast use by April 2005. Other councils, such as Falkirk, South Lanarkshire and Edinburgh, see ending the use of B&B for all applicants as a key strategic objective. Councils that still rely heavily on B&B as a source of temporary accommodation now need to adopt a B&B reduction strategy if they have not already

⁶ Fife Council: www.fife.gov.uk

⁷ Communities Scotland, Pathfinder Inspection Report for Angus Council, p 72, May 2004

done so. This strategy should be built into the council's homelessness strategy action plan with specific and measurable timescales setting out how this will be achieved.

However, there is no 'one size fits all' model to temporary accommodation planning. For councils with a sizeable housing stock and overall low housing demand, conversion of stock will be the easiest and most rapid method of eliminating B&B use. However, even in such councils there will be pockets of high demand where other temporary accommodation options will need to be explored. Moreover, applicants will frequently be unwilling to move from one end of a large authority to another, even if the temporary accommodation offered is otherwise suitable. For example, North Lanarkshire Council is developing a Private Sector Leasing Scheme to provide temporary accommodation in the Cumbernauld area as part of a pilot. This area has a relative shortage of social housing and high housing demand so the conversion of council stock or leasing of RSL accommodation is less viable. Edinburgh City Council faces pockets of high housing demand and a shortfall of affordable housing. It is developing a Private Sector Leasing Scheme as its chief response to its shortage of temporary accommodation. Rural councils such Highland, Argyll & Bute and Perth and Kinross face unique challenges since their large area and dispersed populations make it especially difficult to provide temporary accommodation across the whole authority. In response to this, Highland Council is currently seeking to expand its supply of temporary furnished tenancies and leasing arrangements with RSLs. Highland Council has reported that Private Sector Leasing is difficult to establish in rural areas where tourism provides private landlords with a very competitive way of letting their accommodation.

Notwithstanding the local factors above there are a number of common questions that all councils should consider when planning and reviewing their temporary accommodation strategy. These questions are central to the development of an effective temporary accommodation strategy and are therefore key for all councils against which to evaluate their progress:

1. Has the council developed a temporary accommodation strategy? Is this linked into to the action plan of the Homelessness Strategy?
2. Does the temporary accommodation strategy make B&B reduction an explicit objective? How comprehensive and within what timescale is this being planned?
3. Does the temporary accommodation strategy include a robust needs analysis of how much additional temporary accommodation the council requires to meet current and future demand?
4. Does the temporary accommodation strategy have specific targets, timescales and an action plan with named officers?

5. Does the temporary accommodation strategy include an analysis of the current costs of B&B per unit? What is the projected B&B budget over the next three years? Has the strategy examined the cost benefit case for developing alternative sources of temporary accommodation over a three-year spending period?
6. Have senior staff presented the full costs of the B&B budget to elected members and given comparative figures on the savings to be achieved by developing alternative sources of temporary accommodation?
7. Is the council developing homelessness prevention services? Could it adopt any 'Spend to Save' measures to prevent homelessness and therefore reduce demand for temporary accommodation?
8. Does the council's strategy contain an analysis of what number of council properties could be converted for use as temporary accommodation over the next three years?
9. To what extent are Temporary Furnished Grants being ring-fenced for temporary accommodation? Does the temporary accommodation strategy set an explicit target?
10. What impact would the expansion of council temporary furnished flats have on the supply of permanent housing? What would be the optimum level this could reach before homeless applicants began to seriously 'silt up' in temporary accommodation?
11. Where are the main concentrations of private rented accommodation? Could work with existing landlords - ie accreditation schemes - be used to establish/develop private sector leasing?
12. Have all RSLs been contacted regarding the idea of leasing out accommodation as temporary accommodation? How much scope is there to develop this locally?
13. Has the council considered leasing temporary accommodation from new-build RSL developments where the land is provided by the council? In this context, what percentage of the council tax discount reduction is being ring-fenced to provide temporary accommodation? Has this issue been raised with members?
14. Is there sufficient funding to consider any new build or conversion projects for use as temporary accommodation? Have the costs of buying property been projected over a three-year spending cycle and compared with the B&B budget?

15. Is the temporary accommodation strategy linked to the council's allocation policy? Does the council regularly monitor the percentage of lets to the homeless? Are they being given an adequate proportion of lets? Could this be increased? Does the current system of allocations need to change to achieve this?
16. Is the council fully utilising its so-called 'section five' referrals to RSLs? If not, why not?
17. Can homelessness assessment be speeded up to shorten applicants' time in temporary accommodation? Is the current structure of homelessness services part of the problem? Could designated caseworkers and/or housing benefit staff speed up the process?
18. To what extent has the council utilised a 'Homeless at Home' approach allowing applicants to stay with friends/relatives where emergency placement is unnecessary? If not, what impact might this have on temporary accommodation costs?

4.3 Reviewing the council allocation system

Examining the extent to which homeless people (especially families) are being prioritised in housing allocations is an effective method of reducing the amount of time homeless households spend in temporary accommodation. Scottish Executive statistics indicate that for every three families housed from the waiting list only one homeless family is housed⁸. Modest increases to the proportion of lets given to homeless households would reduce the number of families in B&B and the time they spend there.

Many authorities have already begun this process by reviewing or actually changing their allocation system. For example, Angus Council, Moray Council and Dundee City Council have recently changed their allocation systems, while several other councils, such as South Lanarkshire, Perth and Kinross, North Lanarkshire and Highland, are planning to do so soon.

Within the common 'Group Plus Points' allocations system, some practical ways to increase lets to homeless people are to award the homeless in temporary accommodation more points and to increase the households points.

The impacts of Choice Based Lettings Systems are probably harder to assess than standard (Group Plus Points) schemes in terms of homeless lets. It is therefore vital that the overall number of lets to homeless people is closely monitored as part of any such scheme.

⁸ Scottish Executive Official Statistics on Lettings to Homelessness Households, 2003-2004

Highland Council is due to change its allocation system from April 2005 to overcome a backlog of homeless households in temporary accommodation. The council allocation system has been amended so that points for homeless households are increased and additional points will be awarded for each month that is spent in temporary accommodation to make faster household throughput possible.

City of Edinburgh Council was the first Scottish council to introduce a 'Choice Based Letting Scheme'. In such schemes, applicants 'bid' for properties they are interested in. Edinburgh estimates that in 2003-4 approximately 35 per cent of its total lets went to homeless households designated as 'silver card' holders, although the figure of actual homeless people who are let accommodation may be higher as this excludes medical cases.

North Lanarkshire Council has more than doubled its lets to homeless households over the last year from 16 per cent to 36 per cent. The council is currently reviewing its allocation policy with the intention of establishing a system more focused on the housing needs of groups such as homeless households.

Midlothian Council currently allocates 46 per cent of overall lets to homeless households. However, its current projections estimate lets to homeless households will amount to around 60 per cent of lets by the end of the financial year 2004-05. This will be achieved by prioritising lets to homeless households to ensure a faster move on from temporary accommodation.

4.4 Optimising Section 5 referrals

Housing associations make up an ever-growing proportion of the social housing stock. The Housing (Scotland) Act 2001 recognised that councils could, where appropriate, make better use of this stock in meeting their homelessness duties. Under Section 5(1) of the Housing Act, where a council has determined that someone is homeless, in priority need and is not intentionally homeless, it can request that a Registered Social Landlord (RSL) provide permanent accommodation for her/him. The RSL must comply with this request within a reasonable period, unless it has a good reason for not doing so. Guidance issued by the Scottish Executive suggests that a reasonable period for compliance is six weeks, although registered social landlords are expected to respond speedily. If the response is likely to be a refusal to provide accommodation, it is expected that the landlord should respond immediately and give reasons.

If the Registered Social Landlord does not comply with the council's request within a reasonable period, and both parties are unable to agree within five days that there was a

good reason for this, they must appoint an arbiter. If they are unable to agree on an arbiter, then Scottish Ministers will do this at the request of the council.

In its response to the Scottish Executive consultation on Unsuitable Accommodation Regulations, the Scottish Federation of Housing Associations (SFHA) recommended that its members could play an 'expanding role' in the provision of temporary accommodation for homeless households. It referred to a recent survey that suggested that while not widespread across all councils, the referrals process, where it is taking place, is working well.

However, research has shown that compared with those in England, Scottish councils make far less use of referrals to housing associations to meet their duties to homeless people.

Where possible, councils should aim to maximise the number of lets with RSLs as part of formal nomination arrangements to find swift and suitable housing options for homeless people. Increasing the percentage of RSL lets will speed up the time applicants spend in temporary accommodation and avoid it 'silting up'.

City of Edinburgh Council now achieves 20 per cent of all its lets to homeless people through section 5 referrals. The council uses 50 per cent of all RSL vacancies as s5 referrals and nominates applicants from the common register referrals for all other RSL vacancies. Edinburgh's development of the common housing register on a shared computer system has assisted this process.

Midlothian Council has a current allocation target to ensure that 90 per cent of its referrals to local RSLs are section 5 referrals.

4.5 Leasing housing association accommodation

In producing a B&B reduction strategy, councils may wish to consider leasing temporary accommodation units or developing nomination agreements through Housing Associations. The SFHA believes that Associations could make agreements with councils to provide a number of temporary accommodation units. In April 2003 it developed a Model Protocol for RSL Leasing of Accommodation to Councils.⁹

Glasgow City, City of Edinburgh and West Lothian Councils are all currently leasing substantial amounts of housing from local RSLs as temporary accommodation.

Glasgow City Council has transferred all of its mainstream stock to Glasgow Housing Association (GHA) but leases a large number of flats from

⁹ Scottish Federation of Housing Associations: www.sfha.co.uk

the RSL as part of its 'Access to Housing and Homelessness Agreement' which forms part of the stock transfer arrangements. Glasgow City Council currently leases 1,355 flats from GHA but its Capacity Plan is seeking to expand this number to 1,600 units. In addition, the council currently leases 34 flats from other RSLs in the city. Currently, most of the council's temporary furnished flats are for families, but it plans to provide more of this accommodation for single people.

West Lothian Council is one of the most proactive councils in developing leasing arrangements with local RSLs. At present, the council leases 17 temporary furnished units from local RSLs. The following RSLs are currently in partnership with the West Lothian Council to provide temporary furnished flats: Castlerock; Almond Housing Association; Edinvar, and Weslo Housing.

Falkirk Council has recently leased four flats from Link Housing Association for use as furnished temporary accommodation. This accommodation is for women made homeless through domestic abuse and referrals come via Women's Aid or applicants to the homelessness unit.

Dundee City Council is currently developing agreements with local RSLs to provide furnished emergency flats as temporary accommodation. The current arrangement with Sanctuary Housing Association is for the council to provide the land for RSL development in exchange for five nominations to furnished temporary 'Network Flats'. The council has plans to develop the idea further with local RSLs.

4.6 Private sector leasing and lead tenancy schemes

Shelter's recent online survey confirmed many councils are exploring private rented accommodation as an important source of temporary accommodation.¹⁰

Private sector leasing schemes

The basis of these schemes is that the council enters into a long-term lease with a private landlord eg five years. During the period of the lease, the council guarantees to cover all the management and repair costs and also agrees a set rental income to the landlord. For private landlords, this provides a guaranteed income with no losses through void or repair costs. For councils, the scheme provides a valuable temporary accommodation alternative. Moreover, the length of leases and the scale on which many authorities seek accommodation often ensures councils can negotiate rents below the market rate. For applicants, this provides a preferable option to B&B with a better quality of housing and

¹⁰ Shelter Scotland, *Temporary Accommodation in Scotland: two years on*, October 2004
<http://scotland.shelter.org.uk/policy/index.cfm>

more privacy whether the leased accommodation is a self contained flat or a shared living project.

Although councils can manage the private rented accommodation in-house, it is more common to use an independent agent, such as a private sector agency or RSL. Clearly the success of a private sector leasing scheme (PSL) depends on effective joint working with the Housing Benefits Department to ensure efficient fast-tracking of claims.

City of Edinburgh Council is currently the most advanced and ambitious in its plans to develop this option as the main provider of temporary accommodation. The council intends to obtain 1,000 furnished properties across the city over the next three years. It is expected that the majority of this accommodation will be used to accommodate single people, while most of the council's own temporary furnished flats will continue to be allocated to families. The council has allocated substantial staffing and funding resources to developing its PSL strategy and will be outsourcing the management of the scheme following a tendering process.

South Lanarkshire Council is attempting to reduce the number of families with children in B&Bs by establishing lease agreements with private landlords, in areas such as East Kilbride. According to the council, these agreements have enabled it to develop 46 units of furnished tenancies to date.

North Lanarkshire Council is developing a PSL pilot in the Cumbernauld area, which is an area of high housing demand some distance from much of the council's existing temporary accommodation. At present, the council has 16 properties in its PSL project and intends to expand the scheme.

PSL also has attractions for rural councils as there may be private rented accommodation available in areas where there is limited social housing stock. However, the characteristics of the local housing market will dictate the viability of this option.

Lead tenancy schemes

Although frequently confused with private sector leasing, lead tenancy schemes (LTS) have distinctive features of their own. Developed in 1992, the LTS was set up to provide a grant system to subsidise the refurbishment of empty properties in private ownership, which could then be leased to an RSL to accommodate homeless households.

Lead tenancy schemes are unique in that they are managed by RSLs, receive a two thirds grant from Communities Scotland, and focus exclusively on bringing empty properties in the private sector into use as temporary accommodation.

Ten RSLs were involved in the LTS in Scotland mostly located in the north east and accounting for around 250 units in total. In terms of the number of units, the main RSLs involved in the LTS were: Langstane, Grampian, Hillcrest, Canmore, Kingdom and Angus Housing Associations.

Despite RSL responsibility for LTS to date, there is certainly scope for councils in Scotland to develop their own Lead Tenancy Schemes as part of an Empty Homes Strategy and a 'Spend To Save' approach to bed and breakfast reduction.

4.7 Using council stock as temporary accommodation

Variouly known as scatter flats, dispersed flats or simply furnished flats, the idea of using council stock as temporary accommodation is the most obvious and perhaps the most popular alternative to the use of B&B among Scottish councils.

Many councils are currently developing this option and seeking to place applicants, especially families, as soon as possible after their initial application. From a financial perspective, this option is far cheaper than B&B and in the long term is less traumatic for applicants. As noted earlier, the introduction of Furnished Tenancy Grants by the Scottish Executive has been an additional factor encouraging councils to develop this temporary accommodation option.

However, the risk of relying too heavily on this option is its impact on the overall supply of permanent housing stock. This could lead to the 'silting-up' of homeless people in temporary accommodation. Typically the accommodation is taken out of mainstream stock for three years before being returned. Some councils, such as Stirling, are converting mainstream stock into temporary accommodation in difficult-to-let areas and thereby seeking to minimise the effects on re-lets while reducing overall voids. The difficulty with such an approach is that it could lead to users of temporary accommodation being stigmatised or isolated from the community if it is too concentrated in one area over several years. For this reason, other councils such as Dundee, Glasgow and Falkirk are seeking to disperse their temporary furnished flats across the council area. Glasgow's Homelessness Strategy is unambiguous on this issue: 'we need to secure an improved geographical spread and size/mix to optimise the choice for clients.'

South Ayrshire Council has developed the use of temporary furnished accommodation and prioritises its use for families. The accommodation is returned to general housing stock after three years to prevent particular properties becoming labelled as homeless accommodation. At present, the council has 147 units of temporary furnished flats.

Perth & Kinross Council is seeking to reduce its reliance on B&B as temporary accommodation by converting more council stock into temporary

furnished flats. At present, the council has 96 furnished flats but it is seeking to expand this number as soon as possible.

West Lothian Council has 127 units of temporary furnished flats. 17 of these are leased from RSLs and the remainder are council owned. Due to a decision by the council to develop other emergency housing options, the council was able to eliminate the use of B&B for all homeless households in 1995. The council states this objective was achieved within one financial year.

Falkirk Council has substantially increased its supply of temporary furnished flats from 45 in 2001/02 to 93 in 2004/05. The council is planning to bring 120 units of flats into use by 2005/6. As a result of these initiatives, the council no longer uses B&B for families.

4.8 Assessments

Efficient homelessness assessment processes will result in fewer people in temporary accommodation. While more funding from the Scottish Executive has allowed many councils to recruit more assessment staff, it is unclear whether this has had an effect on assessment times.

Organisational issues may also play a part in delaying the assessment process. Some councils provide homelessness assessment through a broad staff remit that provide both homelessness assessment and tenancy services functions together. This model of service delivery reduces the amount of time employees have to do casework. Staff with combined responsibilities may also take longer than specialist staff to carry out an assessment due to their comparative lesser experience in this area. The net effect of combining homelessness assessment and other functions in one post is likely to be homeless people in temporary accommodation for longer periods of time.

On the positive side, many councils have completely reorganised their homelessness services and recruited a large number of new staff over the last few years. For example, Argyll and Bute and Scottish Borders are two predominantly rural councils that have done this recently. Many councils, such as Midlothian, West Dunbartonshire and North Lanarkshire, have been able to utilise Supporting People funding to create Housing Support Teams to assist homeless people in temporary accommodation.

West Dunbartonshire Council has recently expanded the Homelessness Section to include a support team. The team has a key role in working pro-actively to prevent homelessness. The team works with:

- homeless people in temporary accommodation
- people who have recently taken up permanent accommodation

- people who are at risk of homelessness
- people who are in need of support to sustain their accommodation.

According to Communities Scotland's Inspection Report:

*'The Council's approach to identifying people at risk of homelessness is good. This shows a real commitment to support vulnerable people.'*¹¹

Efficient processing of homelessness applications is an issue that all councils should continually review. Moreover, developing good monitoring and benchmarking standards is key to assessing the outcome performance of homelessness services. Other ideas, such as voluntary peer audits with other councils, are useful tools to monitor and raise overall standards more objectively. In terms of joint working between councils on these issues, the Scottish Housing Best Value Network (SHBVN) has developed a sub-group looking at these and related issues related to developing quality standards in homelessness.¹²

4.9 Homeless at Home applications

Each of the previous options we have examined involved expanding the supply of social rented or private rented accommodation available to a council. In contrast, 'Homeless at Home' initiatives give homeless applicants the option of avoiding a placement in B&B or other emergency accommodation while the council assesses an application.

Following an initial approach to the council, the applicant is given the option of staying with parents, relatives or friends while the council is assessing their application. The application is formally recorded on this basis and the applicant receives a letter outlining their 'Homeless at Home' status and details of their caseworker. This kind of scheme avoids the applicant being referred to emergency accommodation options such as B&B or emergency reception centres. By negotiating a longer stay with parents, relatives or friends the council has more time to carry out a full assessment of the applicant. Following an assessment decision the council can identify an appropriate temporary accommodation option which avoids placement in a B&B or reception centre.

Eviction from parents, relatives or friends represents the largest single immediate cause of homelessness. As there is no cost incurred 'Homeless at Home' assessments, the council can make substantial savings on its temporary accommodation budget. For the applicant, it means they avoid the trauma of a B&B or an emergency reception centre placement, which may be a considerable distance from their family and other social networks.

¹¹ Communities Scotland Pathfinder Inspection Report for West Dunbartonshire council, p85, July 2004

¹² Scottish Housing Best Value Network, <http://shbvn.org/>

However, the scheme is not without risks. Some councils have concerns that a 'Homeless to Home' scheme might inadvertently result in an individual staying in a family setting which puts them at risk. Other councils worry that it might blur the distinction between individuals using the homeless route and waiting list applicants. Councils that have operated a 'Homeless at Home' scheme believe that it works best where councils commit staff to carrying out thorough initial interviews combined with more extensive use of home visiting as part of the assessment process. It is important that a 'Homeless at Home' assessment category does not treat applicants less favourably than other homeless applicants and, that the applicant is not viewed as less of a priority because of their ability to stay with friends or family. Such an arrangement should be viewed as short-term.

In **Edinburgh City Council**, almost half of all homeless applicants to the council are not placed in temporary accommodation but instead dealt with as 'Homeless at Home' cases in the care of parents, relatives or friends.

Falkirk Council reports that over the last year, 53 per cent of all its homeless applicants chose to stay in the care of family or friends while their case is assessed. Following an initial assessment by the council, home visits are conducted where more detailed interviews are carried out. If applicants are threatened with homelessness within a two-month period, council staff seek to negotiate a minimum period of stay with relatives or friends.

Fife Council estimates that approximately 40 to 50 per cent of all its homeless applicants stay with relatives or friends while their cases are assessed. The council reports that 'Homeless at Home' applications are most common in rural areas. Applicants in these areas prefer to stay closer to their existing social networks rather than face the disruption of moving to temporary accommodation well outside their community.

5. Conclusions: The future of temporary accommodation?

The options presented in this briefing are valid and cost effective alternatives to the use of B&B for families. Many councils have already developed alternatives to B&B, allowing them to substantially reduce or even end this option for homeless households. It is hoped that such practice models will be adopted by other councils that are still highly reliant on B&B as temporary accommodation for families. In terms of the issues identified in this briefing, the following themes are important to the development of good practice in temporary accommodation in the future.

5.1 Bed and breakfast use

The Unsuitable Accommodation regulations should not be applied simplistically to compel all homeless people to leave a B&B after 14 days. The regulations are explicit in that councils must consult with homeless people to check whether they wish to exercise their choice to remain in unsuitable accommodation. This objective should be readily achievable in councils with Housing Support Teams funded to provide support to families in temporary accommodation. However, in councils without such resources, specific efforts should be made to ensure that assessment staff visit homeless families on an outreach basis.

A family may consider remaining in their accommodation if the existing accommodation is nearer a child's school or located in a rural area where the move from B&B is too far from the applicant's community and wider social network. Where B&B is provided beyond 14 days at the family's wishes, councils should consider some of the support initiatives undertaken across Scotland to minimise the negative impact of B&B on homeless people.

The financial logic of ending B&B use for all applicants may convince other councils to follow the example of councils like West Lothian and Fife Council. However, where councils cannot end the use of B&B in the near future, they should at least strive to develop HMO licensing for all the temporary accommodation they do provide in this sector. This will both provide better conditions for homeless people and give the council access to a larger housing benefit subsidy.

5.2 Long-term B&B reduction strategies

The example of Fife Council shows that reliance on B&B can be reduced in a fairly short timescale as long as there is a corporate commitment to achieve this objective. Adopting a longer-term approach to B&B reduction with a temporary accommodation strategy will ensure that adequate funding is pooled into developing alternatives to B&B and homelessness prevention services. However, such an approach will require a corporate

commitment to reduction in B&B; ie commitment among senior officers and elected members alike.

5.3 Better allocations

Despite the positive examples quoted in this briefing, many councils continue to let a small proportion of housing to homeless people. The impact of the Housing (Scotland) Act 2001 requires all councils to evaluate how they are performing in this crucial area.

5.4 Better working with RSLs

Evidence from Communities Scotland Inspections indicates many councils are not utilising formal section 5 referrals with their local RSLs. Informal nomination agreements are still very common. One problem with such an approach is that councils would have no access to the formal arbitration process that section 5 provides in the event of an RSL refusing a nomination. Outside of section 5 referrals, the council would have no obvious route to challenge an RSL refusing their nominations. To maximise lets to homeless people and minimise applicants' time in temporary accommodation, councils need to use their section 5 referral rights more readily.

5.5 Leasing housing association accommodation

In England, Housing Associations have been significant providers of temporary accommodation to councils for over a decade. In contrast, most Scottish councils have not fully developed this option. To date most of the leasing schemes in Scotland have focused on shared living projects and hostels for single people. It is possible that councils prefer the conversion of their stock, as this will have an impact on overall voids and rental income. Another explanation put forward by a few councils is the delay involved in seeking approval from Communities Scotland to lease RSL accommodation. Nevertheless, as noted earlier, there is a limit to how far council accommodation can be used before it impacts on permanent housing stock. Councils planning a stock transfer under the Community Ownership Scheme will need to consider their leasing requirements for temporary accommodation. Dundee City Council provides an interesting model of how councils can negotiate with RSLs to provide temporary accommodation at the development stage.

5.6 Lead tenancies

Perhaps the main obstacle to developing such schemes is the problem of obtaining the consent of private landlords. Until councils in Scotland are given compulsory leasing powers as in England it will be difficult to make major progress in this area. It is Shelter's view that the full development of this and other schemes to utilise empty properties in the private sector will require a change in the law to allow a compulsory leasing powers for

councils. As a consequence, we have urged the Scottish Executive to grant councils this power in the current housing bill for the private sector.

5.7 'Homeless at Home' applications

The insistence of many councils that all homeless applicants need to be placed in temporary accommodation seems difficult to reconcile with the 'person centred' approach to homeless people outlined in the current Homelessness Code of Guidance. However, as the implications of the Housing (Scotland) Act 2001 becomes more fully integrated into council assessment practices there will hopefully be a recognition that this option can be beneficial for both homeless people and the council's finances.

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Changing Homelessness in Practice is an innovative national project designed to help practitioners and policy makers implement the Homelessness Task Force recommendations, including the Homelessness etc (Scotland) Act 2003.

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