

Committee Report Checklist

Please submit the completed checklists with your report. If final draft report does not include all the information/sign offs required, your item will be delayed until the next meeting cycle.

Stage 1

Report checklist – responsibility of report owner

ITEM	Yes / No	Date
Councillor engagement / input from Chair prior to briefing	Y	
Relevant Group Head review	Yes	5/5
MAT+ review (to have been circulated at least 5 working days before Stage 2)	Y	
This item is on the Forward Plan for the relevant committee	Y	
	Reviewed by	
Finance comments (circulate to Finance)	SF	6.05.2026
Risk comments (circulate to Lee O'Neil)	LO	11.05.2026
Legal comments (circulate to Legal team)	JC	08.05.2026
HR comments (if applicable)		

For reports with material financial or legal implications the author should engage with the respective teams at the outset and receive input to their reports prior to asking for MO or s151 comments.

Do not forward to stage 2 unless all the above have been completed.

Stage 2

Report checklist – responsibility of report owner

ITEM	Completed by	Date rec'd
Monitoring Officer commentary – at least 5 working days before MAT	L Heron	11/05/26
S151 Officer commentary – at least 5 working days before MAT	T.Collier	6.05.26
Commissioner engagement		
		No issues
Confirm final report cleared by MAT		

Community Wellbeing and Housing Committee

2nd June 2026

Title	Nightly-paid temporary accommodation Delivery Plan targets
Purpose of the report	To make a recommendation
Report Author	Terry Collier, Chief Finance Officer and Karen Sinclair Group Head Community Wellbeing
Ward(s) Affected	All Wards
Exempt	No
Exemption Reason	NA
Corporate Priority	Addressing Housing Need Resilience
Recommendations	Committee is asked to: 1. Agree the targets set out in the Nightly Paid Accommodation Delivery Plan Target 1: reduce the total number of households in nightly-paid accommodation to fewer than 35 by April 2027 – the target for budgetary purposes is 50 to allow for contingency in the 2026/27 budget; Target 2: reduce the average nightly cost of accommodation by 5%. Target 3 : the average length of time households spend in nightly-paid accommodation to reduce from 215 days in 2025/2026 to 120 days by March 2027 - and 2. Recommend to Corporate Policy and Resources Committee that the anticipated savings of £600k arising from the Nightly Paid Accommodation Delivery Plan to be incorporated into the overall Budget Savings Plan for 2026/27.
Reason for Recommendation	The Council approved as part of the Budget for 2026/27 an overall Savings target of £1m for 2026/27. Expenditure on

	temporary accommodation, and particularly nightly-paid accommodation, by the Council has increased significantly in recent years. The delivery of the Nightly Paid Accommodation Delivery Plan has the potential to deliver a significant proportion of the overall target, approximately £600k. The Best Value Improvement and Recovery Plan includes a focus on delivering a reduction in spend on Temporary Accommodation.
--	---

1. Executive summary of the report

What is the situation	Why we want to do something
- In 2025/26 gross expenditure by the Council on nightly paid accommodation totalled almost £3m gross, and net cost after recovery of rental income via housing benefits was £1.77m - The Council has approved an Improvement and Recovery action plan to help reduce numbers in expensive nightly paid accommodation. - MHCLG in their recent deep dive on the Council's approach to homelessness highlighted a view that they felt there was over reliance on nightly paid temporary accommodation. - The Best Value Directions included a requirement for "a plan to reconfigure the Authority's services commensurate with the Authority's available financial resources."	- extended periods in temporary accommodation are generally associated with poorer outcomes for homeless households, particularly families with children and vulnerable individuals. - The Council has a £1m in year savings target for 2026-27 across all services and committees. - Progressing the Nightly Paid Accommodation Savings Action Plan will contribute towards a significant proportion of the overall Savings target
This is what we want to do about it	These are the next steps
That we continue to resource delivery of the Nightly Paid Accommodation Action Plan including the savings element of £600k, and that progress against the target savings is monitored and reported regularly both to this Committee and Corporate Policy and Resources Committee (CPRC)	- That CPRC is asked to support inclusion of the Nightly Paid Accommodation savings of £600k into the overall Council savings plan - That officers monitor progress against the savings targets and report back regularly to both this Committee and CPRC

2. Key issues

- 2.1 Benchmarking analysis in autumn 2025 identified that Spelthorne, relative to its statistical nearest neighbours, is an outlier in terms of spend on temporary accommodation and that this is correlated to high numbers in nightly paid accommodation. In 2025/26 gross expenditure by the Council on nightly paid accommodation totalled almost £3m gross, and net cost after recovery of rental income via housing benefits was £1.77m. This accounts for 7.3% of the total net service expenditure of the Council. Benchmarking has highlighted that the Council is spending significantly more than “nearest neighbour” councils on Temporary Accommodation (TA) and in particular nightly accommodation. Whilst some of this is partly due to the location of the borough a, it has been identified that there is scope to make significant savings through a focused Delivery Plan designed to reduce both the rate paid per nightly accommodation and the numbers of households placed in nightly accommodation
- 2.2 We recognise that extended periods in temporary accommodation are generally associated with poorer outcomes for homeless households, particularly families with children and vulnerable individuals. The provision of stable and settled accommodation is therefore considered integral to promoting wellbeing, safeguarding, educational continuity, and long-term tenancy sustainment aligned with the Council’s strategic priorities
- 2.3 In order to reduce the numbers in nightly paid accommodation, it necessarily involves focusing on moving households onto better housing and life outcomes. Whilst in recent years the Council has actively engaged with the national Local Authority Housing Fund grant scheme to acquire approximately 80 temporary accommodation units, which has eased some pressures on numbers in nightly paid accommodation, the Council needs to take more steps to tackle the issue.
- 2.4 The recent deep dive by MHCLG identified a lot of really good practice by the Housing Options team but suggested an over reliance on nightly paid accommodation and recommended identifying “suitable and appropriate TA options provided with strong focus on resettlement”.
- 2.5 A focus on achieving savings through a different approach to nightly accommodation, is not the only focus on delivering savings on the Council’s budget and following a savings analysis across all services, significant savings were built into the base budget for 2026-27 and a number of specific areas for savings are being targeted which will be reported to the various relevant Committees.
- 2.6 Led by the Strategic Housing Lead, the Housing Options team have worked up a detailed delivery plan (please see Appendix A). The plan focuses on the following three key targets:
- 2.7 Target 1: reduce the total number of households in nightly-paid accommodation to fewer than 35 by April 2027 -the target for budgetary purposes is 50 to allow for contingency in the 2026/27 budget;
Target 2: reduce the average nightly cost of accommodation by 5%.

Target 3 : the average length of time households spend in nightly-paid accommodation to reduce from 215 days in 2025/2026 to 120 days by March 2027.

- 2.8 The delivery plan lists a number of actions and names the owner of each of the actions, sets timeframes and outlines the key delivery risks. Further details can be found at Appendix A.
- 2.9 Good progress has already been made in reducing the numbers in nightly accommodation by roughly 20% to 78 households per night. If a 5% reduction in nightly rates can be negotiated (and other factors were unchanged) there would be a weekly saving of £2.4k and a yearly saving of £121k. For budget savings purposes, the plan assumes a 50% reduction in the number of households accommodated in nightly accommodation to 50 households per night by year end, this is estimated to deliver a saving for 2026/27 of approximately £600k. .

3. Options appraisal and proposal

- 3.1 Option 1 (preferred): To agree the targets set out in recommendation 1 and make the recommendation to CPRC as set out in recommendation 2. This option is preferred as it delivers a significant saving which is already underpinned by a detailed and resourced delivery plan.
- 3.2 Option 2: To suggest amendments to the planned approach.
- 3.3 Option 3: Do not support the plan – this would leave expenditure on this service area uncontrolled passing on a significant liability and risk to West Surrey and failing to progress an important element of the Improvement and Recovery Plan.

4. Risk implications

- 4.1 We are in the midst of a national housing crisis, in an economy facing uncertain times. We are doing significant work to prevent homelessness in the first place, as well as finding accommodation for those who are already homeless, but we cannot control the number of households presenting themselves as already homeless.
- 4.2 The impacts of the national Renters' Rights Act is likely to result in landlords withdrawing from the market resulting in fewer rental properties for households to move on to.
- 4.3 Whilst good progress has been made initially in reducing numbers in nightly accommodation in three months by roughly, 20% there is a risk that this rate of progress may not be sustained.
- 4.4 In order to seek to mitigate the above risks, a detailed delivery plan has been prepared, with additional resources brought in to support key elements, such as negotiating improved nightly rates, regular biweekly meetings to focus on

numbers in Nightly paid accommodation; targeting resource to focus supporting move on activity etc.

5. Financial implications

- 5.1 The Finance and Housing Options teams have worked together to model options and scenarios as to how expenditure on nightly accommodation could reduce over the remainder of the current financial year if the initial progress is maintained.
- 5.2 They have calculated that if the number in nightly accommodation can be reduced down to 50 by the end of the year, this is estimated to deliver a saving of between £0.555m and £0.684m by the end of the year. See Appendix B for a summary of the financial model projections.
- 5.3 In order to resource this, some additional expertise is being brought in, including consultants reviewing how the Rent Assure Scheme is working. These costs have been factored into the estimated savings.
- 5.4 The financial savings delivered by the Temporary Accommodation action plan will be monitored as part of the quarterly budget monitoring reported to CPRC. If the monitoring identifies emerging issues with the level of savings being delivered then options for altering the focus of the plan, for example bringing in additional resource maybe considered. If this was felt not to be effective the target savings might need to be modified.

6. Legal comments

- 6.1 The Council has a duty under the Housing Act 1996 (Part VII) as amended to ensure that accommodation is made available for homeless applicants who are owed a full housing duty by the Council.
- 6.2 The Council has a statutory Best Value Duty under the Local Government Act 1999.
- 6.3 The Secretary of State's Best Value Directions include a requirement for a plan to reconfigure the Council's Services commensurate with the Council's available financial resources
- 6.4 The inclusion of the Temporary Accommodation Savings Plan as part of the overall Budget Savings Plan 2026/2027 demonstrates that the Council is taking steps to meet the requirements within the Secretary of State's Best Value Directions and supports the Council to meet its statutory obligations.

Corporate implications

7. Commissioners' comments

- 7.1 No issues.

8. S151 Officer comments

- 8.1 The S151 Officer confirms that all financial implications have been taken into account and that the recommendations are anticipated to make a significant contribution towards the savings targets for 2026/27.

9. Monitoring Officer comments

- 9.1 The Monitoring Officer confirms that the relevant legal implications have been taken into account.

10. Procurement comments

- 10.1 There is a parallel issue around whether the approach to date of spot purchasing temporary accommodation, is caught by the public sector procurement rules, and is as a result non-compliant. The Council is commissioning counsel advise on the issue and is exploring putting in place an appropriate framework.

11. Equality and Diversity

- 11.1 An equalities impact assessment will be undertaken.

12. Sustainability/Climate Change Implications

- 12.1 Often the accommodation used does not always meet good environmental ratings so reducing use would improve environmental situation and moving people into more sustainable accommodation would benefit the health and welfare of tenants.

13. Other considerations

- 13.1 Good practice from elsewhere around management of nightly accommodation pressures has been considered by the team. Emily Corfield is happy to talk through the action plan in more detail with any councillor who wishes to discuss.

14. Timetable for implementation

- 14.1 The Action Plan has already been worked up and is being implemented. Subject to the comments of the Committee the plan will continue to be implemented and monitored.

15. Contact

- 15.1 Terry Collier, Susan Faure, and Emily Corfield

Please submit any material questions to the Committee Chair and Officer Contact by two days in advance of the meeting.

Background papers: are none.

Appendices:

Appendix A: Nightly paid accommodation delivery plan