

Managing underoccupation

A guide to good practice
in social housing

housing

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Department of the Environment, Transport and the Regions: London

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EXECUTIVE SUMMARY

1. Introduction

This guide to good practice is the product of a research project undertaken by the London Research Centre (now the Greater London Authority) and Heriot-Watt University, for the DETR. The research looked at the strategies which social landlords can adopt to manage underoccupation in their stock and what works in assisting tenants to move to a smaller home if they want to.

Underoccupation of stock is not necessarily a bad thing. The primary concern for authorities must always be to 'ask are we making the very best use of our stock' and to answer that it is necessary to look at the problem in the round, and in the context of wider Government policies on social exclusion and on building mixed and sustainable communities. Some level of underoccupation may be the way to reduce child densities in an area with high numbers of children, if the landlord is confident that this will not compromise their ability to provide homes for people in need or to relieve overcrowding. In some communities, older tenants who are now underoccupying their homes can be a source of much needed stability. In order to make such decisions it is vital that landlords have robust, up to date information about the demand for different types of housing, both from existing and prospective tenants.

This note summarises the key good practice points from the research, which are covered in this report.

2. Overall strategy: making it work

- It may be preferable in some areas to underlet some properties, in order to reduce child densities, retain a mix of household types, or simply to encourage people to live on unpopular estates; (see paragraph 1.5)
- A policy to reduce underoccupation in an area of low demand could be counter-productive, releasing voids that are difficult to let and depriving a community of long-standing members; (see paragraph 1.5)
- If there is a hard to let problem in parts of the stock, it is usually better to tackle this as a problem in its own right, rather than confusing it with the underoccupation policy; (see paragraph 1.6.8)
- The surest way to generate interest in underoccupation moves is to provide and market housing schemes that are attractive to middle aged and older tenants; (see paragraph 1.7.3)
- Within the local authority, liaison between the sector responsible for housing needs, and the section dealing with RSL developments, is vital; (see paragraph 2.2.2)
- A careful assessment of supply and demand for each property size and type is an essential first step; (see paragraph 1.5.3). This requires liaison between the local authority and RSLs operating in the area (see paragraph 2.2.1)

- Incentives on their own will only produce a temporary increase in underoccupier moves. They need to be part of a package of measures that you think are appropriate to your area; (see paragraph 3.1.2)

3. Approaches to/from underoccupying tenants

- Social landlords who participated in the research found that tenants wanted them to tread carefully with underoccupiers. They should be allowed to make their own choice and not be bullied or pressurised in any way; (see paragraph 1.8.3)
- A combination of approaches is often needed to generate initial interest and to ensure that those people who do express an interest in moving are offered something suitable and given every encouragement; (see paragraph 1.7.2)
- Although there are advantages in waiting for people to come forward, a friendly, sensitive and low key approach from the landlord is sometimes effective; (see paragraph 1.6.5)
- Legal succession to a tenancy can result in underoccupation, although there is some scope for avoiding this with secure tenancies. Each case needs to be considered individually, and sensitivity will be required if someone has recently been bereaved; (see paragraph 4.1.2)
- An adult son or daughter will often make initial enquiries on behalf of the tenant. It makes sense to encourage their continued involvement, for example by keeping them informed of progress and arranging viewings at a time when they can be present; (see paragraph 4.1.2)
- Tenants appreciate having a single point of contact; (see paragraph 5.1)

4. What to offer?

- Cash incentives, payment of expenses and help with removal arrangements are unlikely to generate interest from anyone who is not already thinking about moving, but they can play an essential role in helping to overcome practical and financial barriers; (see paragraph 1.7.4)
- The legislation governing payments by local authorities to underoccupying tenants was amended by the Housing Act 1996. It is no longer necessary to restrict payments to the actual cost of the move; (see paragraph 3.2.3)
- The size of incentive payments needs careful thought, hardly anyone in a family-sized home is going to move into a sheltered bedsit for a few hundred pounds extra; (see paragraph 1.6.8)
- Tenants on low incomes do not have the same access to cash or credit as owner-occupiers so it is important that payments are made as promptly as possible (see paragraph 3.7.1). Small payments can create a lot of work and can leave tenants out of pocket; (see paragraph 3.5.2)

- It is not necessary to ask tenants to obtain quotes for removal services or to provide receipts (see paragraph 3.2.6). Receipts are bureaucratic and they may delay the issue of payments; (see paragraph 3.6.1)
- There a number of things that landlords can do to help tenants including assisting with removal arrangements, providing services such as arranging for the disconnection and reconnection of appliances, and arranging for the clearance and disposal of unwanted furniture (see paragraph 4.9.1)
- The more flexible it is possible to be about improvements, and the more choice that can be offered, the better; (see paragraph 2.6.5)
- The better understanding people have about the availability of properties and how the process of receiving offers, viewing and moving is likely to work, the better the chance that they will be able to make the right decisions for them and make a successful move; (see paragraph 4.6.1)
- Once they have accepted an offer, people need sufficient time to arrange their move. (see paragraph 4.8.1)

5. Meeting underoccupiers half way

- It may be difficult for landlords to offer underoccupiers two bedroom properties because of pressures on the stock, but there may be scope for meeting underoccupiers half way (see paragraph 4.3.3) e.g.
- some two bed homes could be set aside for people moving from four bedroom or larger homes;
- exceptions might also be made in order to release some three bed properties in areas of high demand;
- some three bed properties are occupied by a parent with an adult son or daughter. If they are happy to split up, it may be worth offering two one bed/bedsit properties, rather than a two bed;
- extra care could be taken with one bed offers to underoccupiers, to try to ensure that the properties concerned compensate in other ways for the loss of space;
- there may sometimes be a case for offering three bed homes vacated by underoccupiers to homeless families who currently have a two bed need, and allowing the former to take up a two bed vacancy instead of one.

CHAPTER 1

The preliminaries

1.1 Introduction

- 1.1.1 This guide is intended for those housing authorities and registered social landlords who wish to create opportunities for families by assisting other tenants to move to a smaller home when they want to. It is based on the experiences of housing staff who have been implementing such a policy and of tenants who have decided to move. There are quotes from both groups throughout the report. The research, which involved a combination of interview surveys and case studies, has been written up separately.

1.2 What is underoccupation?

- 1.2.1 The extent to which a dwelling is ‘over’ or ‘under’ occupied can be measured by comparing the number of bedrooms currently rented by an existing tenant with the minimum number you would be prepared to offer if you were to let them another property. This does not mean, of course, that any ‘spare’ bedrooms are not being used for sleeping or other purposes, or that members of the household consider they have too much space; in fact surveys consistently show just the opposite. Nevertheless, the measure suggested is a starting point. It does not mean that tenants with more bedrooms than the minimum requirement should necessarily be labelled ‘underoccupiers’. It simply means that were they to move, for whatever reason, they would be releasing a larger property than the one they would now be offered.

1.3 How common is underoccupation – and does it matter?

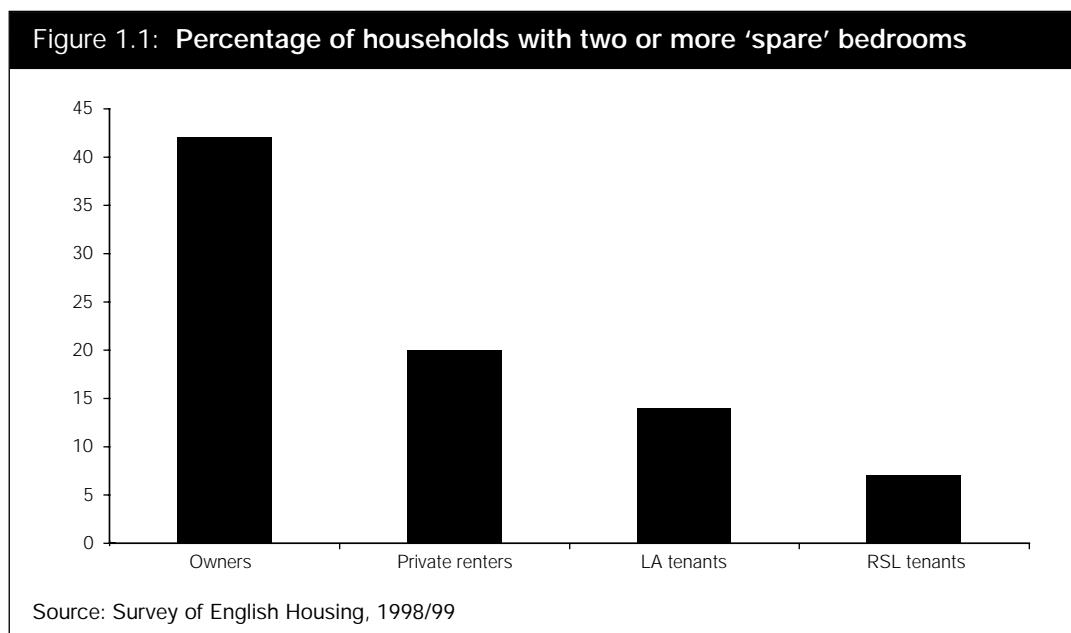
Table 1.1 Does Underoccupation Matter?

There are three circumstances in which the underoccupation of social rented homes can be said to matter:

- 1 homeless households and families on the housing register are living in unsatisfactory conditions because the supply of family sized relets is too small to meet their needs.
- 2 existing tenants are overcrowded and have no opportunity to transfer to a larger home.
- 3 the existing home is a burden to the tenant who is underoccupying.

The purpose of a policy or strategy on underoccupation is to recognise and provide for those who already want to move to a smaller home, and to encourage others to consider such a move at an earlier stage than they might otherwise have done.

1.3.1 The chart below shows the percentage of households in each tenure who have two or more 'spare' bedrooms¹. The high rate of underoccupation in the owner occupied sector suggests that where people can exercise any choice in the matter, many will elect to have the extra space.



1.3.2 Social rented tenants are less likely to be underoccupying than people in the private sector. Nevertheless, in most parts of the country the number of tenants with two or more 'spare' bedrooms exceeds the number who are overcrowded (i.e. short of one or more bedrooms). This is illustrated in the table below. London stands out for having rather less underoccupation and much more overcrowding than elsewhere².

Table 1.2: Percentage of council tenants who are either underoccupying or overcrowded

	London	Rest of South	Midlands	North
1 'spare' bedroom	22	28	38	36
2 or more 'spare' bedrooms	10	14	13	16
Total 'underoccupiers'	32	42	51	52
Short of bedrooms	12	4	3	3

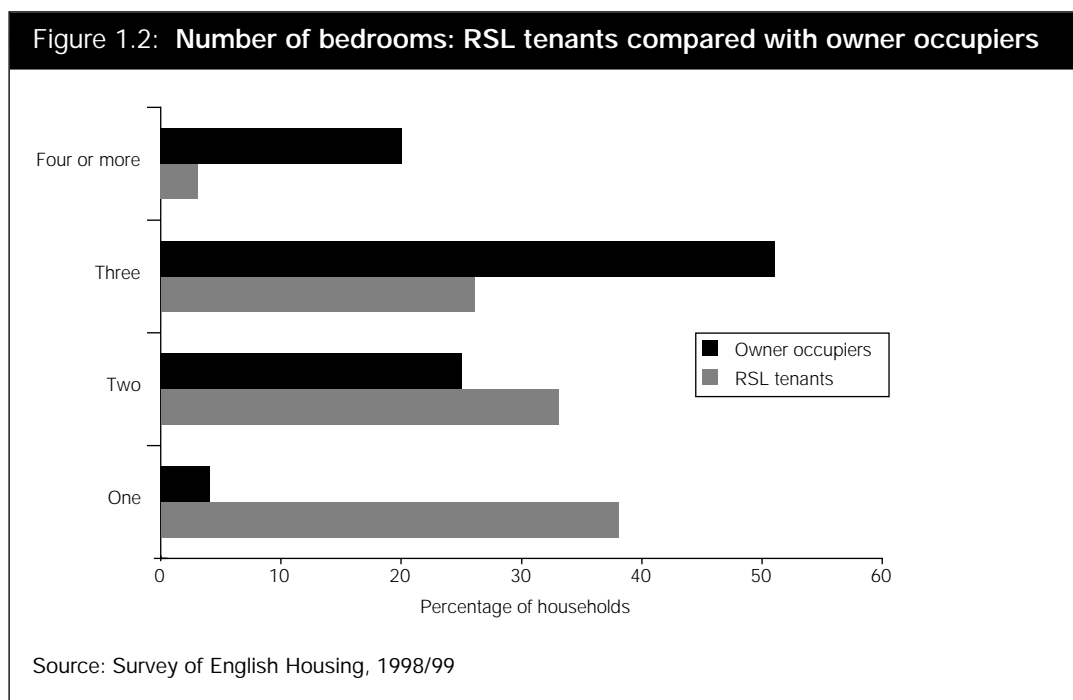
Source: Survey of English Housing, 1998/99

¹ The measure used here is the bedroom standard, which has been employed for many years in government surveys. The standard assumes that couples share a room, and that any other adult aged 21 or over needs a room of their own. Two children under 10 can share, as can young people aged 10-20 of the same sex. Any unpaired person aged 10-20 can be paired with an under 10 of the same sex. This method of assessing requirements is not dissimilar from that used by many social landlords, although some of the latter would tend to be slightly more generous.

² The apparently low rates of underoccupation amongst RSL tenants and council tenants in London are a little deceptive because in both cases the dwelling stock contains a relatively high proportion of small homes that are not capable of being underoccupied anyway.

1.3.3 The table also shows the proportion of council tenants who have just one spare bedroom. While most people would not consider this to be ‘underoccupation’, it is worth bearing in mind the relatively large number of tenants who are in this position. Even if only a small proportion of them wish to move for any reason, and are prepared to give up a bedroom, this group could still make a significant contribution to family sized relets.

1.3.4 The chart below compares the bedsize of RSL stock with that of the owner occupied sector. It also serves to illustrate why social landlords may need an underoccupation policy in the first place: the scope for housing large families is clearly very limited (just three per cent of the housing association stock).



1.3.5 This produces a paradox – social landlords with relatively few underoccupied properties may nevertheless be most in need of an underoccupation strategy, because large homes are relatively scarce. Conversely, where the stock is dominated by three bedroom houses, relatively high rates of underoccupation may not matter. If necessary, small households can be offered homes that are larger than they strictly need, whereas large households cannot be offered tiny dwellings.

1.3.6 However, even landlords with a plentiful supply of three bedroom homes are sometimes short of four bedroom and larger homes. Research for this guide suggests that this is actually quite common, even in areas that are experiencing low demand in the rest of the stock.

1.3.7 The inability to rehouse large homeless families often creates an additional financial burden for local authorities because of the high cost of bed and breakfast accommodation. Overcrowding amongst existing tenants will often emerge as an issue during consultation exercises and is a frequent source of complaints.

1.3.8 Underoccupiers may experience difficulties if they cannot cope with the upkeep of the home, look after the garden, or afford the cost of heating or rent. Research suggests, however, that it is often the presence of internal or external stairs that causes most problems, rather than the amount of space in itself.

1.3.9 Anyone who actually needs a smaller home can usually be helped via normal allocations policies, because they are likely to have care needs or a medical condition. However, most underoccupiers are not in housing need and are unlikely to seek a transfer unless they either:

- have a personal reason for moving that is unrelated to underoccupation; or
- believe that they could improve their future quality of life.

1.4 Underoccupiers

1.4.1 Whilst most underoccupiers in social housing are of pensionable age, the likelihood of underoccupying is actually greatest amongst middle aged couples. Older people tend to be more visible to housing staff because they are more likely to be experiencing difficulties and to register for a transfer. However, a large majority of underoccupiers are not experiencing any problems, are happy where they are and do not think they have too much space.

1.4.2 Underoccupiers who register for a transfer range from those who are very satisfied with their existing home but can no longer manage, through to those who can manage perfectly, but are prepared to give up some space in order to obtain a move. Most people have a combination of motives for moving. Interviews with tenants carried out for this guide suggest that a substantial minority may be trying to escape problems with neighbours, crime, anti-social behaviour or debt – in addition to, or instead of, any problems they may be experiencing with the home itself. Others may be keen to move nearer to friends or relatives – something that would not necessarily attract much priority for a move under normal allocations schemes.

1.5 When is a strategy needed

1.5.1 Many social landlords may need to do no more than facilitate moves for people who are finding it difficult to cope and who wish to transfer. In fact it may be preferable in some areas to underlet some properties in order to reduce child densities, retain a mix of household types or simply to encourage people to live on unpopular estates. A policy to reduce underoccupation in an area of low demand could be counter-productive, releasing voids that are difficult to let and depriving a community of long-standing members.

1.5.2 However, other social landlords are still experiencing shortages of some or all types of family housing, in some or all of the areas in which they work. London, in particular, makes more extensive use of temporary accommodation for homeless families than other parts of the country, and has higher rates of tenant overcrowding. But there are other areas in the South of England, and to a lesser extent in the Midlands and the North, where a reduction in the underoccupation of at least some sizes and types of property would improve the standard of living for family households. In developing an underoccupation strategy social landlords should consider how this fits into their overall strategy.

ASSESSING SUPPLY AND DEMAND

- 1.5.3 The first question to ask is whether people in need are waiting much longer for some sizes or types of property than others. If one or two bedroom properties are in particularly short supply it may be sensible to consider underletting some two or three beds. If three bedroom or larger properties are needed, it may be necessary to think about increasing the supply (via conversions and/or RSL new build programmes) and increasing relets via an underoccupation strategy. A careful assessment of supply and demand for each property size and type is the essential first step (see paragraph 2.2.1).
- 1.5.4 The best source for such information would be a combination of the housing register and data on the supply of allocations (local authority relets and nominations to RSLs, HOMES etc). This means that the local authority is probably in the best position to analyse local needs, although RSLs may wish to look at the demand they are experiencing from existing tenants who are overcrowded, and from their own waiting list, if they have one. Where there is a common housing register, all social landlords in the area may well have direct access to the relevant information. Otherwise the local authority should take the lead, assess where there are any shortages, and discuss the situation with local RSLs.

ASSESSING THE COSTS AND BENEFITS OF A STRATEGY

- 1.5.5 It is important to think through the costs and benefits of an underoccupation strategy, even if some of the benefits, in particular, are difficult to quantify. You might do this first in relation to the most useful type of move, then build up the picture with more marginal examples. This is important because not all moves are of equal value. If a high proportion of likely moves would result in little or no housing gain, you may need to make the scheme highly targeted, or even assess each case on an individual basis. Very complex or discretionary schemes can seem confusing and unfair to tenants, so you will need to take this into account.
- 1.5.6 The most useful move would be from a property in high demand (this might be a 4 bedroom house in a popular area) to a one bedroom property which is not in short supply. Don't assume for the purposes of this analysis that someone in a 4 bed house will accept an upper storey flat on a large estate or a sheltered bedsit with shared facilities – this is comparatively rare and it would not be realistic to take decisions on the assumption that this kind of move will take place.
- 1.5.7 A more marginal move might involve someone in a four bed transferring to a two bedroom home, a high demand bungalow or a particularly popular sheltered scheme. This type of move may be of less benefit to landlords, but the take up is likely to be higher. The problem here is that the alternative properties are likely to be in short supply or (in the case of two bedroom houses or flats) they may be needed for small families.
- 1.5.8 If someone is releasing a property that will be difficult to let, the benefits of the move will only exceed the cost if it meets a need experienced by the underoccupier. This will not be a landlord interest move. In the absence of an underoccupation scheme, it can be dealt with under normal allocations arrangements, because the tenant will have priority for other reasons (eg medical or care needs). Many people would prefer to stay put – for example through help with aids and adaptations, a community alarm system, or a care package. This may also be in the interest of landlords operating in low demand areas. In some high demand areas, landlords have sought to encourage people to move to more

suitable accommodation, for example by placing an upper limit on the cost of adaptations they are prepared to fund.

1.5.9 In assessing the benefit of potential moves, it is worth remembering that the underoccupation strategy will often affect the timing of transfers (by bringing them forward) rather than generating moves that would never have happened at all. However, many people begin to underoccupy in their 40s and 50s (as children leave home) and continue in good health until their 70s and 80s, so the benefits of an earlier move may still be considerable.

1.5.10 *Some benefits/savings from an underoccupation scheme*

- If bed and breakfast is used for homeless households – the weekly cost for a family multiplied by the average length of stay.
- Benefits to the family rehoused – eg reduction in stress; improvements in health (if currently overcrowded) and nutrition (if in temporary accommodation); children's education and development (if they now have a stable environment and space to do homework).
- Potential benefits to the underoccupier – eg lower rent, council tax, water bills (if metered), having somewhere that is easier and cheaper to heat and manage, absence of stairs (if applicable), possibility of more care and support, better quality of life.
- Rental income if the underoccupier moves into a property that would otherwise have taken longer to let.

1.5.11 *Costs of reducing underoccupation*

- Opportunity cost of the property taken up by the underoccupier (if there are waiting applicants in housing need).
- Cost of incentive package (cash payments, any decorations or improvements that would not otherwise have been done).
- Staff time – eg any additional effort in visiting applicants, making offers, arranging viewings or removals.
- Possible effect on the community if a long-standing resident leaves the area.

1.6 The scope of a policy

1.6.1 There is scope for including or excluding particular types of applicant, dwelling or move within the framework of an underoccupation policy.

APPLICANTS

1.6.2 Some social landlords confine their efforts on underoccupation to elderly people. There are some arguments for doing this:

- many elderly underoccupiers actually *need* to move, which makes it easier to assist them;
 - many social landlords have a substantial portfolio of properties that are designated for elderly people. Lettings of such properties do not detract from their ability to assist other groups (homeless families, young single people). Moreover, some of this accommodation is harder to let than general needs properties. Relet times may benefit from an active underoccupation policy.
- 1.6.3 On the other hand, significant numbers of underoccupiers are below retirement age. Some of them want to move (for whatever reason) but may get little priority unless they are included within the scope of an underoccupation scheme. Given the life expectancy of a 50 year old compared with an 80 year old, it makes sense to provide opportunities for younger underoccupiers, even if it is sometimes harder to find alternative accommodation that they are prepared to accept.
- 1.6.4 There is also a clear choice between waiting for people to come forward (albeit influenced, in some cases, by publicity material) and being more pro-active in contacting underoccupiers. There are two main advantages of waiting for tenants to make the first contact:
- the basic motivation will be there (even if they have mixed feelings) – this usually makes it a little more likely that they will move;
 - some tenants might find an approach from the landlord rather upsetting or threatening.
- 1.6.5 On the other hand, a friendly, sensitive and low key approach is sometimes effective. It will involve more work for staff, but this may be justified if the need for family relets cannot be met by waiting for people to come forward. There are a number of circumstances in which contact might be made:
- someone who is known to be underoccupying a four bedroom or larger property (assuming these are in very short supply)
 - someone who is coming up for retirement – most people are thinking about their future at this stage, and a move may fit into their planning. Information about schemes in the pipeline (new build, conversions or renovations) and, in London, the Seaside and Country Homes Scheme, may strike a chord at the right moment.
 - someone who has recently been bereaved – (see paragraph 4.12.2) (landlords will often have contact at this time because of the need to change the name on the tenancy agreement)
 - someone who has long term problems at their present address³ (e.g. neighbours, arrears, difficult repairs).
- 1.6.6 Contacts can sometimes be generated by networking with other professional staff (eg social workers, health visitors). Tenants who move may also be able to suggest friends or neighbours who might also benefit.

³ It is important not to exploit such situations. Arranging a move should not be seen as a substitute for helping the tenant to get their finances sorted out, or dealing with noise or anti social behaviour.

DWELLINGS

- 1.6.7 Both properties are important. If the one that is to be released is not going to be easy to let, then it adds to the costs rather than to the benefits. It can be difficult to target the policy only at sizes/types/locations that are in short supply, so a few may slip through. However, significant numbers of such properties would be a problem.

Lettability

- 1.6.8 Some social landlords structure their underoccupation schemes so as to try to persuade people to move to less popular properties. This is not very realistic – hardly anyone in a family sized home is going to move into a sheltered bedsit for a few hundred pounds extra or the promise of a quicker move. If there is a hard to let problem in parts of the stock, it is usually better to tackle this as a problem in its own right, rather than confusing it with the underoccupation policy.
- 1.6.9 Other landlords, whilst recognising that no inducement is going to make an underoccupier take an unpopular property, try to steer them away from properties in high demand (e.g. two bedroom bungalows, small houses with gardens in good areas, or popular sheltered schemes). This sometimes works with people who really need or want to move. Others may stay on the list until they are offered the property they really want, or until their health deteriorates or their partner dies.

Larger homes

- 1.6.10 Even areas of low demand are often very short of large homes. It may therefore be worth looking at the costs and benefits of an underoccupation policy for four bedroom and larger houses, even if there is no point in trying to release smaller properties.
- 1.6.11 Social landlords with a large stock of family sized flats will also need to decide whether to include these within the scope of the policy. Where they are unpopular and hard to let, it may be better to exclude them. However, underoccupation is likely to be of most concern in areas with housing shortages, and even a high rise flat may be a better proposition in the short term than a stay in bed and breakfast accommodation.

TYPES OF MOVE

- 1.6.12 People who are given high priority transfers for other reasons may also happen to be underoccupiers. Examples include urgent medical cases and decants. Such people are going to move anyway, so there is an argument for not including them within the scope of the underoccupation policy. In areas where there are substantial incentives for underoccupiers, this will save money and allow the incentive budget to concentrate on people who might not otherwise have moved.
- 1.6.13 If underoccupiers are being dealt with by specialist staff, however, drawing such distinctions may seem very artificial. Medical and decant underoccupiers are likely to benefit from the personal approach and extra attention to detail, perhaps to a greater extent than ordinary underoccupiers, and it would certainly be in the landlord's interest to try to facilitate and accelerate their moves.

1.7 What can be achieved?

- 1.7.1 The introduction of new initiatives on underoccupation usually has an immediate effect, at least in the short term. Cash incentives, newly built or refurbished apartments for older people, or an officer specialising in working with underoccupiers, nearly always increase the number of moves made by people who are already on the transfer list, and in some cases generate fresh applications.
- 1.7.2 However, it can be hard to sustain the momentum. Social landlords who rely exclusively on cash incentives often find that interest tails off once the backlog of applicants from the initial publicity have been dealt with, and the throughput after that may not seem any greater than before incentives were introduced. A combination of approaches is often needed both to generate initial interest and to ensure that those people who do express an interest in moving are offered something suitable and given every encouragement.

PROVIDING THE RIGHT PROPERTIES

- 1.7.3 The surest way to generate additional interest in underoccupation moves is to provide and market housing schemes that are attractive to middle aged and older tenants. Examples include some new RSL developments, the conversion and refurbishment of existing blocks for older people, and the Seaside and Country Homes Scheme that provides opportunities for Londoners to move nearer relatives or to the coast. The disadvantage of generating interest in high quality schemes is that expectations are raised and it may not be possible to satisfy everyone's aspirations.

PROVIDING INCENTIVES AND EASING THE MOVE

- 1.7.4 Cash incentives, payment of expenses and help with removal arrangements are unlikely to generate interest from anyone who is not already thinking about moving, but they can play an essential role in helping to overcome practical and financial barriers. It may seem wasteful to offer incentives to people who would have moved anyway, especially if they are going to a choice property, but some people who would like to move are deterred by the practicalities, the upheaval, and by lack of money. In addition, the promise of improvements or cash that they can choose to spend on the home can help to persuade people to accept a property that they might otherwise have rejected. Offers of accommodation are often received out of the blue as far as tenants are concerned, and allow little time for making arrangements, so help with the move can ease the pressure on someone who is uncertain whether to go ahead.
- 1.7.5 Payments to tenants currently range from a few hundred pounds to a few thousand. In addition, there may be a separate budget for decorations and improvements to the new home. If this expenditure helps to bring a move forward by several years, then it will compare favourably with the cost of keeping a family in temporary accommodation for that length of time.

SPECIALIST STAFF – THE PERSONAL APPROACH

- 1.7.6 Staff who specialise in dealing with underoccupiers (see Chapter 5) can play a very important role by spelling out the options, encouraging people to consider different areas or property types, giving confidence, overcoming all the obstacles to a move, and helping to find the right property. They can also take a pro-active role in identifying suitable voids for underoccupiers and in approaching people who have not yet registered an interest in moving. The interviews for this guide showed that tenants appreciate having a single point of contact – someone they can trust who understands their circumstances and aspirations. Landlords with a smaller stock and tenant base might not be able to sustain a full time post, but the job does combine well with other responsibilities – e.g. advising elderly people or dealing with pre-notified voids.
- 1.7.7 In three of the London borough case study areas, each specialist post was facilitating about 50 – 100 moves a year. As with incentive schemes, it is difficult to say how many of these moves would have taken place anyway, or by how much they have been accelerated. However, the cost does compare favourably with new build or renovation schemes, and with the more generous incentive schemes.

WHAT IS ACHIEVED FOR UNDEROCCUPIERS?

- 1.7.8 80 tenants who had previously been underoccupying were interviewed in some depth for this guide. The large majority were pleased with the move and had no regrets. People who register for a transfer to a smaller home because they can no longer cope may be anxious and ambivalent about moving, but they often move fairly soon after registering and settle in well.

It's got lots of cupboard space.. You save a lot on gas and electricity – it's centrally heated and it's got insulated walls. When the sun shines, I think I'm in heaven.

- 1.7.9 People who are keen to escape harassment, anti-social behaviour or money problems may also move very quickly. There is some risk that they will take the first property that comes along, and not settle well.
- 1.7.10 People with less compelling motives for moving are often prepared to wait for the right property, even if this takes a considerable time.

1.8 Consulting tenants

- 1.8.1 There are a number of related issues concerning the occupancy of dwellings that might be discussed with tenants and residents:
- the normal criteria for allocating dwellings of a particular size/type;
 - whether these criteria should be relaxed when letting new or hard to let estates;
 - the priority to be given to reducing overcrowding;
 - the priority to be given to reducing underoccupation;

- whether to offer incentives or other inducements to underoccupiers;
- the size mix on new developments.

1.8.2 Views can of course be obtained in a wide variety of ways. Social landlords responding to our questionnaires had used:

- special surveys (e.g. housing needs, underoccupation, tenant satisfaction);
- one-off consultation exercises (in connection with allocations policies, LSVT proposals, comprehensive estate improvements);
- regular consultation arrangements (e.g. area committees);
- ad hoc approaches (e.g. focus groups, newsletters).

1.8.3 There is a potential conflict of interest between long-standing tenants who are underoccupying and younger families who are overcrowded. On the whole, however, the social landlords who responded to our surveys found that tenants wanted them to tread carefully with underoccupiers. They should be allowed to make their own choice and not be bullied or pressurised in any way. There was support for positive incentives to move, but there was also a view that people had a right to a 'spare' room – to allow for visitors, family growth, carers, and for the children of separated parents.

1.8.4 The following list of suggestions came from a tenant who had recently moved to a smaller home. Many of the points he raised will be covered in later chapters.

- *Give people more than two choices before knocking them off the list for a year.*
- *Let people have two bedroom hard to let places with the same incentives as one bedroom flats – I think a lot of people will jump at them.*
- *Give people more choice of wallpaper – not just one little book.*
- *A lot of people like a gas fire – not just radiators. To get anybody to move you've got to make it more appealing.*
- *Make sure you deal with only one person and that they know all about the case.*
- *Let people know what is in the area. Have a coffee morning. Be a salesman – but tell them the facts.*
- *Let people have a month in the new place so they see what needs doing.*

CHAPTER 2

Providing properties that underoccupiers would like

SUMMARY OF GOOD PRACTICE

- Undertaking an analysis of the preferences of underoccupiers can be very useful -not all underoccupiers want the same thing!
- Design features which are attractive to underoccupiers include:
 - a guest bedroom;
 - the choice of a balcony or patch of garden;
 - space to cook and entertain;
 - option of shower rather than a bath.
- Close liaison between LAs and RSLs is vital for any analysis of supply and demand and to ensure that new RSL developments meet the requirements of underoccupiers. This process should consider the extent to which underoccupiers may wish to move to another LA area.
- LAs /RSLs may wish to consider designating a proportion of newly built accommodation for underoccupiers or offering underoccupiers first refusal for appropriate properties.
- Landlords need to consider the quality standards which properties offered to underoccupiers should meet and undertake improvements if necessary.
- The more flexible you can be and the more choice you can offer the better.
- Better marketing of sheltered housing can help overcome common misconceptions.

2.1 Introduction

2.1.1 Many housing managers who have put a great deal of time and effort into reducing underoccupation would agree that nothing else works as well as being able to offer the right properties. The consensus view is that most people have very specific requirements, in terms of property type, size, quality and location – and many will not move unless they are offered something that more or less matches these requirements. The majority want to live independently and many want good quality, two bedroom homes (preferably bungalows) in convenient locations. The problem is that most landlords are only able or willing to offer one bedroom homes to the majority of underoccupiers, and many of these will be in sheltered schemes.

2.1.2 Options for increasing the supply of attractive properties include:

- building new RSL accommodation catering specifically for underoccupiers;
- converting or modernising general needs housing, and designating specific schemes for older people;
- converting, modernising and possibly de-designating sheltered housing, in order to make it more attractive to underoccupiers.

2.2 What types of property are needed?

- 2.2.1 Although there is truth in all the generalisations, not all underoccupiers want the same thing. As people get older, they are less likely to have young grandchildren or others who come to stay on a regular basis, and may change their minds about wanting a spare bedroom. The development of a heart condition may make a couple in their 60s feel differently about the value of a warden and alarm system. Some people want to remain on the same estate, others want to be nearer the town centre for shops and buses, or to move to another local authority area to be nearer relatives.

Table 2.1: Good practice on assessing what properties are needed

You may wish to consider undertaking an analysis of the preferences of underoccupiers registered for a move. This could be done using information collected when people register (in terms of property type, size, location and other factors on which information is collected when people join the list). Alternatively, you could undertake a survey of underoccupiers.

The information can then be used in the annual analysis of supply and demand, to establish the number of properties required over the coming year for different needs groups.

When considering the supply of RSL stock, local authorities will need to take into account RSLs' requirements for their own tenants (both underoccupiers and others). Any analysis of supply and demand at a local authority level requires liaison between the local authority and RSLs operating in the area.

As part of this exercise, landlords will need to balance the demands of underoccupiers with those of other groups, such as homeless households, transfer applicants and other people on the housing register.

- 2.2.2 Within the local authority, liaison between the section responsible for housing needs and the section dealing with RSL developments is also vital.
- 2.2.3 From the analysis of supply and demand, RSLs and local authorities should be in a position to set targets for the expected number of underoccupier moves over the coming year.

2.3 Features that may appeal to underoccupiers

- 2.3.1 The following examples of features that may be particularly popular with underoccupiers, are based on comments from people who had turned down properties or who told interviewers about their likes and dislikes in their new home. For example, many found it hard to adjust to a small sheltered flat after a three or four bedroom house, they found it painful to get rid of treasured possessions, and they still wanted enough space to be able to cook and entertain.

Table 2.2: Design Features

- an extra bedroom for visitors or a live-in carer;
- a kitchen that is large enough to take items such as a fridge freezer, normal sized cooker and tumble dryer;
- a living room that is large enough to take a dining table;
- plenty of cupboard and storage space;
- a ground floor location or a lifted flat;
- a bungalow;
- few or no steps/hills;
- the option of a shower rather than a bath;
- the choice of a small garden or balcony (for some underoccupiers a garden is a positive feature, while others take the opposite view);
- adequate car parking;
- cosmetic features such as moulded architrave and panelled doors (costing little to install but making properties appear more attractive);
- a high level of security;
- connection to a community alarm system;
- good insulation and double glazing (resulting in low fuel bills);
- central location or proximity to transport, shops and other amenities;
- the opportunity to choose interior decorations, such as carpets and wallcoverings.

2.4 Newly built RSL accommodation

- 2.4.1 Virtually all newly built accommodation for underoccupiers will come from RSLs. Close collaboration between local authorities and RSLs at the planning and development stages is therefore crucial, to ensure that the development programme adequately reflects what is required.
- 2.4.2 Local authorities/RSLs may wish to set annual targets for the proportion of newly built accommodation specifically for underoccupiers.
- 2.4.3 This accommodation is likely to be one or two bedroomed (depending on the needs and requirements that have been identified). It may be built to a higher than usual specification and it may be located in areas that are particularly popular with underoccupiers. It could include small blocks set aside for middle aged people (one or two person households), retirement bungalows and apartments, or category 2 sheltered schemes.
- 2.4.4 Local authorities and RSLs need to maintain very close contact throughout the development process, as it is common for the details of schemes to change from their original form or even to be abandoned altogether. Where this happens, close collaboration is required in order to minimise the extent to which schemes deviate from what was initially planned, if at all possible.

- 2.4.5 Another consideration in the development process is the extent to which underoccupiers might wish to move to another local authority area. There is a particular demand for this in inner London, from people who would like to live nearer their adult sons and daughters in outer London or the surrounding counties, or who would simply like to retire to the coast. Although there are always problems about developing in other areas, it may be worth investigating.
- 2.4.6 Finally, you may want to consider giving first refusal to underoccupiers for appropriate properties in new schemes, regardless of whether or not they were built specifically with this group in mind.

Table 2.3: Good practice examples
<p>McGregor Tithe in Tamworth was built by Waterloo Housing Association on the site of an old hospital in the town centre. There are two blocks of flats for the independent elderly and the original hospital building has been converted into sheltered housing. Both types of housing incorporate some two bedroom flats. The sheltered scheme has a guest room with en suite, laundry and hairdressers as well as a communal kitchen and lounge. There is ample parking and landscaped gardens. Residents can have their own patch of garden if they wish. Most of the lettings have gone to underoccupiers.</p> <p>In an initiative with two local RSLs in Barnet, six large bungalows were built for elderly people on an estate popular with underoccupiers. Prospective tenants could choose carpets and paint. These were targeted at underoccupiers moving from three bedroomed to one bedroomed properties and were advertised through the local housing office.</p> <p>In Lewes, there is a lot of demand from underoccupiers to stay in the centre of town. As a result, a local RSL was granted planning permission to build 24 one bedroomed flats and ten houses, some of which will be earmarked for underoccupiers.</p>

2.5 Renovation and conversion schemes

- 2.5.1 Similar considerations apply when existing homes are being converted or renovated. Although, for example, it may be cheaper to convert a bedsit with shared facilities into a self contained flat on the same floor area, the larger flat that will result from knocking adjacent bedsits together is likely to prove easier to let, especially to underoccupiers.
- 2.5.2 Some of the tenants we interviewed would have welcomed the chance to live in a small block that is set aside for middle aged or slightly older people. They were often experiencing noise and anti-social behaviour from children and teenagers and were longing for a little more peace and quiet. Alternatively, there have been successful transformations of tower blocks in town centres, provided these are close to all amenities, with good lifts, security systems and communal facilities.

Table 2.4: Good practice example
<p>As part of their underoccupation strategy, Lewes Borough Council plans to designate two blocks of flats for the over 50s, upgrading these blocks to provide carpeted hallways and improved security.</p> <p>In Tamworth, multi-storey blocks in the centre of town are reserved for elderly people and are very popular.</p>

2.6 Existing social rented housing

2.6.1 There may well be improvements that can be made to ordinary relets to make them more attractive to underoccupiers. In developing a policy, it is useful to review the kind of work normally done on properties offered to transfer applicants and see whether there is a case for going beyond this for underoccupiers.

2.6.2 The condition of the properties offered to underoccupiers' needs to be considered. People are unlikely to accept a property that is in worst condition than their own. The possibilities include:

- having a set of quality standards, which every property offered or let to an underoccupier must meet;
- offering underoccupiers a package of decorations/improvements, to be undertaken by the landlord; or
- giving underoccupiers a cash payment to cover decorations and/or improvements;
- giving housing officers discretion to offer improvements in particular cases (where someone will accept a property only if improvements are made).

2.6.3 Improvements can range from fairly minor redecorations to more radical works and may include:

- repainting/wallpapering;
- providing (new) carpets and other flooring;
- improving security (eg new locks, outdoor security lights);
- improving windows and heating systems (to ensure energy efficiency and lower fuel bills);
- installing new kitchens or bathrooms;
- adapting properties to wheelchair standard or to meet the needs of people with other disabilities;
- where there is a garden, ensuring that it is tidy and easy to maintain.

2.6.4 Improvements can be made at various points in time:

- prior to the property being viewed by an underoccupier (this will lengthen the total relet time but may well lower the chance of it being refused);
- once the property has been accepted, but before the tenant moves in (this will also increase the time that the property is empty, but is unlikely to be disruptive for the tenant – and many would welcome more time to dispose of furniture and make arrangements for the move);

- after the tenant has moved in (which may be disruptive for the tenant, depending on the extent of the works being undertaken).

2.6.5 The more flexible it is possible to be about improvements and the more choice that can be offered, the better. Underoccupiers, like all tenants, include some people who would like the landlord to undertake all the work, and others who want to make their own arrangements, with the help of a grant. Those who want the landlord to do the work still appreciate a choice of paint and wallpaper. The following comments from tenants illustrates how much flexibility is appreciated:

It was a huge bonus ... They use the money to do what you want doing. I had a new kitchen and a new bathroom, and it was my choice.

They said go to what shop I wanted and choose the paper and they'd get it and put it up. I took samples in there with kitchen, bathroom on the back, and when I came in it was exactly what I wanted. I thought they'd put a price on it but they didn't – they had so much to spend, and it was within it, so they did it.

Table 2.5: Menu of improvements: Stevenage Borough Council

Stevenage Borough Council offers to carry out improvements up to the value of £2,000. Underoccupiers who move from a house to a one bedroom or bedsit flat can choose from the following menu, but the council is prepared to be flexible if the tenant wants other improvements instead of those on the list. Tenants view the new property with a maintenance manager who can cost the work on the spot.

	Approximate cost (£)
• Kitchen refit	1,100
• Bathroom refit	900
• Mains smoke alarm (each)	80
• Improved heating	450
• Security measures	70
• Exterior lighting	110
• uPVC windows	1,700
• Decorations – small room	140
• Decorations – large room	210

2.7 Housing designated for older people

- 2.7.1 Many older people do not want sheltered accommodation, although some would prefer to live in a quieter environment, away from families. One option is therefore to designate small blocks or parts of an estate specifically for older people, as suggested earlier.
- 2.7.2 Many social landlords have been reviewing their sheltered housing, in response to the realisation that there may be an over-provision of category 2, and not enough very sheltered housing providing extra care for those who have lived independently into late old age.

Table 2.6: Conversion of sheltered bedsits

In Lewes, the council has knocked every three sheltered bedsits into one, to give far larger accommodation. In addition, it has changed the scheme from part extra care/part ordinary sheltered into fully extra care, with all units converted to full wheelchair standard.

- 2.7.3 Alternatively, existing category 2 sheltered schemes may become more popular with active elderly people if the resident warden service is replaced with a mobile service or a community alarm system. The service charges in category 2 schemes sometimes bring the rent above the level people are paying for a three bedroom house, and this can deter underoccupiers from considering the move. Improvements to windows and heating systems, on the other hand, can improve energy efficiency and reduce fuel bills – factors that some people appreciate when moving from a large, unmodernised house.

MANAGEMENT OF SCHEMES

- 2.7.4 Some people welcome regular contact with the warden (eg a daily call, a weekly visit, social activities) whilst others find all this a little intrusive, and just want to know that someone is there in the background if they need them. There is therefore an argument for diversity – either between schemes, or in adjusting the routine within schemes to the preferences of individual tenants.
- 2.7.5 Potential tenants might also be reassured if the information provided about warden schemes explained more about the routine housing management work they undertake – e.g. reporting repairs, showing accommodation to prospective tenants, supervising maintenance of the grounds and communal areas, checking the emergency alarm system.
- 2.7.6 Allowing pets wherever possible and providing individual garden areas (for those who want them) are also features that make for an easier transition for many underoccupiers.

MARKETING OF SHELTERED HOUSING

- 2.7.7 Whilst only a minority of underoccupiers are likely to ask for sheltered housing when discussing a transfer, research for this guide has shown that others can be persuaded to consider it and often come to appreciate the positive features after moving in.

Positive images

I wish I'd come here five years ago. I'm only young (68) compared to some of them in here but I think it's a good thing to do it when you're younger – say 55 or 56.

I'd never heard of sheltered accommodation. I didn't know it was like this... In the summer, the warden takes us out on little coach rides – you don't have to go if you don't want to. We had a lovely party for Guy Fawkes. We have cheese and wine parties, and fish and chip suppers. It's less work, it's cheaper ... we even get our TV for £5 a year.

In a place like this, you are not afraid of burglary and you can be more confident about things.

They should emphasise that you gain security and someone on hand if you need them and you can take as little or as much of the communal aspects as you want.

Negative images

We don't want a tiny sheltered place because you sit in that chair and you're done for.

My mum went into warden-controlled and after a time she just lost all interest and went downhill.

I suppose there might come a time when I need it ... They always remind me of hospitals – you walk up a corridor. They're depressing, they are.

I don't want to be told that the doors will be locked at 11 pm. I don't want to be treated like a child.

Sheltered is for people who are not fully independent and I'm not in that situation ... All those old dears don't get any peace – they keep knocking on their doors.

2.7.8 Whilst some criticisms of sheltered housing are perfectly valid (small rooms, tiny kitchens, corridors, lack of storage space), there are a number of misconceptions which can be challenged with better information and advertising:

- Publicity material – it is important to give scheme-specific information about the social activities, the communal facilities and the help that can be provided by the warden, but also to stress that all these things are there *if people want them* (not everyone does). It is also worth being specific about potential savings – heating bills, council tax, maintenance, water charges (if metered) and TV licence – some people only become aware of these savings after moving in. Draw attention to the safe environment and the absence of anti-social behaviour, and explain whether tenants can make their own improvements (e.g. fitting a shower).
- Show flats and open days – arrange transport, if necessary.
- Luncheon clubs – if these and other social activities are open to other elderly people in the area, they have the chance to get to know the scheme and the other residents. This encourages some to apply.
- Personal contacts – housing officers are in a good position to discuss the accommodation and the service with prospective tenants. People sometimes decide to apply after seeing a friend or neighbour move into sheltered accommodation, so it may be worth asking transferring underoccupiers if they know anyone else in the same position, and encouraging a visit.
- Terminology – words like 'sheltered' and 'warden' have connotations that go back to the days of almshouses. 'Retirement homes' and resident or visiting 'managers' might be better.

CHAPTER 3

Making cash payments

SUMMARY OF GOOD PRACTICE

- Incentives on their own only produce a temporary increase in the number of moves and need to be part of a package of measures that are appropriate for the area.
- However, cash incentives do help – some people will stay put unless something is done to ease the financial and practical burdens of moving.
- It is not necessary to insist on receipts. The bureaucracy involved can delay much needed payments.
- Cash payments should cover the actual costs of moving; otherwise tenants can be left out of pocket.
- Payments should be made as quickly as possible – a cheque can be raised for presentation on the day of the move.
- Landlords should give careful consideration to the respective advantages of simple and more targeted schemes. A simple policy is easier to understand and administer but there is also a need to avoid paying to release properties for which there is little or no demand.
- It is important to discuss any deductions from payments e.g. for rent arrears with tenants prior to a move.

3.1 Introduction

- 3.1.1 Few underoccupiers are motivated solely by the ‘perks’ they might receive in return for trading down. For most, the right property in the right location is of paramount importance. However, even if they are offered a property that meets their requirements, some people will stay put unless something is done to ease the financial and practical burdens of moving.
- 3.1.2 Incentives on their own will only produce a temporary increase in underoccupier moves. They need to be part of a package of measures that you think are appropriate for your area. Some people need help with the removal arrangements and house/garden clearance (see paragraph 4.9.1); some need decorations, improvements, or adaptations (see paragraph 2.6.1) and many would benefit from a more personal approach to their requirements (see paragraph 5.1). The detailed workings of the allocations scheme (Chapter 4) are also important. Many of the comments that follow could apply equally to these other aspects of the total package.

3.2 Is cash necessary?

- 3.2.1 The following comments suggest that cash payments may be superfluous, because they go to people who would have moved anyway, without persuading anyone to move who doesn't want to.

Experience has revealed that no amount of grant will induce a tenant to move to an unsuitable home.

I would have had to move eventually, with or without the money. If they'd come along with a bungalow, I'd have moved straight away.

One doesn't expect anything. When you are doing what you want to and then somebody comes along and gives you money for doing it, that can't be bad.

- 3.2.2 Some social landlords with long experience of underoccupation initiatives prefer to concentrate their efforts in other areas, and confine the cash element to a few hundred pounds to cover actual removal costs. However, there are some arguments for including a larger incentive within the overall package.

Table 3.1: Arguments for cash payments to underoccupiers

- Although many tenants will find the money somehow if they are really keen on the new home, others can actually be prevented from moving by lack of funds.
- Moves taking place within the remit of an underoccupation policy are by definition landlord interest moves, so it is reasonable to cover expenses. These can easily exceed £1,000 or so once account is taken of the need for new carpets and curtains as well as actual removal costs and disconnection/reconnection charges.
- Bonus payments (i.e. anything above the amount needed to cover the costs of the move) are viewed by tenants as a form of compensation rather than a bribe – compensation for the stress and disruption of moving, and for any improvements they may have had to leave behind in their existing home. The money is nearly always used to buy extras for the new home. The knowledge that they have enough money to change some feature they do not like, or to replace large items of furniture with something smaller, can encourage people to accept a property that only goes some of the way towards meeting their requirements.
- A small number of people are influenced by the opportunity to clear rent arrears or other debts.

- 3.2.3 A survey of tenants in Croydon concluded that *'people did not move because of the financial incentive, but they probably would not have moved without it'*.

- 3.2.4 The legislation governing payments by local authorities was amended in 1996. It is no longer necessary to restrict payments to the actual cost of the move (see Table 3.2 below):

Table 3.2: Schedule 18 of the Housing Act 1996

Payments to local authority tenants moving to another property are covered by Paragraph 2 of Schedule 18 of the Housing Act 1996, as follows:

'A local housing authority may make payments to or for the benefit of a tenant or licensee of a dwelling-house within its Housing Revenue Account with a view to assisting or encouraging that person to move to qualifying accommodation. ... 'qualifying accommodation' means a dwelling-house made available to the person concerned as a tenant or licensee by any of the following –

- (a) the local housing authority making the grant or any other local housing authority; or
- (b) registered social landlord'.

This power is clarified in a letter sent by the DETR to all local authorities, which states that the intention is 'that it should cover not only the provision of goods or services, such as carpets or re-decoration, but also cash incentives'.

- 3.2.5 As a consequence of this change, it is no longer necessary to ask tenants to obtain quotes for removal services or to provide receipts – if the local authority wishes, everything can be rolled up into a single cash payment. (see paragraph 3.6.1)

DRAWING UP THE RULES

- 3.2.6 If your organisation decides to make cash payments, you will need to consider the following issues:
- whether payment will be made to all moving underoccupiers, or just to selected categories or in certain situations;
 - whether underoccupiers will have a choice between cash or services, or a combination of both;
 - the size of payments;
 - the practicalities of making the payments.
- 3.2.7 These are considered below. Staff in a couple of our case study areas also drew attention to the need to check applications for the possibility of fraudulent claims. For example, a partner or daughter with a child might be ‘evicted’ and rehoused by the local authority, leaving the remaining person to seek a cash payment under the underoccupation scheme.

3.3 A simple vs targeted policy

- 3.3.1 Payment (or the amounts paid) can be tailored to reflect the ‘housing gain’ to the landlord or the loss of amenity to the tenant. There is a danger that if the scheme is too heavily biased to the landlord’s interest, no one will move. On the other hand, if the scheme only considers the amount of space given up by tenants, it may generate a high proportion of moves that are not especially useful from the landlord’s point of view.
- 3.3.2 A simple policy might have a single, blanket payment applicable to everyone, or it might have tiered payments according to the number of rooms given up or the size of the property released. A more targeted policy might take account of the type of property released (house v flat, floor level), its location (high or low demand area) and the demand for the property that is taken up by the underoccupier. It might also seek to exclude certain categories of move (e.g. underoccupiers who are also decants, or who have urgent medical priority).
- 3.3.3 Other factors that might be considered include the condition of the property being released (will it require extensive works before reletting?) and its suitability for alteration or conversion to meet special needs. These factors can only be assessed on an individual basis. If they are to influence incentive payments or priority within the allocations scheme (as opposed, say, to the amount of effort made by staff in liaising with the tenant and finding a new property) then it will be necessary to make the underoccupation package much more discretionary.
- 3.3.4 In practice, the issue that arises more than any other is the strong desire of many single people and couples for a two bedroom property, and the equally strong desire of many

social landlords (especially in London) to prioritise these properties for homeless families. It is quite common for people who move from a three bedroom property to a two bedroom property to be excluded from incentive payments (in some areas the same applies to people who move to a house or a bungalow, irrespective of size). Another possibility here is to offer two tenancies for one in appropriate cases (see paragraph 4.3.3 and Table 4.1).

Table 3.3: Good Practice Example: A simple but targeted scheme

The 'Tenants Moving On Scheme' in Stevenage uses standard amounts of money but is quite targeted on certain types of move. Payment of cash, the award of priority points, works to the new home, help with the move and the option of a spare bedroom are all integrated into a single scheme.

Type of move	Underoccupation package
Releasing a flat	10 priority points per spare bedroom, no incentives
Releasing a house and moving to a two bed property (when one bed is needed)	30 points and no incentives
Releasing a house and moving to a bedsit or one bed flat in a designated* sheltered scheme	A special date order queue within the allocations scheme, £2,000 lump sum; £400 for removals plus help with the arrangements if over 60
Releasing a house and moving to bedsit one bed general needs property	As above, plus a choice of improvements up to or the value of £2,000 (see table 2.5)

* Most local authority schemes are designated. People moving to other (more popular) local authority schemes, or RSL schemes, do not receive any payment, but may receive help with the move.

3.3.5 Advantages of a simple policy

- It will be easier for tenants to understand.
- They will probably think it is fairer.
- People are less likely to be prevented from moving for lack of funds.
- It is less likely to reward people already living in the most sought after or popular properties, or to penalise those who may feel they have 'served their time' in upper storey flats or on unpopular estates.
- It is likely to be easier to administer.

3.3.6 Advantages of a targeted policy

- The targeting can be used to favour 'useful' moves,
- The total amount spent on cash payments may be lower, since some payments (to people taking 'choice' properties) can be avoided.

3.3.7 The need to avoid paying to release properties for which there is little or no demand is a real consideration, and it may seem a poor use of scarce resources to pay for moves that would have happened anyway.

- 3.3.8 However, it may be unwise to think that a scheme that is carefully tuned from the landlord's point of view will necessarily have any effect on people's behaviour on the ground. Attempts to steer people towards hard to let properties, for example, are unlikely to work with underoccupiers – they are being asked to give up too much for too little.

3.4 Other criteria

- 3.4.1 You will also need to decide whether the following kinds of move are eligible for the incentive scheme. It may be sensible and equitable to include them unless there is a good reason to do otherwise.

- People moving from local authority to RSL properties or vice versa.
- Underoccupiers who exchange with an overcrowded household.
- People moving via HOMES or the Seaside and Country Homes Scheme.
- Two tenancies for one (see paragraph 4.3.3 & Table 4.1).
- Legal successors to a tenancy (see paragraph 4.12.1).

3.5 What size payments?

- 3.5.1 The size of payments may be affected by a number of factors:

- whether the cash is intended as a gesture of goodwill, as compensation for trading down or as an incentive;
- whether payments are intended to cover the actual costs of moving (and, if so, the elements to be included);
- whether to include an element for improving the new home (if so, there may be scope for using resources from other budgets for this);
- the average payment may be determined by the overall budget and the target number of moves (more commonly, however, the average payment and budget determine the target);
- whether payments need to be comparable with those of neighbouring local authorities and RSLs;
- the existence of any evidence (e.g. from local surveys, past experience or consultations with tenants or staff) of what tenants would consider to be realistic;
- the desire to encourage some types of move rather than others (see earlier).

- 3.5.2 Small payments can create a lot of work and leave tenants out of pocket:

We didn't have much money left. We went to carpet warehouses and found end of rolls, so the carpets don't match. We went for cheaper things, and did things ourselves...The council have a swap system. We gave them our big unit and bought a small one for £5. (Couple given £250).

They gave me £500 because I was giving up a bigger house...£500 doesn't go very far with new curtains and new flooring in the bathroom and a garden shed and slabs to put it on ... (Couple given £500).

Table 3.4: The actual costs of moving

- removal costs (either using a removal company or hiring a self drive vehicle);
- packing (if required);
- disconnection and reconnection charges for gas, electricity, telephone, cooker, washing machine and other appliances (including TV and satellite aerials) or replacement (e.g. where someone has a gas cooker but is moving to a property with electricity only);
- alteration or purchase and fitting of carpets and curtains;
- charges for post redirection;
- redecorations (it may be useful to identify this element of the payment separately and pay it only when appropriate).

Table 3.5: Size of payments

- Runnymede has a cash incentive of £1,500, plus up to £5,000 for improvements to the new property (generally used for central heating or installing a new kitchen).
- Westminster pays £1,500 per bedroom released (£2,000 if the property has four bedrooms), plus £900 for decorations plus removal costs.
- In Adur, movers are paid £1,500 for moving from a three to a one or a four to a two bed roomed property. It is considered as an incentive, not just to cover moving costs, but tenants must spend it on 'anything to facilitate the move' (which could include cookers and furniture).
- Hackney regards its flat rate cash payment of £300 as a 'sign of good faith' rather than a real inducement or a realistic reflection of actual expenses.

3.6 The practicalities of cash payments

SHOULD RECEIPTS BE REQUIRED?

- 3.6.1 Receipts may be useful where variable payments are being made on a case by case basis. However, receipts are no longer needed (see paragraph 3.2.6), they are bureaucratic and they may delay the issue of payments.

DEDUCTION OF RENT ARREARS AND OTHER CHARGES

- 3.6.2 It is common for landlords to deduct any rent arrears or Housing Benefit overpayments before releasing the cash. Some also deduct for rechargeable repairs to the old home, or for the cost of clearing rubbish or unwanted furniture. Some deduct additional rent payments if the tenant wants both properties to be available for a week or so while they move in (see paragraph 4.8.2).
- 3.6.3 For a minority of tenants, one of the motivations for trading down is the desire to pay off arrears. However, deduction from the cash payment can leave them inadequately covered for the expense of moving, with the result that they are soon back in debt. A one-off payment may not tackle the basic cause of their financial problems, and from the interviews with tenants for this guide it would seem that people who move solely for

financial reasons are less likely to be happy in their new home. For all these reasons, it is important to:

- discuss the situation with the tenant and check the rent account properly (e.g. for Housing Benefit delays or errors);
- see that they have access to debt and benefits advice;
- make sure that they are fully aware of the deductions that will be made, before deciding to go ahead.

3.6.4 Similarly, tenants need to be forewarned about other likely deductions. Services that are provided for free, or for a small charge, can actually ease the move (see paragraph 4.9.1) – but people need to know in advance, so that they can decide, for example, whether they want to attempt to dispose of furniture themselves.

3.7 The timing of payments

3.7.1 Tenants on low incomes do not have the same access to cash or credit as owner occupiers, so it is important that payments are made as promptly as possible. Some of the people we interviewed had to borrow money in order to move. Some had been given verbal promises of the payment rather than written notification – this caused particular anxiety if they subsequently needed to chase the money or query the amount, and had neither written evidence nor a contact to telephone.

I can't understand why you have to wait 4-6 weeks until you get that money. I had to borrow ... I don't see why they can't pay you the first week you move in.

My friend put the carpets on her credit card and I paid her off when I got the cheque ... otherwise I'd have had to have moved in without carpets, and get them fitted a month later.

3.7.2 One way around this is to raise a cheque for presentation to the tenant on the day of the move. Some people may incur expenses before this, so perhaps a part payment could be made in advance.

3.7.3 The method of payment may also be important to tenants. While many would be happy with a cheque, for others a postal order might be more appropriate (for example, if they need to be able to obtain the cash quickly, do not have a bank account or have a bank account but an overdraft that would swallow up any payment made).

CHAPTER 4

The lettings process

SUMMARY OF GOOD PRACTICE

- It makes sense to encourage the continued involvement of families, as they play a significant role in the decision to move.
- Try to meet underoccupiers half way, it may be justified to allocate two bedroom properties to those moving out of four bedroom or larger homes, or where appropriate, offer two tenancies for one.
- It is worth making every effort to match the preferences of underoccupiers to properties – the better the match the more likely an offer will be accepted.
- Try to be flexible in the number of offers made to underoccupiers – tenants should not feel pressurised into making a decision.
- Give people enough time to view properties and make a decision.
- It is important to offer practical help with the removal process for those tenants who need it. This is particularly important if you want people to move quickly.
- Mutual exchanges can also be useful if an underoccupier exchanges with an overcrowded household.
- It is important to provide tenants with information about schemes, properties etc. This can be more effective if it is provided in person e.g. through home visits.
- Information should sell good points but point out any limitations.
- It is important to consider the intended audience. If you want to appeal to a wide range of underoccupiers, emphasise the positive benefits of a move rather than targeting those who are finding it difficult to cope.

4.1 Introduction

- 4.1.1 The research for this guide suggested that the two main reasons why offers of accommodation are turned down by underoccupiers are lack of space and the condition of properties. In some areas, the pressures being experienced by landlords (to deal with housing stress and to meet performance targets) were being transmitted to tenants via one offer only policies, hurried viewings of properties that had not been properly cleaned or repaired, and pressure to complete all their removal arrangements in less than a week. It is hardly surprising if offers of small flats, arriving out of the blue in circumstances like this, are often refused.
- 4.1.2 The families of older people often play a significant role in encouraging them to transfer to a smaller home and supporting them through the actual move – this emerged as a very persistent feature in the interviews with tenants. An adult son or daughter will often make initial enquiries on behalf of the tenant. It makes sense to encourage their continued involvement – for example, by keeping them informed of progress and arranging viewings at a time when they can be present.

4.2 Making the rules

4.2.1 The more formal features of lettings scheme that are likely to have the most impact on underoccupiers include:

- the priority given to their transfer applications;
- the number of offers to which they will be entitled;
- the type and quality of properties they will be offered;
- whether they will be allowed a spare bedroom in the new home;
- the extent to which their preferences are recorded and acted on;
- whether extra tenancies will be created in some circumstances.

4.2.2 The first and most obvious requirement is to check that the priority given to their transfer applications is actually capable of generating the volume of offers to underoccupiers that you hope to achieve. How this volume should compare with the number of offers to other groups of transfer applicants and to households on the housing register is something that can only be determined locally.

4.2.3 It is also important to decide whether underoccupiers should be subject to the same rules as other applicants, or whether there is a case for them being singled out for special treatment. For example, do the current rules on offers, preferences, etc apply across the board or do they already vary between different needs groups or in different circumstances?

4.2.4 The main argument for singling out underoccupiers is that they are more likely than other transfer applicants to release 'valuable' properties. They are also less likely to be desperate to move than others awaiting a transfer (for many there will be little or no 'housing need' as such) and they may therefore be in a position to be far more choosy. Landlords should ensure that underoccupation policies do not result in discriminatory outcomes e.g for minority ethnic groups or homeless households. However, in many areas minority ethnic and homeless households will often benefit if larger homes are released.

4.3 Extra bedrooms

4.3.1 This is probably the single most important issue, and the one that is most difficult to resolve. Not all underoccupiers want a spare bedroom in their new home, but many do – particularly younger, fitter people whose children have not long left home. If nothing can be done to meet this requirement, they may continue to underoccupy for a considerable time until failing health or a bereavement trigger a move into sheltered or other housing for elderly people.

4.3.2 It is common for people to request an extra bedroom for the following reasons:

- children or grandchildren coming to visit;
- adult sons and daughters who need somewhere to stay when jobs or relationships fail;

- spouses who need to sleep apart (this gets increasingly common as people get older);
- the need to give or receive care;
- storage, hobbies etc.

4.3.3 Landlords in housing stress areas, who are most in need of family homes from underoccupiers, also have the most difficulty in finding and allocating them two bedroom properties. Either the type of property is in very short supply (eg two bedroom bungalows) or it is needed for homeless families and other small families on the housing register. Nevertheless, there may be some scope for meeting underoccupiers half way:

- some two bed homes could be set aside for people moving from four bedroom or larger homes. The housing gain will still be there in many areas, because large homes are in especially short supply, and such a policy recognises that a move from four or more bedrooms to one is rather a lot to ask;
- exceptions might also be made in order to release some three bed properties in areas of high demand, or where the property is particularly suitable for a family that includes a disabled person;
- some three bed properties are occupied by a parent with an adult son or daughter. If they are happy to split up, in may be worth offering two one bed/bedsit properties, rather than a two bed (see below);
- extra care could be taken with one bed offers to underoccupiers, to try to ensure that the properties concerned compensate in other ways for the loss of space – eg large rooms, plenty of storage, a balcony or a patch of garden;
- there may sometimes be a case for offering three bed homes vacated by underoccupiers to homeless families who currently have a two bed need, and allowing the former to take up a two bed vacancy instead of one. Care would be needed to ensure that this does not prejudice the interests of existing tenants who may be overcrowded in one bedroom properties.

4.3.4 In addition, of course, some underoccupiers will have a medical or care need for an extra bedroom and will need to be considered on the same basis as anyone else.

Table 4.1: Good Practice Example: offering two tenancies for one

LB Westminster is typical of many London boroughs in not wanting to encourage moves from three bedrooms to two. It has a pilot scheme in which two tenancies are offered to underoccupying households consisting of parent and adult son/daughter. The parent is allocated a one bed and the adult child a bedsit. Households in this position do not qualify for a cash incentive but the local authority will pay for redecorations, if they are required.

4.4 Number of offers

- 4.4.1 Some social landlords are happy to go on making offers to underoccupiers until the tenant sees something they like. Elsewhere (again this tends to be housing stress areas) the number of offers is restricted. After one or two refusals, transfer applications are suspended for a year or so. It is not altogether clear what this achieves in the case of underoccupiers, apart from putting them on the same footing as other applicants (which may be an important consideration). If it is an attempt to reduce relet times by reducing refusal rates, the effects are likely to be marginal. Many of the underoccupiers we interviewed were resentful but determined to sit it out. However, those who really needed to move felt very pressurised at viewings, and it added to the stress they were already experiencing.

4.5 Housing preferences and making matches

- 4.5.1 Underoccupiers often have very specific requirements. Although computer matching systems are increasingly sophisticated, they may not take account of particular features of the property that are important – eg the size of rooms, storage space, outside steps or slopes. If refusal rates are high or some underoccupiers have been on the list for a long time, there will often be a good case for a home visit to discuss these preferences in detail (see paragraph 5.2). This could be followed up by comparing their detailed preferences against properties that are empty or about to become empty – someone with knowledge of the tenant can intervene at this stage and decide whether it would be worth giving the underoccupier first refusal.
- 4.5.2 The better the match, the more likely it is that people will accept what is being offered to them. This will also avoid the situation where they lose faith in the underoccupation scheme because they are made inappropriate offers – although personal knowledge of the tenant can also be used to make slightly more speculative offers.
- 4.5.3 Location is particularly important – for example, knowing the likely journey time to friends or relatives, or whether someone will be able to continue at the same GP surgery or place of worship. For elderly people with pets, it may be important to know the policy of individual local authority or RSL sheltered schemes.

4.6 Information

- 4.6.1 The better understanding people have about the availability of properties and how the process of receiving offers, viewing and moving is likely to work, the better the chance that they will be able to make the right decisions for them and to make a successful move. Much of this information needs to be conveyed in person, ideally via home visits from staff with knowledge and experience of these issues (see paragraph 5.2 – 5.3.7).

I think you should have a personal visit ... to give you a chance to discuss it properly. ... I think some more in depth information would be very useful, because the whole business of moving is very stressful.

- 4.6.2 The information that can be provided to people who are thinking of moving, or who have decided to do so, falls into three categories:

- the underoccupation scheme – written information outlining all the special measures and benefits that may be available, and explaining about eligibility;
- properties for underoccupiers – this might take the form of one or more brochures about specific housing schemes (old or new) that would be attractive to underoccupiers;
- moving home – practical information, some of which needs to be provided on a one-to one basis.

THE UNDEROCCUPATION SCHEME

- 4.6.3 Many landlords provide leaflets about the underoccupation scheme, and these are generally appreciated by tenants. There is an example at Appendix 2. Regular articles in tenants' newsletters can also be effective, and some landlords have held meetings where specialist staff are on hand to talk about the opportunities available (this could be combined with visits to specific housing schemes).
- 4.6.4 It is important to think about the intended audience. Some landlords only target elderly people who may be beginning to find it difficult to cope, because it is often easier to find alternative properties and arrange the move. However, this may not generate as many family sized voids as you would like.
- 4.6.5 If you need to attract applications from younger, fitter people it may be better to highlight the positive benefits of a move rather than to imply that the scheme is only intended for people who are already in difficulties. A leaflet that is headed with a question like 'Is it all too much for you?' will only be noticed by a minority of underoccupiers. Similarly, using words like 'underoccupation' or implying that people have too much space will not be noticed by people who might be interested in moving for another reason and do not mind giving up a room.

PROPERTIES FOR UNDEROCCUPIERS

There should be more information about different places, people don't know where all the properties can be found.

- 4.6.6 Information about individual schemes allows people to familiarise themselves with what is likely to be available and may help to broaden their choices. The sort of information that may be useful includes:
- number, size and type of properties;
 - size of rooms (especially kitchens);
 - stairs and lifts;
 - the distance to shops and transport;
 - leisure facilities in the area;

- nearest places of worship, GPs, hospitals;
- public transport (frequency and cost);
- heating system (and likely fuel costs);
- insulation/double glazing;
- rents/council tax;
- whether pets are allowed;
- gardens/balconies;
- storage space;
- whether the area is hilly;
- whether there is a caretaker;
- security (eg entryphone system);
- description of the warden service (if applicable);
- communal facilities (if applicable);
- social activities (if applicable).

4.6.7 An information sheet or brochure describing developments that are likely to appeal to underoccupiers would be a worthwhile one-off investment. It should sell the good points, but point out any limitations (eg will all the usual items of equipment actually fit in one of the kitchens). It can ease the lettings process, because people will often visit the development (or visits can be arranged) and decide if they are interested before a specific vacancy arises.

Other rehousing options

4.6.8 Although people often wish to remain with the same landlord and may have their eye on a very specific type or location of property, it is still worth checking if they have considered other options:

- A mutual exchange may be the most realistic possibility for someone who wishes to retain a spare bedroom.
- A HOMES move may be possible for people who wish to be nearer relatives. Although many landlords only seem to be willing to offer bedsits, it may be possible to arrange something better on a reciprocal basis.
- For London boroughs, the Seaside and Country Homes Scheme gives a high priority to moves that release family sized properties.
- The interviews with Local authority tenants for this research indicated that they may be reluctant to move to RSL properties, because they feel they may lose security or have higher rents. Sometimes this is due to a lack of knowledge or experience of RSLs, which can be addressed with better information.

- Some people have misconceptions about sheltered housing which can also be addressed (see paragraph 2.7.7 – 2.7.8).
- A cash incentive to purchase a property is sometimes a better option.

Rents and other housing costs

- 4.6.9 People often expect that they will pay a lower rent when they move to a smaller home – for some people, this is one of considerations that has prompted them to apply. In practice, however, some trading down moves involve a rent increase – eg from local authority to RSL properties, from general needs to sheltered housing, or when factors other than size – such as location and lettability – are taken into account in the rent structure.
- 4.6.10 People in receipt of full Housing Benefit will not immediately feel the impact of a rent increase, but some may come off full Housing Benefit at a later date. Council tax and fuel bills may reduce in a smaller home, and some people may save on other items (eg water). The combined rent and service charge for sheltered accommodation may include elements such as heating, laundry costs or TV licence that will provide savings for the tenant in other areas. All these possibilities need to be discussed – many people do not appreciate all the financial implications before the move.

MOVING HOME

- 4.6.11 Many underoccupiers have lived in the same home for 20 or 30 years and are unfamiliar with the current allocations system, with the current supply and demand situation, and with the whole business of moving home. If they are being asked to move at short notice, to decorate their new home themselves or to leave the existing one in good condition, then it is all the more important that they are forewarned about your policies and procedures.
- 4.6.12 Based on our interviews with tenants, the specific kinds of information they would like include:
- their chances of getting the sort of property they are looking for;
 - how long they will have to wait;
 - how any incentive payments will be administered, and whether there will be any deductions;
 - whether the landlord will decorate the new home, and if not, what assistance they can expect to do the work themselves;
 - how much warning they will get when they are invited to view an offer, whether they will have to make their own way there, and how long they will have to decide;
 - whether they will be penalised in any way if they turn the offer down;
 - how long they will have to make removal arrangements;
 - whether they can have longer (eg by paying rent on two properties);
 - which fixtures to leave or clear from their existing home;

- whether they will be able to borrow the keys to the new home in order to measure up, clean, decorate, put down carpets;
- a list of recommended removal firms (if the landlord is not making the arrangements) and charities etc who will take unwanted furniture;
- an aide memoire listing all the things to do (and organisations to be notified) when moving home.

4.7 Viewing offers

4.7.1 An offer that arrives unexpectedly and a hurried visit to view a property that can seem tiny in relation to the existing home are both unsettling experiences, especially if the new home is not clean and well-presented. Many underoccupiers are elderly or long-standing tenants who expect this to be their last move, so it is important to get it right.

4.7.2 Steps that can be taken to ease the process include:

- offering transport to the viewing;
- having a member of staff who is known to the tenant to show them around and explain about any works that are to be done on the property;
- encouraging them to bring a friend or relative, or allowing time for a second visit;
- giving them time on their own to look around;
- not expecting an instant decision;
- providing information about the area, if this is unfamiliar;
- explaining/reminding people about timescales, and any practical help that may be available for the move.

4.7.3 Giving people time to decide may increase relet and void times. However, it is important that they do not accept inappropriate offers – or refuse perfectly appropriate ones – just because they feel rushed into making a decision.

I had until the next morning to decide whether I wanted it or not. I didn't really have time to think, and if I'm not certain I say 'no'. It wasn't long enough and I couldn't decide that quick.

I felt very rushed. The offer came out of the blue. I had to decide on the area and take into account what the children wanted – to try to 'sell' it to them as an idea. It was all very difficult. I also had to think about schools.

4.7.4 In some cases it may help to suggest a property informally at an earlier stage in the process, for example while works are being done. Even if they can only look at it from the outside, people can do this in their own time and it gives them a chance to adjust to the idea and to look around the area.

4.8 Allowing time to move

- 4.8.1 Once they have accepted an offer, people need sufficient time to arrange their move. Some of the tenants we interviewed had been given a week or less, because their landlord was keen to minimise relet times and meet performance targets. The tenants concerned felt very strongly about this because they had so much to arrange, and so little time to dispose of belongings – underoccupier moves, by definition, almost always mean people have to get rid of furniture. If the new property has not been newly cleaned and decorated, there is even more to do. Some people were in full time work and it was difficult to get time off at such short notice. Putting people under this kind of stress can be counter-productive as people may be tempted to turn down it down rather than face the sudden upheaval.

The time was too short. A lot of my stuff was left at the other flat – my gas cooker, because I didn't have time to call the gas board to disconnect and reconnect it for me, because I had to return the key to my other flat the day I moved.

*We need plenty of time because we've got stuff to get rid of and it's not stuff you can dump.
(transfer applicant)*

- 4.8.2 If it is really impossible to relax the target relet times, there are a number of other things that can be done:
- Unless you are paying a reasonably generous incentive, it is worth considering a rent free week or fortnight on the new property.
 - Where a bigger incentive is paid, tenants could be given the option of paying an extra week or two's rent themselves, or selecting a rent free period from the menu for the underoccupation package.
 - You could consider arranging for Housing Benefit to be paid on two properties for a week or so.
 - If there is no scope for an overlap period, tenants might still be given the keys a few days before moving in, so that they can clean, decorate, fit carpets etc before moving their furniture.
- 4.8.3 The speed with which tenants are sometimes required to move provides an additional reason for making sure that they help with the removal process is available for those who need it.

4.9 Practical help

- 4.9.1 Not all underoccupiers need this kind of help. However, for some the move will a major upheaval and they would find it extremely difficult to proceed without it. Some of the following services could be costed as deductions from the incentive payment for those who choose to use them, or included on a menu of options within the total budget for each move. It is important to make sure that tenants are told about any deductions in advance so that they can make an informed choice (see paragraph 4.6.12).

4.9.2 Housing staff may not need to get involved in all these arrangements, although some do. In some areas assistance (particularly for elderly or disabled people) may be available from social services or from local voluntary organisations or charities. Many of the tenants we interviewed had relatives who could help in various ways and some will only need information – for example a list of things to do/organisations to contact (see paragraph 4.6.12).

4.9.3 Removal arrangements

- Recommending removal firms.
- Making all the arrangements.
- Help with packing and unpacking.

4.9.4 Other services

- Notifying services such as gas, electricity, water, telephone, council tax and Housing Benefit sections.
- Arranging for other services to be transferred (eg community alarm, meals on wheels etc).
- Ensuring that meters are read before the tenant moves out.
- Arranging for disconnection and reconnection of appliances (eg cookers, washing machines, TV aerials/dishes).
- Fitting carpets and curtains.
- Informing friends, family, doctor, dentist, bank, insurance companies etc of the new address.
- Arranging for redirection of mail.

4.9.5 House clearance/disposal of furniture:

- Arranging for the collection of unwanted furniture or other items, or recommending a charity or commercial firms.
- Making the arrangements.
- Help with sorting what to take and what to have removed.
- Collection and disposal of rubbish.

4.9.6 Many of the tenants we interviewed were distressed to think that furniture and possessions they could not accommodate in the new home would simply be scrapped – they were much happier to leave things behind if the landlord was involved in a recycling scheme. Charging for house clearance (even if this is deducted from a generous incentive) loses goodwill, especially if people are not warned in advance so that they can decide whether or not to make their own arrangements.

The council cleared all our rubbish from the other house, free of charge. The housing manager said 'any rubbish you want to leave...just leave it in one of the rooms and we will clear it'. That was very helpful.

4.10 Settling in and aftercare

- 4.10.1 After many years in the same home, people may need immediate help to use unfamiliar equipment. In sheltered accommodation there will often be a warden on hand, but elsewhere a quick visit can resolve these difficulties and also serve as a check that removal arrangements went according to plan.

We couldn't get the boiler started and we wanted hot water so he turned the gas on for me. I wouldn't have known how to do that – I've never had gas.

I think they could have explained how to use the fire and how to control the central heating.

- 4.10.2 In addition, some tenants may find it very helpful to be offered assistance with small household tasks, such as putting up shelves and curtain tracks and hanging pictures.
- 4.10.3 Some people may benefit from an additional visit a few weeks or months later, or phone calls during their settling in period. These contacts can be used to check that promised repairs or decorations have been done and that incentive payments have been received as agreed. Some of the tenants we interviewed felt that their landlord had lost interest in them:

They wanted the house, they got it, and that was it. You still need help when they've got that house – they should still treat you a bit better.

4.11 Mutual exchanges

- 4.11.1 Mutual exchanges can play a useful role, for example where an underoccupier exchanges with an overcrowded household. Other exchanges may be less useful, because they may result in continuing underoccupation, or simply transfer spare rooms from one household to another.

RESOLVING UNDEROCCUPATION

- 4.11.2 There are some circumstances in which an exchange may be a better option than a transfer, for example:
- if the underoccupier is prepared to trade down but wishes to retain a spare bedroom after the move, and the landlord is unwilling to offer this via the transfer system;
 - if the home being released is not sufficiently valuable to the landlord to be included in the underoccupation scheme.
- 4.11.3 However, interviews with tenants and housing staff indicated that there are a number of problems that can deter some underoccupiers:
- People living in desirable family houses may find that nearly everyone who wishes to exchange with them is trying to escape from a hard to let estate.

- Conversely, underoccupiers living on certain estates may find that no one is interested in their property.
- People usually have to make all the arrangements (such as inspecting properties and negotiating the exchange) themselves, with little or no input from housing staff. They also have to complete the move on a single day, with no possibility of an overlap.
- Older people and those living on their own are often reluctant to have their telephone number advertised and to be visited by strangers.
- Tenants have to decorate the new home themselves.
- Some people cannot afford to move without an incentive payment – these are often not available for mutual exchanges.

4.11.4 Steps can be taken to overcome some of these problems, for example by paying incentives for useful moves and by more involvement from housing staff in the process of finding matches. One landlord in the telephone survey had adopted the following approach:

The officer who deals with exchanges keeps a little notebook of people who don't want to be put on the open list, because they don't want people calling on them to look round. She will do searches for them.

4.11.5 Local authorities can only pay incentives to households from within their own HRA (see paragraph 3.2.4). Underoccupiers who move to another local authority area can therefore only be paid by the originating authority, even if the receiving landlord benefits from a reduction in overcrowding.

DISCOURAGING MUTUAL EXCHANGES THAT RESULT IN UNDEROCCUPATION

4.11.6 Under the 'right to exchange' (Section 92 of the Housing Act 1985), social landlords may withhold consent to a mutual exchange by a secure tenant if 'the accommodation afforded by the dwelling house is substantially more extensive than is reasonably required by the proposed assignee' or if 'the extent of the accommodation afforded by the dwelling house is not reasonably suitable to the needs of the assignee and his family'.

4.11.7 Landlords differ about whether to interpret 'substantially more extensive' as one, or two or more, spare bedrooms. The fact that the word 'substantially' does not occur in the legislation on successor tenancies (see below) encourages some to adopt a limit of two or more.

4.12 Successors

- 4.12.1 Legal succession to a tenancy can result in underoccupation (or an increased level of underoccupation).

Table 4.2: Section 84 and Schedule 2 of the Housing Act 1985

For secure tenants, when a successor is a family member other than a spouse, social landlords are allowed, under Section 84 and Schedule 2 of the Housing Act 1985, to seek possession on the ground that 'the accommodation afforded by the dwelling house is more extensive than is reasonably required'. Any such notice must be served between six and twelve months after the death of the previous tenant, and the landlord must be able to demonstrate that suitable alternative accommodation is available for the successor. In deciding whether to grant possession in these circumstances, the courts will take into account the age and length of residence of the successor, and any financial or other support he or she may have given to the previous tenant.

- 4.12.2 Clearly, timing is an important consideration. Each case needs to be considered individually and sensitivity will be required if someone has recently been bereaved. An early offer of suitable accommodation will often persuade a successor to move, without the need for court action. Successors could be offered incentives and assistance to move on the same basis as other underoccupiers.
- 4.12.3 The situation is somewhat different for assured RSL tenants. Only spouses have a legal right to succeed and the legislation makes no mention of underoccupation as grounds for refusing succession. However, the Housing Corporation's Performance Standards (Annex to Standard G) specify certain groups (such as unpaid live-in carers or partners of the same sex) who, if they fulfil certain criteria, should be granted succession (either in the same home or suitable alternative accommodation) provided that the RSL 'is satisfied that this is a priority when viewed in the context of the other demands on its housing and the housing needs of their area'. Underoccupation could therefore be a factor in whether or not an RSL grants succession in these cases. The Housing Corporation is developing a new regulatory code which may alter this position.

CHAPTER 5

Benefits of the personal approach and using specialist staff

SUMMARY OF GOOD PRACTICE

- Tenants appreciate a single point of contact, someone who knows their case.
- Home visits are particularly useful for getting to know the tenant, discussing their requirements, providing information in person and assessing the current property.
- Specialist staff can be very effective in increasing the numbers of moves by discussing with tenants their requirements, explaining what help is available and finding suitable properties.

5.1 Introduction

- 5.1.1 Tenants appreciate a single point of contact – someone who is familiar with their case. Some appreciate the occasional phone call or letter, just to reassure them their application is still being considered and to check if their circumstances have changed:

I never know who I am dealing with....I can never understand where the communications come from and it's usually part time staff, so when you do get a name they are not there.

5.2 Home visits

- 5.2.1 These serve several purposes:

1. Getting to know the tenant

It is an opportunity to discuss their requirements and preferences in detail; to advise on the likelihood of success and to suggest other options (eg one bed instead of two, ground floor flat instead of bungalow, sheltered instead of general needs). There is of course no point in obtaining very detailed information if it is not going to be used when making offers, so home visits are probably most effective when followed up with an active search for the right property, rather than relying on computer matches.

2. Negotiation

The visit is an opportunity to persuade people to broaden or narrow their requirements – they are more likely to do this if given a realistic idea of their chances. Careful discussion and counselling can ensure that vulnerable applicants (eg those who have recently been the victim of crime) do not necessarily take the first offer that comes along. People with no immediate need to move, on the other hand, may be tempted to wait for the ideal

property – information about the number and type of properties of this kind becoming available each year, and the likely waiting time, may encourage them to reconsider.

3. Providing information about the underoccupation scheme, the allocations system and the process of moving (see paragraph 4:6 – 4.7.2).

She gave us an insight into the pounds and pence. She told us what we would be allowed and what they could afford

4. Assessing the current property

This will be especially relevant if the underoccupation scheme has discretionary features that depend on the usefulness of the move.

Trying to describe your flat over the phone is so difficult ... there's no communication. It's all done on the computer. All you get is a list off the computer ... They should call on people personally ... to see your flat for themselves.

5.3 Specialist staff

5.3.1 The suggestions in this section are largely based on the experiences of staff and/or tenants in the following local authorities:

Table 5.1

Barnet – trade down officer
Hackney – rehousing initiatives team (3 people, more than one FTE on underoccupation)
Lewisham – underoccupation officer
Westminster – cash incentives officer
Woking – elderly persons adviser.

5.3.2 The staff concerned go under a variety of job titles because although much of their time is spent on underoccupiers, they may be dealing with other types of tenant as well (eg elderly or disabled people) or they may be involved in other special initiatives (eg inspecting notified voids for pre-allocation). Westminster created a post after market research with underoccupiers who had moved had indicated a strong preference for a single point of contact.

5.3.3 Landlords with a small portfolio may feel that they are already able to provide enough personal contact, via a housing officer who is already known to the tenant. Where that is the case, many of the tasks suggested here could be undertaken by that person.

5.3.4 No one person is likely to be given responsibility for all the tasks on the following list, but it shows how specialist posts can be used both to improve communication with underoccupiers and to act as their advocate.

Table 5.2: Underoccupation officer – possible responsibilities

- identify and contact potential transfer applicants (see Table 5.3).
- carry out home visits to underoccupiers who have already applied to move – discuss their preferences; advise on the chances of rehousing; provide information about the housing options, the underoccupation scheme and the process of moving (see paragraph 5.2).
- advise about the costs of the move, the help that is available, and how and when payments will be made.
- keep in touch and check for changes in circumstances.
- encourage and maintain contact with their families, where appropriate.
- where necessary, liaise with social services and occupational therapists to establish any support needs.
- assess the property being vacated – its suitability for meeting housing shortages, with or without extensive repairs/adaptation.
- identify potential properties for underoccupiers from present and forthcoming voids.
- negotiate with allocations staff for the right to give underoccupiers first refusal on voids.
- accompany tenants to view properties on offer (see paragraph 4.7.2).
- arrange practical assistance with the move (see paragraph 4.9.1).
- arrange and authorise payment of cash incentives/expenses.
- liaise with maintenance staff about agreed improvements or decorations.
- provide aftercare (see paragraph 4.10.1).
- monitor progress and expenditure.
- ‘clean up’ transfer list data to ensure that rehousing points are accurate and that future offers are consistent with applicants’ needs and preferences.
- visit successors to assess whether it is appropriate to recommend a move (see paragraph 4.12.1 – 4.12.2).
- maintain regular contact with estate or neighbourhood staff, to ensure that they are well informed about the underoccupation policy and in a position to offer initial advice before referring tenants to the scheme.
- assist with marketing of the scheme and the development of new initiatives.

Table 5.3: Role of Specialist Staff: Lewisham

The specialist officer in Lewisham spends about 90 per cent of her time on underoccupation. Her duties include identifying suitable underoccupiers by trawling the transfer list, visiting and counselling potential movers (involving discussing options and correcting mistaken perceptions about sheltered housing), monitoring new vacancies and forthcoming handovers and taking potential movers on accompanied viewings. She negotiates with potential movers on the size/area of properties they will accept and on the cash assistance that can be provided. Where necessary, her role extends to providing lists of contractors (eg removal companies) and, in some cases, administration involving the move.

Table 5.4: Role of Specialist Staff: Hackney

LB Hackney has specific staff who counsel applicants on their realistic options and opportunities and also act as advocates in an attempt to obtain a property to meet applicants' preferences. They have found that older people respond particularly well to personal visits compared with other forms of communication. Acting as an adviser and advocate for elderly people is particularly effective because many of those concerned are relatively unassertive and lacking in confidence.

Table 5.5: Role of Specialist Staff: Westminster

LB Hackney has specific staff who counsel applicants on their realistic options and opportunities and also act as advocates in an attempt to obtain a property to meet applicants' preferences. They have found that older people respond particularly well to personal visits compared with other forms of communication. Acting as an adviser and advocate for elderly people is particularly effective because many of those concerned are relatively unassertive and lacking in confidence.

The officer needs to have good interpersonal skills and a feel for the stock. Continuity is important (landlord).

I couldn't be better. She's helpful and honest. She didn't paint a rosy picture. You know where you stand with her (tenant).

- 5.3.5 Specialist staff described the role as overcoming every barrier on an individual basis – 'you meet every obstacle as it comes up'. In one area, underoccupation moves had increased from 30 a year to over 100 – although as with any other policy initiative in this area, it may be difficult to sustain this level of moves in the longer term.
- 5.3.6 Some specialist staff are given control of the underoccupation budget and a degree of discretion about how to use it. They might also be empowered to hand pick properties (in agreement with mainstream allocations staff); to make offers; to decide whether someone with a one bed need can be offered a two bedroom property, and to bend the rules slightly (eg by allowing more time for the move). Interviews with underoccupiers suggest that they appreciate dealing with someone who is 'able to get things done' and often want staff to have more discretion, rather than sticking to the rules all the time.
- 5.3.7 There are of course some disadvantages: other types of housing applicant might suffer a reduction in both the quantity and quality of offers, and there may be some delay in relet times.

APPENDIX 1

Measuring and researching underoccupation

1. In order to determine how much (if any) effort to put into an underoccupation strategy, landlords need good information in the following areas:
 - the demand for family housing from existing and prospective tenants;
 - the current supply of suitable relets for families;
 - the extent of underoccupation in the stock;
 - the supply of relets suitable for underoccupiers.
2. All this information needs to be disaggregated if it is to be of much use. For example, landlords need to know not just how much underoccupation there is, but whether it is located in the sizes and types of property – and in the locations – where there are currently shortages. This in turn means knowing where and how demand for family housing exceeds supply.

Information on underoccupation

3. One-off tenant surveys or censuses, and databases that are regularly updated, provide the best sources of information on underoccupation. More general housing needs surveys can also be used to examine household composition and occupancy among tenants, so it is worth thinking about how these types of surveys can be used to look at underoccupation at an early stage, when questionnaires are being drafted.
4. Other surveys undertaken by landlords that can be used to collect basic information on household composition include consultation exercises and tenant satisfaction surveys. In addition, Council Tax records can be used to identify tenants who are underoccupying, by looking at those claiming single person benefit and matching to the property type and size that the tenant lives in. Housing Benefit records may also be a useful source.
5. Another potential source of information on occupancy will be the next Census, as questions on household composition and the number of rooms available to the household are standard items in the Census. This source could therefore provide social landlords with a one-off opportunity to obtain consistent information for quite small areas right across the country, at a marginal cost. However, it will only be of use as a measure of underoccupation if the data are processed in an appropriate way.

Information on supply and demand

6. In analysing their own data and in specifying housing needs surveys to be carried out by external agencies, it is important that local authorities analyse supply and demand separately for each size of dwelling. Such an analysis would provide a much firmer basis for policy decisions on either promoting underoccupier moves or underletting some properties.

Monitoring and feedback


7. It is a good idea to record and analyse some standard information about both underoccupiers on the transfer list and those that have moved. Monitoring can be used to:
 - assess the needs and requirements of underoccupiers;
 - set targets for the number and type of underoccupier moves;
 - measure performance against targets;
 - formulate policy.

Table 1: Suggestions of what could be monitored	
Underoccupiers on the transfer list	Underoccupiers that have moved
	Tenants' age Household type Ethnic origin Eligibility for Housing Benefit Number and date(s) of offers Number of refusals and reason(s) for refusal
Size of current property Type of current property Location of current property Size(s) of property required Type(s) of property required Other details of the property required Location(s) of property required Whether registered for a mutual exchange or a mobility move	Size of property released Type of property released Location of property released Size of property accepted Type of property accepted Other details of the property accepted Location of property accepted Whether move was through the transfer list, mutual exchange or mobility scheme Type(s) and, where financial, level of incentive(s)


8. It may also be worth conducting occasional surveys of underoccupiers who have moved – to obtain more in depth information about views and experiences of the underoccupation scheme.

APPENDIX 2

Example of an underoccupation leaflet



***Tenants
Moving On
Scheme***



**Stevenage Borough Council
Daneshill House
Danestrete
Stevenage
SG1 1HN
Tel: (01438) 356177**



Are you living in a 2, 3, 4 or 5 bedroom house which is now too big for you?

Would you like to move somewhere more suitable?

Are you put off by the cost and upheaval of it all?

WE MAY BE ABLE TO HELP!

We have put together a package to help tenants, who are living in houses too large for them, to move home.

This leaflet explains the details of our 'Moving On' Scheme and you will also find an application form at the back.

IF YOU ARE INTERESTED GET IN TOUCH QUICKLY AS FUNDS ARE LIMITED.

There are four ways we may be able to help you.



Please read the information carefully to find out which parts of the scheme fit your situation.

Need any help or advice?

Please contact your local Neighbourhood Office.



Help with moving

A lump sum of £400 to cover the cost of your removals, disconnections and reconnections. Plus if you are over 60, help with packing, dismantling furniture, contacting Gas and Electricity Boards and so on.






Help with other costs

A lump sum of £2,000 to help with the other costs that moving house entails (adapting carpets and curtains and so on)

Who is eligible for help?

You need to be the tenant of a 2, 3, 4 or 5 bedroom Stevenage Borough Council house, then

- if you want to move to a 2 bedroom property but only need one we can help you under  but you would not be entitled to any other help.

- if you move to a bedsit flat or a one bedroom flat in certain sheltered schemes, we can help you under  and 

A total package worth £2,400

- if you move to a one bedroomed or bedsit flat, we can help you under   and 

A total package worth £4,400

Some questions and answers

Q Does this scheme apply if I move by way of a mutual exchange?

A No, mutual exchange moves are not included.

Q What happens if I want to move to a flat in a sheltered scheme which is not included under the Moving on Scheme?

A We may be able to help you under our long standing Tenants Removal Scheme for sheltered housing (we have a separate leaflet on this). Unfortunately there are no other additional benefits.

Q What happens if I'm in arrears with my rent?

A We may still be able to help you and your arrears would be deducted from any lump sum payment. You would need to discuss your situation with the staff at your Neighbourhood Office.

If you are interested in the scheme please complete the application form and return it to your local Neighbourhood Office as soon as possible.

Further copies of this guide are available from:

Department of Environment, Transport and the Regions
DETR Free Literature
PO Box 236
Wetherby
West Yorkshire
LS23 7NB
Tel: 0870 1226 236
Fax: 0870 1226 237

Or via the DETR web site:
www.housing.detr.gov.uk