

CABINET

26 JULY 2005

SHELTERED SCHEMES – LETTINGS INCENTIVES

REPORT OF THE DIRECTOR OF COMMUNITIES

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RECENT REFERENCES:

CAB 1058 - \_Sheltered Housing Services - Report from the Informal Member/Officer Working Group dated 20 April 2005

EXECUTIVE SUMMARY:

The Supported Housing Informal Member/Officer Working Group have reviewed the current level of vacant units within sheltered schemes and are considering a range of options to address this. Whilst demand for such units is low, there are clearly potential tenants around, many of whom currently under-occupy family homes. Many have indicated that they may be prepared to move, although the fear of change and upheaval is seen as too much to face.

The Working Group have therefore recommended a trial scheme be established, targeted at two schemes in particular (Hyde Lodge and King Harold Court) to test what impact increased incentives and in particular increased support to assist tenants through the moving process could have.

The trial is planned for six months from October 2005. Staffing implications will be managed from existing resources. Costs of up to £20,000 may be incurred, although these would be offset by increased income.

RECOMMENDATIONS:

- 1 That the trial scheme as outlined in para 3.2 below offering increased incentives for units at King Harold Court and Hyde Lodge commence from 1 October 2005.
- 2 That the outcomes of the trial be reported to Cabinet in April 2006.

CABINET26 JULY 2005SHELTERED SCHEMES – LETTINGS INCENTIVESREPORT OF THE DIRECTOR OF COMMUNITIESDETAIL:1 Introduction

- 1.1 The Supported Housing Informal Member/Officer Working Group has given detailed consideration to how best to reduce the number of sheltered units remaining unoccupied. Report CAB1058 dated 20 April 2005 recommended changes to allocations policies at a number of schemes and this will assist to bring a number of units back into use. However, certain other sheltered schemes also have too many vacant units and this report proposes a trial project targeting incentives at potential tenants to address this.
- 1.2 In the Council's Performance Plan, the Housing Portfolio holder has a target to ensure that no more than 30 units are vacant by the end of the year. Currently, over 50 units have been vacant for more than 8 weeks. The significant majority of these are within sheltered schemes.
- 1.3 Current incentives are limited to the removals incentive scheme where £500 assistance is available when an applicant releases a family home back to the social housing sector – this has been taken up by approximately 10 new lettings each year. Alternative incentives available are many and various but could include:
  - a) An increased contribution towards costs
  - b) Much greater assistance with organising and conducting the move
  - c) Investment in advertising to raise awareness of the units
  - d) Carrying out assisted viewings to support the process – this could help determine key concerns of potential tenants
  - e) Incentives targeted at under-occupied family homes
  - f) Increasing capital equity limits to more than the current levels (this is already operated flexibly by Housing Needs staff)

## 2 Previous Experience

- 2.1 Incentive schemes have been trialled previously. Increased advertising in recent years through posters and flyers throughout the community resulted in no additional take up. Also, an assisted scheme some years ago in Stanmore following building new bungalows generated a great deal of interest from tenants under-occupying family homes. However, despite significant resource investments, few tenants came from existing under occupied units. However, the climate has changed and the number of vacant units has increased so it is clear that some positive action is needed.

## 3 Proposed Trial

- 3.1 The Working Group have recommended a trial targeting incentives on two schemes with the largest number of vacant properties; King Harold Court (4 vacant units) and Hyde Lodge (9 vacant units). Both units are sited just outside the centre of the City but offer good quality sheltered housing. The trial would operate for a six month period from 1 October 2005 to 31 March 2006. The staffing resource to support the work will be created by seconding an existing area housing manager post to the task for the period. In addition to the work involved on this trial, that post would also concentrate on controlling the management of all void properties in the district, improving liaison across teams and services to tenants generally.

### 3.2 Incentives to include:

- a) Removals/Moving Incentives – First £500 of any moving costs to be met
- b) Decoration – An additional contribution to decorations/fittings of £500 (£1,000 for any tenant prepared to move from an under - occupied family home). Prospective tenants could be offered choice on finishes.
- c) Waiving of Recharges – Any recharges relating to existing property to be waived, subject to the decision of the Head of Landlord Services (would depend on degree of wilful damage)
- d) The offer of support from a “relocation officer” who can assist with visits to the property, liaison with other agencies, organising the moves and any redecoration, induction into the new property, etc.

### 3.3 As well as working closely with the Allocations team to review all recent offers and refusals, additional efforts to attract increased demand for units will include:

- a) Direct mail to all existing tenants who “under-occupy” family homes with details of the offer.
- b) On the House” article promoting the trial
- c) Information pack and leaflet promoting both schemes to be available on request and for distribution throughout Winchester.

## 4 Potential Costs

- 4.1 The existing Incentives scheme is open to all tenants and for all areas of the district. This targeted incentives is in addition to this. If all twelve units were let to existing tenants all freeing up a family home, incentives could cost the Council £18,000. With additional funds

for printing and advertising and other miscellaneous costs, the project could incur direct costs of £20,000. This is in addition to the staffing, which can be met from existing resources by reconfiguring housing management areas. However, if all units are let, this will generate in excess of £45,000 per annum and has the potential of freeing up family homes in the district, which are currently in very high demand. It is recommended that this £20,000 be funded initially from balances, although this will be offset by additional income from the units being let.

## 5 Reporting and Monitoring

- 5.1 As part of the review, additional income generated should be highlighted through monitoring reports so the true cost/benefit of the project can be assessed. Progress against the project will be reported as part of ongoing quarterly performance monitoring through the Social Issues Scrutiny Panel. If on reviewing the success or otherwise of the project, a further paper will be brought to Cabinet in 2006 with recommendations for how the learning gained from the project should influence future housing policies.

## OTHER CONSIDERATIONS:

### 6 RELEVANCE TO THE CORPORATE STRATEGY

- 6.1 In addition to supporting the principles of delivering 'Best Value' in all our services and being a learning organisation, the recommendations outlined in this report support the following Corporate priorities:
- (i) To provide affordable homes in safe and pleasant environments for all sectors of our community.
  - (ii) To ensure that everyone can play a full part in the life of their community.

### 7 RESOURCE IMPLICATIONS:

- 7.1 As discussed in the report, the incentives scheme could result in addition costs of approximately £20,000. However, the full amount of these costs will only be incurred if the project is successful and if so, over £45,000 per annum of rental income will be generated.

### 8 TACT COMMENT

- 8.1 This paper was considered by the Rents and Business Planning Forum on the 11 July 2005, but due to the lack of time given, it will not be possible for it to be discussed by TACT until their monthly meeting on the 20 July 2005. TACT Co-optees reserve the opportunity to add further comment verbally at the meeting.
- 8.2 TACT welcomes any Incentive Scheme that will help the under occupancy of housing stock. This is a step in the right direction and we wish it well. The Relocation Officer could go a long way in making this scheme a success. Making that first move for elderly tenants is a daunting task and often too much for them to cope with, but with help and advice could make all the difference.
- 8.3 This Scheme could prove to be money well spent, and help to reduce the Joint Housing Register, but must be carefully monitored.
- 8.4 TACT looks forward to further updates by officers in the future.

BACKGROUND DOCUMENTS:

Minutes and papers of the Supported Housing Informal Member/Officer Group

APPENDICES:

None