

Report to: **Housing Review Board**

Date of Meeting: 28 March 2019

Public Document: Yes

Exemption: None

Review date for release None



Agenda item: 16

Subject: **Use of Shipping Containers in Social Housing.**

Purpose of report: Members have expressed an interest in learning more about the potential for using shipping containers as part of the Council's response to emergency accommodation and housing supply.

Recommendation: **Members are asked to note the information in the report.**

Reason for recommendation: To raise awareness of this alternative form of housing supply

Officer: Andrew Mitchell – Housing Needs & Strategy Manager
amitchell@eastdevon.gov.uk

Financial implications: The use of shipping containers would need serious consideration from a financial point of view with a full cost benefit analysis and scenario modelling carried out as well as considering the valuation and accounting implications.

Legal implications: There are no legal implications highlighted in the report which require comment.

Equalities impact: Low Impact

Risk: Low Risk

Links to background information:

Link to Council Plan: Continuously improving to be an outstanding Council

1. Background

- 1.1 A number of Councils have been using shipping containers and porta cabins which have been converted to form self-contained living accommodation and are using them for emergency and temporary accommodation.
- 1.2 The surge in popularity of using shipping containers for temporary accommodation is a response to the rise in the number of rough sleepers and homeless applicants, the cost and reliance of using Bed & Breakfast and the lack of supply of suitable housing. The Councils who have taken this approach are mostly inner city Councils where rough sleeper numbers are high and the supply of affordable accommodation is low.
- 1.3 Shipping containers are proving popular for the following reasons:

- (1) Potential to reduce homelessness
- (2) Reduce reliance on Bed & Breakfast accommodation
- (3) Efficient use of space
- (4) Cost and time

2. Potential to reduce homelessness

- 2.1 Ealing Council was one of the first local authorities to use shipping containers. The London borough has more than 2,242 individuals or families considered as homeless and in desperate need of accommodation. Changes to benefit rules along with steeply rising rents in the private sector have resulted in an increase in the number of people becoming homeless and turning to the Council for help. The average wait for a 1 bedroom Council property in the borough is 14 years and for a 2 bedroom property it is 21 years.
- 2.2 The Council now have two sites with shipping container housing. The first one, Marsden Court, contains 34 apartments which are a mixture of studio, one bedroom and two bedroom units with a capacity for 132 people. The second site, Meath Court, is a 60 apartment development again with a mixture of studio, 1 and 2 bedroom units with a maximum capacity of 288 people.
- 2.3 In Bristol a social enterprise 'Help Bristol's Homeless' has also been addressing the rising number of rough sleepers by providing converted shipping containers as accommodation. This has been funded through donations and good will of local people, the land has been leased by Bristol City Council at a peppercorn rent.
- 2.4 In the South West there are fewer examples. Cornwall Council have been looking into the use of containers but no firm decisions have been made. They have recently announced that they will be buying housing from the market to use as temporary accommodation as this better meets their need and will locate people in the right places. Sedgemoor were also considering it and featured on the local news however they have pulled out over a lack of sites available and demand (they only have 1 rough sleeper).

3. Reduce reliance on Bed & Breakfast accommodation

- 3.1 Shipping containers are being used as an alternative to B&B accommodation and to house rough sleepers. The full costs of using B&B isn't funded by the Government and Councils are having to make up the shortfall. By using shipping containers occupants can claim housing benefit therefore making a saving to the Council.
- 3.2 The living arrangements in shipping containers are seen as better than B&B accommodation especially for families. There is a kitchen and bathroom and each apartment is a secure self-contained individual unit. This enables the occupant to live independently.

4. Efficient use of space

- 4.1 The units are small and can be put on small areas of land making them ideal for high population urban areas where land is in short supply. Their regular shape means they can be stacked, linked and staggered. The units are robust and can be moved easily between sites. The re-purposed containers meet sustainability credentials.
- 4.2 The two example sites in Ealing were former council owned garage sites which had become run down and derelict, attracting anti-social behaviour. Planning permission was obtained for a 10 year period for the temporary accommodation. The site is earmarked for permanent development in the future.

- 4.3 In Cardiff four porta cabins are going to be built on a local charity's balcony to house rough sleepers. Three will be used for sleeping with the remaining one as a toilet/washroom.

5. Cost and time

- 5.1 Depending upon bedroom size and internal quality a converted shipping container will cost between £25,000 and £35,000. The site in Ealing with 34 containers took 14 weeks to put together whilst the larger site took 24 weeks. There will also be the time and cost to secure planning permission to factor in.
- 5.2 The Ealing containers were manufactured, fitted and finished at a factory in Cornwall and then deployed to the site. <https://www.isospaces.co.uk/portfolio/bordars-walk-shipping-container-homes/>

6. Challenges and drawbacks

- 6.1 Whilst there are many benefits including time, cost and flexibility there are also challenges and drawbacks to housing people in shipping containers. These are summarised below:
- There have been reports that the containers are cold and inadequately heated.
 - Whilst temporary in nature many people in the Ealing containers have been there for 18 months and have reported that they feel they are 'not living in a real home' and 'feel contained'.
 - There have also been problems with anti-social behaviour and residents not feeling safe as a result. Housing large numbers of people in a small area will result in anti-social behaviour especially if there are residents with additional support needs who lead chaotic lives.
 - Some re-purposed shipping containers have had problems and damage from previous rough handling and seawater. The previous use is also important as many containers may have been used to transport dangerous chemicals and biohazards.

7. Conclusion

- 7.1 Shipping containers offer a quick, affordable, flexible alternative to housing people where demand is very high and supply of suitable accommodation and land is limited. However it does not provide 'a home' and is only ever a temporary solution.
- 7.2 Our response to the rise in homelessness within East Devon has been to purchase the HMO which will be used as temporary, emergency accommodation rather than rely on Bed & Breakfast. This will be a test base to see if this type of accommodation works and provides the stop gap that people need to help them move on.