

## Under Occupation Incentive Scheme December 2019 (Version 6)

### 1. Objective

The aim of the Under Occupation Incentive Scheme is to offer an incentive payment to:

- Support council tenants that are affected by the removal of the spare room subsidy, where their Housing Benefit, or housing costs element of Universal Credit is reduced as they have more bedrooms than they need.
- Encourage council tenants under occupying their home to downsize into a smaller property which meets their housing needs.

The benefits of the scheme include;

- Reducing the impact of a reduction in benefits which would result from a household under occupying their home.
- Reduce the impact of tenants being unable to meet their rental payments and thereby reduce the likelihood of rent arrears.
- Reduce the need for tenancy enforcement action as a result of rent arrears and the subsequent increase in homeless applications to Crawley Borough Council.
- Make best use of the council's housing stock by releasing larger, family sized accommodation which could then be reallocated to local families in housing need.

### 2. Other support

The current Housing Allocations Policy makes a provision to allow tenants downsizing to receive an offer of accommodation outside the Choice Based Lettings Scheme. Council tenants who wish to downsize will be assessed on the Housing Register as;

Band A+5 Any tenant wanting to downsize by at least three bedrooms.

Band A1 Any tenant wanting to downsize by one or two bedrooms.

Applicants are invited to submit an application for Discretionary Housing Payments to help meet their rental obligations where they are affected by the removal of the spare room subsidy if they are seeking to downsize.

### 3. Eligibility criteria

In order to qualify for the scheme applicant(s) must meet the following criteria:

- 3.1. Hold a secure tenancy of their home with Crawley Borough Council. Applicants with an Insecure, Introductory or a 2 Year Flexible Tenancy will not qualify for the scheme.
- 3.2. Under occupy their current home by at least one bedroom.
- 3.3. Have a clear rent account. Tenants in arrears will be considered for the scheme if the incentive payment is used to offset their arrears or any other debts to the council.
- 3.4. Leave their current home in a clean, well maintained condition. Deductions will be applied for any recharges needed for works to the property once it has been vacated.
- 3.5. Not be subject to any legal proceedings for breach of tenancy conditions.
- 3.6. Give vacant possession of their current home.

- 3.7. Be moving into another council property or social housing property in Crawley Borough (e.g. Housing Association).
- 3.8. Be a council tenant under occupying that has exchanged properties with another council tenant or social housing tenant in Crawley Borough where the exchange is a “perfect fit” i.e. where all parties involved in the exchange occupy a property which meets their housing needs and there is no further under occupation. If multiple households involved in a multiple exchange are under occupying and the exchange achieves a “perfect fit” then all households in council housing that are downsizing would qualify for the incentive payment.

#### **4. Incentive**

It is recognised that for many people, the idea of moving is a daunting prospect and support, both financial and practical, may be required to help facilitate the move and remove the barriers preventing mobility.

A cash incentive of £500 is offered through the scheme to a council tenant eligible for the incentive payment releasing any size of property.

An additional payment of up to £500 is available for applicants downsizing through the Housing Register to assist with other costs, for example:

- Cost of arranging removals
- Disconnection and reconnection costs (e.g. telephone, cooker, washing machine, TV aerials etc.)
- Mail redirection

For those tenants identified as vulnerable, additional support may be required to assist with facilitating these areas either in house or by referral to external support agencies.

#### **5. Exceptional additional incentives**

New developments provide opportunities for tenants to downsize and we may create specific additional incentives for some developments to encourage existing council tenants to move to the new development to help facilitate the establishment of a stable community.

Where a development is identified for the additional incentive payment, an additional payment of up to £1000 will be made available. (As with the wider scheme, if there are any rent arrears, the payment will be used to clear these in the first instance).

#### **6. Approach**

- Raise awareness and persuade under occupiers to move by publicising the incentive payment in our literature such as newsletters and leaflets.
- Proactively encourage tenants to consider the scheme during rent discussions and highlight the financial benefits of downsizing (e.g. lower utility bills)
- Promote other means of moving such as mutual exchanges.
- Ensure tenants have information to enable them to make informed choices such as advice on the implications of taking in a lodger.
- Review and adjust accordingly the Allocations Policy to minimise the volume of future households being affected.

#### **7. Review**

The Under Occupation Incentive Scheme will be reviewed on an annual basis to assess the effectiveness of the policy and review how many properties have been released, how many households have been assisted and how much the scheme is costing to administer.