

This report is public	
Additional Temporary Accommodation Purchases	
Committee	Executive
Date of Committee	7 September 2026
Portfolio Holder presenting the report	Portfolio Holder for Housing and Greener Communities, Councillor Ian Middleton
Date Portfolio Holder agreed report	10 August 2026
Report of	Assistant Director Wellbeing and Housing, Nicola Riley

Purpose of report

To seek approval to add additional funds from grants received to the capital budget for purchases of property for temporary accommodation.

1. Recommendations

The Executive resolves:

- 1.1 To approve the increase to the Council's capital programme of £1,000,000 that arises from the report, using grant funding from resettlement.

2. Executive Summary

- 2.1 The Council is anticipating some acute housing pressures to arise from accommodation that has been leased from the Ministry of Defence, which currently houses families that are within Afghan Resettlement Schemes. These leases will come to an end within this financial year. These families are households that the Council would owe housing duties to, in accordance with the Housing Act 1996, if they approached the Council as homeless.
- 2.2 The increased numbers of homeless people are likely to put further pressure on temporary accommodation and homeless services. Temporary accommodation costs for these households, if met through nightly charged options, would be significant. To not source appropriate housing will increase revenue expenditure.
- 2.3 To assist with housing and support for families that are housed through resettlement schemes, such as the Afghan Resettlement Programme (ARP), Councils are provided with financial assistance from Central Government. The report proposes to use £1 million of grant assistance to purchase property.

Implications & Impact Assessments

Implications		Commentary		
Finance		There is unallocated funding from the Home Office for the resettlement of Afghan families in Cherwell. Utilising this funding will allow for more suitable accommodation to be purchased as temporary accommodation whilst families wait for permanent housing. As we approach LGR and once the Afghan schemes are closed, it would be beneficial for the new unitary council to have provision of TA or alternatively, use the provision to engage with the place-based approach around the housing of asylum seekers, especially if Central Government mandate Local Authorities. By approving this recommendation, the Council is future proofing its statutory duties to provide accommodation for homelessness. Kelly Wheeler, Finance Business Partner, 16 July 2026		
Legal		The proposed amendment to the Council’s capital programme for the financial year 2026/2027 is being brought to the Executive for approval in accordance with Part 19 - Financial Procedure Rules - of the Council’s Constitution. Grant funding schemes may distinguish between capital and revenue expenditure. It is noted that this report confirms that use of the grant funding to increase the Council’s budget for the purchase of temporary accommodation will comply with the conditions of the relevant grant. Adrian Thompson – Principal Solicitor, Legal Services. 22 July 2026		
Risk Management		Acquiring accommodation, alongside ongoing performance and cost monitoring, will help reduce reliance on nightly paid accommodation and support delivery of the intended benefits. Overall, the potential risks are considered manageable and will be mitigated and monitored through the service operational risk register, within the corresponding governance and controls. Kaimi Ithia – Head of Chief Executives Office, 27 July 2026		
Impact Assessments	Positive	Neutral	Negative	Commentary
Equality Impact	x			The outcome of the report will improve the range of temporary accommodation within the district, supporting low-income households
A Are there any aspects of the proposed decision, including how it is delivered or		x		

accessed, that could impact on inequality?				
B Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?	x			Low-income households will be better provided for
Climate & Environmental Impact		x		The highest EPC ratings will be encouraged for the units purchased and delivered through the grant
ICT & Digital Impact		x		Not applicable
Data Impact		x		Not applicable
Procurement & subsidy		x		Not applicable
Council Priorities	Quality housing and place making			
Human Resources	Not applicable			
Property	None			
Consultation & Engagement	None			

Supporting Information

3. Background

- 3.1 Over the last decade, there have been several Resettlement Schemes that have been provided by Government to provide assistance to those fleeing conflict and/or persecution. Specifically, those fleeing Syria, Ukraine and Afghanistan have had specific schemes to help those granted refugee status settle in the UK.
- 3.2 Local Councils have played an important role in providing or helping to source settled accommodation to all households have refugee status and who are eligible for assistance. This is following households leaving Home Office provided pathways. To help source settled accommodation, the Council has partnered with the Ministry of Defence to provide accommodation in unused or underused accommodation, sourcing private rented accommodation or through permanent accommodation offers enabled through the Local Authority Housing Fund capital grant.

- 3.3 To date, homelessness and temporary accommodation pressures that have been linked to resettlement households have been met through existing budgets and through utilising grant funding. This has either provided funding for staff or for initiatives to help households access accommodation.
- 3.4 The Ministry of Defence (MOD) leasing partnership is coming to an end, resulting in a potential homelessness pressure if other accommodation option, such as private rented accommodation, cannot be found. The leases in question start to end in October 2026 and this cycle ends in October 2028. Households that are within the MOD accommodation are likely to be owed housing and homelessness duties should this happen. They will be homeless or threatened with homelessness, eligible for assistance and in 'Priority Need', in accordance with the Housing Act 1996 Part 7. These households are larger families, and therefore it is difficult to source permanent accommodation that is suitable. The wait for a permanent housing offer is likely to be significant.
- 3.5 Whilst households await permanent accommodation, those who meet the legislative thresholds are placed in temporary accommodation, to avoid street homelessness. Again, suitable temporary accommodation for families of size is difficult to source through our current temporary accommodation portfolio or accommodation we routinely access. Costs of nightly charged accommodation for families of size could be as much as £60,000 per year per household. Sourcing an option that reduces this financial pressure, as well as providing ongoing revenue income, is more desirable. Purchasing property that the Council then owns and manages provides this and is in line with grant aid conditions.

4. Details

- 4.1 The report proposes to utilise the grant funding Cherwell has received to support these refugees, adding £1 million to its capital programme for additional temporary accommodation purchases. The additional £1 million will focus on providing homes suitable for larger households. As the £1 million has been funded from resettlement grant, the properties must be targeted at assisting families that are intended to benefit from this grant. Using the grant funding in this way is within grant conditions.
- 4.2 Purchasing property negates some revenue pressures created by temporary accommodation provision. For example, the booking of 2 hotel rooms, which could accommodate a single family, would cost around £41,000 per year as a net cost. To provide self-contained units as temporary accommodation would generate a rental income instead of creating a pressure. A typical income generated from a single 4 bedroom property would be around £16,000, net of any maintenance costs. Incomes from property is continuous, as long as property remains let and in use.
- 4.3 Sourcing appropriate property is dependent on market factors, if property cannot be sourced within 2026/27, the grant will be rolled forward to future years. Revenue budget will be used in the event of having to house any homeless household where an alternative is not available.
- 4.4 The assets purchased will be owned by the Council, in its present or new form post Local Government Reorganisation, even though external grant is being used to purchase them. Once purchased, they will be Council properties and the Council will use them to assist with homelessness pressures, primarily for the Afghan cohort
- Cherwell District Council

to bridge their move to permanent accommodation either locally or elsewhere in the country. The Council will control all allocations to them.

5. Alternative Options and Reasons for Rejection

- 5.1 The following alternative options have been identified and rejected for the reasons as set out below.

Option 1: Not to use the grant money in this way. The Council could seek to use the grant money in other ways that would be of benefit to the Afghan Resettlement households. However, it is unclear whether other means would be able to prevent their homelessness, as these are the steps we are currently taking. When the households do become homeless, temporary accommodation costs are likely to be incurred and are likely to be significant. Not spending this grant on increasing stock size would create revenue pressure. This is rejected.

Option 2: Spend further grant on nightly charged temporary accommodation. This is an option and the grant would cover the costs of this. However, nightly charge offers no income and no return on investment, which the proposed option does. The income received from property would be Council revenue and would not require repayment. Additionally, families would be in nightly charged accommodation, such as hotels, for periods of over 6 weeks, due to the lack of availability of alternative accommodation. It is not permitted by government for any household with children to be in hotel accommodation for longer than 6 weeks. This is rejected.

6. Conclusion and Reasons for Recommendations

- 6.1 The report will enable more suitable temporary accommodation options within the district. The increase in capacity within the portfolio will also reduce revenue pressures that would otherwise arise.

Decision Information

Key Decision	Yes, financial threshold met
Subject to Call in	Yes
If not, why not subject to call in	N/A
Ward(s) Affected	All Wards

Document Information

Appendices	None
Background Papers	None

Reference Papers	None
Report Author	Richard Smith – Head of Housing
Report Author contact details	richard.smith@cherwell-dc.gov.uk 01295 221640
Executive Director Approval (unless Executive Director or Statutory Officer report)	Kristian Aspinall, Executive Director – Neighbourhood Services, 21 July 2026.