

UNDER OCCUPATION POLICY & ELIGIBILITY CRITERIA

Glossary of Terms

- **'Debts'** include, but are not exclusive to, current rent arrears, former tenant arrears, outstanding re-chargeable repairs, current and former housing related service charge arrears, arrears on use and occupation charges (profits charges), Housing Benefit overpayments made to the tenant/landlord, and court costs. They also include Council Tax debts owed to Cambridge City Council.
- **'Scheme'** means the City Council Under Occupation Scheme whereby the Tenant/Applicant is financially assisted to downsize to a suitable property.

1 STATEMENT ON POLICY

- 1.1 Limited funding has been identified to help encourage tenants under occupying their existing council properties to move to smaller accommodation. The objective of this scheme is to assist tenants who may be experiencing financial hardship and for whom moving may be prohibitive, to downsize to smaller properties. This would, in addition to supporting tenants to avoid or minimise the burden of debt, help enable Cambridge City Council to maximise opportunities to fully occupy its stock. Due to the limited budget available Cambridge City Council cannot guarantee that all applicants who apply for an under-occupation payment will be successful.
- 1.2 From the 1st October 2013, tenants downsizing as part of a mutual exchange are also eligible.
- 1.3 The under-occupation payment will be made in respect of mutual exchanges, but only to the Cambridge City Council tenant who is

downsizing. All tenants taking part in the exchange must be moving to a property that is deemed to be the correct size for their needs.

- 1.4 Where there is a need for a discretionary decision to be made, and as a result one of the tenants is not downsizing, no payment will be made under the scheme.

2 KEY ISSUES FOR POLICY IMPLEMENTATION

- 2.1 The Council's Lettings Policy¹ outlines the way housing is allocated in the City. In respect of under-occupation, the City Council prioritises households as follows:

- Those who are under-occupying by either 2 bedrooms or are looking to give up an adapted property they no longer need are awarded a **Band A status**
- those who are under-occupying by 1-bedroom are awarded a **Band B status**

- 2.2 In order to qualify for the under-occupation scheme, applicants must be secure tenants of Cambridge City Council, and must have held their tenancy of the current property for at least two years. The full eligibility criteria are attached at Appendix A.

- 2.3 Tenants not already in receipt of a Discretionary Housing Payment (DHP), will be required to submit a Financial Statement alongside the Under-Occupation Scheme Application Form (Appendix C). This will allow the Council to ensure that financial assistance is given to those tenants who are most in need, whilst ensuring best use of the available funds.

- 2.4 Under-occupation Scheme applications will be assessed by City Homes against the criteria set out in Appendix A. If an applicant is unhappy with the outcome and wishes to appeal the decision, the case will be referred to the Housing Services Manager (City Homes) for review.

¹ <https://www.cambridge.gov.uk/media/8662/lettings-policy.pdf>

- 2.5 Under the Scheme the Tenant could be offered an Under-Occupation Payment of £500 per bedroom (see Appendix B).
- 2.6 Applicants with debts in excess of the eligible payment may be refused. Applicants with any debt owed to the Council will have the amount owed deducted from the under-occupation payment. This includes but is not limited to:
- Rent arrears
 - Arrears from a previous City Homes tenancy
 - Cost of works required to the vacating property (rechargeable works), over and above normal wear and tear, including the cost of clearance from the property, outbuildings, or garden, where necessary
 - Overpayment of Housing Benefit (where applicable)
 - Council tax arrears
 - Any tenant who has applied for an IVA (Individual Voluntary Arrangement) to clear arrears will, in line with National Debt Advice guidelines, also have money removed from their final payment to offset this debt
- 2.7 Applicants cannot apply retrospectively for the under- occupation payment (i.e. after they have already moved).
- 2.8 To help with removals a removal payment of up to £750 (depending upon number of bedrooms) will be paid as part of the lettings process. When a Notice to Quit is received, and if the applicant then fails to move, repayment will be demanded in full within one month of the date of payment. The council will take legal action to recover the under-occupation payment if not returned.
- 2.9 For a mutual exchange, the removal payment will be paid when the Deed of Assignment has been signed and the move has taken place to the satisfaction of City Council.

- 2.10 Applicants who are secure tenants are responsible for arranging their own removals, disconnections and reconnections etc. Cambridge City Council cannot recommend removal companies.
- 2.11 Mutual Exchange applicants will be responsible for arranging their own removals and electrical reconnections and disconnections; gas connections and re-connections are undertaken by the Council.
- 2.12 The final payment of £500 or more (minus any deductions) as a result of moving to smaller accommodation will be paid after the applicant has moved and the void inspection and repairs have been completed.
- 2.13 Under occupation payments will be made by cheque or BACS transfer and applicants should allow up to 28 days for receipt of final payment.
- 2.14 Applicants need to be eligible for the type of property they are moving to, in accordance with the Council's Letting's Policy and Cambridge City Council reserves the right to refuse applications where it is considered the applicant may be worsening their circumstances.
- 2.15 Applicants will be expected to use the Choice-Based Lettings system in order to find a suitable property to move to.

Policy written: June 2021

To be reviewed: June 2023

APPENDIX A – ELIGIBILITY CRITERIA FOR UNDER-OCCUPATION SCHEME

1. Applicants must be secure tenants of Cambridge City Council.
2. Applicants must have held their tenancy of the current property for at least 2 years.
3. All applicants must complete a financial assessment at the point of application. The applicant will be required to provide this information in the Financial Statement (Appendix D of Under Occupation Policy). If a Financial Statement is not submitted the application will not be considered.
4. Applicants with any debt owing to the Council that exceeds the maximum amount of under occupation payment may not be eligible for the scheme.
5. Applicants who are bankrupt or have a debt-repayment order in place may not be eligible for the scheme.
6. Applicants who have had debts written off in the last 5 years may not be eligible for the scheme.
7. Applicants must be eligible for the type of property they are moving to, in accordance with Cambridge City Council's Lettings Policy.
8. Applicants in receipt of any other housing services payments relating to their move will not be eligible for the under-occupancy payment.
9. Applicants who have succeeded to the tenancy and are under-occupying the property are not eligible for the scheme unless they are the surviving spouse or civil partner of the deceased tenant.

APPENDIX B – AMOUNT PAYABLE AND REMOVALS COSTS

Removal costs will be paid according to the size of property that is being vacated:

Moving from	Moving to	Amount payable	Removal Allowance	Total amount payable
2 bedroom property	1 bedroom property	£500	£400	£900
3 bedroom property	2 bedroom property	£500	£600	£1100
3 bedroom property	1 bedroom property	£1000	£600	£1600
4 bedroom property	3 bedroom property	£500	£700	£1200
4 bedroom property	2 bedroom property	£1000	£700	£1700
4 bedroom property	1 bedroom property	£1500	£700	£2200
5 bedroom property	4 bedroom property	£500	£750	£1250
5 bedroom property	3 bedroom property	£1000	£750	£1750
5 bedroom property	2 bedroom property	£1500	£750	£2250
5 bedroom property	1 bedroom property	£2000	£750	£2750

In exceptional circumstances, and only where three removal quotes have been supplied, it may be possible to increase the payment where the tenant is deemed frail or vulnerable and has no family or friends to assist them with the move.

APPENDIX C - APPLICATION FORM

Under-occupancy Scheme

Application form

Name of tenant/s

Address

.....

Telephone number

Email address

Type of property –

(Please tick relevant box)

Bedsit /Studio ☐ Flat ☐ Maisonette ☐ House ☐

Older Peoples Housing ☐ Bungalow ☐ Sheltered ☐

Number of bedrooms your current property has

Number of bedrooms you would like to downsize to

If your current property has any adaptations please indicate what they are.

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If you require any adaptations please explain what you feel you need (you may be required to fill out a self-assessment medical form at a later date).

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Names of everyone (non-tenancy holders) who permanently resides with you (include the ages of any children).

Person 1 Person 2
Person 3 Person 4

If you would like to elaborate further on anything, please do so here.

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Declaration

(Please delete appropriate word where there is an option)

I/we declare that the information given on this application is correct.

I /we understand that if I am not in receipt of a discretionary housing payment (DHP) that I/we will be required to complete and submit a financial statement.

I am/we are interested in downsizing my/our current council owned property, and, if found eligible, I/we may be entitled to costs towards removals. At the point of confirmation of an assistance payment I can decide whether to pursue a move.

I/we understand that if we receive a payment and then do not move the money will need to be paid back.

I am/ we are aware that if I/we are in receipt of any other payments relating to the move I/we will not be eligible for the under-occupancy payment.

You: Signed **Date**

Joint tenant: Signed **Date**

APPENDIX D – FINANCIAL STATEMENT



CAMBRIDGE CITY COUNCIL
HOUSING SERVICES

City Homes
171 Arbury Road
Cambridge, CB4 2YG

Tel: 01223 457070

PERSONAL FINANCIAL STATEMENT

Name: _____

Address: _____

Tel. No:

Number of people in my household

Wages / Salary	_____
Wages / Salary (partner)	_____
Job Seekers Allowance	_____
Income Support	_____
Tax Credits	_____
Retirement Pension	_____
Works Pension	_____
Child Benefit	_____
Employment and Support AI	_____
Maintenance	_____
Non-Dependants Contribution	_____
Other	_____

OUTGOINGS – Weekly/Monthly

Rent	_____
Council Tax	_____
Water Rates	_____
Gas	_____
Electricity	_____
Housekeeping	_____
Loan	_____
Overdraft	_____
Credit Cards/Club book	_____
Buildings/Contents Insurance	_____
Life Insurance/Pension	_____
TV/Rental/Licence	_____
Magistrates' Court Fines	_____
Maintenance Payments	_____
Travelling Expenses	_____
School Meals/Meals at Work	_____
Clothing	_____
Telephone	_____
Other (e.g. County Court Judgements, Benefit Overpayments etc)	_____

INCOME= £

OUTGOINGS= £

DIFFERENCE +/- £

I/we are aware this Financial Statement is being used to assess an application for an Under-Occupation Payment.

I/we declare that the information given on this Financial Statement is correct.

You: Signed

Date

Joint tenant: Signed

Date

Financial assessment – If, as a result of filling in the financial assessment, you identify as a person in need of debt advice we will ask one of our financial inclusion officers to contact you and offer help. You are under no obligation to accept help or advice from us but it may help you to manage or prioritise your debts.

We will take into consideration all of your payments to creditors, but in assessing need for a grant payment from the scheme we may only consider your priority debts as essential payments. A list of priority and non-priority debts are defined below. This list may not cover everything you are paying for, but please remember to include everything on the financial statement so that we can properly assess your need.

Priority debts are defined as:	Non-priority debts are:
Rent	Credit card debt
Council tax	Some hire purchase agreements
Gas and electric	Unsecured bank and payday loans
Essential hire purchase goods	Water bills
Telephone bills	Loans from friends and family
Secured loans	Catalogue payments
Child maintenance	Doorstep loans
Magistrates court fines	Bank / building society overdrafts or loans
County court judgement	Personal loans
TV licence	Store card debt
VAT	
National Insurance /Tax	
Certain overpayments for benefits	
Working / child tax credit	

What if I can't keep on top of my priority bills because I have too much debt?

If you have unsecured debt that's making it more difficult to pay your priority bills, then it's really important that you get free and confidential debt advice as soon as possible. You can contact our Financial Inclusion officers on 01223 457070 or by emailing us at incometeam@cambridge.gov.uk

Your unsecured debt is classed as 'non-priority' because the consequences of not paying these each month are much less severe than not paying your priorities each month.