



# INTERNAL AUDIT REPORT

**FROM:** Audit and Risk Manager  
**TO:** Head of Housing, Health & Communities  
**C.C.:** Chief Executive  
Deputy Chief Executive  
Head of Finance  
Housing Advice and Allocations Manager  
Housing Needs Manager  
Portfolio Holder (Cllr Wightman)

**SUBJECT:** Temporary Accommodation  
**DATE:** 5 July 2024

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## 1 Introduction

- 1.1 In accordance with the Audit Plan for 2024/25, an examination of the above subject area has recently been completed by Emma Walker, Internal Auditor, and this report presents the findings and conclusions for information and, where appropriate, action.
- 1.2 Wherever possible, findings have been discussed with the staff involved in the procedures examined and their views are incorporated, where appropriate, into the report. My thanks are extended to all concerned for the help and cooperation received during the audit.

## 2 Background

- 2.1 Under the Housing Act 1996, the Council has a legal duty to provide temporary accommodation to certain groups who find themselves unintentionally homeless. The Homelessness Reduction Act 2017 placed additional duties on local authorities to prevent and relieve homelessness for all eligible homeless applicants; this includes the duty to secure interim accommodation for those in priority need.
- 2.2 Warwick District Council (WDC) uses a variety of sources of temporary housing. Temporary accommodation is provided either through allocated WDC housing stock (which consists of twenty-three properties) or through private hotels, B&B's, and guesthouses.
- 2.3 The temporary accommodation charges for 2023/24 amounted to £386,500.12.

## 3 Objectives of the Audit and Coverage of Risks

- 3.1 The management and financial controls in place have been assessed to provide assurance that the risks are being managed effectively. It should be noted that the risks stated in the report do not represent audit findings in themselves, but rather express the potential for a particular risk to occur. The findings detailed in each section following the stated risk confirm whether the risk is being

controlled appropriately or whether there have been issues identified that need to be addressed.

3.2 In terms of scope, the audit covered the following risks:

1. Non-payment of temporary accommodation fees leading to financial penalties.
2. Lack of formal agreements in place with temporary accommodation providers resulting in the Council being overcharged.
3. Failure to use Council assets as temporary accommodation, resulting in high hotel / B&B costs.
4. Insufficient financial resources to sustain the temporary accommodation service.
5. Failure to comply with legislation including the Homelessness Reduction Act 2017/Housing Act 1996.
6. Loss or unauthorised disclosure of sensitive personal information.
7. Temporary accommodation vandalised / damaged by occupants leading to fines incurred by the Council / refusal from business owners to house Council referrals.
8. Documentation incomplete or records of visits not maintained in the system.
9. Failure to perform weekly inspections / block checks.
10. Temporary accommodation resources inadequate to deal with the increased levels of homelessness.
11. Unsuitable accommodation.
12. Failure to provide temporary accommodation in a timely manner.
13. Risk of accommodation not being used / no genuine homeless need.
14. Risk of housing benefits being paid to applicants no longer residing in temporary accommodation.
15. Failure to adequately monitor the welfare of the applicant.
16. Failure to perform accurate risk assessments on the applicant.
17. Risk to staff health and safety when conducting site visits.
18. Citizens staying in temporary accommodation for lengthy periods, resulting in significant budgetary pressures, and providers becoming too reliant on the Council for this service.
19. Lack of resources to perform the service.

3.3 A 'risk-based audit' approach has been adopted, whereby key risks have been identified during discussions between the Internal Auditor and key departmental staff. The Housing risk register and Significant Business risk register have also been reviewed.

3.4 These risks, if realised, would be detrimental with regards to meeting Priority 3 of the new Corporate Strategy, 'Warwick District 2030', which includes specific references to meeting the demand for housing and tackling rough sleeping and homelessness by increasing the volume of affordable and social housing.

## 4 Findings

### 4.1 Recommendations from Previous Reports

4.1.1 As this is the first audit of its kind, there are no previous recommendations arising.

## 4.2 **Financial Risks**

### 4.2.1 **Potential Risk: Non-payment of temporary accommodation fees leading to financial penalties.**

A number of temporary accommodation placements were identified through the Locata system. These were then investigated by the auditor to check that accommodation charges had been paid in a timely manner. It was found that all invoices had been correctly calculated. Payment of these invoices was completed in a fairly timely manner; from a sample of twenty, the majority (twelve) were paid within one month of the invoice being issued and six invoices were paid in the same month. The payments were all accurately reflected on Ci Anywhere, recorded under either the temporary homeless accommodation budget, the homelessness general expenditure budget or the rough sleeping initiative budget.

### 4.2.2 **Potential Risk: Lack of formal agreements in place with temporary accommodation providers resulting in the Council being overcharged.**

The Homeless Services Manager (HSM) confirmed that there are currently no formalised agreements in place with providers of temporary accommodation. The team is, however, working with the Procurement Supervisor to source a Dynamic Provider System; this will provide a list of registered accommodation providers and help to draw up written agreements between WDC and private landlords. WDC have certain expectations of accommodation providers, and these will be incorporated into the agreements made through the Dynamic Provider System.

The temporary accommodation team will research which accommodation presents the best value for money, but this is dependent on the individual applicant's circumstances and whether they can be placed in the areas identified. The team then advise the Housing Options Officers which properties are available in order for them to agree a suitable placement. For non-WDC accommodation, officers have to justify why the accommodation selected has been identified as appropriate. The HSM advised that there are average costs for a single person or family and WDC will refuse to pay above these thresholds if this does not represent value for money. During audit testing, it was found that the same hotel had charged different rates for multiple applicants; these applicants did not have dependent children or partners that would have justified the variance in price. The HAAM did, however, advise that often with emergency placements, large hotel chains are the only option and there is no room for price negotiation.

### 4.2.3 **Potential Risk: Failure to use Council assets as temporary accommodation, resulting in high hotel / B&B costs.**

The Senior Housing Advice & Allocations Officer advised that homeless referrals can be made through a variety of methods; referrals come through to the Housing Options team either through the homeless portal on the WDC website,

via telephone calls or through hospital referrals; homeless applicants can also complete a self-referral form. The HSM advised that they will first and foremost use Council assets to house homeless applicants; however, this very much depends on individual circumstances. Many of the Council's temporary accommodation properties are situated in locations known to the public. Therefore, it is not considered safe to house applicants fleeing domestic violence in these properties. Similarly, Council assets only have a one- or two-bedroom capacity, thus housing larger families can be difficult. Three-storey townhouses are also inappropriate for applicants with physical disabilities.

A number of temporary accommodation placements were identified through the Locata system. These were then investigated by the auditor to check that existing Council assets had been used before seeking private temporary accommodation. Twelve of the twenty applicants tested were offered WDC temporary accommodation before being offered privately owned accommodation. The reasons in each case were considered appropriate; in most cases, the applicants offered WDC accommodation had dependent children. Where the applicant had been placed into private temporary accommodation, three of these were later moved to WDC temporary housing. Families are usually offered WDC properties first; however, in instances where there are no WDC properties available, the household is placed into alternative accommodation until a WDC property becomes available.

Moreover, households with children are only permitted to remain in private accommodation (hotels/B&Bs) for up to six weeks, after which time they must be moved by law. With limited WDC single, double, and family provision available, it is not always possible to move applicants into WDC accommodation.

A draft procedure manual was provided during the audit; however, this was only created in April 2024. The manual contains the policies, processes, operational guidance, associated forms, and letters adopted for the temporary accommodation service. This includes the steps to be taken when assessing a homeless applicant, as well as the procedures to follow where an applicant has breached conditions or where a placement has been terminated. The manual also contains a checklist that must be completed once an applicant has been placed into WDC temporary accommodation; this includes signing the non-secure tenancy agreement, explaining the rent charges, and issuing keys.

Following a consultancy exercise, a temporary accommodation manual has been provided which is being adapted in order to properly align it to WDC policies and procedures. The consultancy exercise is not yet complete; the concluding report is due to be issued early July.

WDC temporary accommodation costs approximately £140 per week for a two-bedroom property, although housing benefit pays a sizeable amount towards this. There is no formal temporary accommodation policy which includes the use of serviced apartments; serviced apartments cost approximately £110 per night, and so the HAAM has advocated zero-tolerance towards these, unless in highly exceptional circumstances. Serviced apartments do not present value for money as WDC incur a cleaning charge after each use. Moreover, Air B&Bs should not be used to house homeless clients because the quality of the accommodation cannot be predetermined, and there is no capacity for the Private Sector

Housing Team to check these properties before placement. In the current list of tenancies, the auditor found just one applicant that had been placed into a serviced apartment; however, the applicant had been in situ for eighteen weeks.

**Recommendation – A temporary accommodation policy should be compiled. This should make reference to the different types of temporary accommodation that the Council provides, as well as the standards expected of these properties and the various charges. A policy of this nature should also refer to serviced apartments and the circumstances in which these can be used.**

#### 4.2.4 **Potential Risk: Insufficient financial resources to sustain the temporary accommodation service.**

There are two budget codes associated with the Temporary Accommodation function: the Temporary Homelessness Accommodation budget and the Rough Sleeping Initiative budget. During 2023/24, significant costs included council tax of WDC properties (£4,130.70), electricity (£14,537.59) and water rates (£7,504.24). Income during 2023/24 amounted to £665,520.32, the majority of which came from Housing Benefit rebates for applicants placed into WDC temporary accommodation. £390,952 in grant funding was also received.

Thus far, £99,917.95 has been collected in rent rebates for 2024/25. Expenditure has amounted to £68,531.49, although it should be noted that £6,000 of temporary accommodation expenses has been debited against the general expenditure code as opposed to the temporary accommodation code. The Council tax for WDC temporary accommodation has increased to £17,034.09 for 2024/25; WDC have also paid £6,200.90 towards the rough sleeper initiative.

The HAAM advised that the temporary accommodation team often provide crockery, cutlery, air beds, bedding and other ad hoc items for those applicants who come into temporary accommodation with no belongings. Items are regularly bought and there is no formalised record of who these items are sent to. The items are kept in a storeroom at Radcliffe Gardens that temporary accommodation staff have access to on key code entry.

Whilst the scope of the audit did not specifically look at temporary accommodation stock, a preliminary review of the purchasing card transactions was conducted by the auditor. Several transactions were found in which the following items had been purchased for homeless applicants:

- Air beds and foot pumps for air beds
- Bedding/duvet sets
- Waterproof mattresses

**Recommendation – A full inventory of furnishings/stock purchased for temporary accommodation placements should be compiled. The expected standards of the provision of white goods and furniture should be included under a temporary accommodation policy.**

It has also come to light that Homeless Support Workers allow some tenants who vacate WDC temporary accommodation to leave furnishings in place for the next occupant; this has been done without the consent of the HSM. The HAAM has advised that by allowing this to happen, WDC take on an unnecessary risk if the furniture breaks, injures an occupant or is found to be contaminated. Moreover, any soft furnishings left behind may not carry the correct fire-retardant labels.

In order to address this, it has been agreed that all spends in excess of £300 (not including the day-to-day hotel or guest room bookings) will need to be authorised by the HAAM. This will also include any damage or cleaning costs, key replacement claims submitted by proprietors, and any other costs from contractors for furniture removals.

### 4.3 **Legal and Regulatory Risks**

#### 4.3.1 **Potential Risk: Failure to comply with legislation including the Homelessness Reduction Act 2017/Housing Act 1996.**

Any changes to, or new pieces of legislation are reviewed by the HAAM, HSM and Housing Needs Manager before being disseminated to staff.

The service is bound by the Severe Weather Emergency Protocol (SWEP). Where the temperature measures 0°C or below, the Council has a duty to house any rough sleepers. There has also been a change in the homelessness code of guidance around the suitability of accommodation; it has been made explicit that temporary accommodation should not be considered as suitable for families with children under two if there is not enough space for a cot. WDC temporary accommodation follow the guidance issued by the Lullaby Trust and provides information and guidance for families with babies and young children on how they can provide a safe sleeping space. Guidance to this effect has been distributed to the relevant officers.

The HAAM advised that WDC have to abide by the multi-agency public protection arrangement (MAPPA) when trying to house a high-risk offender. The Criminal Justice Act 2003 provides for the establishment of MAPPA in each of the 42 criminal justice areas in England and Wales. These are designed to protect the public, including previous victims of crime, from serious harm by sexual and violent offenders.

Offenders are placed into one of three MAPPA categories according to their offence and sentence, with the levels designed to ensure that resources are focused on those that require the greatest level of multi-agency co-operation. The three levels of MAPPA management are:

- Level 1 – Multi-Agency Support
- Level 2 – Multi-Agency Management
- Level 3 – Enhanced Multi-Agency Management

The majority are managed at level 1 (ordinary agency management). This involves the sharing of information but does not require multi-agency meetings. Others are managed at level 2 if an active multi-agency approach is required,

and at level 3 if senior representatives of the relevant agencies are also needed. Regular formal MAPPA meetings must be held for offenders managed at Level 2 or 3.

Once offenders have been identified as MAPPA offenders, the next stage is to assess the risk that they pose. This could be the risk of reconviction, the risk of reoffending, or the risk of serious harm. Every MAPPA offender is identified in one of the four MAPPA categories:

- Category 1 – Subject to sexual offender notification requirements.
- Category 2 - Violent offender or other sexual offender.
- Category 3 - Other dangerous offender.
- Category 4 – Terrorist or terrorist risk offender.

A number of applicants with offending history were identified through the Locata system and investigated by the auditor to check that they had been assessed against MAPPA criteria before being housed. Nine of the cases sampled were subject to MAPPA. In two of these cases, the MAPPA level was set to 1 and the applicant was housed in temporary accommodation. In the remaining seven cases, the level had been set to 2; these applicants had not been housed in temporary accommodation, as the risk had been deemed too high. In the remaining eleven cases, whilst the applicant had a history of offence, they were not subject to MAPPA; only three of these cases were housed in temporary accommodation.

The temporary accommodation online forms contain details of the household, whether the accommodation selected is suitable, which accommodation has been declined and the price of the accommodation booked. If applicants refuse the temporary accommodation offered, an escalation procedure is triggered through the Housing Options team who will assist in ending a temporary accommodation placement if there has been a breach of agreement, or if the risk is deemed too great; there is an ongoing case at present where an applicant has been rehomed thirteen times due to behavioural issues.

The service is bound by the corporate complaint procedure; the Council aims to investigate complaints within twenty working days although there are certain complaints that will be prioritised, investigated, and reported on within five working days, where particular circumstances identify vulnerability and/or a need for urgency. Complaints that the team receive mostly concern unsuitable temporary accommodation, where for example, the accommodation does not meet the applicant's need, it is not clean, or the applicant does not feel safe etc. There is, however, no central complaint log in the Locata system to record how many complaints the team have received within a certain time period. In order to ascertain whether a complaint has been recorded against an applicant, this would require going into the individual applicant journals (of which there are 8,464 cases on Locata). Consequently, this made it difficult to test the number of complaints relating to unsuitable accommodation.

The auditor did manage to locate four complaints of this nature during other areas of the testing. In all cases, the action taken to resolve the complaint had been recorded. In two of the four cases, the applicant had been informed of the resolution; one complaint was resolved within the same month, whilst another

took one month to resolve. Two of the applicants identified made multiple complaints across several months, and so the date that all complaints were resolved was approximately three months after the first complaint was made. The HSM did advise that a complaints module could be introduced to the system.

**Advisory – Consideration should be given to introducing a complaints module on Locata.**

On average, approximately fifty temporary accommodation placements are made each month. At month end, the HSM will send figures to the HAAM concerning the number of households placed into temporary accommodation. The service is subject to KPI monitoring, including:

- The average length of stays in days within temporary accommodation.
- The number of households that have been in temporary accommodation for longer than three months.
- The % of ended homelessness prevention or relief duties that were successful.

The Head of Housing, Health & Communities advised that management performance meetings monitor these KPIs.

**4.4 Reputational Risks**

**4.4.1 Potential Risk: Loss or unauthorised disclosure of sensitive personal information.**

There have been no recorded data breaches; however, records have been inappropriately placed on the Locata system and, consequently, have had to be deleted. Team briefings held by the HSM are starting to reiterate the need to ensure that records are filed correctly.

There is a data sharing and consent form which is issued to homeless applicants during their sign up to temporary accommodation. This outlines that the personal data provided by applicants will be used by the Council to assist in obtaining accommodation by assessing housing needs and vulnerabilities; a copy of this consent form is contained in the operations manual.

A test was conducted by the auditor to ensure that copies of privacy consent forms had been signed and dated by the applicant before being uploaded to the individual Locata journals. In the majority of cases, evidence was found that consent had been given. However, in three cases, there was no consent form attached to either Active H or Locata; in another case, the Locata journal stated that the applicant had returned the consent form, but this had not been uploaded to either system.

**Advisory – Consideration should be given to ensuring that every applicant has a fully signed data sharing and consent form uploaded to their account on both Active H and Locata.**



Personal information pertaining to homeless applicants is retained for six years after the date of last contact. A test was, therefore, performed to ascertain whether data older than six years had been appropriately deleted. A sample of fifteen applicants, whose placement into temporary accommodation ended in 2018, was reviewed. It was found that all fifteen clients still had personal contact details showing on Locata. Of the fifteen cases sampled, twelve related to WDC properties so Active H was also reviewed; it was found that personal contact details were also held in all twelve of these cases on Active H. There were also three tenants that had been recorded against different addresses on Active H when compared to Locata.

**Recommendation – Any homeless records older than 2019 should be disposed of accordingly.**

**Advisory – Consideration should be given to reminding staff to file records appropriately and ensure that the data held on Locata appropriately matches the data held on Active H.**

The Locata system provides officers with information to allow appropriate rehousing to take place and monitors placements into temporary accommodation. The Active H system also provides information relating to applicant needs and preferences, but this only relates to the applicants placed into WDC accommodation. There may be a potential in the future for the data contained in the Locata system to migrate back into Active H, as this sometimes causes double data entry for staff.

4.4.2 **Potential Risk: Temporary accommodation vandalised / damaged by occupants leading to fines incurred by the Council/refusal from business owners to house Council referrals.**

Homeless Support Workers are supposed to take photographs of WDC temporary accommodation before these are handed back to the Voids team, to ensure that no damage, theft, or vandalism has ensued during an applicant's stay. Hotel inspections are carried out by the Private Sector Housing team and the Homeless Support Workers conduct weekly room inspections during their visits to applicants. Some applicants receive daily housekeeping visits whilst in private accommodation; any concerns with the condition of the rooms can be reported to WDC through this method.

Any damages caused are the applicant's responsibility and the proprietor can hold them liable for payment. The Council pays the damages to cover the immediate cost, but this should be recouped from the applicant. All clean and clearance charges from private temporary accommodation should also be recharged in this manner.

A number of temporary accommodation placements were examined to check that any damages had been appropriately recorded and that recharges had been paid in a timely manner. The seven cases identified related to damages caused in privately owned temporary accommodation. In all seven cases, the damage had been recorded on the Locata system. As a result of the damages caused, the placement ended within the same week in five cases. The remaining two cases had mitigating circumstances in place which meant that they were able to

remain in the property after a formal warning was issued. The cost of the damages was recorded through invoices on the finance management system in five of the seven cases.

**Recommendation – Where purposeful damages have been caused in private temporary accommodation, the temporary placement should be ended promptly.**

The due date for WDC to repay the charge was recorded on the invoice in only two cases. Where it was found that the charges had been paid by the Council, one invoice was paid within a week and another within three weeks; two invoices were paid within the same month that they were received. There was just one case where a repayment agreement had been set up with the applicant. None of the cases tested had been served a Notice to Quit.

**Recommendation - Payments to providers of temporary accommodation should be made in a timely manner to avoid the risk of losing sources of accommodation.**

**Recommendation - Officers should, where possible, be trying to recoup any monies from applicants where WDC have had to foot the bill for damages.**

**Advisory – Where damages have occurred, consideration should be given to immediately serving a Notice to Quit.**

The HSM advised that there is a warning procedure in place with regards to behaviour; applicants receive a verbal warning, followed by a first and second written warning. After this, they are evicted from temporary accommodation, although eviction may be immediate if a breach is considered serious.

A non-secure tenancy agreement is signed by WDC and the homeless applicant, where they have been placed into WDC temporary accommodation. The tenancy agreement outlines that the Council reserves the right to move applicants to alternative temporary accommodation at any time. The conditions for use and occupation are included in this agreement. In turn, the Council's responsibilities are to ensure that the property is in good order when the agreement commences, repair any defects, keep communal areas clean, and make regular visits to support the applicant.

For applicants staying in private temporary accommodation, a Use and Occupation Agreement must be signed. This specifically highlights that the agreement can be ended at any time if the applicant is guilty of gross misconduct or breaches any of the terms and conditions:

- Not to cause damage to the room.
- Not to disturb neighbours.
- Not to use the property for illegal purposes.
- Not to smoke in the room.
- Not to bring drugs or alcohol onto the premises.
- Not to block fire exits.

It was found during the testing of private temporary accommodation placements, that none of the twenty-five cases sampled had a user and occupation agreement uploaded to Locata. One case had a diary note stating that the applicant had completed the agreement, but no agreement was attached to corroborate this. In one case the applicant had refused to sign the agreement but was still housed.

**Recommendation – All User and Occupation Agreements should be uploaded to Locata.**

#### 4.4.3 **Potential Risk: Documentation incomplete or records of visits not maintained in the system.**

Visits to properties are primarily documented through the Locata journal but can also be diary noted through Active H. Every applicant should have a copy of the key receipt, fire door agreement, emergency next of kin and non-secure tenancy agreement saved to the DIP in Active H. Documents should also be signed, and have names fully printed.

A sample of twenty temporary accommodation placements were examined to check that the corresponding documentation had been appropriately uploaded to the DIP. The test proved largely satisfactory, although a number of documents were found to be either missing or incomplete:

- Two applicants had no key receipt uploaded, and one key receipt had been signed but not dated.
- There were four applicants without a fire door agreement and one where the agreement had been signed but no name was printed or dated.
- Only six of the twenty cases tested had an emergency next of kin form uploaded to the DIP; eleven cases had no next of kin form at all. One next of kin form was signed but no name had been printed or dated; one had been dated but had no signature or name printed and one had no signature, date or name printed.
- Two cases had no tenancy agreement present. One agreement was signed but no date or name printed, and two cases had no signature present from a WDC officer.

**Recommendation - Staff should be reminded to upload key receipts, fire door agreements, next of kin forms, and non-secure tenancy agreements to the DIP for all WDC temporary accommodation placements.**

**Recommendation - Staff should be reminded that these documents must be fully signed, dated and names printed by both the applicant and the WDC officer in all cases. The HSM should also undertake regular audits of these documents.**

A number of temporary accommodation placements were also investigated to check that where rent statements had been produced, these had been paired with a visit to the applicant. In all twenty cases sampled, a rent statement had been issued during April 2024 (although one case did not have this recorded on Locata, and this was instead confirmed through Active H). Thirteen cases in the

sample had the rent statement hand delivered, while the remaining seven were posted. Only two rent statements were paired with a visit to the applicant; it was not specified in eight cases whether a visit had been conducted.

**Recommendation - Staff should be reminded to update both Locata and Active H where possible.**

**Recommendation - Rent statements should be hand delivered to the applicant where possible. Where rent statements have been delivered to the property, a visit should accompany this.**

#### 4.4.4 **Potential Risk: Failure to perform weekly inspections / block checks.**

The HSM advised that there are procedure notes in place regarding the expectations that staff must meet when placing applicants into temporary accommodation. This includes helping the client with housing benefit claims and conducting weekly property inspections. The HAAM advised that block checks do not always take place every week, leading to applicants complaining about the service charge where blocks have not been cleaned.

During a temporary accommodation placement, support visits should take place every week. A number of temporary accommodation placements were examined to ascertain if weekly visits had been made to the applicant during placement. This test focussed on where the applicant had actually been visited as opposed to where rent statements had been posted. It was found in just two cases that weekly visits to the applicant had consistently taken place.

**Recommendation – Management should consider the resources needed in order for the team to be able to conduct weekly visits to all homeless applicants placed into temporary accommodation.**

#### 4.4.5 **Potential Risk: Temporary accommodation resources inadequate to deal with the increased levels of homelessness.**

The team works with third-party organisations such as 'P3' and 'Together' who are commissioned to provide floating homelessness support; 'Together' particularly focuses on the physical needs of the applicant as well as mental health support. Support referrals can be made at any time by the Homeless Support Workers during visits to homeless clients.

Meetings are held with accommodation providers every Monday morning to discuss any concerns arising from the weekend. As part of the new Dynamic Provider System, there will be an audit requirement for the HSM to meet with accommodation providers and assess whether they are achieving service specific requirements.

Where the applicant had been placed into private temporary accommodation, a test was conducted by the auditor to determine whether WDC officers had contacted the accommodation provider to ensure that the citizen was still using the accommodation and that there were no issues arising. In six of these cases, contact had been made with the provider.

#### 4.4.6 **Potential Risk: Unsuitable accommodation.**

Hotels do not come under the Council's decent standards, and this cannot, therefore, be enforced upon them. The team should, however, use the Private Sector Housing team to check hotels and ensure that there are no Category 1 risks present. WDC do expect hotel rooms to be clean, tidy, secure, and in good working order. The Temporary Accommodation team are working on making sure that all providers of temporary accommodation are listed on the Dynamic Provider System, as private proprietor standards often differ to WDC.

#### 4.4.7 **Potential Risk: Failure to provide temporary accommodation in a timely manner.**

A number of temporary accommodation placements were investigated to check that applicants were housed in a timely manner. Following the temporary accommodation request, thirteen of the twenty cases sampled had to be housed on the same day; eight of these thirteen cases were housed within this timescale.

**Advisory – Consideration should be given to reminding staff of the need to house applicants into temporary accommodation within the timescales specified in the temporary accommodation request.**

The auditor also conducted a test to check whether applicants were informed of their placement in a timely manner. In all twenty cases, the applicant was notified of their placement, generally either on the day that the placement started, or a day or so in advance.

#### 4.5 **Fraud Risks**

##### 4.5.1 **Potential Risk: Risk of accommodation not being used / no genuine homeless need.**

Placements were investigated to check that requests for temporary accommodation had been appropriately reviewed by management prior to placement. All twenty cases had been reviewed by the Senior Housing Advice and Allocations Officer. Evidence to justify the need for temporary accommodation was also evidenced on Locata in thirteen of the twenty cases, e.g., through police reports, MASH/MARAC referrals or Notices to Quit.

The identified risk does, however, reinforce the need for frequent visits to temporary accommodation, to ensure that applicants are still present.

##### 4.5.2 **Potential Risk: Risk of housing benefits being paid to applicants no longer residing in temporary accommodation.**

A number of temporary accommodation placements were investigated by the auditor to ascertain if housing benefit had been stopped in a timely manner after the placement had ended. This test was split into WDC properties and private placements. Encouragingly, benefit payments were stopped promptly following the end of the placement into WDC temporary accommodation; there were two cases in the sample where housing benefit had been stopped prior to the end of

placement as the applicant no longer met the criteria. There was just one case where housing benefit was still being paid to the applicant, despite their placement having ended in April 2024. In every case, the benefit payment had been appropriately recorded on the corresponding Active H account.

As private temporary accommodation is not listed on Active H, the test was completed to ensure that the Benefits team had been appropriately advised to stop housing benefit, and that this had been recorded on the Locata system. Housing benefit commenced promptly following placement into private temporary accommodation; there were just three cases in the sample where no benefit start date was recorded.

**Recommendation - Staff should be reminded to note housing benefit start dates on the Locata journal notes where relevant.**

Following the end of placement, a notification was sent to the Benefits team in a timely manner in fourteen of the cases reviewed. There were, however, four cases where no notification had been sent to the Benefits team. No reason was specified as to why the Benefits team had not been notified; however, the Benefits Assessment Officer confirmed that in all four cases, housing benefit had either been stopped or had not been paid.

**Recommendation - Staff should be reminded to notify the Benefits team immediately once the placement end date is known.**

#### 4.6 **Health and Safety Risks**

##### 4.6.1 **Potential Risk: Failure to adequately monitor the welfare of the applicant.**

Homeless Support Workers are allocated certain residents to monitor by the HSM. A number of temporary accommodation placements were examined by the auditor to ascertain if weekly contact had been made during placement. Weekly contact had been consistently made in eleven of the twenty cases sampled. Where this was not the case, contact had been made but not on a regular basis. At the time of testing, sixteen cases had received a visit between mid-late April; one applicant had not been visited since March 2024, and another since January 2024. In one case, no visit had been documented on Locata at all.

**Recommendation - Staff should be reminded to make weekly contact with their assigned applicant. In cases where contact cannot be established, this should be documented on the Locata journal.**

##### 4.6.2 **Potential Risk: Failure to perform accurate risk assessments on the applicant.**

Using the Locata system, risk assessments are performed on the individual to determine if they pose a risk to others, themselves or to the property; in cases where an individual is fleeing violence, temporary accommodation is seen as the most appropriate solution.

Currently, the temporary accommodation team do not conduct their own risk assessments as these are completed during the housing options assessment which is then recorded on Locata. The HSM is working on a risk and need assessment template which the temporary accommodation team can use when evaluating the applicant. This includes looking at address history, housing circumstances and money management.

#### 4.6.3 **Potential Risk: Risk to staff health and safety when conducting site visits.**

WDC have a lone-worker policy in place. Staff must inform their line manager or other identified person when they will be working alone, giving accurate details of their location, and following an agreed plan to inform that person when the task is completed. This includes occasions when a staff member expects to go home following a visit rather than returning to their base. When entering premises, it is the WDC employee who has the personal responsibility to be aware of any foreseeable hazards and, so far as is reasonably practicable, protect themselves and other staff under their control.

Where possible, two people should work together. Depending on the risk posed, staff visit temporary accommodation placements in pairs. If the risk is deemed too high, visits are not conducted.

In the sixteen risk assessments identified, risks had been categorised as either 'risk to self', 'risk to others' 'risk from others', or 'none identified'. In the cases where 'risk to self' had been the only category identified (six cases), just one Homeless Support Worker had been assigned to the case. However, there were also six cases where only one officer had been assigned, but 'risk to others' had been identified on the assessment. There was just one case where all three risk categories had been identified and two support workers were required to conduct visits.

**Advisory - Where 'risk to others' has been highlighted, consideration should be given to ensuring that both Homeless Support Workers conduct visits to the applicant.**

Homeless Support Workers record their visits through their calendars to ensure that colleagues are informed of their whereabouts. Officers have also been issued with Solo Protect units.

Staff have access to the staff alert list via the Intranet. As part of upcoming appraisals, officers are due to attend a course on how to deal with confrontational situations, including how to deal with difficult conversations and making sure that conversations with homeless applicants are factual and appropriate.

#### 4.7 **Other Risks**

##### 4.7.1 **Potential Risk: Citizens staying in temporary accommodation for lengthy periods, resulting in significant budgetary pressures, and providers becoming too reliant on the Council for this service.**

The length of time a homeless applicant is offered temporary accommodation depends on the assessment of the individual's circumstances. The maximum length of time for a family placement into hotels or B&Bs (anything not self-contained) is six weeks as per the Homelessness (Suitability of Accommodation) (England) Order 2003.

A number of placements were investigated to ascertain the amount of time spent in temporary accommodation. It was found that in fifteen of the twenty-five cases tested, the time spent in temporary accommodation exceeded six-weeks; however, none of the applicants in question concerned family placements.

In all fifteen cases, a reason had been appropriately recorded in the journal outlining why time spent at the accommodation was so high. The reasons provided included 'waiting on void works to complete at the new property', 'no suitable properties to bid on HomeChoice' and 'issues with rent or Council Tax'. During COVID, there were applicants who had spent a significant time in temporary accommodation; however, this has since been reviewed and numbers are considerably lower.

Homeless Support Workers assist applicants in the completion of HomeChoice forms and help the applicant work to reduce any rent or Council Tax arrears in order that they can be moved to permanent accommodation as quickly as possible. The applicant will complete a Personal Housing P (PHP) and work to address any barriers that would prevent them from being housed in permanent accommodation.

#### 4.7.2 **Potential Risk: Lack of resources to perform the service.**

A review of the Homeless Support Worker job description was conducted by the auditor. The main responsibilities of the role include assisting applicants with completing benefit claims, assisting with HomeChoice applications, undertaking weekly welfare visits to clients, conducting property inspections, supporting the client's health and wellbeing, and ensuring that case records are up to date. Whilst officers can liaise with support services, they should not be providing these support services themselves.

The HSM has been given authority to recruit more staff; according to the current structure, there should be five occupied posts, where currently there are just two. The Temporary Accommodation Assistant post has since been advertised.

## 5 **Summary and Conclusions**

5.1 Section 3.2 sets out the risks that were reviewed as part of this audit. The review highlighted weaknesses against the following risks:

- Risk 3 – No formalised temporary accommodation policy in place.
- Risk 4 – Stock may not be accounted for; furnishings may not be compliant.
- Risk 6 – Data may not be disposed of in a timely manner.
- Risk 7 – Applicants who have purposefully caused damage are not evicted promptly; damage recharges may not be repaid on time; WDC is not



reimbursed for damage recharges; copies of applicant agreements are not always evidenced on file.

- Risk 8 – Documentation may not be uploaded to the relevant systems; documentation does not contain appropriate names and signatures; rent statements are not paired with visits.
- Risk 9 – The resources are not in place to ensure weekly visits are consistently performed.
- Risk 14 – The Benefits team may not be notified of placement end; housing benefit dates are not included in the Locata system.
- Risk 15 – Weekly contact is not always made with applicants.

5.2 Further 'issues' were also identified where advisory notes have been reported. In these instances, no formal recommendations are thought to be warranted as there is no significant risk attached to the actions not being taken.

5.3 In overall terms, we can give a MODERATE degree of assurance that the systems and controls in place in respect of Temporary Accommodation are appropriate and are working effectively to help mitigate and control the identified risks.

5.4 The assurance bands are shown below:

<b>Level of Assurance</b>	<b>Definition</b>
Substantial	There is a sound system of control in place and compliance with the key controls.
Moderate	Whilst the system of control is broadly satisfactory, some controls are weak or non-existent and there is non-compliance with several controls.
Limited	The system of control is generally weak and there is non-compliance with controls that do exist.

## 6 **Management Action**

6.1 The recommendations arising above are reproduced in the attached Action Plan (Appendix A) for management.

6.2 The advisory comments above are reproduced in the attached Action Plan (Appendix B) for management consideration.

Ian Davy  
Audit and Risk Manager

Action Plan

Internal Audit of Temporary Accommodation – July 2024

Report Ref.	Risk Area	Recommendation	Rating*	Responsible Officer(s)	Management Response	Target Date
4.2.3.	Financial Risk: Failure to use Council assets as temporary accommodation, resulting in high hotel / B&B costs.	A temporary accommodation policy should be compiled. This should make reference to the different types of temporary accommodation that the Council provides, as well as the standards expected of these properties and the various charges. A policy of this nature should also refer to serviced apartments and the circumstances in which these can be used.	Low	Housing Advice and Allocations Manager	Agreed. We have serviced apartment providers on the DPS for use if needed. A policy will be developed to clarify when they can be used and to ensure value for money.	31 December 2024

<b>Report Ref.</b>	<b>Risk Area</b>	<b>Recommendation</b>	<b>Rating*</b>	<b>Responsible Officer(s)</b>	<b>Management Response</b>	<b>Target Date</b>
4.2.4	Financial Risk: Insufficient financial resources to sustain the temporary accommodation service.	A full inventory of furnishings/stock purchased for temporary accommodation placements should be compiled. The expected standards of the provision of white goods and furniture should be included under a temporary accommodation policy.	Medium	Homeless Services Manager	Existing stock control procedures were not being followed. The HSM has spoken with officers to remind them that they must complete inventory sheets. A full stock check has now been completed and will be audited by the HSM each month. Items that are included in the WDC stock have been checked to ensure that they are in good working order. Any nonstandard items will be removed and if clearance of items is required, this will be arranged, and the outgoing tenant will be sent an invoice for the cost. End of tenancy visits will be carried out when the staffing levels permit.	Completed
4.4.1	Reputational Risk: Loss or unauthorised disclosure of sensitive personal information.	Any homeless records older than 2019 should be disposed of accordingly.	Medium	Homeless Services Manager; Senior Housing Advice and Allocations Officer	The HSM will dispose of records pre-2019. The Senior Housing Advice and Allocations Officer will ensure archived records are deleted prior to 2019 on the LOCATA system.	30 September 2024

<b>Report Ref.</b>	<b>Risk Area</b>	<b>Recommendation</b>	<b>Rating*</b>	<b>Responsible Officer(s)</b>	<b>Management Response</b>	<b>Target Date</b>
4.4.2 (a)	Reputational Risk: Temporary accommodation vandalised / damaged by occupants leading to fines incurred by the Council/refusal from business owners to house Council referrals.	Where purposeful damages have been caused in private temporary accommodation, the temporary placement should be ended promptly.	Medium	Homeless Services Manager	Agreed. There is an existing warning system in place whereby any breaches of occupancy due to wilful damage will result in financial penalties and eviction. Staff have been informed of this.	Completed.
4.4.2 (b)	Reputational Risk: Temporary accommodation vandalised / damaged by occupants leading to fines incurred by the Council/refusal from business owners to house Council referrals.	Payments to providers of temporary accommodation should be made in a timely manner to avoid the risk of losing sources of accommodation.	Medium	Homeless Services Manager	Invoices are received and checked before being approved. Payments are made in line with WDC Procurement, Purchasing and Payments. The service maintains invoicing records to ensure payments are made in a timely manner.	Completed.
4.4.2 (c)	Reputational Risk: Temporary accommodation vandalised / damaged by occupants leading to fines incurred by the Council/refusal from business owners to house Council referrals.	Officers should, where possible, be trying to recoup any monies from applicants where WDC have had to foot the bill for damages.	Medium	Homeless Services Manager; Housing Advice and Allocations Manager	Debt recovery policy to be implemented and sundry accounts to be set up on ActiveH.	30 September 2024

<b>Report Ref.</b>	<b>Risk Area</b>	<b>Recommendation</b>	<b>Rating*</b>	<b>Responsible Officer(s)</b>	<b>Management Response</b>	<b>Target Date</b>
4.4.2 (d)	Reputational Risk: Temporary accommodation vandalised / damaged by occupants leading to fines incurred by the Council/refusal from business owners to house Council referrals.	All User and Occupation Agreements should be uploaded to Locata.	Medium	Homeless Services Manager.	Agreed. The HSM will remind staff of the importance of accurate record keeping. When staff vacancies are filled, this will provide capacity to ensure this is done in all cases.	31 July 2024
4.4.3 (a)	Reputational Risk: Documentation incomplete or records of visits not maintained in the system.	Staff should be reminded to upload key receipts, fire door agreements, next of kin forms, and non-secure tenancy agreements to the DIP for all WDC temporary accommodation placements.	Medium	Homeless Services Manager.	Agreed. The HSM will remind staff of the importance of accurate record keeping. When staff vacancies are filled, this will provide capacity to ensure this is done in all cases.	31 July 2024
4.4.3 (b)	Reputational Risk: Documentation incomplete or records of visits not maintained in the system.	Staff should be reminded that these documents must be fully signed, dated and names printed by both the applicant and the WDC officer in all cases. The HSM should also undertake regular audits of these documents.	Medium	Homeless Services Manager.	Agreed. The HSM will remind staff of the importance of accurate record keeping. When staff vacancies are filled, this will provide capacity to ensure this is done in all cases.	31 July 2024
4.4.3 (c)	Reputational Risk: Documentation incomplete or records of visits not maintained in the system.	Staff should be reminded to update both Locata and Active H where possible.	Low	Homeless Services Manager.	This will be done during team meetings and 1:1s. The HSM will remind staff of the importance of accurate record keeping.	31 July 2024

<b>Report Ref.</b>	<b>Risk Area</b>	<b>Recommendation</b>	<b>Rating*</b>	<b>Responsible Officer(s)</b>	<b>Management Response</b>	<b>Target Date</b>
4.4.3 (d)	Reputational Risk: Documentation incomplete or records of visits not maintained in the system.	Rent statements should be hand delivered to the applicant where possible. Where rent statements have been delivered to the property, a visit should accompany this.	Low	Homeless Services Manager.	Every Monday rent statements are issued; where the occupant is present the team will speak with them, but this is not done through a supported visit. A support visit is arranged in line with occupant and officer availability at an agreed date during the week. When staff vacancies are filled, this will provide the capacity to ensure that this is done in all cases.	Completed
4.4.4	Reputational Risk: Failure to perform weekly inspections / block checks.	Management should consider the resources needed in order for the team to be able to conduct weekly visits to all homeless applicants placed into temporary accommodation.	Medium	Homeless Services Manager; Housing Advice and Allocations Manager	Agreed. Support visits are taking place, but the reduced staffing levels do not allow a visit every week. Weekly visits will resume when the service has its full complement of staff. Weekly block inspections of WDC stock are recorded on ActiveH.	31 July 2024
4.5.2 (a)	Fraud Risk: Risk of housing benefits being paid to applicants no longer residing in temporary accommodation.	Staff should be reminded to note housing benefit start dates on the Locata journal notes where relevant.	Low	Homeless Services Manager	Agreed. A record of housing benefit claim numbers will be uploaded on LOCATA and cross-referenced with the temporary accommodation spreadsheet.	31 July 2024
4.5.2 (b)	Fraud Risk: Risk of housing benefits being paid to applicants no longer residing in temporary accommodation.	Staff should be reminded to notify the Benefits team immediately once the placement end date is known.	Medium	Homeless Services Manager	The recruitment of a Temporary Accommodation Assistant will ensure this recommendation is complied with.	30 September 2024

<b>Report Ref.</b>	<b>Risk Area</b>	<b>Recommendation</b>	<b>Rating*</b>	<b>Responsible Officer(s)</b>	<b>Management Response</b>	<b>Target Date</b>
4.6.1	Health & Safety Risk: Failure to adequately monitor the welfare of the applicant.	Staff should be reminded to make weekly contact with their assigned applicant. In cases where contact cannot be established, this should be documented on the Locata journal.	Medium	Homeless Services Manager	The recruitment of a Homeless Support Officer will ensure full compliance of this recommendation.	30 September 2024

\* The ratings refer to how the recommendation affects the overall risk and are defined as follows:

- High: Issue of significant importance requiring urgent attention.
- Medium: Issue of moderate importance requiring prompt attention.
- Low: Issue of minor importance requiring attention.

## Action Plan

## Internal Audit of Temporary Accommodation – July 2024

Report Ref.	Risk Area	Advisory Comment	Management Response
4.3.1	Legal & Regulatory Risk: Failure to comply with legislation including the Homelessness Reduction Act 2017/Housing Act 1996.	Consideration should be given to introducing a complaints module on Locata.	Enquiries will be made with Locata to establish if the system has the capability to do this.
4.4.1 (a)	Reputational Risk: Loss or unauthorised disclosure of sensitive personal information.	Consideration should be given to ensuring that every applicant has a fully signed data sharing and consent form uploaded to their account on both Active H and Locata.	Although privacy notices and consent forms are obtained by the Housing Options officers, the Temporary Accommodation team will also ensure their own forms are completed, in order to obtain emergency contact details should there be concerns regarding the wellbeing of homeless applicants.
4.4.1 (b)	Reputational Risk: Loss or unauthorised disclosure of sensitive personal information.	Consideration should be given to reminding staff to file records appropriately and ensure that the data held on Locata appropriately matches the data held on Active H.	Team meeting and 1:1's will provide information relating to good reporting and recording of information. Training will be given to ensure this is ongoing.
4.4.2	Reputational Risk: Temporary accommodation vandalised / damaged by occupants leading to fines incurred by the Council/refusal from business owners to house Council referrals.	Where damages have occurred, consideration should be given to immediately serving a Notice to Quit.	Agreed. Consideration will always be given; however, warnings are issued proportionate to the seriousness of the incident alongside the characteristics of the household. Wilful damage is always treated seriously and where applicable is likely to result in eviction and involvement from Warwickshire Police.
4.4.7	Reputational Risk: Failure to provide temporary accommodation in a timely manner.	Consideration should be given to reminding staff of the need to house applicants into temporary accommodation within the timescales specified in the temporary accommodation request.	Most temporary accommodation placements are completed on the same day, following instruction from the Housing Options Officers. Where this differs, WDC always provide accommodation by the date provided on the temporary accommodation request form.



<b>Report Ref.</b>	<b>Risk Area</b>	<b>Advisory Comment</b>	<b>Management Response</b>
4.6.3	Health and Safety Risk: Risk to staff health and safety when conducting site visits.	Where 'risk to others' has been highlighted, consideration should be given to ensuring that both Homeless Support Workers conduct visits to the applicant.	The staff alert list is checked prior to all visits and the temporary accommodation request identifies where there is a risk to staff. All temporary accommodation staff have Solo Protect devices which is activated for all visits.