

**SCRUTINY COMMITTEE – COMMUNITY**  
**27 FEBRUARY 2007**

**EXECUTIVE**  
**13 MARCH 2007**

**DOWNSIZING INCENTIVES FOR COUNCIL TENANTS**

**1. PURPOSE OF REPORT**

- 1.1 To seek Members' agreement to implement an enhanced downsizing incentive scheme for Council tenants to improve the management of the housing stock and increase the supply of family housing to applicants on the Home Choice register.

**2. INTRODUCTION**

- 2.1 The demand for two, three and four bedroom properties from applicants on the Home Choice register remains at a very high level. The table below shows that at the 31 December 2006 there were 173 families seeking four bedroom properties and 367 families seeking three bedroom properties.

Number of Active applicants, by Band and property size* required, at 31/12/06	Red	Amber	Green	Entry Level	Total
4 bed required	61	77	35		173
3 bed required	91	201	75		367
2 bed required	207	263	274		744
1 bed required	187	103	1496		1786
All applicants	546	644	1880	1449	4519

- 2.2 Over the last two years the following number of three and four bedroom properties have become available for letting through the Home Choice scheme:
- 1 April 2005 to 31 March 2006 - 48 three bedroom and 5 four bedroom properties
  - 1 April 2006 to 1 February 2007 - 79 three bedroom and 7 four bedroom properties.
- 2.3 Despite this increase the numbers of larger family properties becoming available falls a long way short of current demand.
- 2.4 Historically levels of under-occupation within the Council's housing stock have been high. Whilst there is no accurate figure on the total numbers, anecdotal evidence suggests that there are large numbers of three and four bedroom properties occupied by single people or couples.
- 2.5 More accurate data on the total number of under-occupied properties and, more specifically where they are will be available once the planned Tenant Census is complete in the summer of this year.
- 2.6 Council tenants are of course 'secure' tenants within the law. As such the Council has no legal power to move people into more suitably sized accommodation. However, we can

use a range of incentives to help persuade under-occupying tenants to move and therefore free-up their home for a family on the Home Choice register.

### **3. PROPOSAL**

- 3.1 The use of incentive schemes for this purpose is used across the social housing sector. The range of incentives offered varies between different landlords. The Council's existing scheme offers tenants a maximum of £400 to downsize but this appears to have little effect on the numbers of people seeking to downsize. However, during a discussion at the Home Choice annual review in June 2006 the main area that participants felt landlords did not properly address was in providing help and assistance to support applicants to make the move.
- 3.2 The policy document attached as Appendix I to this report sets out the range of incentives the Council wishes to offer its under-occupying tenants to encourage them to seek a move to smaller more suitable accommodation. The policy sets out the financial help that will be available to ensure tenants are not out of pocket and, more crucially, offers to give full help and support to elderly or disabled tenants from a named Tenant Liaison Officer who will assist them throughout the process.
- 3.3 The new scheme will be widely advertised to our tenants through the quarterly newsletter, Tenants' News and by distributing a specific leaflet to tenants known to our housing staff. Leaflets will also be available in the Customer First centre. Where new schemes are due for letting tenants within that area will also be targeted to encourage them to consider a move.
- 3.4 It is hoped that this new enhanced scheme will encourage more under-occupying tenants to seek smaller accommodation. The scheme will be monitored and its impact assessed at regular intervals.

### **4. FINANCIAL IMPLICATIONS**

- 4.1 A budget currently exists within the Housing Revenue Account to make downsizing payments to tenants. This has been increased to £30,000 for 2007/08. This will facilitate a maximum of 15 moves throughout the year, although the amount of financial assistance given will depend on the size of property being vacated and the circumstances of individual tenants.

### **5. RECOMMENDED:**

- 1) that Scrutiny Committee – Community supports and Executive agrees to adopt the policy document, Reducing Under-Occupation in the Council's Housing Stock – Incentives for Downsizing.

#### **HEAD OF HOUSING SERVICES**

Originator: Steve Warran

S:PA/LP/Committee/207SCC18

2 February 2007

COMMUNITY AND ENVIRONMENT DIRECTORATE

**Local Government (Access to Information) Act 1985 (as amended)**

**Background papers used in compiling the report:**

None



**Exeter City Council**

## **Reducing Under-Occupation in the Council's Housing Stock**

### **Incentives for Downsizing**

#### **1 Introduction**

Within the Council's housing stock there are a number of tenants under-occupying their home. Many will be elderly who have seen their family grow up and leave home leaving them to reside in a three or four-bedroom property.

Of course many of these tenants will want to remain in the family home. It contains many happy memories and allows space for family and friends to visit. However, there are also a number of older people who find living in such a large property difficult. Some will have mobility problems and require expensive adaptations to remain, others will just be overwhelmed by the daily maintenance a large property presents. In such cases the Council should do all it can to help tenants move to more suitable accommodation, whether it be within our own stock or that of a partner housing association.

To help with the stress and worry of moving it is important that we make the process as easy as possible for these tenants. Having a named contact point to talk to and help arrange removals will ease the process and ensure elderly tenants don't suddenly decide to refuse an offer of smaller accommodation. Help with the move and financial incentives all help in this respect and may encourage more people to downsize into more suitable accommodation. Whilst such incentives will place additional burden on the Housing Revenue Account it will also reduce the need for complex and expensive disabled adaptations in future years. It will also help to increase the supply of family housing for those people on the Home Choice register.

#### **Incentive packages for the over 55s**

##### **Home Choice Applications:**

All tenants who wish to move must be registered with Home Choice. This process in itself can be daunting, therefore staff should willingly offer help to complete the form and bid for appropriate properties.

Where a tenant is identified who is eligible for this incentive package the Estate Officer should talk with the tenant to explain the package of incentives and housing options available and leave information for them to read at their leisure.

Where a tenant expresses a wish to explore the possibility of moving the tenant should be assigned a caseworker to help them through the process. This help will be tailored to the tenants needs. The caseworker will be one of the Council's two Tenant Liaison Officers (TLO) who are part of the Tenant Participation and Special Projects Team.

Where necessary the caseworker will assist the tenant with the completion of the Home Choice application form and ensure it is returned to the Home Choice Team for assessment. Such applications should be 'fast tracked' into the system.

Any tenant who is currently under-occupying their social housing home will automatically be awarded Red band status and given 25 years waiting time. This will ensure they have a very high level of priority when bidding for properties.

The tenant will be given the choice of either bidding for properties of their choice in the normal manner, nominating an advocate to bid for properties on their behalf (this could be a family member, close friend, health visitor, Age Concern representative etc) or being placed on the Auto-bid system.

Throughout the process the TLO will maintain contact with the tenant to ensure they understand the process and are actively bidding.

### **Provisional Offer**

Once a tenant has been successful for a property of their choice we must ensure that they receive intensive help, support and assistance to make the move as smooth and as stress free as possible.

If possible the TLO should arrange for the tenant to view the property before the previous tenant has moved out. If this cannot be done – say the previous tenant has died or moved into a residential home – then an early viewing would be beneficial to talk through the work the Council can offer to make the property comfortable.

The help and assistance available could include:

- Downsizing by two or more bedrooms (i.e. 4 bed property to 2 bed or 3 bed property to 1 bed) = £2000 cash incentive
- Downsizing by one bedroom (3 bed property to 2 bed or 2 bed property to 1 bed) = £1500 cash incentive

This money can be used to purchase any item the tenant requires to move into their new home. This could include new carpets, curtains, white goods, telephone connection, furniture etc. In all cases the TLO will offer to purchase these goods for the tenant and pay for them direct from the cash incentive. Any remaining balance can then be paid to the tenant on their occupation.

The Council will also pay for removal fees up to a maximum of £500 per move. The Council will source the contractor who provides the best value for this service and pay them direct. In some cases a full packing service may also be offered, particularly if the tenant is frail or disabled

### **Property Incentives**

Where the tenant is moving to another Council property it is important to make the property attractive to the tenant. The Council has adopted a Lettable and Habitable standard for all its empty properties that must be met before the new tenant moves in. This standard includes the decoration of two rooms within the property. However, where a property needs a level of decoration above this standard the TLO can offer this as part of

the overall incentive package. Where appropriate, the TLO will also assess the tenant's eligibility for inclusion on Council's assisted gardening scheme and assisted decoration scheme. Once again, it is important that where the tenant is eligible they are 'fast tracked' onto these schemes to make their move stress free.

## **2 Adaptations**

In some cases the tenant will require a number of adaptations to be completed in the property to ensure they are able to live independently and comfortably. Where the property is a Council property the TLO will liaise with the Technical Officer to see what needs to be done and the process to be followed. It is important that wherever possible such adaptations are completed within a short period of the tenant moving. In some cases the work may need to be done before occupation and every effort should be made to accommodate this.

Where the tenant is moving to a housing association property the TLO should contact the Home Improvement Agency operated by Devon and Cornwall Housing Association to check on their eligibility for assistance. The tenant's new landlord will also have their own policy for dealing with such requests.

## **3 Arrears and Recharges**

The Council has a number of policies around rent arrears and recharging tenants for the removal of rubbish or repairs at their previous property.

As a standard rule tenants are not allowed to transfer to another property if rent arrears exist on their account. However, if a tenant is downsizing this rule can be waived on condition that the arrears are cleared from the cash incentive payable.

Where a tenant is disabled or elderly and has difficulty in clearing their property or carrying out repair that fall within their responsibility the TLO in consultation with the relevant Technical Officer can agree to waive these recharges as part of the incentive package.

## **4 Incentives for the under 55s**

Incentives for this age group will be as above. However, in many cases the intensive level of support is not required and therefore should only be offered where appropriate, for example where the tenant is disabled and is unable to make such arrangements for themselves.

## **5 Incentives for tenants requiring disabled adaptations**

Disabled tenants who require an adaptation to their property in order to live independently can apply for such alterations through the Council's Disabled Adaptations scheme. In many cases where an OT's assessment identifies a need the Council will do its best to ensure the adaptation is done. However, there are limited resources for undertaking adaptations and this can lead to a backlog of work that may take up to 12 months to complete.

In many cases the tenant's needs are better met by moving to more suitable accommodation that will give them a better quality of life. However, most tenants are reluctant to move from their home despite the potential wait for work to be undertaken.

In all cases the OT, Estate Officers and Technical Officers should be trying to persuade tenants to undertake a move to more suitable accommodation so that the adaptation will not be required thereby helping us to stretch out budgets further. In these cases the above incentives for downsizing will apply.

Where someone is moving to a similar sized property that has already been adapted and is therefore suitable for their needs the Council will pay a £1000 disturbance allowance plus the removal costs.

## **6 Budget**

Currently two budget heads exist that allow these incentives to be paid. These are:

- H464873 Budget £3500.00.
- H444873 Budget £20,000.00.

It is proposed that from the 1 April 2006 these budgets will be amalgamated into one Tenants Downsizing Incentive Scheme under the H444873 code.

## **7 Compensation for Improvements**

Under the Compensation for Improvements regulations 1994 tenants who have undertaken certain specified improvement works to their properties (e.g. installation of kitchens, bathrooms, heating etc) may be entitled to compensation when moving from their property. The amount of compensation payable depends on the original costs of the improvements, how long ago it was installed and its notional life. Where the TLO believes the tenant maybe entitled to compensation under his scheme they will issue the tenant with the application form and help them complete it.

A separate budget exists for compensation payments under this scheme.