

REPORT FOR: Tenant, Leaseholder and Resident Consultative Forum

Date of Meeting:	30 th April 2014
Subject:	Grants to Move Scheme – Update and Six Month Review
Key Decision:	No
Responsible Officer:	Lynne Pennington Director of Housing
Portfolio Holder:	Cllr Barry Macleod-Cullinane, Portfolio Holder for Adults and Housing
Exempt:	No
Decision subject to call - in	No
Wards affected:	All
Enclosures:	None

Section 1 – Summary and recommendations

Summary and recommendations

This report gives an update on progress with the Grants to Move scheme since the launch in September 2013. The report also sets out how we are reviewing the scheme.

TLRCF are asked to note the contents of the report and make comments on the updates given, particularly in relation to the six month review of the scheme on these key questions:

- Are tenants generally aware of the Grants to Move scheme?
- Are the incentives set at a level to interest applications?
- Are there any suggestions for changes that could make the scheme more

attractive or effective?

Reason: (For recommendation)

To ensure TLRCF is aware of progress to date of the Grants to Move scheme and has the opportunity to influence future development of the scheme.

Section 2 – Report

A. Background

2.1 The Grants to Move scheme was launched on 30 September 2013 offering council tenants a grant to vacate their council home and move in one of three ways:

- 1) Downsizing to a smaller council or housing association property
- 2) Moving to a private rented property
- 3) Buying a home privately

2.1.1 The scheme is entirely voluntary and officers offer support and advice to prospective movers, and carry out checks to ensure the proposed moves are sustainable in the longer term and that they meet the objective of freeing up homes to be allocated to households in high priority need.

2.1.2 Delegated authority was given by Cabinet meeting on 20th June 2013, in resolved Item 656 of the minutes which states that the Grants to Move scheme “be approved and the Corporate Director of Community, Health and Wellbeing, the Director of Finance and Assurance and the Portfolio Holder for Community and Cultural Services and Housing be granted delegated authority to approve amendments to the Scheme as necessary to ensure the Scheme objectives were achieved to time and within budget.” The proposed scheme is outlined in the Report to Cabinet, Housing Business Plan 2013, Appendix 4, Agenda Item 9, Pages 61 to 186.

2.1.3 The same report to Cabinet, Appendix 4 point 2.5.2, “It is proposed that each of the schemes (*Private rented and Home ownership*) be reviewed 6 months after implementation, or after half of the allocated budget for the period 2013-14 is spent, whichever is sooner. Where demand for the scheme is lower or significantly higher than the budget allocation allows, the scheme will be reviewed and amended as appropriate via the delegated authorities sought in this report.

B. Downsizing/ Under occupier grants & decoration allowance

2.2 The Downsizing scheme for tenants under occupying council properties has been running successfully for many years. With the introduction of Grants to Move, the Downsizing scheme was enhanced to provide a flat rate decoration allowance of £1,500 to tenants moving to a smaller council property. This is in addition to the £1,500 grant per room given up. Downsizing and private rented schemes mirror each other in offering a £1,500 grant for each surplus bedroom freed up.

2.2.1 Since the launch on 30 September 2013, Grants to Move, has paid 12 decoration allowances in the 2013/14 financial year at a total cost of £18,000. This is in addition to the grant that is paid for downsizing to a smaller property. These grants are paid through a separate scheme. This has freed up 15 bedrooms.

C. Private Rented moves and pipeline

2.3 There have been 6 moves under the 'private rented scheme' to date, a total cost of £28,386, average £4,731 per property. This has resulted in 1 x 5 bedroom parlour house, 4x 2 bedroom and 1x 1 bedroom properties being vacated, enabling these to be offered to families in housing need under the Allocations Policy.

2.3.1 Tenants' reasons for moving have included: older tenants moving to be nearer to their family for support, one couple realising their ambition to move to the coast to enjoy their retirement, a tenant moving in with her partner and another moving to Hertfordshire for a fresh start.

2.3.2 There are 4 applications in the pipeline, actively searching for properties; two of these applicants currently occupy 3 bedroom properties.

2.3.3 Awarding these grants has enabled six families to move to the private sector and this initiates a chain of moves, ultimately resulting in further families being able to leave bed and breakfast accommodation. This at an average cost of £12,500 per annum, totalling £75,000 for six families against the total grant award of £28,386.

D. Home ownership moves and pipeline

2.4 In the financial year 2013/2014 there have been no home ownership grants awarded, although we have a current pipeline of 6 applications, with one applicant being near to exchange of contracts for a property in Northants. In addition, a pilot grant application in summer 2013 fell through due to conveyancing difficulties.

2.4.1 The housing market in Harrow and surrounding areas (in common with other areas of London) has become over heated since the beginning of the year with the result that suitable properties are becoming unaffordable as prices are being pushed up with the high demand. In addition, the recent increase in the maximum Right to Buy discount (to £100,000) is also proving attractive to tenants seeking home ownership. Both these factors may have impacted detrimentally on take up of the Home Ownership grant option.

2.4.2 In spite of this we think there is a good chance that the current pipeline of applications will result in successful moves if the market becomes more settled. We are also promoting grants for moves into shared ownership where this is appropriate for the applicant.

2.4.3 Home ownership applications to date have mainly been from tenants currently occupying the smaller 1 or 2 bedroom council properties. This may be attributed to the high cost of family sized accommodation for families wanting to stay in the Harrow area.

E. Publicity

2.5 A communications plan was developed prior to the start of the scheme and activities to promote the scheme have included:

- A letter sent to all tenants in September 2013, launching the scheme and enclosing an information leaflet
- Regular articles and adverts in Homing In magazine
- A dedicated web page, email address and phone line
- Attendance at the Mutual Exchange Fairs in 2013 and 2014, where we were able to promote the scheme as an alternative option for tenants unable to achieve a move through swapping.

2.5.1 We have also set up an officer steering group which is meeting quarterly to ensure all staff that has contact with council tenants are aware of the options available for people who wish to move from their present accommodation. Through attendance at housing department team meetings we have raised officers' awareness of the scheme. This is a continuing programme.

2.5.2 The Grants to Move team have also given a short presentation about Grants to Move at a HFTRA, (Harrow Federation of Tenants, Residents Association) meeting, where we distributed leaflets and asked for comments on the scheme and proposed review.

We have ordered posters advertising the scheme and will be displaying these in the near future.

F. Six Month Review

2.6 A full review of the Grants to Move scheme after the first six months is currently taking place. It would be helpful to hear TLRCF's comments and suggestions on how the scheme has operated to date with particular reference to the following questions:

- Are tenants generally aware of the Grants to Move scheme?
- Are the incentives set at a level to interest applications?
- Do you have any suggestions for changes that could make the scheme more attractive or effective?

Section 3 - Financial Implications

3.1 There are no financial implications arising from this report.

3.1.1 Extract from the Cabinet Report for June 20th 2014:

"80. In February 2013, Cabinet approved the allocation of £250,000 capital and £250,000 revenue in the HRA to deliver cash incentives to tenants in 2013/14. This will supplement the £69,000 revenue that is allocated to the existing downsizing scheme. Provision has been made in the revenue budget for additional staffing to operate the scheme and to fund communications and additional void works. In addition the Council has submitted a bid for £358,800 to the GLA's "Building the Pipeline" Mayor's Covenant funding. If successful, the investment would be used to match fund the home-ownership grant on a 50:50 basis with the Council, and this

would increase the number of home-ownership moves that could be delivered within budget.”

This bid has been successful, the contract has been received and the council’s legal department are in the process of giving advice on the content.

3.1.2 Expenditure to date:

Home ownership grants (Capital): no spend

Private rented grants (Revenue): £28,386

Downsizing decoration allowance: £18,000

Risk Management Implications

There is a risk register for the Grants to Move scheme, which is reviewed quarterly.

Equalities implications

An Equalities Impact Assessment was carried out for the Grants to Move scheme prior to the scheme being set up.

Corporate Priorities

Cleaner, Safer, Fairer

Ward Councillors notified:

NO

Section 4 - Statutory Officer Clearance

Name: Dave Roberts

on behalf of the
Chief Financial Officer

Date: 14/04/2014

Section 5 - Contact Details and Background Papers

Contact:

Jane Fernley
Partnerships & Strategy Manager
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Background Papers:

Grants to move information – www.harrow.gov.uk/grants2move