

**Cabinet Member for Housing, Health &  
Adult Social Services**

Report of Assistant Director – Housing & Community Safety

**Initiative to encourage and enable customers under occupying their home to downsize**

**Summary**

1. The report sets out a number of proposed initiatives to develop a flexible scheme to encourage and enable CYC customers to downsize where they are under occupying.

**Background**

2. A strategic aim of the Housing Strategy is to ensure that we make best use of the city's housing stock. When considering the council own housing stock analysis shows that there are a number of tenants who are under occupying their homes. The proposals set out in this report are about developing a set of interventions to encourage people to downsize where this is appropriate.
3. Forthcoming changes as a result of Welfare Reform will result in tenants (excluding pensioners) who are in receipt of Housing Benefit and under occupying their home having their benefit entitlement reduced to reflect their housing need not their current housing size. The council currently has 732 tenants (of those claiming Housing Benefit) identified as under occupying, of these customers 230 households have children.
4. The Council's housing stock is limited and demand high. New build housing in the city is limited and the private rented sector rents often make family housing inaccessible to low income households. To make best use of the existing stock it is appropriate to encourage

and enable customers to move to homes of a more appropriate size, releasing larger accommodation to those who need it.

5. There are a number of reasons why customers may have not considered downsizing or initially be unwilling or unable to move to a smaller home. These are often, financial (can't afford to move), emotional (family home of many years) and practical (find it difficult to organise a move) whilst at the same time living in a home that they do not make full use of, find hard to keep on top of or expensive to heat.
6. North Yorkshire Home Choice policy allows customers to bid for properties that are one bedroom more than the actual need of the family. This is a topic to be looked at as part of the ongoing review. In addition the NYHC policy awards priority for those applicants who are under occupying. Gold band is awarded to those who are willing to move to a property with two or more fewer bedrooms and silver to those willing to move to a property with one less bedroom.
7. The impending 'Bedroom tax' from April 2013 will also increase in the need to downsize. This is a change in Housing Benefit Regulations that results in restrictions on the maximum HB that can be claimed by a family if they have one, two or more bedrooms than they need. The need is defined in the regulations and is based on the number of occupants as well as the sex and age of any children. Pensioners are exempt as well as certain other categories. The restrictions on the maximum benefit that can be claimed are 14% for one bedroom and 25% for two or more bedrooms. This is just one of a range of benefit cuts that will affect families. More information is set out on this in Annex A.
8. One way to downsize is to find a mutual exchange using Homeswapper website which is free to CYC tenants. The Rightsize function on this sites allows for direct matching.
9. The posts of Community Debt and Employment Advisor established as part of the review of Housing Services will lead and deliver on downsizing initiatives. This can be extended to become a more general service promoting and organising downsizing across the stock. The initial work plan for these posts will include contact with customers affected by the Bedroom Tax to discuss how they will mitigate the effects of this. A range of options will be discussed including

- Mutual Exchange using Homeswapper / Rightsize
  - Utilising the rent a room scheme (possibly utilising referrals from Housing Options staff)
  - Advice on maximising income and family members accessing training and employment opportunities
  - Downsizing to a property which is appropriate for need as indicated by Housing Benefit regulations.
10. In the last two / three years a number of sites / opportunities have become available that lend themselves to facilitating downsizing initiatives, i.e. Tangle Trees, Birch Park, Pately Place. The experience of attracting interest in and letting these homes has indicated that a package of help and incentives would greatly enhance the customer experience and therefore generate increased demand for these homes. This is particularly the case where customers are not moving in to a new or modern home that has new fixtures and fittings and potentially white goods and flooring.
  11. A number of research exercises have been carried out has been done in to the social and economic impact of overcrowding and under-occupying.
  12. Homeswapper research dating from summer 2010 showed that there were an estimated 400,000 properties (approximately 10% of all social housing) identified as under occupied across the UK, amounting to 500,000 empty bedrooms. Concurrently 1.8 million households were on council waiting lists (1 in 12 of all households in the UK) and 2.3 million people were living in properties officially classed as over crowded in England. This figure was predicted to rise to 2.6million over the following two years.
  13. 'Counting Costs' a report compiled in June 2010 by the HCI (Human City Institute) on the economic and social impact of reduced mobility in social housing estimated that the annual costs for poor mobility is £542 million (equivalent of building 50,000 new social houses over the next 5 years). Given the City of York Council own approximately 0.4% of public sector housing (figures from the HCA) this equates to an annual cost of £2 million to the City.
  14. Reduced mobility is a complex issue, over-crowding and under occupation are only two of the factors that contribute to this problem

that transcends through numerous public sectors. However, the Counting Costs report concludes:

*“An increase in the number of social rented homes – especially larger homes – should be delivered alongside imaginative strategies to provide tenants with in suit solutions’ such as ‘matching those wishing to move to larger homes with those searching for smaller homes.”*

## Consultation

15. No consultation has taken place but other schemes recommended as best practice have been looked at. The following table summarises the approaches that could be adopted.

Potential issue	Options
Customer reluctant to move for ‘emotional’ reasons	Sensitive approach and discussion to identify / highlight the potential benefits of a smaller home and the barriers to moving
Customer can’t afford the cost moving (removals / disconnection and re-connection of appliances / cost of lifting and relaying carpets etc).	<p>Incentive payments based on rooms freed up</p> <p>Cover cost of moving appliances, carpets and other associated costs.</p> <p>Practical and financial help in arranging and doing a move</p> <p>Practical and financial help with decoration.</p> <p>Purchase of white goods where these do not exist.</p>
Customer can’t cope physically or mentally with	<p>Officer support to customers through the process</p> <p>Identify housing and support needs at an early stage including any adaptations</p>

	<p>Minimise void rent loss by arranging pre-termination viewings at for incoming / outgoing tenant where possible</p> <p>Proactively identify suitable properties and help with bids where needed</p> <p>Organise the move depending on the needs of the customer (book a van through to arranging packing and disposal of items)</p> <p>Arrange repairs for outgoing customer if needed.</p> <p>Arrange suitable place for customer to go for the day while the move takes place.</p> <p>Arrange for follow up visits where needed.</p>
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16. A scheme operated by Bolton at Home, similar to Option C below, indicated (2010) that the average cost was £400 per customer

### **Options**

17. Option A) Continue with the current arrangements for incentivising downsizing by offering priority on the housing list and promotion of homeswapper.
18. Option B) Introduce a scheme offering a fixed level of help to customers that can be promoted and implemented generally by staff.
19. Option C) Introduce a flexible scheme which can receive referral and deliver targeted and tailored packages (up to a set financial limit) to individuals and families dependent on their circumstances and preferences. A menu of costed options would be developed.

## Analysis

20. Option A) Whilst the current approach has been successful, it has been limited as it is predicated on new build properties for tenants to move into and as such this approach has not delivered any long term success in encouraging significant numbers to downsize.
21. Option B) This approach would provide a one size fits all approach which may encourage some customers to make a housing application and bid. It does not include any real increase in supporting those customers who need help to move.
22. Option C) This approach would mean that there was a dedicated resource to identify and approach potential downsizers and provide targeted and tailored practical, financial and emotional support through out the process and to signpost to other intensive support where appropriate.

## Council Plan

23. These proposed initiatives support the following priorities:
  - Build strong communities
  - Protect vulnerable people
  - Protect the environment.

## Implications

24. The implications arising from this report are:
  - **Financial** – there is a £30k budget within Housing Services for downsizing initiatives. A lot of the work to support the initiatives could form part of existing roles, however dependant upon the size of any downsizing programme further funding may be necessary. It is proposed that the existing budget is utilised to deliver a flexible approach and any future funding requirements would be subject to further reports.
  - **Human Resources (HR)** No implications
  - **Equalities** Downsizing initiatives can potentially have a positive impact on the quality of life of individuals and improve the financial position of customers

- **Legal** No legal implications
- **Crime and Disorder** No implications
- **Information Technology** (IT)
- **Property** No implications

### **Risk Management**

25. The proposed flexible approach proposed to developing downsizing initiatives is low risk. The greater risk is that the income stream for Housing Services will be reduced because of the effects of the 'bedroom tax' on customers incomes (in addition to the other effects of welfare reform and reduced service provision generally).

### **Recommendations**

26. The Cabinet Member is asked to:

- Approve Option C to introduce a flexible scheme which can receive referral and deliver targeted and tailored packages (up to a set financial limit) to individuals and families dependent on their circumstances and preferences.

Reason: To provide a targeted and sensitive service with practical help and financial support for customers where needed. It also help the service make best use of it's stock.

### **Contact Details**

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**Report  
 Approved**

**Date** 20<sup>th</sup> Dec 12

**Wards Affected:** *List wards or tick box to indicate all*

**All**

### **Annexes**

Annex A – Impact of Welfare Reform Act – Size Criteria