

THE VALE OF GLAMORGAN COUNCIL

CABINET: 5TH FEBRUARY, 2026

REFERENCE FROM GOVERNANCE AND AUDIT COMMITTEE: 15TH DECEMBER, 2025

“515 TEMPORARY ACCOMMODATION: LONG TERM CRISIS? (DCR) –

For this item the Chair welcomed Samantha Clements (Audit Wales) and the Council’s Head of Housing and Building Services.

The report outlined that the Audit Wales’ review of Temporary Accommodation, undertaken between September 2024 and April 2025, looked at the cost and increases in demand for temporary accommodation, as well as identifying opportunities to improve the value for money of Councils’ approaches. Appendix A to the report set out a detailed audit scope and key findings of the review.

The review was undertaken to help fulfil the Auditor General’s duties, specifically a programme of value for money studies aimed at improving the economy, efficiency and effectiveness of public bodies in Wales as required by Section 41 of the Public Audit (Wales) Act 2004. The review followed on from previous audits undertaken by the Auditor General for Wales of homelessness demand, Rough Sleeping and Poverty.

Audit Wales concluded that:

“Councils spend a lot of money on temporary accommodation which is often not meeting people’s needs.

Councils have made limited progress with improving prevention of homelessness to achieve better outcomes and reduce costs.

There are approaches that councils could potentially use to improve the current situation.”

Three recommendations had been made in relation to the review, which were detailed in Appendix A to the report.

In response to the recommendations, the Director of Environment and Housing and the Head Housing and Building Services had developed an action plan which would be progressed by the Council. This was attached as Appendix C to the report.

The Council routinely monitored and benchmarked spend on homelessness services with other Welsh Authorities, and this showed that the Council was currently a low-cost Authority for Homelessness services, which included temporary accommodation

spend. Since the Council stopped using Bed and Breakfast (B&B) for the majority of its temporary accommodation needs, spend had reduced from £3.277m in 2024/25 to £298k in the first half of 2025/26. Appendix B to the report included supporting information that evidenced that performance.

In line with the Council's performance monitoring arrangements, progress against regulatory improvement areas would be monitored via the Strategic Insight Board Insight Tracker. Governance and Audit Committee would continue to be informed of progress against the Council's regulatory improvement areas through regular updates on regulatory progress, with Cabinet having final oversight. Progress would also be monitored by Audit Wales as part of the Council's annual audit work programme.

Governance and Audit Committee members were being asked to consider the contents of the appended report (Appendix A), supporting local information (Appendix B), and the Council's response (in the form of an action plan – Appendix C) with any recommendations / comments being referred onto Cabinet for their consideration and endorsement of the proposed actions to address the recommendations.

It was noted that the new Homelessness and Social Housing Allocation Bill placed additional requirements on the Council, and which would lead to additional staffing requirements to fulfil the legal requirements within the new Act. No additional funding would be coming forward to support the additional requirements and the Council had identified significant cost pressures to assist transition from a reactive approach to prevention first. These cost pressures had been submitted and would be considered as part of the Council's 2026/27 budget round.

Councillor M. Hooper queried the Council's approach to ensuring that it avoided passing on costs to other service areas, for example issues caused to families from being placed in an inappropriate accommodation setting. Councillor Hooper also referred to modular builds and asked if there were any opportunities for those small scale accommodation builds. The Head of Housing and Building Services stated that that in terms of families, none had been placed in bed and breakfast accommodation this year. The new legislative framework took into account the suitability of the accommodation and the needs of families, so there would additional responsibilities on local authorities to ensure that costs were not being passed on. With regard to small scale builds, the Council was currently undertaking a survey of some of its larger garage sites to see if any were suitable. A report on that would be considered by Cabinet in the new year. In the future, there would also be the possibility for re-locating the modular units used for accommodation at the former Eagleswell School site in Llantwit Major.

Councillor J. Protheroe referred to a case she was aware of involving a homeless pensioners that was placed in accommodation, but their pet dog had to be placed somewhere else for two weeks. In response, the Head of Housing and Building Services stated that the number of people in that situation would be relatively small, and the Council would avoid the use of temporary accommodation if a permanent solution was available. However, some types of accommodation did not allow pets. The Council would usually have a range of options that may suit a particular

client group more than others and the Council would try as far as possible to accommodate the needs of an individual.

The Chair, G. Chapman, referred to paragraph 2.6 of the report which highlighted the reduction in spend on bed and breakfast type of accommodation. Although that was generally a positive, there would be a consequence on another part of the Council's budget, for example a new capital spend for the relocation of the modular builds in Llantwit Major. The Head of Housing and Building Services outlined that the through the Housing Revenue Account, the Council was using a lot of its capital resource on temporary accommodation. In addition, the Council had a revenue stream that would make the use of temporary accommodation cost neutral. The Council had been able to attract private sector landlords in to the area, for example on Cardiff Road, one of the landlords had purchased a substantial former House of Multiple Occupancy to provide a 24 hour supported housing scheme for clients with vulnerable needs. Furthermore, there was the Transitional Accommodation Capital Grant from Welsh Government used to support a range of schemes including the acquisition of existing dwellings, conversion of non-residential buildings into housing and helps bring void properties back into use.

G. Chapman also queried the amount of the cost pressure for the new homelessness legislation and additional staff resource. In response, the Head of Housing and Building Services advised that a cost pressure of approximately £200k had been identified for the development of a new Prevention Team.

The Committee agreed that it was pertinent to raise concern with Welsh Government as no additional funding had been provided to local authorities in relation to the new Homelessness and Social Housing Allocation legislation. The Committee also agreed to a request asking that Cabinet write to Welsh Government on the same matter.

Subsequently, it was

RESOLVED –

(1) T H A T the findings from Audit Wales' review of the Temporary Accommodation (Appendix A to the report), supporting local information detailed in (Appendix B to the report) and the response to the review findings and Audit Wales' recommendations (Appendix C to the report), be noted.

(2) T H A T the recommendations from the Audit Wales review be added to the Regulatory Tracking report.

(3) T H A T the report be referred to Cabinet for its oversight and endorsement, with Cabinet also be advised of the view of the Governance and Audit Committee in relation to the following:

- For Cabinet to write to Welsh government to express concern that no additional funding has been provided to local authorities in relation to the new piece of legislation.

(4) T H A T the Chair of the Governance and Audit Committee also write to Welsh Government to express concern that no additional funding has been provided to local authorities in relation to the new piece of legislation.

Reason for decisions

(1-4) Having regard to the contents of the report and discussions at the meeting."

Attached as Appendix – Report to Governance and Audit Committee:
15th December, 2025

Meeting of:	Governance and Audit Committee
Date of Meeting:	Monday, 15 December 2025
Relevant Scrutiny Committee:	Live Well Scrutiny Committee
Report Title:	Temporary Accommodation: Long Term Crisis?
Purpose of Report:	To advise Members of the findings of the Auditor General for Wales' value for money review of Temporary Accommodation.
Report Owner:	Tom Bowring, Director of Corporate Resources
Responsible Officer:	Tom Bowring, Director of Corporate Resources
Elected Member and Officer Consultation:	No specific ward member consultation has been undertaken. Regulatory reports apply to the whole authority and inform Scrutiny Committees' annual work programme, the Cabinet annual work programme and the Council's improvement programme. Progress in relation to areas for improvement arising from the Annual Regulatory Plan (including local and national reviews) is regularly reported via the Council's Strategic Insight Board Insight Tracker to the Strategic Leadership Team, Governance and Audit Committee and Cabinet for final oversight.
Policy Framework:	This is a matter for Executive decision by Cabinet.
Executive Summary:	
<ul style="list-style-type: none"> The Audit Wales' review of Temporary Accommodation undertaken between September 2024 and April 2025 looked at the cost and increases in demand for temporary accommodation, as well as identifying opportunities to improve the value for money of councils' approaches. Appendix A sets out a detailed audit scope and key findings of the review. The review was undertaken to help fulfil the Auditor General's duties, specifically a programme of value for money studies aimed at improving the economy, efficiency and effectiveness of public bodies in Wales as required by section 41 of the Public Audit (Wales) Act 2004. The review follows on from previous audits undertaken by the Auditor General for Wales of homelessness demand, Rough Sleeping and Poverty. Audit Wales concluded that: 'Councils spend a lot of money on temporary accommodation which is often not meeting people's needs. 	

- Councils have made limited progress with improving prevention of homelessness to achieve better outcomes and reduce costs.
- There are approaches that councils could potentially use to improve the current situation.'
- Three recommendations have been made in relation to the review which are detailed in **Appendix A**.
- In response to the recommendations, the Director of Environment and Housing and the Head Housing and Building Services have developed an action plan which will be progressed by the Council. This is attached as **Appendix C**.
- The Council routinely monitors and benchmarks spend on homelessness services with other Welsh Authorities, and this shows that we are currently a low-cost authority for Homelessness services, which includes temporary accommodation spend. Since the Council stopped using Bed and Breakfast (B&B) for the majority of its temporary accommodation needs, spend has reduced from £3.277m in 2024/25 to £298k in the first half of 2025/26. **Appendix B** includes supporting information that evidences this performance.
- In line with the Council's performance monitoring arrangements, progress against regulatory improvement areas will be monitored via the Strategic Insight Board Insight Tracker. Governance and Audit Committee will continue to be informed of progress against our regulatory improvement areas through regular updates on regulatory progress, with Cabinet having final oversight. Progress will also be monitored by Audit Wales as part of the Council's annual audit work programme.
- Governance and Audit Committee members are being asked to consider the contents of the appended report (**Appendix A**), supporting local information (**Appendix B**), and the Council's response (in the form of an action plan - **Appendix C**) with any recommendations /comments being referred onto Cabinet for their consideration and endorsement of the proposed actions to address the recommendations.

Recommendations

1. That members consider the findings from Audit Wales' review of the Temporary Accommodation (**Appendix A**), supporting local information detailed in (**Appendix B**) and the response to the review findings and Audit Wales' recommendations (**Appendix C**).
2. That, subject to recommendation one, the report be referred to Cabinet for their oversight and endorsement of the proposed Council actions (**Appendix C**) to address the recommendations.

Reasons for Recommendations

1. To provide for scrutiny of the findings of Audit Wales' review of the Temporary Accommodation.
2. To ensure the Council responds appropriately and implements areas of improvement as identified by Audit Wales.

1. Background

- 1.1 The review was undertaken to help fulfil the Auditor General's duties, specifically a programme of value for money studies aimed at improving the economy, efficiency and effectiveness of public bodies in Wales as required by section 41 of the Public Audit (Wales) Act 2004.
- 1.2 This review of Temporary Accommodation follows on from previous audits undertaken by the Auditor General for Wales of homelessness demand, Rough Sleeping and Poverty. It focuses on identifying opportunities to improve value for money of councils' approaches in responding to temporary accommodation demand.

2. Key Issues for Consideration

- 2.1 The Audit Wales' review of Temporary Accommodation undertaken between September 2024 and April 2025 looked at the cost and increases in demand for temporary accommodation, as well as identifying opportunities to improve the value for money of councils' approaches. The review also considered how public money is being spent in developing a preventative approach to tackling the need for temporary accommodation and identifying areas where change is needed.
- 2.2 **Appendix A** sets out a detailed audit scope and key findings of the review.
- 2.3 The review concluded that Councils:
 - 'are spending considerable amounts on temporary accommodation which in many cases does not meet people's needs;

- do not understand whether they are getting value for money from their temporary accommodation;
- have made limited progress with improving prevention of homelessness to achieve better outcomes and reduce costs;
- find it difficult to predict demand for temporary accommodation in the medium to long-term;
- do not have clear plans in place to ensure their workforce is equipped to prevent demand for temporary accommodation; and
- find it difficult to work well with partner organisations to prevent homelessness.'

2.4 Three recommendations have been made in relation to the review which are detailed in **Appendix A**. These focus on:

- defining and evaluating value for money;
- strengthening the planning of homelessness prevention through better use of data; and
- modelling the impact of policy and legislation changes on councils' workforce needs.

2.5 In response to the recommendations, the Director of Environment and Housing and the Head of Housing and Building Services have developed an action plan which will be progressed by the Council. This is attached as **Appendix C**.

2.6 The Council routinely monitors and benchmarks spend on homelessness services with other Welsh Authorities, and this shows that we are currently a low-cost authority for Homelessness services, which includes temporary accommodation spend. Since the Council stopped using Bed and Breakfast (B&B) for the majority of its temporary accommodation needs, spend has reduced from £3.277m in 2024/25 to £298k in the first half of 2025/26. **Appendix B** includes supporting information that evidences this performance.

2.7 In line with the Council's performance monitoring arrangements, progress against regulatory improvement areas will be monitored via the Strategic Insight Board Insight Tracker. Governance and Audit Committee will continue to be informed of progress against our regulatory improvement areas through regular updates on regulatory progress, with Cabinet having final oversight. Progress will also be monitored by Audit Wales as part of the Council's annual audit work programme.

2.8 Governance and Audit Committee members are being asked to consider the contents of the appended report (**Appendix A**), supporting local information (**Appendix B**), and the Council's response (in the form of an action plan - **Appendix C**) with any recommendations /comments being referred onto Cabinet for their consideration and endorsement of the proposed actions to address the recommendations.

3. How do proposals evidence the Five Ways of Working and contribute to our Well-being Objectives?

Performance Management is an intrinsic part of corporate governance and integrated business planning which underpins the delivery of Vale 2030, the Council's Corporate Plan. Vale 2030 details five new Well-being Objectives which provide a framework for the next five years and how the Council will contribute to the national well-being goals. The five ways of working have been embedded in the development of the new Plan and are reflected in the work that will be undertaken to deliver Vale 2030.

- 3.1** External Regulation is an important vehicle for driving continuous improvement across our services. Progressing the improvement areas identified by our regulators not only enables us to demonstrate our commitment to continuous service improvement but also contributes to further strengthening our impact on the national well-being goals through the achievement of our well-being objectives.
- 3.2** The areas of improvement identified by our external regulators and the associated action plan produced by officers has been developed with the five ways of working in mind. The focus of these is on developing innovative ways of working that better integrate services, whilst enabling us to work more collaboratively with our partners and citizens to involve them in improving service delivery. These improvement actions also focus on preventative actions that will enable us to sustain and future proof our services into the longer term.

4. Climate Change and Nature Implications

- 4.1** The climate change and nature implications in respect of our regulatory recommendations will be considered as part of the development of our response (action plan) where required and will identify mitigating actions required to minimise any adverse consequences.

5. Resources and Legal Considerations

Financial

- 5.1** There are no budgetary implications directly arising from this report, although failure to progress the improvement areas outlined in the report could have a negative impact on any future external regulatory assessments of the Council which could in turn put funding opportunities at risk.
- 5.2** Increased demand for temporary accommodation caused by multiple drivers such as growing poverty levels and the cost-of-living crisis, new Welsh Government legislation and no-one left out approach, limited housing supply and shortage of workers to prevent homelessness adds to the budget pressures for Local Government as detailed in the report.

Employment

5.3 There are no direct workforce related implications associated with this report.

Legal (Including Equalities)

5.4 The statutory duties of the Auditor General are contained within the Local Government & Elections (Wales) Act 2021, the Well-being of Future Generations (Wales) Act 2015, the Public Audit (Wales) Act 2004, the Local Government Act 1999 and the Code of Audit Practice.

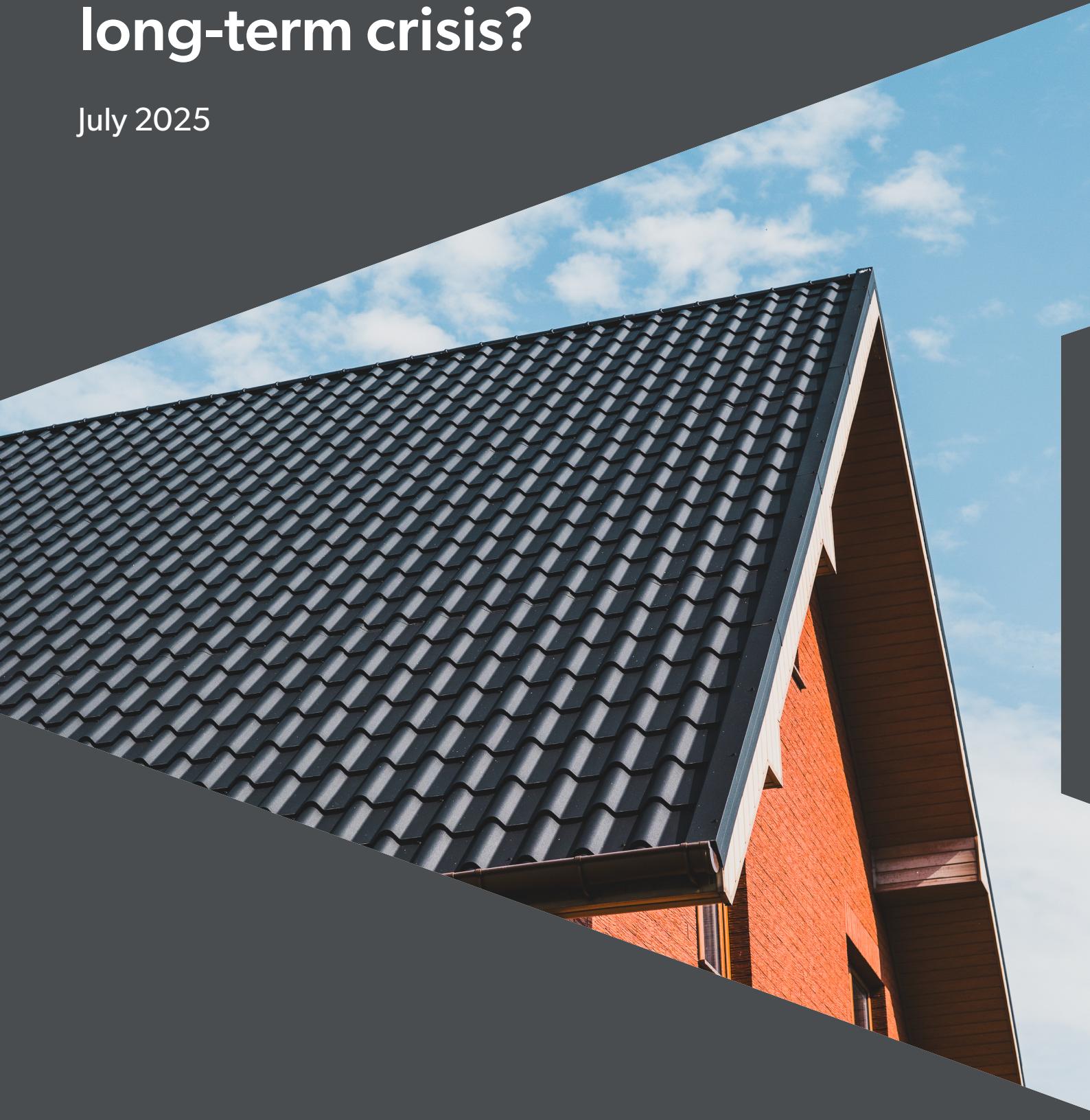
5.5 There are no implications directly arising from this report, although failure to respond to our regulatory recommendations could have a negative impact on any future external regulatory assessments and could result in a special inspection by the Auditor General for Wales if deemed that the Council is not meeting the performance requirements.

6. Background Papers

None

Temporary accommodation, long-term crisis?

July 2025



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The Auditor General also audits local government bodies in Wales and conducts local government value for money studies.

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Mae'r ddogfen hon hefyd ar gael yn Gymraeg

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Summary report

Audit Snapshot

Why we did the audit

- 1 This audit was carried out to identify opportunities to improve the value for money of councils' approaches in responding to the demand for temporary accommodation. We also aimed to explain the cost and increase in demand for temporary accommodation and councils' plans to deal with these challenges. In addition, we set out to provide assurance on how public money is being spent to tackle the need for temporary accommodation and provide evidence on where change is needed.
- 2 In particular, we looked at how councils measure, and try to improve, the value for money of what they spend on temporary accommodation. We also looked at whether councils are adapting to a preventative approach by better equipping their workforce, working with partner organisations and improving their understanding of demand for temporary accommodation.

Temporary accommodation

- 3 Demand for temporary accommodation has increased almost five-fold in the last decade. A significant reason for this was the Welsh Government's 'no-one left out' approach which was adopted during the pandemic to ensure everyone had access to a safe place to live. The Welsh Government provided additional funding to councils to implement this policy. Due to continued high levels of demand and rising costs, councils are spending considerable amounts of money providing accommodation for people who are often in crisis.
- 4 Reducing demand for temporary accommodation is important for councils' future financial sustainability. It is also important to ensure they are able to provide the right support for often vulnerable people to help them towards better outcomes.
- 5 Where councils need to provide temporary accommodation, it is important that councils understand whether or not they are securing value for money. This means having an understanding of the both the cost and quality of provision. It also includes understanding whether they are providing people experiencing homelessness with a place to live which meets their needs, even if it is only a temporary home.

6 Even with a focus on prevention, councils are likely to always need to offer a small amount of temporary accommodation for people who are experiencing homelessness. However, if councils and their partners do not reduce demand for temporary accommodation, there remains a risk that short-term solutions become a long-term crisis both for public finances and for people experiencing homelessness.

What we found

7 We found that councils:

- are spending considerable amounts of money on temporary accommodation which in many cases does not meet people's needs;
- do not understand whether they are getting value for money from their temporary accommodation;
- have made limited progress with improving prevention of homelessness to achieve better outcomes and reduce costs;
- find it difficult to predict demand for temporary accommodation in the medium to long term;
- do not have clear plans in place to ensure their workforce is equipped to prevent demand for temporary accommodation; and
- find it difficult to work well with partner organisations to prevent homelessness.

Focus of our recommendations

8 To support councils in overcoming these challenges, we have made recommendations aimed both at improving the value for money of temporary accommodation and reducing demand by preventing homelessness. These recommendations include:

- defining and evaluating value for money;
- strengthening the planning of homelessness prevention through better use of data; and
- modelling the impact of policy and legislation changes on councils' workforce needs.

Key facts and figures

- 9 The Housing (Wales) Act 2014 sets out the legislative framework governing housing and homelessness services. The Act outlines the requirements for councils to secure suitable accommodation for a person who is homeless or threatened to be homeless within 56 days.
- 10 Section 68 of the Act requires councils to provide interim accommodation ('temporary accommodation') if they believe a person is homeless, eligible for assistance and has a priority need for accommodation.
- 11 Temporary accommodation is often in the form of bed and breakfast (B&Bs), hotels, hostels or refuges, while a council undertakes investigations into eligibility (priority need, intentionality and local connection tests) or seeks to secure suitable accommodation.
- 12 The Welsh Government's 'Ending Homelessness in Wales: A high level action plan 2021-2026'¹ sets out key components to ensure homelessness is rare, brief and unrepeatable.
- 13 The Welsh Government introduced the Homelessness and Social Housing Allocation (Wales) Bill to the Senedd on 19 May 2025². The Bill aims to 'transform the homelessness system in Wales' and includes a focus on prevention and collaboration between public services, including a widening of responsibility for the identification and prevention of homelessness.
- 14 The Welsh Government has allocated significant investment to this area, including allocating £219.5 million to Homelessness Support and Prevention for 2025-26³.
- 15 Demand for temporary accommodation is significantly outpacing available accommodation. This is shown in **Exhibit 1**, which compares the number of people in temporary accommodation in a given month with the number of people moved into suitable long-term accommodation in that month, between August 2020 and March 2025.

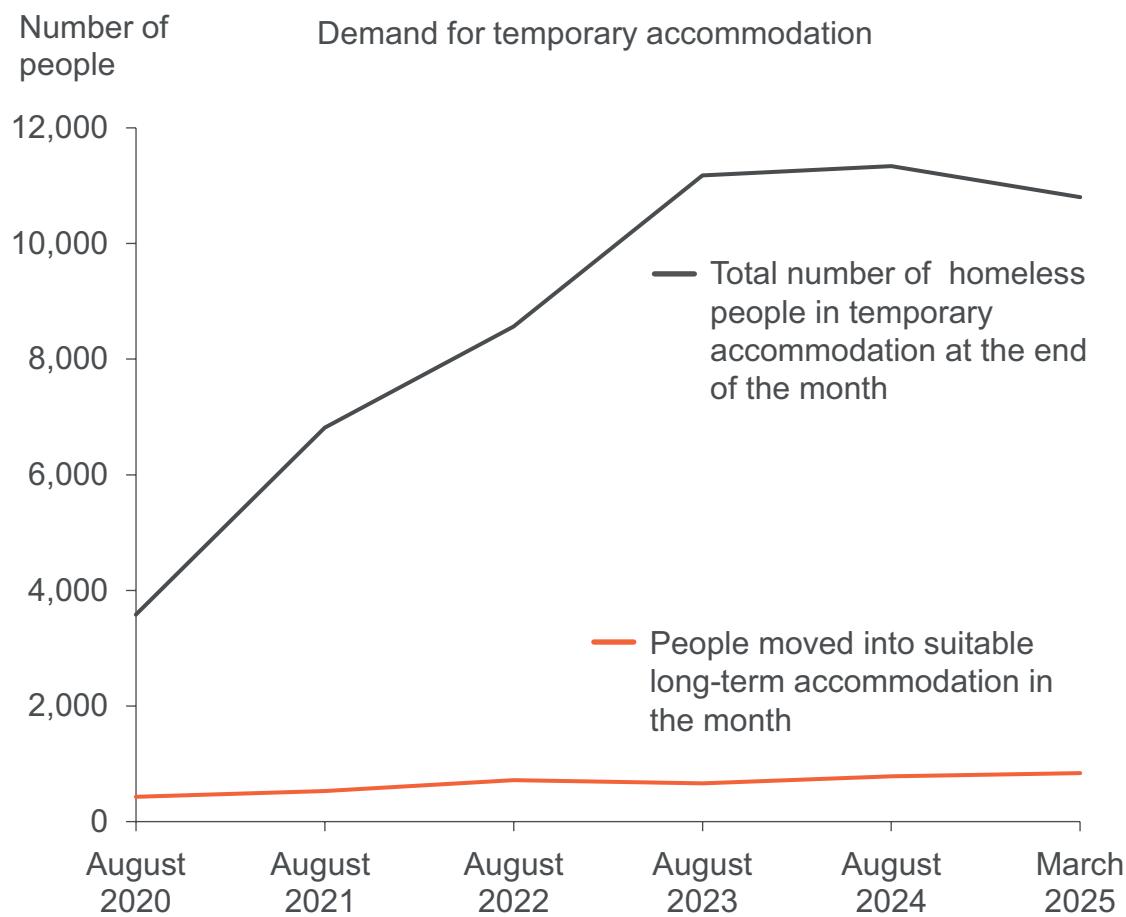
1 Welsh Government, [Ending Homelessness in Wales: a high-level action plan 2021-26](#)

2 Welsh Government, [Landmark Bill sets bold vision for ending homelessness in Wales](#)

3 Welsh Government, [Final Budget 2025 to 2026](#)

Exhibit 1: demand for temporary accommodation in Wales versus availability of suitable long-term accommodation from August 2020 to March 2025

The graph below shows the total number of homeless people in temporary accommodation over time compared with the number of people moved into suitable long-term accommodation between August 2020 and March 2025.



Source: The Welsh Government

Accessed 11 June 2025. Data in this series only available until March, hence the interval between this and the previous data point is seven months. The Welsh Government has told us that monthly data collection was introduced during the coronavirus (COVID-19) pandemic initially as Management Information. From January 2024, these data have undergone the appropriate quality assurance protocols for Official Statistics. Following the introduction of this collection, the Welsh Government worked with local authorities to develop the publication by strengthening the data collection guidance and to improve data quality. Due to this development, there was an improvement in data quality from April 2023. Month-to-month comparisons may not be reliable as there may be seasonal impacts on homelessness or other reasons for fluctuations.

- 16 In March 2025, 10,800 people were in temporary accommodation which represents a 200% increase since collection of this dataset started in August 2020. Of the people in temporary accommodation in March 2025, 24% were children under sixteen years of age⁴.
- 17 Repeat placements in temporary accommodation are common. In March 2025, almost 17% of placements into temporary accommodation were of individuals who had previously been placed into temporary accommodation within the last 12 months⁵.
- 18 There are many complex reasons for the increased demand for temporary accommodation. Some of these are illustrated in **Exhibit 2**.

Exhibit 2: Some of the drivers of demand for temporary accommodation

This exhibit illustrates some of the reasons why demand for temporary accommodation has increased in recent years.

Increased demand for temporary accommodation



Source: Audit Wales analysis

- 4 The information on data quality outlined in the source for **Exhibit 1** also applies to the data in this paragraph.
- 5 The information on data quality outlined in the source for **Exhibit 1** also applies to the data in this paragraph.

19 This rapid increase in demand for temporary accommodation has led to a significant increase in the amount councils spend on providing temporary accommodation. In 2019, councils spent around £28 million in total, whereas in 2023-24, this had increased to nearly £172 million⁶.

6 Source: Audit Wales survey data

We asked councils to provide figures for gross revenue expenditure on temporary accommodation for the financial years 2019-20 to 2023-24. We asked councils to exclude spending on preventative activity. There may be variations in how councils account for temporary accommodation expenditure and so these figures may include some funding from the Welsh Government.



Our findings

Councils spend a lot of money on temporary accommodation which is often not meeting people's needs

- 20 Stays in temporary accommodation are intended to be short, but increases in demand and lack of accommodation have led to people living in temporary accommodation for longer periods.
- 21 The Welsh Government has set out its aim for homelessness to be brief, rare and unrepeatable⁷. To achieve this, the Welsh Government aims to focus on provision of long-term housing solutions to avoid prolonged stays in temporary accommodation.
- 22 There is likely to be a continued use of relatively high levels of temporary accommodation in the short to medium term, due to the difference between current levels of demand and suitable permanent accommodation. This includes people staying in temporary accommodation for longer periods whilst suitable accommodation becomes available. It is therefore important to ensure that temporary accommodation can support people's needs and well-being.

Temporary accommodation often does not meet people's needs and can cause harm

- 23 Living in temporary accommodation can have a significant impact on people's health and well-being. Current provision often does not meet the needs of people including, in particular, groups who share protected characteristics as well as children and young people⁸.
- 24 The Bevan Foundation and Shelter Cymru's report 'Nowhere to call home: Living in temporary accommodation' highlights the experiences of people living in temporary accommodation. The report outlines that living in temporary accommodation can worsen people's mental health due to a range of reasons. These include poor quality accommodation, personal safety concerns, restrictions, abrupt moves and being placed far away from local networks and services such as schools.

7 Welsh Government, Ending Homelessness: A high level action plan 2021-2026

8 Tai Pawb, Understanding the experiences of homelessness

- 25 A 2023 study by The Reach Alliance⁹ found that living in temporary accommodation hinders children's ability to play, through, for example, a lack of physical space and strict visitor policies that mean children cannot invite their friends over to play.
- 26 Our fieldwork supports the view that in many cases temporary accommodation provision does not meet the needs of residents, can cause harm and is often not fit for purpose.
- 27 We heard of instances where families with young children and people in recovery from drug addiction were living in unsupported temporary accommodation alongside people with active drug addictions. We also heard examples of people developing substance addictions as a result of their temporary accommodation placement.
- 28 Well-being and personal safety concerns have been so significant for some people that they have chosen to become homeless rather than stay in temporary accommodation.
- 29 Councils told us that it is difficult to ensure temporary accommodation can meet a range of people's needs due to a lack of suitable accommodation, particularly for those with more complex needs.
- 30 However, we found some examples of councils taking a more proactive approach to understand the needs of those living in temporary accommodation and to use this to plan provision. We have included several practice examples from page 25 onwards.
- 31 Having a better understanding of the needs of residents and putting in place services to help meet those needs is more likely to improve outcomes for residents and improve value for money.

Councils do not assess the impact that restrictions placed on residents may have on their quality of life

32 Due to the lack of suitable accommodation, 19 councils told us that they often put restrictions in place to protect properties and the people living there.

33 Examples of restrictions include

- time curfews, such as residents being unable to enter or leave premises after 10pm each night;
- limits to the visitors that residents are allowed;
- bans on use of alcohol;
- no pets allowed; and
- no permission for residents to stay away, even to spend a night with family.

34 Most councils told us that they assessed the impact these restrictions may have on users. However, we did not find evidence of councils documenting assessments of the impact these restrictions may have.

35 Third sector organisations we spoke to told us that the restrictions placed on people have a negative impact on people's lives. Examples included difficulties gaining employment due to time restrictions, the feeling of being imprisoned and feeling watched by CCTV. They also highlighted the significant impacts on children's well-being and development.

36 Fully assessing the impact restrictions may have on well-being provides councils with an opportunity to prevent harm by identifying alternative options or arrangements that can better support well-being. This in turn has the potential to help councils secure better value for money by achieving better long-term outcomes for residents.

Councils are spending significant resources on delivering temporary accommodation which is a risk to their financial sustainability

37 The total expenditure¹⁰ on temporary accommodation increased by 516% between 2019-20 and 2023-24. This is a rise from £28 million in 2019-20 to £172 million by 2023-24, as can be seen in **Exhibit 3**.

10 Source: Audit Wales survey data.

We asked councils to provide figures for gross revenue expenditure on temporary accommodation for the financial years 2019-20 to 2023-24. These figures may include some funding from the Welsh Government.

Exhibit 3: total expenditure (revenue and capital) for all councils between 2019-20 and 2023-24

This exhibit shows the combined increase in expenditure in cash terms on temporary accommodation for all 22 principal councils in Wales between 2019-20 and 2023-24.



Source: Audit Wales survey of councils

- 38 Councils spent £356 million of revenue and £92 million of capital funding on temporary accommodation from 2019-20 to 2023-24.
- 39 There are a number of reasons why the amount that councils spend on temporary accommodation has increased in recent years. These include increased demand, rising costs, the length of time that residents are staying in accommodation and complexity of their needs.
- 40 Our surveys indicate that councils are concerned current expenditure on temporary accommodation is not sustainable over the medium to longer term, and that it poses a significant risk to their council's overall financial sustainability.
- 41 This suggests that unless a different approach is taken, including more focus on reducing demand, the costs of providing temporary accommodation may become unsustainable.

What we mean by value for money

42 Value for money is about whether money is being used to deliver intended outcomes at the best price. This is also sometimes referred to as 'cost-effectiveness'. Value for money is commonly associated with the 'three E's' of economy, efficiency and effectiveness. We have summarised these as

- Economy – Getting the right deal – securing the necessary inputs, to help achieve intended outcomes, at the lowest possible cost
- Efficiency – Doing the right thing – making the most of the inputs to generate outputs designed to achieve intended outcomes
- Effectiveness – Getting the right results – achieving the intended outcomes for the short and longer term

43 Value for money is therefore not just about costs, but about the quality and effectiveness of the service delivered for the money spent. People living in temporary accommodation are often in a vulnerable situation and need support to help them move into stable and appropriate accommodation.

44 Councils have legal duties relating to value for money. The Local Government and Elections (Wales) Act 2021 places a duty on councils to review the extent to which they are using resources economically, efficiently and effectively¹¹.

45 Councils are also required to act in accordance with the sustainable development principle. As part of this they are required to balance both short and long-term needs when making decisions on the use of their resources. It is therefore important that value for money is also considered over the longer term. For example, the most cost-effective solutions may often be ones that prevent problems from occurring at all, or from getting worse.

Most councils do not fully assess the value for money of their temporary accommodation provision

46 Councils primarily focus on comparison of short-term costs to assess value for money. Our evidence suggests that councils think they have strong arrangements in place to monitor value for money. However, we found that councils generally focus on the cost of provision, but not the outcomes or value it provides.

47 In addition, many councils have not benchmarked the costs of their temporary accommodation provision. Less than a third of councils told us they had undertaken benchmarking of their costs. Without benchmarking the costs of temporary accommodation, it is difficult for councils to know if they are providing value for money and to identify areas where they can improve value for money.

11 Local Government and Elections (Wales) Act 2021

48 Overall, this suggests that there are weaknesses in councils' arrangements to assess and monitor value for money. It also suggests there is a difference between how well councils think they are assessing value for money, and how well this happens in practice. This makes it difficult for councils to know whether the money they are spending is being used cost-effectively and having the intended impact.

Most councils do not fully assess a range of temporary accommodation options

49 Assessment of a range of options for temporary accommodation is an important step in securing value for money. This helps to provide assurance that councils have chosen the option that will provide value for money over the short and long term.

50 We found that most councils do not fully assess a range of options when commissioning temporary accommodation. Most councils either do not assess any alternative options at all or have only compared temporary accommodation costs of one or two options.

51 For example, many councils are trying to increase private rented sector accommodation for use as both temporary and permanent accommodation. We found that councils are often only comparing the costs of private rented sector options against short-term hotel and bed and breakfast temporary accommodation costs, rather than against a range of other potential options. This makes it difficult for councils to know that they have selected the option(s) most likely to secure value for money.

52 Where some councils had considered options in more detail, they were able to identify options that reduced costs and improved quality of provision. For example, Carmarthenshire County Council identified that by utilising buildings no longer needed by the Council or being sold by private landlords, it could improve temporary accommodation quality and deliver significant savings to the council.

53 Councils told us that it is difficult to assess all options because they are grappling with increased complexity and levels of demand within a challenging financial context. Councils regularly have to make immediate decisions to provide accommodation the same day and so it is therefore difficult for them to assess a range of options.

54 There are also barriers outside of councils' control that can make it difficult to identify options. We heard that challenges in meeting the Welsh Housing Quality Standard can make it difficult to create new temporary accommodation through converting existing properties. For example, we heard of an instance of a council not being able to utilise ex-council housing for temporary accommodation due to one bedroom being centimetres too small.

55 We also heard that the local housing allowance rates are a barrier for councils because the rates are significantly lower than market housing rents in most areas. All councils had identified the gap between local housing allowance and market rates as an issue, but most had not undertaken modelling to understand the value for money implications different options may have. The few councils that have used these factors to assess their options have found ways to improve their provision despite these constraints.

56 Without assessing a range of options, councils cannot be assured that they have chosen the best option to secure value for money.

Councils do not have arrangements to ensure that the temporary accommodation they commission from external providers delivers value for money

57 Most councils that buy temporary accommodation on a room or unit basis, (such as from hotels), do not have processes in place to ensure they secure value for money. This is partly because councils often buy rooms ad hoc through 'spot purchasing'.

58 Some councils have been able to significantly reduce the costs of 'spot purchasing' by comparing nightly rates between providers or setting up corporate accounts to access discounts. But council officers described that councils are often at the 'mercy' of providers with regard to costs and quality due to an overall lack of accommodation. This is also supported by our surveys, which highlighted concerns that councils' temporary accommodation does not provide value for money.

59 Some councils hire staff with commercial skills to put in place block booking agreements with providers. The purpose of these agreements is to negotiate rates and reduce the risk of fluctuating costs by putting in place longer-term contracts. However, we heard that there are risks with this approach, as councils are sometimes paying for rooms they do not need.

60 Although the Welsh Government has set out the need to move away from the use of emergency, temporary and hostel services¹², some councils are likely to continue to source temporary accommodation from providers to manage demand in the short to medium term. It is therefore important that councils have arrangements in place to ensure that value for money can be secured when commissioning temporary accommodation providers.

12 Welsh Government, Ending homelessness in Wales: a high level action plan 2021 to 2026

Most councils that own temporary accommodation do not have clear and planned maintenance arrangements

- 61 Of those councils that own temporary accommodation, we found that most do not have clear maintenance arrangements in place to reduce repair costs and improve quality.
- 62 Poor quality accommodation does not deliver value for money because it negatively impacts on people's health and well-being and leads to additional costs. For example, some councils have incurred expensive repair costs and alternative accommodation costs where repairs have led to longer turnaround times between tenancies.
- 63 A few councils have maintenance plans for temporary accommodation and clearly defined responsibilities for responsibilities within the council. For example, Cardiff Council has a stock transformation plan, through which it assesses the quality of all of its accommodation provision and identifies the work required to bring it up to standard.
- 64 Having arrangements in place for maintaining temporary accommodation can help to prevent homelessness and therefore the resulting costs and impact on residents' quality of life.

Councils have made limited progress with improving prevention of homelessness to achieve better outcomes and reduce costs

- 65 The Welsh Government mandated that councils should improve early intervention and prevention, in 'Ending Homelessness in Wales: A high level action plan' in 2021¹³. This included a requirement for councils to develop rapid rehousing transition plans as part of their Housing Support Programme Strategies by the end of 2022.
- 66 We found that all councils are aware of the need to move from a reactive to preventative approach, however, the extent to which they have made progress with this is highly variable and limited overall.

Councils are not planning effectively to prevent demand for homelessness services

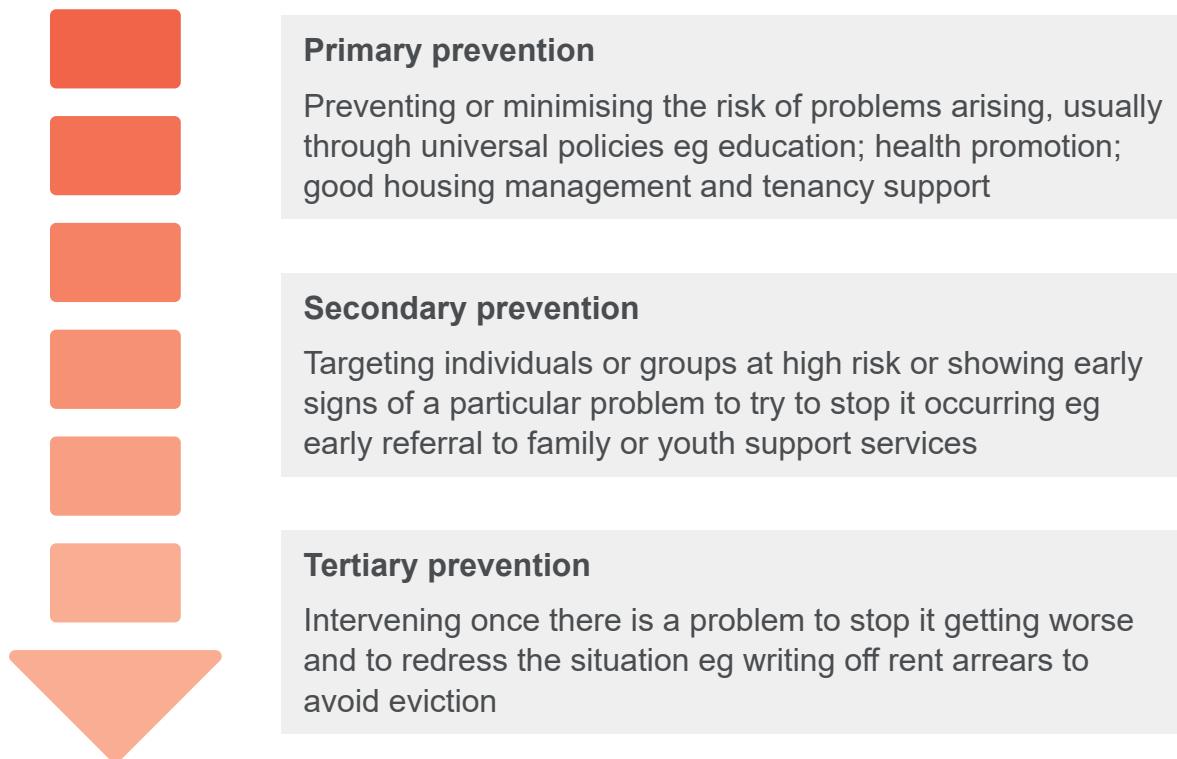
- 67 There are three different tiers of homelessness prevention: primary, secondary and tertiary. As shown in **Exhibit 4**, primary prevention is the earliest form of prevention, followed by secondary, and then tertiary. 'Ending Homelessness in Wales' states that 'the earliest preventions are most effective and most cost effective and should always be the interventions of first choice'.

13 Welsh Government, Ending homelessness in Wales: a high level action plan 2021 to 2026

Exhibit 4: the tiers of homelessness prevention

The exhibit below summarises the three tiers of homelessness prevention and provides a summary description of each.

Most effective



Least effective

Source: Audit Wales graphic using text from 'Ending Homelessness in Wales'

- 68 We found that, while all councils have Rapid Rehousing Transition Plans in place, the quality of these plans is variable. Only around half of councils have plans which include primary, secondary and tertiary approaches to prevent demand for temporary accommodation. Other councils mainly include secondary and tertiary approaches in their plans.
- 69 Most councils make good use of data to help them understand barriers to prevention. However, only a few councils and their partners regularly assess how well their prevention approaches are working. Some councils carry out no evaluation at all, and it is not yet clear in most councils if their approaches to prevention have been effective. By not making use of the full range of preventative approaches, councils risk missing opportunities to prevent the need for temporary accommodation at the earliest opportunity and to address costs.

70 For example, Denbighshire County Council has used data to model the impact its plans could have. The Council's Rapid Rehousing Transition Plan sets out that investing £2.54 million in key priorities, such as action to reduce demand, could save up to £22 million in private bed and breakfast costs over ten years. This would be a saving of approximately £20 million and equate to a nearly 800% return on investment over that time. Whilst this is an estimate, it does suggest that there are significant cost savings that could be achieved by many, if not all, councils by more effectively planning to prevent demand for temporary accommodation.

Councils find it difficult to predict demand in the long term and many are not confident they will be able to meet that demand

71 To effectively reduce and prevent demand for temporary accommodation, councils will need to improve their understanding of demand for homelessness services, including temporary accommodation. They will also need to improve the way in which they identify people at risk of homelessness.

72 Councils have a good awareness of the drivers of demand for temporary accommodation in the short term, supported by good use of data. But councils find it harder to predict demand in the medium to long term. This was supported by our survey results which showed that councils are generally confident in their ability to predict demand for accommodation over the short term, but less so for the medium term, and even less for the longer term.

73 Over half of councils told us they did not have a fully costed, approved plan in place to resource the projected demand for temporary accommodation over the next three to five years. Many councils told us that they find it difficult to cost their plans for temporary accommodation in the short, medium and long term. This was due to not being able to accurately predict demand or forecast what the costs will be for private providers in the future.

74 Councils are heavily reliant on the Welsh Government's grant funding for delivering action to address temporary accommodation. This poses the risk that councils may struggle to fund temporary accommodation costs if the grant funding is withdrawn.

75 Some councils have undertaken more detailed planning. For example, of the eight councils that clearly had modelled future demand, most had modelled over a medium-term period (five years). Denbighshire County Council used a ten-year period, and Rhondda Cynon Taf County Borough Council has projected demand up to 2037.

76 We recognise that predicting demand is challenging, as demonstrated by recent unforeseeable events such as the pandemic and the cost-of-living crisis. However, using available evidence and data to try and predict demand can help councils to plan for long-term sustainability. It can also help councils to improve their financial planning for homelessness services and move to a more preventative approach.

Many councils do not have clear plans in place to ensure their workforce is equipped to prevent demand for temporary accommodation

77 Staff in homelessness teams often do difficult and demanding jobs. 'Ending Homelessness in Wales: A high level action plan 2021-2026' includes an action to 'develop a resilient and valued workforce recognised for their expertise'. The aim of this action is to promote the sector as a career and move towards a 'psychologically informed approach' in housing services. To move from a reactive to a preventative model, homelessness teams in councils will need to work in a different way and may require new skills.

78 The Welsh Government's 2024 survey of the housing and homeless workforce found that frontline housing workers in councils more commonly provided neutral or negative responses to the statement 'I am valued for my skills and experience' than frontline workers in other organisations¹⁴. Many respondents to the survey felt workloads and expectations on staff were too high and some raised concerns over how much of the workforce had appropriate skills to implement person centred trauma informed support¹⁵.

79 In response to our survey, 95.5% of councils agreed or strongly agreed that staff in their homelessness teams are under significant pressure and 50% had seen an increase in sickness absences in the homelessness service in the last two years due to workload pressures. Staff abuse, a lack of time to upskill and job satisfaction were given as key staffing challenges. Additionally, 45% of councils told us that they struggle to recruit effectively into their homelessness services and many raised difficulties with recruiting specialist staff.

80 Most councils have taken some action to equip their workforce with the requisite skills and increase capacity, for example, by creating dedicated staff posts to work on prevention and bringing dedicated social workers into housing teams. However, half of councils told us they had not yet modelled the impact of recent and likely future policy changes on the skills and capacity needed in their workforce, nor have they identified their future workforce needs.

14 Welsh Government, [Ending Homelessness Outcome Framework: Workforce Survey](#)

15 Welsh Government, [Ending Homelessness Outcome Framework: Workforce Survey](#)

81 There has been a rapid increase in demand which has caused councils to focus on responding to this demand in the short term in order to meet their statutory duties. However, without a clear understanding of the future skills and capacity needed, councils risk failing to equip their workforce to work preventatively and being able to reduce demand for temporary accommodation.

Partnership working to prevent homelessness is not always effective or providing value for money and there is limited evaluation of it

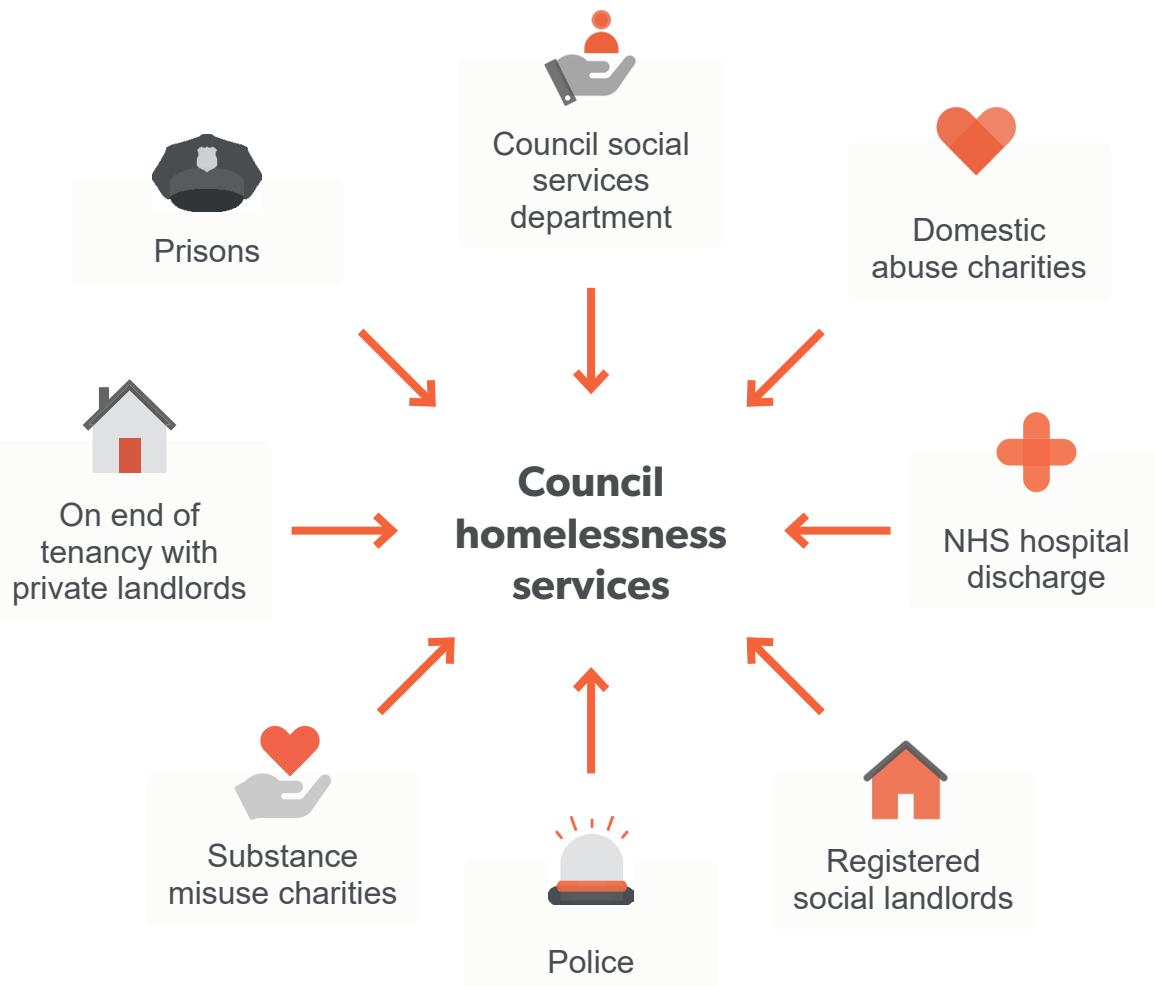
82 There are many routes by which people access homelessness services. For example:

- on leaving prison;
- after hospital discharge;
- due to eviction by their landlord.

83 **Exhibit 5** illustrates more of these routes.

Exhibit 5: some of the routes by which people access homelessness services

The diagram below shows some of the routes by which people access homelessness services.



Source: Audit Wales analysis

84 Therefore, to improve prevention of homelessness, councils need to work with partners such as the prison service, the NHS and private landlords. They also need to work with third sector organisations which provide support, for example, substance misuse charities.

- 85 Generally, councils do not have a comprehensive understanding of which partners they could work with to help reduce homelessness. Responses to our surveys indicate that councils understand which partners they should collaborate with. But our interviews with council officers and document reviews show a more variable picture. Most councils have mapped some aspects of their homelessness service such as the mental health pathway. But they are not fully clear on who does what in preventing demand for temporary accommodation.
- 86 Partnership working is not always effective in reducing the demand for temporary accommodation. Most councils feel they have effective partnership working arrangements in place with key partners to address demand for temporary accommodation. However, our evidence suggests the effectiveness of partnership working is mixed. Many councils have effective partnership working arrangements for some pathways and/or partners, but rarely all. Some council officers also told us that due to pressure on other public services, they often end up 'plugging the gaps'.
- 87 If councils and their partners do not clearly understand their respective roles and responsibilities, there is a risk that services will be duplicated which could potentially waste resources. Or there may be gaps in services, which means councils and their partners could miss opportunities to identify and support people at risk of homelessness.
- 88 There is also limited evaluation of partnership working to prevent demand for homelessness. Only a few councils carry out any significant evaluation of its effectiveness. If councils do not evaluate the effectiveness of partnership working, it is difficult for them to know if they are providing value for money or to identify opportunities to improve homelessness prevention.

Ineffective prevention is reducing value for money in councils and the wider public sector

- 89 Missing opportunities to prevent homelessness and improve well-being for those experiencing homelessness is impacting on people's lives and leading to increased costs for councils. Councils are unlikely to achieve value for money from their temporary accommodation provision until they improve homelessness prevention. This is because preventing homelessness from occurring, or re-occurring is likely to both reduce the cost of providing temporary accommodation and improve outcomes.
- 90 Councils told us that difficulties in engaging with public sector partners is a significant barrier to improving homelessness prevention. This not only means that councils are not able to provide value for money for their homelessness prevention expenditure but also has financial implications for the wider public sector.

- 91 The Welsh Government commissioned an evaluation of homelessness interventions which included a value for money assessment¹⁶. This assessment found that while cost-benefits for the public sector can vary, a rehousing approach combining stable and suitable housing with the right support had the potential for significant cost avoidance for health, criminal justice, social care and homelessness services.
- 92 The financial benefits of successfully preventing demand for homelessness services and achieving better outcomes for people's lives may not always be seen within one organisation. Not being able to immediately or directly see the impact of money spent can make it difficult for councils and public bodies to invest in prevention or providing greater levels of support. However, there is potential for public bodies to secure better value for money by working together to ensure people have stable and suitable housing.
- 93 The Welsh Government outlined in 'Ending Homelessness' that acute spending to manage the impact of a strongly negative situation does little to prevent problems recurring in future. For example, the potential recurring cost of temporary housing for people who repeatedly experience homelessness or the long-term cost of supporting children who have suffered Adverse Childhood Experiences (ACEs) because of the loss of their home.
- 94 The human cost of homelessness is not quantifiable in the same way as the financial cost, but it clearly has a significant impact. Homelessness can lead to family separation and delays in children's development. It can also have a negative effect on health and wellbeing. A failure to improve prevention of homelessness is likely to cause considerable problems for councils and their communities, both in the short and longer term.

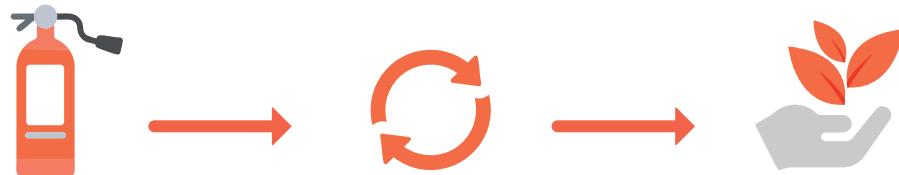
¹⁶ Welsh Government, [Evaluation of Phase 2 homelessness approach: final report](#)

There are approaches that councils could potentially use to improve the current situation

- 95 Current financial challenges and increased demand for temporary accommodation in recent years means that many councils are operating in 'firefighting' mode. This means they are focused on managing demand, delivering statutory duties and providing accommodation in the short-term rather than working to prevent demand over the medium and longer-term. The risks of this approach were highlighted in the Auditor General's report *From Firefighting to Future-proofing – the challenge for Welsh public services*¹⁷. We have summarised this in **Exhibit 6**.
- 96 Unless councils are able to focus more on prevention, alongside a stronger focus on the value for money of current provision, they will continue to provide an expensive service that risks not meeting people's needs.

Exhibit 6 – from firefighting to future proofing

The exhibit below sets out a description and characteristics for the different stages of 'firefighting', 'transition phase' and 'implementing the sustainable development principle' in relation to public services.



Description	Firefighting	Transition phase	Implementing the Sustainable Development Principle
Characteristics observed	<ul style="list-style-type: none"> Decisions and plans are made on an ad hoc and short-term basis. Constantly reacting to demand which diverts resources away from prevention. 	<ul style="list-style-type: none"> Firefighting in some areas but strategic and long-term planning is taking place. Initiatives to prevent demand are being put in place. 	<ul style="list-style-type: none"> Planning for the long term based on an understanding of trends, demand and user needs. Collaborating with partners to share learning and deliver integrated services that support people's well-being. Involving people and partners in service design, evaluation and problem solving to ensure the intended outcomes are achieved in the right way.

Source: Audit Wales diagram informed by an infographic from the National Audit Office's guide [Improving Operational Delivery in Government](#)

97 We have identified practice examples that councils might find helpful to improve their approach to temporary accommodation provision. These have been grouped into four themes below.

Planning and using data

98 Neath Port Talbot Council has undertaken medium-term financial planning in relation to housing and homelessness. This identifies:

- recurring costs;
- forecasted increases in demand including allowance for children transitioning to adulthood placements;
- the investment needed for its transformation programmes;
- cost of homelessness pressures;
- the projected budget shortfall to meet the demand for temporary accommodation; and
- the likely use of reserves is also stated across the full period.

99 Analysis of data has also enabled Neath Port Talbot Council to identify repeat episodes of homelessness and hospital admissions for people owed a statutory aftercare duty due to complex mental health needs¹⁸. The Council has developed a proposal to address this to deliver better support and outcomes for service users.

100 The Chartered Institute of Housing Scotland worked with partners to develop a framework for enabling a more consistent approach to monitoring rapid rehousing transition plans¹⁹. The framework is set out against the aims of homelessness being prevented, brief and non-recurring, and sets out indicators, measures and actions that councils can use to monitor progress in meeting these aims.

101 The Built for Zero²⁰ programme run by Crisis focuses on improving the use of data to understand who is experiencing homelessness, what they need to move into a home and how homelessness changes over time.

18 [Mental Health Act 1983](#)

19 [Rapid Rehousing Transition Plans Report](#)

20 Crisis UK, [Built for Zero: Together we will end homelessness](#)

Understanding and responding to the needs of those living in temporary accommodation

- 102 Carmarthenshire County Council has developed plans for a short-stay accommodation and support centre specifically for young people aged 18 to 25 with complex needs. The centre provides a protected environment where needs can be supported by a multi-agency team for up to six months, while permanent accommodation is found.
- 103 Conwy County Borough Council has developed two shared housing schemes which provide support and accommodation for people who are homeless upon release from prison.
- 104 Conwy County Borough Council has also placed an officer within some of its temporary accommodation to provide support for residents. This includes help with seeking employment and advice on available benefits. We heard that there has been high demand for this service, and it has led to successfully removing barriers that prevented some people accessing employment and, consequently, permanent accommodation.

Partnership

- 105 Homeless Link has created a partnership self-assessment tool²¹. This tool can help to assess current partnership arrangements and identify actions to strengthen arrangements where needed.
- 106 Crisis has developed a Homelessness Alliance²² in partnership with the UK Government. Local businesses can join the alliance by signing and implementing pledges that commit them to preventing their employees becoming homeless. This is designed to encourage local businesses to help prevent homelessness.

Assessing options

- 107 Greater Manchester Combined Authority and the UK Government developed a cost-benefit analysis tool²³ to assess the value for money to the public sector of different intervention options that may not be easy to compare. The tool can help partners work together to better understand the relationship between the money spent by the public sector as a whole and the benefits delivered. The tool is supported by guidance and a unit costs database that provides financial data on a range of public sector activities, including housing, health and social services. The tool can be used to support a better understanding of value for money of different options to meet and prevent demand for temporary accommodation.

21 Homeless Link, [Partnership self assessment framework](#)

22 Crisis UK, [Sign up to our Homelessness Alliance](#)

23 Greater Manchester Combined Authority, [Research: Cost Benefit Analysis](#)

- 108 Local Partnerships has developed a homelessness prevention model²⁴. The model can be used to help quantify the costs and benefits of homelessness prevention programmes.
- 109 Denbighshire County Council's Rapid Rehousing Transition Plan contains a detailed assessment of options over a ten-year period, including the financial impact per annum. The plan also sets out how the Council's chosen approach to temporary accommodation meets its aim to have accommodation that can be used flexibly as demand changes over time.
- 110 Neath Port Talbot Council found that it was operating most of its temporary accommodation at a loss. The Council modelled a range of options and identified that it would be more cost-effective to purchase the temporary accommodation it was leasing. This is because the Council identified that it could fully recover its costs within a few years and then be able to invest income generated from rents at local housing allowance rates back into the service.
- 111 Isle of Anglesey County Council has drawn on The Temporary Housing Dilemma – Strategies for Local Authorities²⁵ report published by Copping Joyce. The report contains a matrix that can help councils to assess the implications of different approaches to providing temporary accommodation.
- 112 The Hertfordshire Growth Board²⁶ has sponsored a review of temporary accommodation options to assist councils to better meet the housing needs of people living in temporary accommodation whilst securing value for money. Three proposals have been identified to have the highest potential to impact the supply and management of homelessness accommodation:
 - development of a Hertfordshire Temporary Accommodation Predictive Model to better understand and manage future demand;
 - development of a multi-district or Hertfordshire wide accommodation pathway for homeless people with complex needs (originally a housing first service);
 - development or commissioning of hospital stepdown accommodation.

24 Local Partnerships, [Homelessness prevention report and tool](#)

25 Copping Joyce Surveyors, [The Temporary Housing Dilemma - Strategies for Local Authorities](#)

26 Local Government Association, [Joint Review of Temporary Accommodation Provision: how can we improve the availability of appropriate temporary accommodation across the county](#)

113 Success will be measured through:

- measurable improvements in the life chances for households in temporary accommodation;
- increased return on financial investment in provision of temporary accommodation; and
- increased collaboration and shared learning from experience by bringing together the required expertise into one co-ordinated programme.

114 This approach provides an example for how partners can work collaboratively to identify temporary accommodation options.

Increasing accommodation options and improving quality

115 We found examples of innovative solutions being used to try to improve the value for money of temporary accommodation and increase accommodation options:

- Cardiff Council has used modern construction methods to create accommodation on brownfield land. The Yr Hafan²⁷ site has delivered high quality, energy efficient temporary accommodation with support permanently on site and a community building to provide training, education and creche facilities for residents.
- Cardiff Council has a stock transformation plan through which it assesses the quality of all of its accommodation provision and identifies the work required to bring it up to standard.
- Linc Cymu Housing Association has created high quality, energy efficient homes on an underutilised car park for people previously living in temporary accommodation in Newport²⁸.
- Carmarthenshire County Council identified that it could deliver improved quality temporary accommodation to support residents' wellbeing and deliver significant savings to the council by utilising buildings that were no longer needed by the Council or being sold by private landlords.
- When a local landlord decided to sell a large number of homes, Neath Port Talbot Council identified an opportunity to increase social housing stock and prevent homelessness by working with local RSLs to purchase some of the properties. The Council is not stock holding, but collaborative working with the Welsh Government enabled the Council to increase its number of owned properties.

27 Cardiff Council, Hafan (Old Gas Works Site) – Ferry Road, Grangetown

28 Zed Pods, Hill Street House

116 There may be opportunities for some councils to work more with communities and the third sector to expand their provision and provide support to people living in temporary accommodation. Mapping out potential partners could help councils to identify new opportunities or opportunities to work more effectively with the third sector. Examples of initiatives run by the third sector include:

- Many organisations deliver Housing First schemes in Wales, including The Wallich and The Salvation Army. Housing First teams work closely with councils to rapidly find people a permanent home alongside intensive support to sustain their home.
- Depaul runs Nightstop which enables volunteer hosts to provide emergency overnight accommodation to young people.
- Housing Justice Cymru runs programmes such as:
 - Faith in Affordable Housing which brings redundant church land and buildings back into use as social housing;
 - Hosting Project which supports volunteer households to host refugees and asylum seekers; and
 - Citadel is a volunteer-led homelessness prevention project which provides support to people experiencing homelessness to find and/or sustain a tenancy and establish a home.



Our recommendations

Exhibit 7: recommendations

The table below sets out the recommendations that we have identified following this study.

Recommendations

Value for money

R1 We found that councils are not able to demonstrate that they are securing value for money in their temporary accommodation provision. To address this councils should:

- ensure the full range of approaches and options for temporary accommodation provision are considered; and
- set out how they will assess and monitor the overall value for money of temporary accommodation provision, including:
 - the intended outcomes; and
 - the information they will use to assess the economy, efficiency and effectiveness of their temporary accommodation provision.

Recommendations

Planning for prevention

R2 We found that while all councils have Rapid Rehousing Transition Plans in place, these are of variable quality. To effectively plan to prevent homelessness councils should:

- ensure they use relevant data to make the best possible estimate of future demand for homelessness services;
- include a range of primary, secondary and tertiary approaches in their plans, with the emphasis on primary prevention where possible;
- model the impact of policy changes on the skills and capacity needed in their workforce;
- identify the workforce they will need to address demand for temporary accommodation in the future; and
- set out how they will assess and monitor the economy, efficiency and effectiveness of their approach to preventing and reducing demand for temporary accommodation.

Partnership working

R3 We found that partnership working in preventing homelessness is often not effective. To improve this councils should:

- work with their partners to:
 - identify existing respective roles and responsibilities;
 - agree how to address gaps in and/or duplication of services;
- regularly evaluate the effectiveness of their partnership working for homelessness prevention.



Appendices

1 Audit scope, approach and methods

1 Audit scope, approach and methods

Scope

We sought to answer the question ‘Are there opportunities to improve the value for money of temporary accommodation services?’

To answer this, we looked at what councils are doing to ensure they secure value for money in their current approach to providing temporary accommodation. We also looked at whether councils are effectively preventing demand for temporary accommodation services.

We developed our audit criteria based on learning from our previous audits of Homelessness demand²⁹, Rough sleeping³⁰ and Poverty³¹. We also used research from relevant organisations and stakeholders on the key issues around temporary accommodation to inform these criteria.

Approach

Our approach in this audit has been to understand the cost of, and increase in demand for, temporary accommodation and councils’ plans to deal with these challenges. We aimed to identify how public money is being spent to tackle the need for temporary accommodation and provide evidence on where change is needed. We also aimed to support improvement by highlighting opportunities to improve value for money and citing examples of good practice.

We aimed in particular to consider the needs of, and outcomes for, people experiencing homelessness as part of this work.

29 Audit Wales, How Local Government manages demand – Homelessness

30 Audit Wales, Rough Sleeping in Wales – Everyone’s problem; no-one’s responsibility. Audit Wales, July 2020

31 Audit Wales, ‘Time for change’ – Poverty in Wales. Audit Wales, November 2022

Methods

Our fieldwork was completed between September 2024 and April 2025, utilising the following methods:

- document review: we reviewed key documents from all 22 councils. These included rapid rehousing transition plans, progress monitoring reports for rapid rehousing transition plans, and Medium Term Financial Plans. We also reviewed workforce plans, business cases and tender documents to support the commissioning of temporary accommodation. We also reviewed documents that evidenced long-term demand modelling and planning and agreements that underpin key partnerships.
- literature review: we reviewed key relevant policy and research documents.
- local interviews: we met with relevant senior officers and councillors from five councils.
- national interviews: we met the Welsh Government, research organisations and homelessness charities.
- surveys: we carried out surveys of the section 151 officers and heads of housing in all 22 councils. We received responses from all councils for both surveys.



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We welcome correspondence and
telephone calls in Welsh and English.

Rydym yn croesawu gohebiaeth a
galwadau ffôn yn Gymraeg a Saesneg.

Documentary Evidence request for Temporary Accommodation Study

Council:	Vale of Glamorgan
Council Representative:	Mike Ingram/Matt Bowmer
Job title:	Head of Housing/Head of Finance
Date sent to Audit Wales:	

Audit question: Are there opportunities to improve value for money of temporary accommodation services?

We require documentary evidence for each of the following audit criteria. Where you are unable to provide documentary evidence, please state that it does not exist.

Audit Criteria	Document Name	Comments
<ul style="list-style-type: none"> Councils use relevant data to inform their understanding of short-, medium- and long-term drivers. 	<ul style="list-style-type: none"> Corporate Plan Corporate Plan 202-2025 Summary Spread English (valeofglamorgan.gov.uk) Corporate Risk Template  Corporate Risk Assessment Housing ; Corporate Risk report to Governance & Audit Committee Qtr2 Risk Register Governance & Audit Draft Budget and MTFP Draft Budget and MTFP (valeofglamorgan.gov.uk) Housing Business Plan Housing Strategy Local Housing Strategy 2021-26 (valeofglamorgan.gov.uk) Housing Support Programme Strategy Ref from HSC - Housing Support Programme Strategy (valeofglamorgan.gov.uk) Rapid Rehousing Strategy 	<ul style="list-style-type: none"> Addressing Homelessness key priority for the Council. Acknowledged as a Corporate Risk Medium Term Financial Plan manages the temporary accommodation pressures against the delivery of the Rapid Rehousing by using reserves to smooth out the pressure. 30-year Business Plan looking to develop additional social and affordable housing

Audit Criteria	Document Name	Comments
<ul style="list-style-type: none"> Councils and their partners have mapped out their respective roles and services in preventing the need for temporary accommodation in the short, medium and long term. 	 RRTP Vale of Glamorgan (003).doc <ul style="list-style-type: none"> Rapid Rehousing Strategy  RRTP Vale of Glamorgan (003).doc <ul style="list-style-type: none"> Repaid Rehousing Update Plan  Rapid Re-Housing Update plan 7Aug24.c	<ul style="list-style-type: none"> Oversight by Rapid Rehousing Steering Board Commissioning of supporting people providers
<ul style="list-style-type: none"> Councils and their partners collaborate to ensure there are smooth pathways to prevent the need for temporary accommodation, particularly for groups at risk of harm. 	Ref from HSC - Housing Support Programme Strategy (valeofglamorgan.gov.uk) <ul style="list-style-type: none"> See Rapid Rehousing Strategy above 	<ul style="list-style-type: none"> All homeless presentations made via Council's Housing Solutions team, via Civic offices or corporate contact centre (C1V)- one point of entry. Information on process also on web site, see following link.
<ul style="list-style-type: none"> Councils and their partners regularly evaluate the effectiveness of partnership working. 	<ul style="list-style-type: none"> Overarching Strategic Housing Forum Terms of reference  Affordable Housing Partnership Guide Sig	<ul style="list-style-type: none"> Strategic Housing Forum oversees the development of new build affordable housing Overarching Housing Forum – oversees the delivery of the Local Housing Strategy for Vale of Glamorgan. Incorporates Registered Social Landlords, private sector and planning
<ul style="list-style-type: none"> Councils deploy a range of primary, secondary, and tertiary approaches¹ to prevent demand for temporary accommodation. 	<ul style="list-style-type: none"> Housing Support Programme Strategy Ref from HSC - Housing Support Programme Strategy (valeofglamorgan.gov.uk) 	<ul style="list-style-type: none"> Examples of primary, secondary and tertiary interventions Mediation with Llamau Vale Assisted Tenancy scheme assists people threatened with homelessness access accommodation in private rented sector via bonds, rent in advance etc

¹ An agreed definition of preventative spending is available on the [Future Generations Commissioner's website](#).

Audit Criteria	Document Name	Comments
<ul style="list-style-type: none"> Councils have mapped out the implications of future demand and policy changes in terms of staff skills and capacity. 	<ul style="list-style-type: none"> Team Plan  <p>Team Plan 2024-25.docx</p>	 <p>VATS-Information-Bo oklet.pdf</p> <ul style="list-style-type: none"> Fully understanding implications of White Paper and changes to homelessness legislation Review of Housing Solutions Service Impact of resettlement programmes
<ul style="list-style-type: none"> Councils have taken action to address skills and capacity gaps in their workforce. 		<ul style="list-style-type: none"> Restructuring Training – providing legal advice, upskilling
<ul style="list-style-type: none"> Councils and their partners regularly evaluate effectiveness of prevention approaches. 	<ul style="list-style-type: none"> Examples of HSG evaluations  <p>Background to the tender Complex Need</p>	<ul style="list-style-type: none"> Evaluate of HSG schemes One Stop Shop
<ul style="list-style-type: none"> Councils make use of relevant data to inform their understanding of the barriers to successful prevention. 	<ul style="list-style-type: none"> Local Housing Market Assessment  <p>LOCAL HOUSING MARKET ASSESSMEN</p>	<ul style="list-style-type: none"> HSG annual needs matching  <p>Needs mapping - unmet need.docx</p>
<ul style="list-style-type: none"> Councils have agreed plans in place to prevent the need for temporary accommodation over the short, medium and long-term? 	<ul style="list-style-type: none"> Housing Development Plan  <p>Ref-from-HSC-Home lessness---Rapid-Reh</p> <ul style="list-style-type: none"> Rapid Rehousing Plan SHG Agendas 	<ul style="list-style-type: none"> HMA affordability Impact of legislative changes Annual Delivery Plan Monitoring to Cabinet and Scrutiny Reference above commentary
<ul style="list-style-type: none"> Councils make use of relevant data to monitor the value for money of their approach to preventing demand for temporary accommodation. 	 <p>SHF MINUTES -11th July 2024.docx</p>	<ul style="list-style-type: none"> Understanding the costs of the various interventions Working with landlords Understand costs of Holiday Inn Express and developing strategies to move homeless into other provision

Audit Criteria	Document Name	Comments
<ul style="list-style-type: none"> Councils compare the cost and quality of alternative provision options before making procurement decisions. Councils choose provision based on a balanced assessment of the cost and quality of provision including for example, short- and longer-term costs, the needs of service users and wider benefits. 	•	<ul style="list-style-type: none"> Link in with above Lack of choice and alternative forms of provision Limited options for temporary accommodation available locally Plans in place to develop and manage a greater amount of temporary accommodation in house. Mixed approach adopted to TA provision, including HRA properties, leased properties, private rented homes and B&B
<ul style="list-style-type: none"> Where councils own temporary accommodation, they have a clear plan for maintaining and managing it. 	•	<ul style="list-style-type: none"> Ty lolo hostel is long established hostel, managed by team of specialist staff 43 units of council housing used for temporary accommodation. Managed and maintained by specialist teams Plans to purchase develop and purchase new temp accommodation
<ul style="list-style-type: none"> Councils have assessed the potential impact of a range of factors on their plans, including potential changes to housing benefit subsidy and local housing allowance rates. 	• Risk register above	<ul style="list-style-type: none"> Financial modelling and sensitivity analysis carried out as part of the HRA Business Planning process. See HRA Business Plan Mixed approach adopted to TA provision, including HRA properties, leased properties, private rented homes and B&B, provides resilience and maximises available properties
<ul style="list-style-type: none"> Councils monitor the overall value for money of their approach to providing temporary accommodation. 	•	<ul style="list-style-type: none"> Budget Management discussions, especially reducing use of hotel accommodation provision Monthly monitoring reviews of homelessness and temporary accommodation budgets
<ul style="list-style-type: none"> Councils have processes in place to ensure value for money in contracts with temporary accommodation suppliers. 	•	<ul style="list-style-type: none"> Mixed approach adopted to TA provision, including HRA properties, leased properties, private rented homes and B&B Competitive tendering for all SP provision and contract management arrangements
<ul style="list-style-type: none"> Councils regularly report on the performance and cost of temporary accommodation services. 	<ul style="list-style-type: none"> Examples of Scrutiny Reports 22-03-09 - Housing and Homelessness Provision (valeofglamorgan.gov.uk) 	 Background to the tender Complex Need <ul style="list-style-type: none"> Quarterly reporting to Cabinet and Scrutiny

Audit Criteria	Document Name	Comments
<ul style="list-style-type: none"> Councils have costed their plans to provide temporary accommodation over the short, medium and long term. Councils' understanding is informed by analysis of projected demand for temporary accommodation over the short, medium, and long term. Councils have assessed the risks that increased costs for temporary accommodation pose to its overall financial sustainability and have put in place appropriate mitigations. 	<ul style="list-style-type: none"> Ref-from-HSC-Homelessness---Rapid-Reh 	<ul style="list-style-type: none"> Budget HSG analysis
	<ul style="list-style-type: none"> Budget Working Group autumn 2023 and 2024 	<ul style="list-style-type: none"> Smoothing in the MTFP, see Budget and MTFP documents above.
<ul style="list-style-type: none"> Councils use data on length of time service users are in temporary accommodation (for each occasion, across different placements and authority areas) to inform their understanding of housing needs. 	<ul style="list-style-type: none"> Budget Working Group 1 General Func 	
<ul style="list-style-type: none"> There are examples where councils have drawn on notable practices from a range of sources to improve value for money of temporary accommodation. 	<ul style="list-style-type: none"> Welsh Government Returns 	<ul style="list-style-type: none"> Tracking of average move on times carried out for single person and family households
	<ul style="list-style-type: none"> HOMELESS_538_2023_24_001 (1).xls 	<ul style="list-style-type: none"> Visit to One Stop Shop form Bridgend Modular accommodation Pilot exercise to use convert existing Council homes into shared accommodation for single people

Management response form



Audit Wales use only

Audited body	Vale of Glamorgan County Council
Audit name	Temporary Accommodation
Issue date	July 2025

Ref	Recommendation	Commentary on planned actions	Completion date for planned actions	Responsible officer (title)	Audit Wales only
R1	<p>Value for Money</p> <p>We found that councils are not able to demonstrate that they are securing value for money in their temporary accommodation provision. To address this councils should:</p> <ul style="list-style-type: none">• ensure the full range of approaches and options for	<p>The Vale Council already uses a range of temporary accommodation provision. This includes Council owned properties, private rented sector accommodation and a small amount of hotel rooms.</p> <p>The Council has significantly increased the supply of temporary accommodation over the last 2 years,</p>			

Ref	Recommendation	Commentary on planned actions	Completion date for planned actions	Responsible officer (title)	Audit Wales only
	<p>temporary accommodation provision are considered; and</p> <ul style="list-style-type: none"> • set out how they will assess and monitor the overall value for money of temporary accommodation provision, including: <ul style="list-style-type: none"> - the intended outcomes; and - the information they will use to assess the economy, efficiency and effectiveness of their temporary accommodation provision. 	<p>which has led to reductions in bed and breakfast use. Bed and Breakfast (B&B) accommodation has not been used for families with dependant children for some time, and the number of single persons in B&B has reduced.</p> <p>The additional temporary accommodation includes new council new builds, using modern methods of construction (90 new homes used as temporary accommodation), purchase and refurbishment of former guest houses and privately rented HMOs (19 units), and conversion of self-contained accommodation into shared living (15 new bedspaces created). Homeless households are also prioritised via the Council's Housing Allocation scheme to minimise waiting times in temporary accommodation.</p>			

Ref	Recommendation	Commentary on planned actions	Completion date for planned actions	Responsible officer (title)	Audit Wales only
		<p>There are limited options for hotel accommodation in the Vale, and the current arrangements demonstrate the best value for money. Ad hoc bookings of hotels are required from time to time to deal with emergency situations e.g. following a house fire where the home is no longer habitable.</p> <p>Discussions take place with existing and new private landlords as well as with hotel owners to keep options under review and this work remains ongoing.</p> <p>The value for money of temporary accommodation options is assessed on net cost to the Council but also taking account of the quality and suitability of</p>	Ongoing Ongoing	Rapid Rehousing Lead Rapid Rehousing Lead	

Ref	Recommendation	Commentary on planned actions	Completion date for planned actions	Responsible officer (title)	Audit Wales only
		<p>accommodation and this is work that remains ongoing.</p> <p>Periodic checks are made of accommodation options available outside of the Vale of Glamorgan, however, any consideration takes account of the impact on Vale residents as well as pressures faced by neighbouring councils. This work remains ongoing.</p>	31 March 2026 and ongoing	Rapid Rehousing Lead	
R2	<p>Planning for Prevention</p> <p>We found that while all councils have Rapid Rehousing Transition Plans in place, these are of variable quality. To effectively plan to prevent homelessness councils should:</p>	<p>The current Rapid Rehousing Plan is subject to periodic review taking account of trends in respect of homelessness caseloads and presentations. These reviews remain ongoing.</p>	31 July 2026 Ongoing	Rapid Rehousing Lead	

Ref	Recommendation	Commentary on planned actions	Completion date for planned actions	Responsible officer (title)	Audit Wales only
	<ul style="list-style-type: none"> ensure they use relevant data to make the best possible estimate of future demand for homelessness services; include a range of primary, secondary and tertiary approaches in their plans, with the emphasis on primary prevention where possible; model the impact of policy changes on the skills and capacity needed in their workforce; identify the workforce they will need to address demand for temporary accommodation in the future; and set out how they will assess and monitor the economy, efficiency 	<p>The new Homelessness and Social Housing Allocation Bill places additional requirements on the Council and there will be additional staffing requirements to fulfil the legal requirements within the new Act. No additional funding is coming forward to support the additional requirements and the Council has identified significant cost pressures to assist transition from a reactive approach to prevention first. These cost pressures have been submitted and will be considered as part of the Council's 2026/27 budget round.</p> <p>A review of other councils' Rapid Rehousing Plans will be conducted to identify best practice and improvements. Feedback will also be</p>	31 March 2026	Rapid Rehousing Lead	

Ref	Recommendation	Commentary on planned actions	Completion date for planned actions	Responsible officer (title)	Audit Wales only
	<p>and effectiveness of their approach to preventing and reducing demand for temporary accommodation.</p>	<p>sought from Welsh Government Officers in this regard.</p> <p>Data on homelessness presentations is collated regularly to identify trends and patterns, including forecasting future needs. Housing Solutions staff will explore opportunities to access further data analysis expertise via the corporate centre to support this work.</p> <p>A range of prevention options are already considered at the primary, secondary and tertiary level. Performance in respect of prevention has deteriorated over the last few years, so an exercise will be undertaken to consult with other councils who are achieving top quartile performance on prevention. Good</p>	<p>31 March 2026</p> <p>31 December 2025 and ongoing</p>	<p>Rapid Rehousing Lead</p> <p>Rapid Rehousing Lead</p>	

Ref	Recommendation	Commentary on planned actions	Completion date for planned actions	Responsible officer (title)	Audit Wales only
		practice examples will be piloted in the Vale, as appropriate.			
R3	<p>Partnership Working</p> <p>We found that partnership working in preventing homelessness is often not effective. To improve this councils should:</p> <ul style="list-style-type: none"> • work with their partners to: <ul style="list-style-type: none"> - identify existing respective roles and responsibilities; - agree how to address gaps in and/or duplication of services; • regularly evaluate the effectiveness of their partnership working for homelessness prevention. 	<p>Strong local partnerships operate in the Vale, and the Council works closely with Registered Social Landlords (RSLs), other Council teams and external agencies to address homelessness. Within the Private Rental sector (PRS), the Vale of Glamorgan has developed some very strong relationships, these partnerships will be further developed through the introduction of a Welsh Government Leasing Scheme Officer role due to start in mid-October 2025.</p> <p>Good cross-border cooperation exists between the Vale and Cardiff, due to challenging temporary accommodation</p>	<p>31 March 2026 and ongoing</p> <p>Ongoing</p>	<p>Rapid Rehousing Lead</p> <p>Rapid Rehousing Lead</p>	

Ref	Recommendation	Commentary on planned actions	Completion date for planned actions	Responsible officer (title)	Audit Wales only
		<p>resources, in particular when managing Multi-Agency Public Protection Arrangements (MAPPA) cases effectively within the community. Further opportunities will be considered as the work develops.</p> <p>The Overarching Housing Partnership is the Strategic group overseeing the delivery of the Local Housing Strategy and homelessness trends and issues regularly feature as agenda items. The Rapid Rehousing Group sits beneath the Overarching Housing Partnership and regularly brings together operational members of staff to discuss the delivery of the Rapid Rehousing Plan.</p>	Ongoing	Rapid Rehousing Lead	