



Cyngor Castell-nedd Port Talbot  
Neath Port Talbot Council

# Temporary Accommodation Charging Policy

## February 2024

This document is also available in Welsh

*A Place to Call Home*

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## **1. Scope**

This Policy details the framework Neath Port Talbot County Borough Council (“the Council”) proposes to use to charge a licence fee to homeless households living in Temporary Accommodation (“TA”) where they are not entitled to full Housing Benefit or have failed to make an application for Housing Benefit.

## **2. Legal Framework**

Part 2 of [The Housing \(Wales\) Act 2014](#) (HWA 2014), and regulations made and Codes of Practice issued under it, provides legislation on homelessness. It replaced [Part VII of the Housing Act 1996](#) and reforms existing homelessness law in Wales by placing new or wider duties on local housing authorities.

## **3. Introduction and Aims**

The Council have a number of statutory duties under the HWA 2014 in regards to the prevention and alleviation of homelessness.

The Council has the power to require the payment of reasonable charges in accordance with the HWA 2014. The charges are for the use and occupation of the accommodation and it is anticipated the majority of households will be entitled to either full or partial housing benefit.

In all housing tenures, housing providers set a standard expectation that rental payments are the responsibility of residents; either through direct payments from their salary/income and/or (where entitled) through the application and receipt of housing benefit. It is therefore imperative that the Council supports the development of the financial skills of those living in temporary accommodation, so they are not only able to secure more permanent accommodation but also sustain that accommodation.

The Council is committed to ensuring Temporary Accommodation charges are affordable for everyone and therefore any licence fee that households will be expected to pay will be capped at Neath Port Talbot’s Local Housing Allowance (LHA) rates.

The licence fee a household may be required to pay will not be the full rental cost of the property but is a reasonable charge to the household for use and occupation. The difference between the rental cost from the landlord and the household contribution (licence fee) will be met, at a cost, by the Council.

#### **4. Background**

The Council has seen a significant increase in people requiring TA in order to alleviate their homelessness situation. This is due to multiple national and system wide factors that impact on people's ability to access and retain affordable housing, alongside new legislative and strategic requirements from Welsh Government ("WG") that have increased the range of people owed a statutory homelessness duty.

Traditionally, those that required TA would be low income households in receipt of support including Housing Benefit, which would be paid to the Council as a contribution towards the costs of providing TA.

However, alongside an increase in the number of people becoming homeless, there has also been a notable change in the demographics of those presenting to Housing Options.

Historically, it was rare for Housing Options to support people in receipt of an income that placed them outside of the eligibility criteria for welfare benefits, but this is now becoming more frequent.

This Policy therefore provides a framework for the Council to set a charge for households not in receipt of Housing Benefit that is in line with the Local Housing Allowance ("LHA") rate (i.e. the amount of Housing Benefit that household would receive if eligible).

In addition, there will be households that require TA who are in receipt of partial Housing Benefit. In these cases, it is proposed that the Council implement a 'top-up' charge of the difference between the Housing Benefit they receive and the full LHA rate.

#### **5. Objective of the Policy**

Establishing this policy not only offers a more equitable way of implementing an affordable charge to those that require TA, but also prevents people from losing their budgeting skills. In addition, Landlords often require evidence that a prospective tenant has a good history of making regular rental payments and so this policy will enable households to evidence their ability to make payments and maintain a tenancy to Landlords, which will help to prevent individuals from becoming 'stuck' in TA.

This policy will also help those households that may have become homeless due to rent arrears evidence to a new Landlord that they are now in a more stable position and can make regular payments, again enabling these individuals to be able to move out of TA and into a more permanent home more quickly.

## **6. Application of the Policy**

Households that are not eligible for Housing Benefit will be charged a contribution to the accommodation costs of providing TA by the Council in line with the LHA rate based on the number of bedrooms required.

Those households in receipt of partial housing benefit will be charged by the Council the difference between the Housing Benefit they receive and the LHA rate based on the number of bedrooms required.

As part of the support provided by Housing Options, Officers will help households to submit claims for eligible benefits. However, there can be situations where a person who is likely to be eligible for Housing Benefit either fails to make an application or does not submit the necessary supporting information. Where it is deemed reasonable to expect the individual to make an application for Housing Benefit and the manager is assured that sufficient assistance has been offered to the individual, the Council will consider on a case by case basis implementing a charge to that individual at the full LHA rate.

This would mean that the Council would implement a charge of up to the prevailing LHA amounts dependent on the number of bedrooms in the accommodation that are required by the household:

- Shared
- 1 bedroom
- 2 bedrooms
- 3 bedrooms
- 4 bedrooms

The Council will review the fee levels annually and any variation will be based on property size, location, LHA rates and any potential impacts from welfare reform. All licences will receive a minimum 28 days written notification of any variation.

The relevant amounts would see annual uplifts in line with uplifts to the LHA rates. The current rates can be found at [Appendix 1](#).

Those placed in a B&B/Hotel or accommodation with shared facilities such as a hostel, will be charged the shared accommodation rate.

If the Council move a household into a TA property with more rooms than is required due to a lack of available suitable sized properties, the Council would align its charge to the LHA rate for accommodation with the required number of rooms (e.g. if the Council moved a single person into a two bedded TA unit because there were no available one bedded TA units, the person would be charged the same amount as the LHA for a one bed property – i.e. the Council will not implement a ‘bedroom tax’).

This policy would not be used in situations where a person is waiting to receive Housing Benefit following a successful application as the rent arrears would be reclaimed from the back payment received.

## **7. Complaints / Appeals Procedure**

Complaints in relation to the implementation of this policy will be managed in line with the normal complaints procedure.

Complaints should be addressed to:

Social Services Complaints Officer  
Social Services, Health & Housing  
Neath Port Talbot Council  
Civic Centre Neath  
SA11 3QZ

Tel: 01639 763445, or via email: [complaints@npt.gov.uk](mailto:complaints@npt.gov.uk)

Details of the complaints procedure can also be accessed online via the Council’s website [www.npt.gov.uk](http://www.npt.gov.uk), which is available in accessible formats and different languages.

If a person believes that there are exceptional circumstances which mean that they are unable to pay the full amount requested, this can be assessed on a case by case basis by the Housing Options manager and a lower amount may be agreed in line with the outcome of an affordability assessment.

## **8. Review of the Policy**

The policy reflects the Council's current position and will be reviewed annually.

## **9. Glossary of terms**

- DHP – a discretionary housing payment is subject to eligibility criteria and can be awarded to help with housing costs. You can only get DHP if you are eligible to claim either Housing Benefit or the housing element of Universal Credit.
- LHA / Local Housing Allowance – This is used to work out how much Housing Benefit that can be paid as rent.
- Licence / Supported Standard Contract / Occupancy agreement – An agreement signed by the tenant, it will clearly set out responsibilities for the tenant and the Council.
- Licence fee – A fee charged for the use and occupation of the property. The licence fee is equivalent to the household's reduction in housing benefit due to excess income up to a capped amount. The capped amount will be in line with the current Local Housing Allowance (LHA) rates.
- Provider charge – The cost the Council pays to private sector providers of temporary accommodation.
- Subsidy gap – the limit the Government will pay through Housing benefit towards the cost of Temporary Accommodation, any difference or gap is covered by the Council.
- TA – Temporary Accommodation, Accommodation used to house customers who are homeless and owed a statutory duty under the Housing (Wales) Act 2014.
- Tenants – Licence / Contract holders within applicable leased temporary accommodation. Those residing in hotel/B&B accommodation are not subject to a license / contract but are still referred to as tenants.

## Appendix 1

Prevailing Local Housing Allowance (LHA) amounts:

<b>Number of Bedrooms</b>	<b>2023/24 Rate - £ per week</b>	<b>Indicative 2024/25 Rate - £ per week</b>
Shared	62.5	86.3
1	79.4	94.74
2	95	103.56
3	103.56	115.07
4	120.82	132.33

The Council will review the fee levels annually and any variation will be based on property size, location, LHA rates and any potential impacts from welfare reform. All licences will receive a minimum 28 days written notification of any variation.

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