

Policy:	Temporary Accommodation Charging Policy
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Policy Owner:	Sharon Williams		
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Decisions affecting this policy			
Date	Committee/Member/Officer	Report title	Minute ref
26/11/24	Cabinet Approval	<u>Charging Policy</u>	

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1. Policy Statement

The Housing Act 1996 places a statutory duty on local authorities to provide temporary accommodation for applicants during the period between initial application and decision to accept or reject the application and if accepted, until the conditions for discharging duty are met. The council has a right, under the same Act to make reasonable charge for the accommodation.

2. Scope of the policy

Ashford Borough Council is experiencing complex housing pressures that have impacted on the authority's ability to provide long term settled accommodation for applicants facing homelessness. In response to this voluminous demand, the council is seeking a formalised policy approach to support the charging process and provide a clear statement to applicants on what they need to pay for their accommodation. Ashford Borough Council will apply capped rental rates for this provision in line with the Temporary Accommodation Housing Benefit Subsidy ("Subsidy").

In summary the policy sets out the following:

- The mechanism of how charging is applied and processed to households placed in temporary accommodation.
- A formal approach to a fair charging regime for households recognising those in employment.
- The application of ineligible charges to the rent account and the liability of the applicant to make these payments.
- The mechanism covering robust suitability assessments for every placement to ensure regulatory compliance and affordability.
- The monitoring framework measuring the policy impacts.

3. Aims

The overall aim of the policy is to ensure that rent charged for temporary accommodation:

- is an affordable option to all.
- does not disadvantage those in work.

4. Principles

The principles of the policy are to:

- a) Comply with legislation and guidance and promote best practice;
- b) Ensure consistency in the provision of services by providing staff training and implementing detailed procedures and agreed practices uniformly across the service;
- c) Deliver good quality services which are efficient and adhere to the principles of equal opportunities.
- d) Help towards the cost of operating temporary accommodation provision.
- e) Recover income where possible.

5. Charging Policy

The proposed charging framework will reflect the government's subsidy payment regime which has been in place since 2010. The authority can claim a subsidy level which is equivalent to the January 2011 LHA rates, according to certain conditions set out in DWP Circular S1 2011 (Appendix 1).

Additionally, as agreed by Cabinet, the authority can claim the subsidy level equivalent to 100% of the current LHA rate for properties that are owned by the Council and sit in the General Fund.

For applicants who have been placed in Local Authority (LA) hostels such as Christchurch House and Christchurch Lodge that are owned by Ashford Borough Council and outside the Housing Revenue Account 100% subsidy may be claimed up to the agreed level of rent.

Category	Type	Landlord	Subsidy	Level	Other
11	Hostels, <ul style="list-style-type: none"> Owned by LA, Outside HRA in England, In or outside HRA in Wales and Scotland. 	LA	HRA and/or Non HRA rent rebate	100% subsidy up to level of rent.	023 (non HRA in England & Wales and HRA in Scotland) or 060 (HRA in Wales)

For applicants who are placed in non-self-contained leased homelessness accommodation, the maximum subsidy will be determined by using 90% of the January 2011 LHA rate for the size and location of the property.

Category	Type	Landlord	Subsidy	Level	Other
3	Homelessness accommodation: <ul style="list-style-type: none"> Non self-contained, Leased to the LA, (Including hostels on a lease), Period up to 10 years, Outside HRA in England, In or outside HRA in Wales and Scotland. 	LA	Non HRA rent rebate in England, Non HRA or HRA rent rebate in Wales / Scotland	90% one bedroom LHA rate	012 & 013 (non HRA in Wales and HRA in Scotland. 056 & 057 (HRA Wales)

For applicants who have been placed in self-contained licensed and short-term lease accommodation, the maximum subsidy will be determined by using 90% of the January 2011 LHA rate for the size and location of the property.

The same applies to those placed in council owned stock unless the property sits within the general fund in which case 100% of the current LHA rate can be claimed.

Category	Type	Landlord	Subsidy	Level	Other
7	England Homelessness accommodation: <ul style="list-style-type: none"> Self-contained, Leased to the LA Period up to 10 years, 	LA	Non HRA rent rebate in England	90% of appropriate LHA rate	014 & 015

	• Outside HRA.				
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For applicants placed into non-self-contained accommodation (board and lodging or licensed), the subsidy will be limited to the January 2011 one bedroom self-contained Local Housing Allowance (LHA) rate based on the location of the property.

Category	Type	Landlord	Subsidy	Level	Other
1	Homelessness accommodation (excluding prevention cases): <ul style="list-style-type: none"> • Board and lodging (B&B). • Commercial hotels 	LA or RSL	Non HRA rent rebate or Rent Allowance	One bedroom LHA rate	012 & 013 – LA landlord or 104 & 105 – RSL

6. January 2011 LHA rates

	One bed	Two bed	Three Bed	Four bed
Ashford	£116.88	£144.23	£167.31	£225.00
90%	£105.19	£129.81	£150.58	£202.50
Medway	£109.62	£137.31	£155.77	£225.00
90%	£98.66	£123.58	£140.19	£202.50
Maidstone	£126.92	£155.77	£183.46	£230.77
90%	£114.23	£140.19	£165.11	£207.69
Folkestone and Hythe	£96.92	£126.92	£150.00	£196.15
90%	£87.23	£114.23	£135.00	£176.54
Dartford (North West Kent)	£121.15	£150.00	£173.08	£253.84
90%	£109.04	£135.00	£155.77	£228.46
Swale	£109.62	£137.31	£155.77	£225.00
90%	£98.66	£123.58	£140.19	£202.50
Canterbury	£126.92	£159.23	£184.62	£288.46
90%	£114.23	£143.31	£166.16	£259.61
Dover / Shepway	£96.92	£126.92	£150	£196.15
90%	£87.23	£114.23	£135	£176.53

Where the applicant is eligible for Housing Benefit, this will cover the accommodation cost element up to the threshold of the government subsidy. Applicants placed into accommodation will be assisted to make a Housing Benefit claim. In addition, the applicant will be charged for costs that are ineligible under Housing Benefit e.g. heating, lighting, hot water and cooking facilities.

The Housing Benefit will be paid directly to the applicants rent account. Applicants who are not entitled to any Housing Benefit because they work and/or have 'excess income' will be asked to make an affordable contribution following the affordability assessment. It is expected that this will be up to the level that would have been covered had they been entitled to full Housing Benefit. In addition, the applicant will be charged the full costs of the ineligible charges e.g., heating, water and lighting.

7. Service Charges

A service charge is the name used to refer to ineligible charges if an applicant is entitled to full or partial housing benefit. The ineligible charges to be applied for 2023/24 are set out below.

Ineligible Charges: Heating, lighting, hot water

One Room/ self-contained: (flat rate) £3.00 per night or £21.00 per week.

8. Housing Needs Assessments

As part of the initial homelessness assessment and prior to placement into an accommodation, an assessment of the applicant's housing needs will be undertaken by the Housing Options Officer. This will include consideration of what accommodation would be suitable for the applicant and for each member of their household.

An assessment of the applicant's and household member's support needs will be holistic and comprehensive, and not limited to those needs which are most apparent or have been advised by a referral agency.

The assessment will consider:

- the size and type of accommodation required.
- any specific requirements for a household containing a disabled person or person with medical needs.
- location of accommodation
- the affordability of accommodation (using the income and expenditure form, and the affordability matrix)

The wishes and preferences of the applicant will also be considered and recorded in the assessment even if these cannot reasonably be met immediately.

9. Affordability Assessment

The Homelessness (Suitability of Accommodation) Order 1996 (SI 1996/3204) specifies that "in determining whether it would be, or would have been, reasonable for a person to occupy accommodation and in determining whether accommodation

is suitable, a housing authority must take into account whether the accommodation is affordable, and in particular must take account of”:

- (a) the financial resources available to that person, including, but not limited to, salary, fees and other remuneration.
- (b) savings and other capital sums which may be a source of income or might be available to meet accommodation expenses.
- (c) the costs in respect of the accommodation and payments which that person is required to make under a court order for the making of periodical payments to a spouse or former spouse, to or for the benefit of, a child and payments of child support maintenance required to be made under the Child Support Act 1991.
- (d) other reasonable living expenses.

The assessment of ‘reasonable living expenses’ will be undertaken based on an indefinite period of future occupation. This will have regard to the applicants’ ability to meet the costs of their essentials, which includes food, clothing, utilities, transport and other essentials specific to the household’s circumstances.

When making placements, a review of the affordability assessment will be undertaken by officers. This will be a refreshed assessment to ensure the housing needs assessment remains relevant and the identified accommodation is affordable for the household.

10. Financial difficulties

We will take reasonable steps to help applicants claim their full benefit entitlement and obtain debt and welfare benefit advice, where necessary. We will also consider requests for a reduction in accommodation charges if the person is struggling financially. Reasonable living expenses will be calculated on a case-by-case basis using the affordability assessment procedure.

We may also reduce the charge when inability to pay is unavoidable and not the applicant’s fault. However, following a full assessment a person who can afford their daily living costs and housing costs will not receive a reduction in the charge.

11. Storage of possessions and pets

Few accommodation providers will accept pets. Storage and kennelling will be provided through a third-party agency. Subject to an affordability assessment, the cost associated with the safeguarding of personal possessions and pets will be recharged to the applicant.

12. Damage to property/Fines

Where the household wilfully causes damage or receives a fine for misuse of the temporary accommodation or associated property. The costs of repair will be recharged to the applicant.

13. Special Provisions

The charges will not be rigidly applied when providing accommodation to applicants, consideration will be given to any exceptional circumstances relating to the household.

Exceptional reasons could include (but not limited to):

- Travel expenses which are not reasonably covered.
- Severe financial hardship where debt advice has been sought and acted upon.

Reasons could justify a decision more favourable to the applicant than those detailed above. In those circumstances the amount charged should be reviewed and amended. These matters will be referred to the Assistant Director of Housing to consider.

14. Impact and measurement

The Council will monitor performance in charging and recovering of charges as follows:

- the total amount of emergency accommodation income due
- the total amount of accommodation charges collected.
- the amount of arrears, showing number of accounts and total arrears due the total number of review request on grounds of affordability of charges
- the number of exceptional circumstances payments / reductions, and monitoring of trends.
- the number of applicants evicted due to arrears. Evictions are only actioned in exceptional circumstances once all avenues of support and assistance have failed.

15. Equalities Impact Assessment

EIA attached.

16. Review of Policy

Policy to be reviewed yearly.