



## **Temporary Accommodation Charges for HRA properties**

### **Report by the Executive Head of Adur Homes**

#### **1.0 Summary**

- 1.1 The Cabinet Member is asked to approve an increase in Housing Revenue Account (HRA) owned Temporary Accommodation charges to take into account the two different levels of local housing allowance within the district.

This is to allow the council to fund the increased cost of maintaining HRA temporary accommodation properties which unlike secure council properties also require internal decoration and carpeting.

#### **2.0 Background**

- 2.1 Adur presently uses temporary accommodation properties in order to meet its duties under homelessness legislation. Once the council has accepted someone as homeless they are put on a waiting list for temporary accommodation properties. They usually stay in temporary accommodation for between 18 months-2 years before being rehoused into secure council accommodation or a housing association property.
- 2.2 The main form of temporary accommodation used by the council is private sector leased (PSL) properties. But a few short term properties in the Council's stock are also used. These consist of:
- Six 3 bed properties and 10 bedsits all in Albion Street.
- 2.3 The Local Housing Allowance (LHA) figures applicable in Adur vary because half the district east of the river falls into the Brighton and Hove LHA area, and the other half falls into the West Sussex Coast LHA area, where the LHA payable for the same size accommodation is less
- 2.4 At present the amount charged to tenants for temporary accommodation is a similar rate to the local housing allowance for west of the district but is considerably lower than the local housing allowance for east of the district. The amount we charge for two and three bed properties is particularly low. All the HRA temporary stock is in the east of the district.

### 3.0 Proposal

3.1 By splitting the amount of rent charged to temporary tenants within the district based on the two levels of local housing allowance we will be able to charge a more competitive rate for the east of the district without overcharging temporary tenants in the west of the district.

3.2 It is proposed to increase the rate for temporary accommodation HRA properties by between 19% and 24% depending on number of bedrooms (see table below). This will bring the rent to a more comparable level with the local housing allowance. The new rent structure will match the rent levels that have recently been agreed for PSL properties.

These increased rates have been compared with the proposed new LHA rates which the government is introducing and they will still fall below this rate.

3.3 Proposed rental charge for HRA Temporary Properties in the east of the district

Property	Local Housing Allowance	Current Rent	Recommended Rent	Percentage increase	Percentage variance to LHA Rate
Shared (Hostel)	£ 82.84	£ 63.05	£ 78.15	23.95	-6.00
3 bed	£ 248.70	£ 184.61	£ 220	19.17	-11.54

### 4.0 Legal

4.1 There is a legal duty under the Housing Act 1996 as amended to accommodate households to whom a duty is owed under the Act, or to accommodate in the interim while investigations take place as to whether such a duty is owed. This can be discharged at least in the short term through the use of bed and breakfast accommodation or Emergency temporary accommodation.

### 5.0 Financial implications

5.1 As described above, the proposals will have the effect of increasing the income received by the Council to pay towards the additional refurbishment costs, and will bring the Council in line with Local Housing Allowance Rates.

Total additional annual income generated from this increase on current HRA temporary accommodation properties would be:

Albion Street Hostel – increase £15.10 x 10 = £151 x 52 = £7852 per annum

Albion Street Houses - £35.39 x 6 = £212.34 x 52 = £11,041 per annum

**Total annual increase £18,841 (HRA)**

## **6.0 Recommendation**

- 6.1 The Cabinet Member is recommended to agree to increase the rents of HRA Temporary Accommodation properties from April 2011 to the level suggested in 3.0.**

### **Local Government Act 1972**

#### **Background Papers:**

#### **Contact Officer:**

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## **Schedule of other Matters**

### **1.0 Council Priority**

1.1 1: To protect and enhance priority services: by providing cost-effective services.  
4: Support and contribute to the health safety and wellbeing of the area: through targeting inequalities by ensuring effective temporary housing available.

### **2.0 Specific Action Plans**

2.1 Maximise income levels as per Housing and Environmental Health Services and Adur Homes Services business case

### **3.0 Sustainability Issues**

3.1 Matter considered and no issues identified

### **4.0 Equality Issues**

4.1 Matter considered and no issues identified

### **5.0 Community Safety issues (Section 17)**

5.1 Matter considered and no issues identified

### **6.0 Human Rights Issues**

6.1 Matter considered and no issues identified

### **7.0 Reputation**

7.1 Matter considered and no issues identified

### **8.0 Consultations**

8.1 Matter considered and no issues identified

### **9.0 Risk assessment**

9.1 Matter considered and no issues identified

### **10.0 Health & Safety Issues**

10.1 Matter considered and no issues identified

### **11.0 Procurement Strategy**

11.1 Matter considered and no issues identified

### **12.0 Partnership working**

12.1 Matter considered and no issues identified