

# Downsizing Property Policy – HO033

## 1. POLICY PRINCIPLES

bpha needs to make the most effective use of its housing stock. Where properties are under-occupied or where adapted properties are occupied by those who do not require adaptations, those in need or those with disabilities are less likely to be rehoused. This policy is intended to ensure that properties are being used by those in need and contributes to bpha's approach to managing under occupancy.

This policy sets out bpha's approach to facilitating tenants' moves to smaller properties where they are under-occupying their current home. Under-occupation arises where a household lives in a property that is deemed to be too large for its needs. It is usually defined in terms of excess bedrooms. This policy details the incentives and support available to tenants who are under occupying to support them to downsize to smaller properties. All tenants are eligible but those who pay the spare room subsidy, more commonly known as bedroom tax, will be prioritised before tenants who are under occupying without the financial impact of doing so.

This policy only applies to social and affordable rented properties, it does not apply to shared owners, leaseholders or tenants who pay an intermediate rent (a rental subsidy product).

## 2. HOW WE DELIVER THE DOWNSIZING PROPERTY POLICY

- We work closely with the relevant local authority to facilitate a move where possible.
- We offer financial assistance and a handyman service to tenants to make it easier for them to move.
- We may make direct offers of accommodation to assist tenants needing to downsize, where local nomination agreements permit.
- Tenants and bpha staff have clear and accessible information on:
  - the need for downsizing property incentives, support and assistance.
  - the payments and support available to tenants that downsize.
  - what deductions will be taken from payments.
  - reviews and appeals.

## 3. POLICY STATEMENT

### 3.1 Advice and Assistance

bpha will provide advice and assistance on housing options, to tenants who are under-occupying, especially to those who are potentially affected by the removal of the spare room subsidy,

Tenants identified as under-occupying their homes may be contacted periodically to advise them of housing options and incentives as these become available. This could include:

- permissions required to let a spare room to a lodger.
- advice on mutual exchange.
- advice about the availability of smaller properties through the Local Authority.
- money advice and debt management.

## 3.2 Best Use of Stock

Applications will be prioritised in line with the provisions of the Allocations Policy; bpha will apply the best use of stock to any allocations made through this policy. This may include moving from a house to a flat, or if appropriate into retirement living accommodation.

Where a tenant is under-occupying an adapted property, which has been funded through a disabled facility grant, bpha will seek to identify a smaller property which has already been adapted, fully or partially, to meet the household's needs. If this is not possible then we would look to adapt the property downsized to in conjunction with a report from an occupational therapist to meet the household's needs.

## 3.3 Incentive Payments

We offer incentive payments to support and incentivise tenants to vacate properties which they no longer need. For tenants moving under the property downsizing incentive, £1,500 will be paid for the first bedroom sacrificed and £500 for each additional bedroom, up to a maximum of £2,500 in the following circumstances:

- where tenants are affected by the removal of the spare room subsidy, creating a shortfall in housing benefit payment and leading to rent arrears.
- where tenants are occupying family homes which are no longer needed to accommodate the household.
- where tenants are living in homes with major adaptations as defined in the Aids and Adaptations Policy for a disabled person, and these are no longer required, for example, homes with a through-floor lift or disabled adapted kitchens.
- where tenants are under-occupying a property because they have discretionary succession rights to a tenancy.
- where tenants wish to downsize, and their household composition allows them to do so.

Incentive payments will not be considered where:

- the tenant(s) are occupying a property on insecure terms e.g. a licence agreement, temporary accommodation via homelessness, or where payments have been accepted for use and occupation only.
- the tenant has been served with a NOSP for any tenancy breach other than for rent arrears.

At the complete discretion of bpha, we may, in extreme circumstances agree to payments in excess of the stated amounts, for example, if the property being vacated is in high demand.

If the annual downsizing property budget is exhausted any further applications may be moved to the following years annual budget.

## 3.4 Handyperson Service

In addition to offering incentive payments, bpha will offer a handyperson service to assist with jobs such as tiling, putting up shelves and hanging blinds at the property moved in to, equivalent to no more than a day's work. Alternatively, a tenant can use a handyperson/tradesperson of their choice, for which they will be reimbursed the cost for, up to the value of £250 plus VAT on receipt of a quote received within 28 days of their tenancy start date.

## 3.5 Deductions from Payments

Where there are outstanding debts owed to bpha, these will be deducted at source from any payment. Examples of debts include:

- Rent arrears
- Former rent arrears
- Repairs which are the tenant's responsibility
- Damage to bpha property other than fair wear
- Removing/making good alterations made by the tenant which do not comply with bpha standard
- One month's rent paid into new account for property being moved into
- Any court costs

Removal costs, if required, up to the value of £300 plus VAT if a quote is provided and the amount is paid by bpha

Tenants are responsible for any removal costs. The incentive payment is intended to support the costs related to the move; if a tenant is unable to pay for their removal costs upfront bpha will pay for removal costs up to a value of £300 on provision of a valid quote. This will then be deducted from any incentive payment.

bpha will advise the tenant what deductions will be made, once their old tenancy has ended and works to the void property have been carried out. This could take up to 28 days.

### 3.6 Payments and Payment Method

Where there are no outstanding debts, the full amount of the payment will be made to the tenant. Payment will only be made after a new tenancy has been started.

### 3.7 Mutual Exchange

Tenants downsizing via a mutual exchange will need to satisfy the usual criteria for acceptance for a mutual exchange, with respect to the size and type of property they are seeking, and subject to having maintained their tenancy successfully.

However, if a tenant who is financially affected by the removal of the spare room subsidy wishes to downsize by means of a mutual exchange, a payment of £500 will be made to the existing bpha tenant to assist with the costs of moving, particularly if they were downsizing by two bedrooms or more. The tenant would also be eligible for the handyperson service.

If all tenants within a mutual exchange chain are bpha tenants and the exchanges taking place are making best use of stock then bpha will pay each tenant £500 on completion of the mutual exchange, minus any deductions (as listed above).

### 3.8 Review of decision

Reviews regarding decisions about payments or deductions are made by the Regional Manager or Retirement Living Manager.

Appeals will be considered by a panel consisting of the Regional Manager or Retirement Living Manager, the Area Housing Manager or the Extra Care Scheme Manager for the area the tenant is moving from, and another Manager not connected with the administration of the policy.

Appeals will be considered in light of the tenant's history of tenancy management, financial management and current financial situation, bearing in mind that any payments are at the discretion of bpha. The tenant will be notified of the decision in writing. The decision of the panel is final.

## 4. ASSOCIATED LEGISLATION, NATIONAL STANDARDS AND REGULATION

This policy will comply with all statutory, regulatory and legal requirements, including but not limited to:

- Housing Act 1996 as amended by the Homelessness Act 2002
- Localism Act 2011
- Data Protection Act 2018

## 5. MONITORING, REVIEWS AND EVALUATION

A cost benefit analysis will be undertaken periodically to ensure that payments made have a benefit to bpha’s rental income stream overall, and to support any request for additional budget.

This policy will be kept up to date and amended accordingly to reflect any changes in legislation, standards and guidelines.

The policy update is scheduled for a two-year period and will also be reviewed as legislative changes are put in place.

## 6. ASSOCIATED DOCUMENTS

- Arrears Prevention and Recovery Policy
- Mutual Exchange Policy
- Aids & Adaptations Policy
- Allocations Policy
- Payments and Incentives Policy

<b>Approved by</b>	Senior Management Team
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<b>Owner</b>	Head of Housing Operations
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