
TRANSFER INCENTIVE SCHEME

1 SUMMARY

- 1.1 Members to consider the reintroduction of the Transfer Incentive Scheme as a means of financial encouragement to tenants to move to a smaller property.

2 BACKGROUND

- 2.1 An earlier scheme allowed the following incentive payments to be made to those tenants moving to a smaller property:-
- 2.2 Tenants moving from Council owned 2,3 or 4 bedroom accommodation
- (1) to any social landlord including this or other Council-owned one bedroom bungalow. (£2000)
 - (2) to any social landlord including this or other Council's one or two bedroom flat (including sheltered housing) (£2,500)
 - (3) to any social landlord including this or other Council's owned bedsit flat (including sheltered housing) (£3000). (Min 533/96)
- 2.3 This scheme was suspended in 1997 due to the lack of tenants wishing to move to a smaller property.

3 CURRENT SITUATION

- 3.1 There are currently 153 applicants on the Council's Housing Register waiting for 3 bedroom accommodation, with a further 248 waiting for a 2 bedroom property. In the last 12 month period only 12 x 3 bedroom and 33 x 2 bedroom properties have become available for letting.
- 3.2 The frequency with which multi-bedroom family housing has become available for letting has declined due to the diminishing housing stock and the withdrawal of the Transfer Incentive Scheme. Tenants under- occupying their existing home have, in some instances, refused to move to a property with fewer bedrooms. The reason given is that there is no incentive to move and that the expense of removals and carpets etc. for the new home make the cost of transferring to a smaller property prohibitive.
- 3.3 There is strong evidence that if a fresh scheme was to be introduced it might generate sufficient interest and create much needed vacancies.
- 3.4 Members should now consider the reintroduction of a Transfer Incentive Scheme in order to resolve the aforementioned issue.

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- 3.5 It is proposed that no incentive be given to transfer to a bed sitting flat as these flats have been included on a conversion programme and will be extinguished in the foreseeable future. A more simplified incentive scheme is suggested, which provides a tenant with £1500 per bedroom for each bedroom foregone in moving.

4 FINANCIAL IMPLICATIONS

- 4.1 There is not expected to be an excessively high demand for the Scheme which can be funded from the Housing Revenue Account. It is therefore proposed that provision of £20,000 be made within the Annual budget. Potentially, this could fund the release of around 13 bedroom spaces across the District.
- 4.2 Should Members wish to support this initiative it will be necessary to recommend a variation to the Budget approved at the Community Services Committee meeting of 27 November 2001 (min 411(2)/01 refers). This can be achieved at the Council meeting now to be held on 7 February 2002.

5 RECOMMENDATION

It is proposed that the Sub-Committee **RECOMMENDS**

- (1) That the Head of Revenue and Housing Management be authorised to make cash incentive payments as mentioned in this report to those Council tenants transferring to a smaller property.
- (2) That Council consider the inclusion of a variation to the Budget by the addition of £20,000 in the Housing Revenue Account Capital Programme for 2002/3 for the purpose of reintroducing the Transfer Incentive Scheme

Head of Revenue and Housing Management

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Background Papers: None

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