ABSTRACT: This Report updates Members on the proposed Downsizing Incentive Scheme for Angus. It seeks Members’ agreement to the implementation of the pilot project from 01 April 2011, with progress to be reported to Members subsequently. The report also sets out a number of actions designed to make effective use of Angus Housing Stock which, with Members’ agreement, will be developed during 2011/12.

1. RECOMMENDATIONS

1.1 It is recommended that the Committee:-

(i) note the contents of the Report;

(ii) approve the proposed Downsizing Incentive Scheme (Appendix 1) pilot project;

(iii) remit the Director of Neighbourhood Services to report the progress of the pilot project to Committee on a regular basis;

(iv) agree the actions set out in Section 4 of the Report and remit the Director to bring forward reports on these matters for Committee consideration.

2. BACKGROUND

2.1 The Angus Housing Need & Demand Assessment 2010 identifies significant levels of un-met housing need across Angus. Increasing pressure on budgets, both nationally and locally, means that it is unlikely that the current shortfall in affordable housing provision will be addressed in its entirety by Council or Housing Association new-build projects. As a result how the current stock of all affordable housing is used is an important element in closing the gap on meeting housing need and, in particular, making the best use of the existing Council stock, including larger family housing.

2.2 There are also more specific issues with the availability of larger family housing within the existing affordable housing stock in Angus which Members have regularly debated at Committee. The stock of three-bedroom plus houses is relatively small, and individual properties become available for re-let infrequently.

2.3 The recently announced proposals for amendments to the Housing Benefit system include a reduced payment for those under occupying. The Council is seeking to increase the number of larger properties available for re-let to families in housing need, and it is for this purpose that the Downsizing Incentive Scheme (DIS) has been developed to help boost supply of larger houses and address the mis-match of over and under occupation.

2.4 A number of other Local Authorities in Scotland are facing similar challenges regarding the availability of existing social rented housing. Several of them, such as Moray, Edinburgh, and Aberdeen, have now developed similar scheme in their areas to encourage existing tenants to free-up under-occupied properties.

2.5 It is hoped that the Scheme will generate the following benefits:-

1. Assist tenants and the Council to use resources more effectively.
2. Contribute to the best use of existing housing stock through meeting current housing needs.

3. Assist the 20% of older respondents in the Housing Needs and Demand Assessment, who, stated that the house where they live is too large for their needs.

4. Amongst the 7,203 general needs properties owned and managed by the Council (March 2010), 247 are considered to be under-occupied. This scheme will contribute toward improving the Council housing service and respond to large families’ needs.

5. From the Council waiting list; 527 of the 4,232 applicants (12.45%) are waiting for large properties to become available.

6. Assist the Council’s allocations policy meet the “reasonable preference” needs of people who are homeless or threatened with homelessness, people living in houses that do not meet the tolerable standard, large families and people living in over-crowded conditions.

7. This scheme will contribute to sustainable independent living as recommended by the Older People Strategy.

3. **PROGRESS TO DATE**

3.1 Angus Council currently offers a Transfer Incentive Package established ten years ago which is aimed at encouraging existing tenants living in under-occupied properties to downsize for re-let. However discussion with the Tenant’s Movement has indicated that due to the low level of financial incentive offered (a £500 payment plus related expenses), take-up of the scheme has been very limited.

3.2 This report modernises the Council’s existing Transfer Incentive Package, drawing on best practice from elsewhere in Scotland. This updated Scheme has been developed in conjunction with the Council’s Tenant’s Movement who are supportive of the Scheme. Tenants welcomed the updating of the Council initiative and stressed the potential benefits of this scheme for both the council and tenants. Given their input they also expressed their confidence in its success and their commitment to supporting the project should Members support its re-launch.

3.3 It is proposed, following discussions with tenants and comparing similar products with other Scottish Local authorities, to increase the level of grant offered to current tenants to £2,500, which will make the DIS significantly more attractive to the Council’s tenants. Consultation with tenants concluded that £2,500 is the right amount and some of them suggested that it has to be an attractive sum to encourage people, especially older people, to take the big step of moving. With a budget of £50,000, this will allow up to 20 grants to be made as part of the proposed 12-month pilot on a “first come, first served” basis.

3.4 The DIS will be specifically target those who are in housing need but who may reach the priority need category and who are not in the size of Council property best suited to their current and foreseen housing needs. Given the priority is to free up larger homes in short supply the scheme is targeted towards properties of three bedrooms and larger. Eligibility criteria detailed in the Policy are proposed which would exclude individuals against whom the Council is pursuing legal proceedings or who have rent arrears or a history of anti-social behaviour. A claw-back arrangement will also be put in place to enable the recovery of grant monies where a subsequent Council tenancy is terminated after less than 12 months.

3.5 The DIS will be promoted to the Council’s existing tenants via Community Housing Team (CHT) and ACCESS Offices. In addition to this, Community Housing Teams will also be empowered to approach individual tenants in cases where there is a pressing need to access a specific size and/or type of Council property in a specific location.
3.6 A consultation with tenants on the development of proposals for the Downsizing Incentive Scheme took place on the 17 January 2011. Tenants have been supportive.

4. THE NEXT STEPS

4.1 With Member’s agreement, the DIS will be made available and actively promoted to the Council’s tenants from 01 April 2011. The pilot project will run from 01 April 2011 until 31 March 2012, or until the designated funding has been exhausted if prior to 31 March 2012.

4.2 Take-up of the DIS will be reviewed on a regular basis by the Quality Performance Team. A full review of the pilot project will be conducted in 2012 and the results of this review will be reported to Members for their review.

4.3 In addition to this, Members are asked to note that following a series of debates at Committee and discussions at various cross party briefings the following areas of work in relation to allocations will be developed during 2011/12 in conjunction with Angus Council Tenants and through Elected Member briefings:

- Allocation Policy for New Build Houses;
- Community Based Lettings Plans for all Community Housing Teams.

5. FINANCIAL IMPLICATIONS

5.1 A total of £50,000 of funding has been identified within the Housing Revenue Account budget for 2011/12 (approved at the special Neighbourhood Services Committee of 8 February 2011 - report 113/11 refers) to cover the grant costs of the proposed Downsizing Incentive Scheme pilot project.

5.2 This budget will cover payment of up to a total of 20 applicants receiving a fixed £2,500 grant.

5.3 Additional costs will arise from the printing of promotional materials (100 leaflets and 20 posters) and the Policy of the Downsizing Incentive Scheme in A5 format. The cost of this print work has been estimated by Angus Council Print and Design at £300. These costs will be contained within the overall Housing Revenue Account budget.

5.4 As noted above, this is very much a pilot scheme and members are asked to note that should this prove successful, negotiations will be undertaken with tenants to investigate any appropriate amendments to the scheme, to ensure that the best possible outcomes are achieved with tenants’ money.

6. HUMAN RIGHTS IMPLICATIONS

6.1 All implications, particularly with regard to Articles 1 and 8 of the First Protocol of the European Convention on Human Rights: protection of property and the right to respect for private and family life have been considered in preparation of this Report. The recommendations are considered to be proportionate.

7. EQUALITIES IMPLICATIONS

7.1 The issues dealt with in this report have been the subject of consideration from an equalities perspective. An equalities impact assessment has been undertaken and attached as an appendix in this report.

8. SINGLE OUTCOME AGREEMENT

8.1 This Report contributes to the following Local Outcomes contained within the Single Outcome Agreement for Angus:

- Good quality housing is available to all in communities throughout Angus.
- Resources are used effectively.
9. STRATEGIC ENVIRONMENTAL ASSESSMENT (SEA)

9.1 The Environmental Assessment (Scotland) Act 2005 requires that an SEA be applied to the Downsizing Incentive Scheme Pilot Project. The process requires consideration of whether the Downsizing Incentive Scheme is likely to have "no or minimal environmental effect" (called "pre-screening") or is unlikely to have "significant environmental effect" (called "screening"). The latter requires prior consultation with the Scottish Government's "SEA Gateway" (SEPA, SNH and Historic Scotland). Authorisation is sought from Members to carry out all the required steps under SEA for the Downsizing Incentive Scheme Project and to submit a pre-screening request to the SEA Gateway to ensure compliance with the 2005 Act.

9.2 Following an initial consultation with the SEA Gateway, it has been concluded that the Downsizing Incentive Scheme is likely to have no or minimal environmental effect. As required by the Environmental Assessment (Scotland) Act 2005, a pre-screening request will be sent to the SEA Gateway and the notification will be published on the public register of the Gateway.

10. CONSULTATION

10.1 The Chief Executive, Director of Corporate Services, Head of Finance and Head of Law and Administration have been consulted in the preparation of this report.

11. CONCLUSION

11.1 The Downsizing Incentive Scheme offers the Council the opportunity to optimise its Housing stock and better meet the needs of its tenants. The advantages of the implementation of the policy are significant.

11.2 By approving this Report, Members will signal their continued commitment to making best use of the existing social rented housing stock in Angus to address current and future housing needs. Members will also show their support for the national desire to demonstrate best value from pressured public resources.

RON ASHTON
DIRECTOR OF NEIGHBOURHOOD SERVICES

NOTE: The background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) which were relied on to any material extent in preparing the above report are:

- Report 19/10 – Angus Housing Need & Demand Assessment 2010.

Hsg/NS/AMcK/DZ