



Practice Note

Converting homeless temporary accommodation into a permanent let

This note sets out some of the lessons learned in relation to the conversion of a temporary let into a permanent tenancy (often referred to as “flipping”) as the basis for the discharge of a duty to secure settled accommodation for a homeless applicant.

It isn’t intended to be a definitive, it isn’t “guidance” but rather, it sets out options and considerations, it doesn’t represent legal advice and should be read in the context of both the [Statutory Code of Guidance on Homelessness](#) published by the Scottish Government and in the light of local policies, conditions and experiences.

This document focuses on temporary accommodation provided directly by a Council. Where the council is leasing a property from either a RSL or a private landlord, flipping could be possible, subject to the agreement of the landlord. The operating principles set out in the next section and developing a person-centred approach should still apply, however securing the agreement of the property owners, including understanding their interests, risk and concerns will also be important.

The document draws heavily on the experience of Fife Council¹ following a Sheriff Court Judgement which meant that 636 statutory temporary tenancies were legally secure tenancies. One of many practical results of this was the need to issue new tenancies to all those affected and ensure that what became the de facto resolution of their homelessness application represented suitable and sustainable accommodation.

Whilst the Fife programme was driven by an unanticipated decision in the courts the Council’s focus on a “people led” programme with a focus on sustainable housing outcomes and maintaining a supply of suitable temporary accommodation mirrors the approach of a number of other councils who have also contributed their thoughts and experience².

Operating principles

Outcomes from a decision to “flip” temporary accommodation should be consistent with the Council’s overall approach to offering permanent and temporary accommodation. Where a council is facing a significant shortage of both temporary and permanent lets it’s possible that any offer of temporary accommodation won’t fully match the applicants initial preferred options.

¹ Thanks to Gavin Smith at Fife Council for his comments and observations on the draft.

² My thanks also to staff at Inverclyde and South Lanarkshire Councils.

It is, however, possible that an extended stay in one location will change the perspective of the applicant. This could be driven by a variety of factors including children starting or changing schools, changes in support from extended family or simply, the settling in process that goes with getting used to any particular community.

These changes may make “flipping” more acceptable, even desirable given the disruption and expense that comes with a move of house. In any event the views of the applicant should be fully taken into account in any decision to offer to convert a temporary let into a permanent accommodation. The overall approach to flipping should recognise and take account of these factors without undermining fairness in the wider allocations system.

In light of this any proposed “flip” should:

- meet the council’s statutory obligations to the applicant involved;
- represent a “reasonable offer” of accommodation;
- be consistent with the needs and wishes of the applicant;
- Ensure no reduction in the level of choice or control afforded relative to other applicants;
- provide a sustainable housing outcome;
- not disadvantage either those accepting a “flip”, those who refuse such an offer and those not in a position to receive such an offer;
- support the council’s ability to meet its duty to offer temporary accommodation;
- ensure that the transition from “temporary” to “settled” accommodation is actively managed including any change to the availability of support services or eligibility for benefits;
- be linked to a clear process for replacing the temporary let if necessary; and
- offer value for money to the council in relation to any replacement of furniture and fittings that are included in the offer of a permanent let.

This is likely to require a review of the wider allocations policy as it impacts on homeless applicants including the allocation of temporary accommodation as well as approaches to appeals and the provision of replacement temporary accommodation.

Designing a policy led approach

A number of councils report that they take a pragmatic approach to making a temporary let permanent. This can work well for those that have been in a particular let for longer than would normally be expected locally or with very particular housing needs. But it does carry the risk of a perceived lack of consistency or fairness and policy oversight.

“Flipping” isn’t an option for those that don’t, for whatever reason, take up an offer of temporary accommodation. As a result, there is a risk that this group could be, or feel themselves to be, disadvantaged by the process. This needs to be understood and accounted for in the overall policy design.

Whilst most refusals of temp. are likely to be driven by the perceived quality or suitability of the accommodation offered it will be important to understand who is refusing temp. and why. Where a general expectation arises that any temp. could, at some point, be offered as permanent housing this could impact on decisions to accept any particular offer off temporary housing.

Policy design may not be able to eliminate these sorts of unintended impacts, but it will be important to be aware of them and keep the policy and its outcomes under review. This is likely to be particularly important as the conditions that gave rise to the policy (usually a shortage of permanent housing) change.

With these observations in mind the following should be considered when drafting a “flipping” policy:

- When an applicant becomes eligible, including the option to request a “flip” and the operational circumstances when “flipping” isn’t an option and won’t be offered or will be refused if requested;
- How options to increase the take up of “flipping” could be developed including moving applicants to temporary accommodation that may be more suitable for “flipping”;
- How the process fits with any wider ambition to rotate the location of temporary lets to minimise disruption to particular communities;
- How any refusal of an offer to “flip” will be treated in relation to the statutory duty to make a reasonable offer of accommodation particularly where the offer has been made without a request from the applicant;
- The right to request a review of a decision to offer, or to refuse the flip a property;
- The treatment of any furniture, floor coverings or other items provided as part of the initial furnished let;
- The extent to which the option of a “flip” can be made available to those in properties leased from an RSL or private landlord. Where possible an in principle agreement with the landlord will be an important part of the overall framework;
- How the property will be replaced within the stock of temp (like for like, based on the profile of those not in temp or current applicants for example).

The finalised policy will have to be subject to an equalities impact assessment as well as a [child rights and wellbeing impact assessment](#) and should be the subject of a specific consultation exercise with existing tenants and applicants in the same way that any significant change in the wider allocations policy would be.

It will also be important to ensure that local advice agencies and partner organisations are aware, and if possible supportive, of the policies aims and procedures.

Costs and benefits

In most circumstances where a temporary let is made permanent it will be necessary to replace the temporary accommodation to ensure that demand can continue to be met. Establishing a new temporary let is likely to involve a range of costs including decoration, furnishings and floor coverings. These are likely to run into several thousands of pounds in direct costs. It may also require the agreement of a RSL or private landlord.

Local communities are also likely to be well aware of a change from permanent to temporary letting use and may have concerns about the impact on the area as a whole.

These issues should be addressed directly, including:

Understanding the costs of reletting temporary accommodation;
Being clear about the rate of depreciation applied to furnishings and floor coverings; and
The likely concerns of neighbours and the benefit of rotating temporary lets across communities over time.

The wider benefits of person-centred policies are always much harder to quantify but should nevertheless be included in the overall accounting of value for money. Households in temporary accommodation are more likely to be excluded from work, their children may do less well at school in the medium term³, and they may require other support services including higher levels of use of health services.

Managing the transition

The switch from a temporary to a permanent tenancy will result in a number of significant changes in the relationship between the tenant and the council/landlord.

It will, for example, be a discharge of duty and the end of the Council's statutory duties in relation to the homelessness of the household. It could also result in a change in the rent and service charges; for most applicants it will require a migration from Housing Benefit to Universal Credit. It may also involve changes to other areas of the tenancy including the responsibility for garden ground or the cleaning of common areas.

These changes, including responsibility of utility bills, council tax and water charges, should be fully understood by the applicant and managed to ensure that there is no break in the eligibility for HB/UC and to minimise the risk of arrears accruing during the transition process.

Where the occupant has accrued rent arrears in relation to the temporary tenancy, any intention to pursue the arrear should also be explained clearly.

Concluding observations

The longer-term objective of the introduction of "rapid rehousing" as part of the Ending Homelessness Together Action Plan in 2018, was to move to a situation where homelessness was "rare, brief and non recurring" and the use of temporary accommodation limited to situations where immediate permanent rehousing isn't an option.

In most local authority areas in Scotland achieving that ambition seems as far away now as it did in 2018. However, A structured approach to "flipping" temporary accommodation could prove to be an important step in that transformation by reducing the time spend in "limbo" within the homelessness system and allowing a targeted approach to securing replacement temp that better matches the needs of those who may be waiting for it.

³ [Children's harrowing experiences of temporary accommodation - Shelter Scotland](#)

Flipping won't be an option for every applicant, and it won't meet the operational needs of every council. But it should be considered both as a strategic and opportunistic approach to meeting the needs of homeless applicants where this is possible. Hopefully this practice note will provide an initial starting point for the development and improvement of practice and outcomes for homeless applicants.

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