



REPORT TO SOCIAL WORK AND HOUSING COMMITTEE – 10th November 2016

UNDER OCCUPATION GRANT

1 Recommendations

The Committee is recommended to:

- 1.1 Agree to replace the under occupation grant with a discretionary fund to assist tenants in genuine need with moving expenses when downsizing.**
- 1.2 Agree to a further report to the relevant Committee 12 months after implementation to review impact and outcomes**

2 Background / Discussion

- 2.1 The Housing and Social Work Committee on 14th June 2012 agreed a new proposal to help encourage tenants to downsize and alleviate under occupation in Council stock by reinstating the incentive available to Aberdeenshire Council tenants to downsize from 3 or 4 bedroom council properties to smaller council or RSL properties in Aberdeenshire. The amount of the payment was further reviewed at Housing and Social Work Committee on the 19th December 2013 and included each February as part of the HRA Setting of Rents, Charges & Allowances report to full Council. The incentive is available to encourage and assist tenants who meet the criteria with their removal expenses and associated costs.
- 2.2 The amount awarded to tenants transferring from a 3 or 4 bedroom house is currently set at £3,075 for downsizing by one bedroom and an additional £1,025 for every further bedroom relinquished up to a maximum of £5,125.
- 2.3 Due to welfare reform changes and the Social Sector Size Criteria (SSSC) there is already interest from tenants in downsizing without the need for a grant. Although the future of SSSC is currently unknown in Scotland, some tenants are still keen to move to smaller accommodation for this reason.
- 2.4 The current scheme is not advertised and is targeted at tenants who seek to downsize only when they have refused an offer of accommodation. It is also only offered to tenants who currently reside in an area identified as the highest demand based on the settlement ranking analysis.
- 2.5 Due to the complexity of the scheme, its value in encouraging tenants to move is minimal. It has also led to some complaints from tenants who occupy homes outwith the settlement ranking analysis who are keen to move but cannot afford to without some help with moving expenses. In some areas, 2 bedroom properties are also in high demand; however no incentive is payable for this size of accommodation.

- 2.6 In 2015/16 3 grants were awarded amounting to £12,032. In 2016/17 the budget is £30,000 and 2 grants for downsizing totalling £7,175 have been paid to the end of July 2016.
- 2.7 Assessing previous awards it is felt that the under occupation grant is not the deciding factor in someone's decision to move. The main reason for downsizing should continue to be assessed housing need in accordance with the Councils allocation policy. If an applicant has made the decision to apply to be on the waiting list, they have done so before a grant has been considered. It is acknowledged, however, in a few cases some applicants may not have the resources to pay for moving expenses and associated costs. Considering the cases paid in the last 2 years, the main requirement for the award of the grant was to meet the costs of moving.
- 2.8 It is therefore proposed that the under occupation incentive be replaced with a discretionary scheme where assistance with moving costs and other related expenses can be provided on a case by case basis. For consistency, requests would be considered/approved by the Housing Manager (Options & Homelessness) and would only be considered in exceptional circumstances up to a maximum of £2,000. This means the HRA only paying for actual expenses. Some additional criteria would also be considered:
- The tenant must apply for assistance prior to accepting an offer.
 - There must be a reasonable demand for the property they are moving from. Reasonable demand will be regarded as applicants on the waiting list for the size of property who are banded in Bands A or B.
 - The tenant must agree to the completion of a financial assessment.
 - The discretionary fund budget is limited to a set amount per year and is allocated on a first come, first served basis.
- 2.9 The budget for under occupation grants in 2016/17 is £30,000. It is proposed that the discretionary fund budget is set at £10,000. It is intended to report back outcomes and impact to the relevant Committee 12 months after implementation
- 2.10 The Head of Finance and Monitoring Officer within Business Services have been consulted in the preparation of this report and any comments have been incorporated

3. Equalities, Staffing and Financial Implications

- 3.1 There are no staffing implications as a result of this report. There is a budget allocated for under occupation incentive payments which is £30,000 for 2016/17. This budget also includes incentive payments for low demand sheltered housing; however this is rarely used and in 2015/16 only 1 payment of £2,000 was made. There have been no payments made this year.

Agreeing to this change would make a likely budget saving of £20,000 per annum to the HRA.

3.2 An equality impact assessment is attached as Appendix 1.

Stephen Archer
Director of Infrastructure Services

Report prepared by Allan Jones, Acting Housing Manager (Options & Homelessness)
Brian Watson, Acting Head of Housing (final)
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