

	Benefits	Potential negatives
<p>OPTION 1 – Remove larger financial incentives and fund downsizing post, with an option to help with removal costs</p>	<ul style="list-style-type: none"> ● If 140 current tenants wish to downsize (see 2.10 of the report) then there is no need to offer financial incentives as these tenants are already looking to downsize. More targeted support will improve the process, enable tenants to downsize faster and increase satisfaction. <p>Organisations such as Hull City Council and Oldham Metropolitan Borough Council focus on the support element of downsizing (directly matching properties in the correct area, home visits, disconnecting and reconnecting white goods etc.) Financial incentives are lower, with Hull’s equivalent to two weeks average city rent and Oldham’s between £500-£1,000 (depending on size). Both schemes are award winning.</p> <ul style="list-style-type: none"> ● Reduces level of work currently carried out by Voids Coordinator to enable them to concentrate on successfully letting over 300 properties each year. This will potentially cut down refusal levels, shorten void times and increase customer satisfaction. ● Tenants of all ages will benefit from one single point of contact to guide them step-by-step through the process. 	<ul style="list-style-type: none"> ● If take up of downsizing incentives continues to be low, despite the Housing Benefit reductions for extra bedrooms, there may not be enough work for the new member of staff (this could be mitigated with work in areas such as older persons support and pre-void inspections). ● Without the available financial incentives, tenants may find it too expensive to move, especially if they have rent arrears or substantial recharges. Eight out of the 16 tenants (50%) downsizing so far this year had repair recharges deducted from their incentive payment and six tenants were in arrears (38%). ● The contract would be fixed term so there is the possibility that ECC may not get the quality of staff required to do the job effectively. ● Some tenants have used the downsizing scheme to clear rent arrears and pay for recharges on repairs that were their responsibility at the end of the tenancy (see appendix 1). This would no longer be possible. ● This change has not been fully consulted on with tenants and may not be well received by those who have anticipated using the scheme at some point in the future.

	<ul style="list-style-type: none">• The service will be tenant-focussed and time can be taken to explain the more complicated parts of the process, such as recharges.• The pro-active work completed to free up larger accommodation would outweigh the cost of taking on a new staff member.• Residents affected by reductions in their benefits for extra rooms will receive targeted support.• Those currently waiting to downsize through Devon Home Choice can be offered one-to-one help.• The service can be more pro-active in identifying downsizers using census and STAR information.• A staff member will be able to promote the benefits of the service, producing information on the cost savings of downsizing.• A staff member dealing specifically with downsizing will be able to encourage tenants to leave their previous property in good condition by promoting the £150 incentive• There is more scope to successfully identify and follow through chain lettings, increasing the satisfaction of multiple tenants.	
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	<ul style="list-style-type: none"> • With the potential for over 300 extra people wishing to downsize, there may be double the amount of void properties coming through during 2013. This will increase the work of the Void Coordinator; therefore having an extra member of staff dealing with downsizing would remove the pressure from the Voids Coordinator so they can concentrate on effectively letting homes. 	
<p>OPTION 2 – Reduce financial incentives to £500 for working age tenants. Remove financial incentive for tenants of pensionable age</p>	<ul style="list-style-type: none"> • By reducing the incentives and restricting them to tenants of working age, the money will go further and will be targeted specifically at those who are negatively affected by the new legislation. 	<ul style="list-style-type: none"> • The Council would need to prove that restricting financial incentives to one age group over another was a proportionate means to deliver a legitimate aim or the Council runs the risk of falling foul of the Equality Act 2010, Section 13 (Direct Discrimination) and Section 29 (Provision of Services). • By removing financial incentive for tenants of pensionable age to downsize this becomes less attractive to the group of people more likely to under-occupy their property. Less family-sized homes may become available. • Older tenants may have minimal savings and may not be able to afford the costs associated with moving, especially if there are rechargeable repairs or rent arrears.
<p>OPTION 3 – Keep financial incentives for those of pensionable age but remove financial incentives for those of working age</p>	<ul style="list-style-type: none"> • Retaining financial incentives for people of pensionable age will help free up more family-sized accommodation for applicants on Devon Home Choice. Older tenants may have fewer savings and may not be able to move without financial aid. 	<ul style="list-style-type: none"> • The Council would need to prove that restricting financial incentives to one age group over another was a proportionate means to deliver a legitimate aim or the Council runs the risk of falling foul of the Equality Act 2010 Section 13 (Direct Discrimination) and Section 29 (Provision of Services).

	<ul style="list-style-type: none"> • We do not need to provide an incentive to tenants of working age whose Housing Benefit will be reduced. 	<ul style="list-style-type: none"> • Tenant Census details from those who volunteered their income information suggests that many tenants have a household income which is significantly below the Exeter average wage of £22,000 (nearly 1,700 households). It may therefore be cheaper for them to remain in their homes and take a benefit deduction if financial incentives are removed.
<p>OPTION 4 – Increase downsizing budget and either reduce financial incentives or keep at the current levels</p>	<ul style="list-style-type: none"> • Money would be available to enable 150 tenants to downsize (reducing financial incentive to £500). This could significantly reduce the number of Exeter City Council tenants waiting to downsize on Devon Home Choice. • If financial incentives remained the same as the current scheme, more tenants will be able to access these funds. • Some tenants have used the downsizing scheme to clear rent arrears and pay for recharges on repairs that were their responsibility at the end of the tenancy (see appendix 1). This would no longer be possible. 	<ul style="list-style-type: none"> • Increasing the budget for downsizing will have a knock on effect on the budget for other housing related services the Council provides or is looking to provide within the next financial year. • Anecdotal evidence from across the country suggests that tenants may prefer to take a benefit deduction than relinquish their spare room(s). The take up of downsizing may therefore not increase by any significant margin. <p>In a recent Welfare Reform event held by the National Housing Federation, the Government has predicted that only around 20% of social tenants will seek to move to avoid benefit deductions for under-occupation. The remaining 80% will attempt to make up the shortfall in order to keep their spare bedroom.</p>