



**Department for  
Communities and  
Local Government**

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Government*  
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[www.gov.uk/dclg](http://www.gov.uk/dclg)

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Dear Chief Executive,

The Government is determined to tackle the unlawful use of bed and breakfast accommodation to house families with children for more than six weeks. Ministers have already met with a number of those authorities using high levels of B&B to discuss the issues and pressures they face. Progress has been made in some authorities but more needs to be done to ensure that this damaging and unlawful practice comes to an end and that homeless families with children are placed in appropriate suitable accommodation.

The Government has therefore decided to make up to £1.8m available for 2013/14 to enable authorities to develop innovative and sustainable solutions to the problems that are driving the use of B&B accommodation. The Department of Communities and Local Government is inviting bids for this funding from those authorities with the most acute problem. The attached prospectus gives further detail about the bidding process.

The deadline for submitting bids is 28 June 2013.

If you have any questions about this initiative, please contact:  
[John.Bentham@communities.gsi.gov.uk](mailto:John.Bentham@communities.gsi.gov.uk), telephone: 0303 44 3752

**Roger Wilshaw**  
Deputy Director  
Homelessness and Support

# Tackling use of bed and breakfast accommodation to house homeless families

## Bidding Prospectus

### Policy context

1. England has one of the strongest safety nets in the world to protect families and vulnerable households at risk of losing their home. It provides a consistent, national statutory framework for the provision of homelessness assistance across England. Local authorities have worked hard to ensure the most vulnerable households receive the support they need to help them through the trauma of homelessness and get back on their feet.
2. We maintain a constant dialog with local authorities, listening to issues they face and trying to accommodate their requests. For example, we have provided them with greater flexibility allowing them to use suitable private rented sector accommodation to end the main homelessness duty as local authorities told us that this would help them provide a better service. However, despite these changes and the continuing hard work of local authorities, particularly around prevention, the legacy of a debt laden economy has fuelled recent increases in temporary accommodation and particularly B&B use to house the homeless.
3. Notwithstanding these pressures, homelessness is around half the average level it was under the last Administration. Homelessness acceptances remain lower than in 27 of the last 30 years. However there has been a worrying increase in the numbers of homeless households placed in bed and breakfast accommodation – with a particularly sharp increase in the numbers of families housed in this way, unlawfully, for more than six weeks and therefore in contravention of the 'Homelessness (Suitability of Accommodation) (England) Order 2003'. Ministers are very concerned with this recent development and they have challenged local authorities to do more. This increase has not been seen across every local authority, indeed, often neighbouring authorities display significantly different numbers suggesting that some are responding to the challenge more quickly and with greater focus than others.
4. Reducing bed and breakfast numbers is one of the ten challenges we set local government in the recent Ministerial Working Group Report on Homelessness, which is now being supported by the Gold Standard. We have seen some limited success with some areas beginning to reverse this trend, but it is clear that more needs to be done.

*Government is therefore making up to £1.8million funding available for 2013/14 to enable local authorities to develop innovative and sustainable solutions to the problem of B&B use for families.*

### General information about funding scheme

5. Up to **£1.8 million revenue funding** is available this year (2013/14) to assist local authorities to dramatically reduce the use of bed and breakfast accommodation in a

sustainable way and, importantly, meet their legal duties. There will be **one bidding round** to provide this funding. We are inviting bids from those local authorities who have ten or more families with children in B&B for longer than six weeks - as these areas are clearly facing the most challenges. However, in the vast majority of cases this practice remains a breach of the law and we expect all authorities to work to end this practice. We are therefore placing a double lock on the funding.

6. As well as meeting the criteria below, authorities awarded funding will be expected to demonstrate how they will dramatically reduce the numbers of breaches in the next six months, maintain these lower levels and further reduce them going forward. Half of the funding will be held back and only awarded if this progress is clearly demonstrated.

7. Successful bids will be announced in July 2013. Grant payments will be made in two equal halves, the first in July 2013 and the second - contingent on evidenced progress of reducing the numbers in bed and breakfast - in March 2014.

**Authorities will be expected to have reduced the numbers of families in B&B accommodation with children for more than six weeks by at least 75% between March 2013 and December 2013 in order to access the second payment.**

### **How to apply**

**Applicants are required to submit bids no later than midday on the 28<sup>th</sup> June 2013 to: [John.Bentham@communities.qsi.gov.uk](mailto:John.Bentham@communities.qsi.gov.uk)**

8. Bids should be submitted using the attached application form. Bidders are encouraged to limit their application to 3 sides of A4.

9. An officer should be nominated for contact purposes. Please provide a telephone number and email address.

10. Local authorities considering submitting a bid should contact: [john.bentham@communities.qsi.gov.uk](mailto:john.bentham@communities.qsi.gov.uk) if they have any queries about the bidding process.

### **Assessment of applications**

11. Bids will be evaluated by DCLG officials, and Ministers will take the final decision on which bids to support.

12. The bids will be assessed/evaluated against the following criteria:

- Value for money - your costs must be clearly identified and show the relationship between the costs of the proposed action against the delivery stated outcomes. You should also demonstrate that your proposed course of action is additional to action you would have taken without the funding.
- Speed of delivery - how quickly your approach will begin to reduce the use of Bed & Breakfast accommodation
- Innovation – new ways or approaches to secure appropriate accommodation for homeless households in areas where traditional methods are no longer successful

- Sustainability - the reductions in B&B use must be sustainable and must offer a sustainable solution for the families concerned. The action must also build long term resilience rather than simply achieve short term gains. Government funding is only available for projects within or close to the bidding local authority.
- Match funding – what money your authority or partners will commit to the proposal

We will also be interested in bids that demonstrate:

- partnerships/partnership working with other authorities, private landlords or registered providers or the voluntary and community sector.

**14. Proposals must demonstrate that they have at least “in principle” support from the leadership of their authority (for example, by showing Director-level endorsement), and, where relevant, the commitment of partner providers. If the bid involves a number of authorities working in partnership, each partner authority must demonstrate “in principle” support for the bid.**

### **Sharing good practice**

15. To ensure that the unlawful use of bed and breakfast accommodation for families with children is tackled across the country we will use the outcomes and learning from the funding to identify good practice and share this widely. This will form an essential part of the process, helping to ensure that local authorities understand what approaches and action they can use to successfully tackle B&B use. Local authorities that receive funding should be prepared to help other authorities by sharing their experiences, demonstrating/evaluating effectiveness and supporting efforts to spread good practice.

16. There may be a number of factors you feel contribute to the rising use of B&B, and where you feel DCLG or wider Government may be able to assist other than by providing funding through this bidding process e.g. through policy changes, or by removing barriers or restrictions on local government. If you have not had the opportunity to discuss these issues with DCLG then, separately to the bidding process, you may set out these issues as an annex.

### **Costs and funding arrangements**

17. DCLG would expect to provide, per authority, a minimum of £100,000 and a maximum of £300,000. **Proposals must set out the total amount of funding sought** and indicate how this breaks down. Wherever possible, DCLG will make the funding available on this basis.

18. Bids must include timescales and give an indication of the costs involved in the proposals, specifying:

- what contribution is being sought from the Department; and
- what contribution is to be made by the authority and its partners

19. Bids which include more than one local authority must designate the lead local authority to which payment is to be made.

20. Funding will be issued as unringfenced resource grant under s.31 of the Local Government Act 2003.