Appendix 11



TEMPORARY ACCOMMODATION CHARGING POLICY

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1. INTRODUCTION

1.1 This policy details how Redditch Borough Council (the Council) will charge rent for the provision of all temporary accommodation (TA) and assist in tackling homelessness while achieving a more balanced budget. This policy should be read in conjunction with the TA Placement Policy.

2. <u>AIMS AND OBJECTIVES</u>

- 2.1 The aims of the policy are to ensure that the best, most cost effective, efficient, and socially responsible use is made of both emergency temporary and interim temporary accommodation.
- 2.2 The policy will also ensure that the rent charged for all forms of temporary accommodation:
 - is an affordable option to all.
 - does not act as a disincentive to work.
 - meets the reasonable cost of operating temporary accommodation provision; and
 - is recovered to its maximum potential.
- 2.3 The specific objectives are to:
 - The best, most cost effective, efficient, and socially responsible use is made of all temporary accommodation.
 - to use a cost effective and fair rent setting process
 - to ensure temporary accommodation is an affordable, good quality option to all.
 - to use recovery practices which consider a household's income whilst, ensuring that those with the means to pay do pay.

3. <u>RESPONSIBILITY</u>

3.1 Affordability

- 3.1.1 The Council recognises that the rent levels for temporary accommodation can be high, particularly for emergency temporary accommodation such as Bed & Breakfast. This can result in some temporary accommodation; particularly emergency accommodation being rendered unaffordable even for those in employment.
- 3.1.2 The Council will seek to ensure that all those placed in any kind of temporary accommodation are given relevant information about entitlement to welfare benefits/income maximisation services, and appropriate required support in claiming, to encourage optimum take up and maximisation of income and assisting in offsetting the effects of low income on the ability to pay.
- 3.1.3 In every case, while the Council will seek to maximise its income to balance its budgets, it will only seek to recover those costs that it can reasonably be

expected to collect from the occupants to ensure that temporary accommodation is an available affordable option for all.

3.2 Charging for temporary accommodation

- 3.2.1 The Council has limited control over charging for emergency temporary accommodation, such as Bed and Breakfast, however it will always aim to ensure that procurement of such accommodation affords the best value for money and that licensees time spent in such accommodation is limited if the need cannot be negated altogether.
- 3.2.2 When setting the charge for temporary accommodation provided from its own housing stock it is fixed in line with current Local Housing Allowance (LHA) rates.
- 3.2.3 In addition to the occupancy charge, the Council may levy a charge to reasonably recover some or all the cyclical costs providing goods or services such as decoration, depreciation and replacement of floor coverings, furnishings and white goods, and voids works such as gas and / or electric checks. The relevant service managers will be responsible for ensuring that such charges reflect good practice and fairness for all.
- 3.2.4 Licensees will be provided with at least 28 days' written notice in the event of any increase in charges.
- 3.2.5 The Council also reserves the right to recharge a reasonable cost for making good any damage caused by wilful damage and / or neglect and / or any cost of legal action while placed in any type of temporary accommodation.

3.3 **Paying for temporary accommodation.**

- 3.3.1 Under the terms and conditions of their agreement, licensees ultimately have the full obligation to pay all charges when they fall due and to notify the Council of any change in circumstances, particularly those that affect their ability to pay, and engage with any support that is offered to them to maximise their income and therefore ability to pay charges due.
- 3.3.2 Some licensees may be able to claim housing related benefits to cover benefit eligible charges. It is the licensees' responsibility to apply for and maintain any claims for such assistance to pay, however, while Council officers will provide advice and support where required. Where the licensee chooses not to apply for or maintain any claim or is not eligible, they will be liable to pay the full reasonable charges due.
- 3.3.3 If the amount of Housing Benefits the licensee receives is less than the reasonable charges, the licensee will be liable for paying the difference.
- 3.3.4 Discretionary Housing Payments (DHP) are payments that the Councils Benefit Department can make to people who require further financial assistance to meet their housing costs. Council Officers will provide tenants with information and advice about DHP, including supporting the application

process where necessary and where funding remains available for the budget year.

3.4 **Recovery of charges (arrears and overpayments)**

- 3.4.1 Council officers will always maintain comprehensive and accurate records of all communications, actions, and interventions with licensees throughout their occupancy in relation to both the management of their license and recovery of any arrears, within the housing management system.
- 3.4.2 The Council will usually aim to take a supportive and preventative approach to collecting charges by supporting licensees to maximise their income and effectively budget to secure regular, timely payments.
- 3.4.3 The Council requires licensees to pay the occupation charges first i.e., before any other charges or debts. This means that when arrears arise, Council officers will take prompt action to ensure current charges are paid first to avoid further escalation, then ensuring that arrears are recovered, either by way of a single payment, or where this is not possible, by making affordable weekly payments within a reasonable time. Where a repayment plan is agreed this will be based on a detailed assessment of the licensees' finances and ability to pay.
- 3.4.4 Where any Housing related benefits are found to be overpaid, they will be recovered from the licensee where appropriate.
- 3.4.5 Where the licensee has opportunity to move on from any temporary accommodation into a Redditch Borough Council Tenancy, any outstanding housing related charges or debts to the Council will be assigned to the new tenancy agreement. A repayment arrangement will be made to repay all outstanding housing related debt in addition to the current rent.
- 3.4.6 Where the licensee is offered a tenancy with another landlord, and housing related debts are owing to the Council with no ability to assign them to a new tenancy, then a payment plan will be required to repay all outstanding housing debts to the Council as part of any offer of a tenancy is made.
- 3.4.7 Where the process detailed in 3.4.2 becomes frustrated, arrears recovery will be based on a clear and consistent staged escalation process, up to and including ending of the placement and / or reclaiming possession. However, the decision to end a placement or recover possession will only be taken as a last resort and by a tier five manager or higher.

3.5 Moving & Storage of goods.

- 3.5.1 This section should be read in conjunction with the TA Management Policy.
- 3.5.2 Before making any decision around storage duties, the Council will fully assess:
 - Whether the applicant has any other means of protecting their belongings themselves, and

- Income and expenditure assessment to establish if the applicant has means to pay the full charge, or will require a contribution towards the costs, from the Council.
- 3.5.3 Where the Council does not have any duty to accommodate an applicant and/ or protect personal property, in exceptional cases, for example, because the applicant is extremely vulnerable and / or unable to physically and / or financially protect or deal with their property themselves in the circumstances, it can use its discretion to take any reasonable steps to protect the applicant's property. Any discretionary decision will be taken by a Tier Five Manager or higher, on consideration and assessment of the full facts of each case.
- 3.5.4 However, notwithstanding the decision, the contractual arrangement for moving and storage of goods, is always directly between the applicant and the supplier / provider. The Council will never commit to contributing towards storage costs without confirmation of a contract existing between the applicant and supplier, and the Council will always pay any contribution direct to the applicant, who is responsible for paying the total charges to the provider and for any debts accrued.
- 3.5.5 The duty or discretionary decision to protect an applicant's property ceases when the Council is satisfied there is no longer any likelihood of loss, or damage to it, normally upon securing accommodation where the applicant can receive their possessions.
- 3.5.6 Where any decision is made to end storage arrangements, the applicant will always be formally notified, that the duty, or discretionary decision to protect their property, is coming to an end.
- 3.5.7 The cost of transporting goods from storage to an address of the applicant's choice remains the applicant's responsibility, however financial assistance may be offered at the discretion of a relevant Tier Five Manager.

3.6 Support

3.6.1 The Council offers several support services, to sustain occupancy in temporary accommodation and ensure readiness for and sustainability of any move on accommodation that might be offered. Licensees are generally expected to engage and co-operate fully with any officers or third-party organisations delivering support and sustainment services. Engagement levels may be considered when licensees have breached the terms and conditions of their licenses and enforcement action is being proposed.

4 **REVIEW OF DECISIONS AND COMPLAINTS**

4.1 A separate process exists for any decisions made under Part VI and VII of the Homelessness Act and where the licensee is requesting a statutory

review of a decision, for example but not limited to affordability or suitability of accommodation. For these processes, it is not possible to make a formal complaint.

- 4.2 Where a licensee is not satisfied with any other matter such as standard of service, actions, or lack of actions by or conduct Council officers or its partners or contractors, then a complaint can be made.
- 4.3 Both 3.6.1 and 3.6.2 should be read in accordance with the Housing Services Complaints and Enquiries Standard and both requests for reviews and complaints can be made by writing to:

Housing Services Review and Improvement Redditch Borough Council Town Hall Walter Stranz Square Redditch B98 8AH

Or emailing:

housingreviewsandcomplaints@bromsgroveandredditch.gov.uk

5. **PERFORMANCE & REPORTING**

5.1 Stretching targets for key areas of this policy will be set annually to monito performance against target. Performance will be reported in line with legislation or as directed corporately.

6. <u>EQUALITY</u>

6.1 The Council promotes equal opportunities in the services it provides. Our aim is to implement and maintain services which ensure that no resident is treated less favourably on the grounds of gender, being or becoming a transsexual person, being married or in a civil partnership, religion, belief or lack of religion or belief, race, nationality, ethnic or national origin, colour, disability, age, being pregnant or having children or sexual orientation nor is disadvantaged by the application of a rule, condition, or requirement, which has a discriminatory effect which cannot be justified by law.

7. LEGISLATION AND GUIDANCE

- Homelessness (Suitability of Accommodation) England Order 2012
- Section 11 of the Children Act 2004
- The Housing Act 1996
- Equalities Act 2010

8. <u>RELATED POLICIES AND PROCEDURES</u>

- TA Placement Policy
- Housing Revenue Management Policy (Former Tenants)
- Housing Services Housing Complaints and Reviews Standard