

Cabinet

Date of Cabinet: 8 June 2015

Report title Lambeth Sheltered Housing Service

Wards: All

Report Authorised by: Strategic Director Commissioning: Helen Charlesworth May

Portfolio: Cabinet Member for Adult Social Care: Councillor Jackie Meldrum

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Report summary

In November 2013 Cabinet approved a recommendation that Officers “*Co-produce with tenants and other stakeholders a revised sheltered housing service, funded through service charges*”. The revision of the service is required as a result of the planned reduction in the number of sheltered housing schemes, to ensure the service continues to meet the needs and aspirations of older residents, and to deliver cost savings identified through outcome based budgeting.

Co-production of a redesigned service has now been completed and this report seeks to update Cabinet on the outcome of this exercise and to inform Cabinet of proposals for and implementation of the new service. The report also seeks approval for the introduction of a sheltered housing service charge to replace the current support charge as result of the proposals described in the report.

Finance summary

The current cost of the sheltered housing service is approximately £1.585m per annum. £650k of this is a contribution from the Housing Revenue Account (HRA) and the remaining £787k is met from the General Fund (GF) (Net of £148k of support charges collected). It is proposed to increase the HRA contribution toward the cost of the service and offset this increase through replacement of the £16 per week support charge with a sheltered housing service charge of the same weekly amount. This will result in no net cost to the HRA but savings of up to £496k to the General Fund.

Recommendations

- (1) To note the outcome of the co-production exercise and the proposals for a revised sheltered housing service.
- (2) To approve the introduction of a sheltered housing service charge to replace the current support charge.

1. Context

- 1.1. In November 2013 Cabinet approved a number of recommendations for improvement, redevelopment or closure of schemes that make up the Council's own sheltered housing stock. A further recommendation was to "Co-produce with tenants and other stakeholders a revised sheltered housing service, funded through service charges". (Report No 187/13-14 and appendices).
- 1.2. These recommendations are now being delivered through an Older People's Housing programme which aims to contribute to the following cooperative council outcomes;
 - Lambeth Residents have more opportunities for Better Quality Homes
 - Communities Feel Safer and Stronger
 - Older, disabled and vulnerable people can live independently and have more control over their lives
 - Vulnerable Children and Adults get support and protection
 - People are healthier for longer
- 1.3. Delivery of the programme aims to broaden the spectrum, and increase the overall provision of specialist supported housing for older people, particularly through the delivery of additional extra care housing, however the programme will result in the number of wholly council-operated sheltered housing schemes reducing from 24 to 17 by 2018/19.
- 1.4. The programme is planned to contribute towards savings identified through Outcome Based Budgeting including a reduction in the requirement for residential care placements. The redesign of the sheltered housing service, as part of this programme, will result in significant contribution toward this saving requirement.
- 1.5. The Council is committed to the concept of sheltered accommodation as a model of supported housing for its older residents, and a programme of improvements and adaptations at retained schemes is currently underway. The co-production and development of a revised service model supports this commitment, and the resulting proposals aim to ensure the service continues to meet the needs and priorities of tenants, while addressing the reducing number of schemes and securing appropriate funding streams to sustain the service in the future.

2. Proposal and Reasons

- 2.1. Between September and December 2014 co production events were held at all 24 of the current schemes where the Lambeth Sheltered Housing Service is provided. A series of proposals were developed as a result of the co-production and were financially evaluated to ensure their viability.
- 2.2. A further consultation exercise was undertaken in April and May 2015 with tenants asked their views on proposed changes to the service. Summary feedback from the co-production and consultation exercises is included below and is detailed in Appendix1.

Co-production

- 2.3. More than 360 (49%) sheltered housing tenants took part in the scheme events, and further activities were undertaken with the Sheltered Housing Tenants' Forum and the staff and managers of the service.
- 2.4. The events led to a number of service priorities being identified which included;
- Improving maintenance and repairs;
 - Retaining a day to day staff presence at the scheme;
 - The cost and payment of support charges;
 - Maintaining access to activities and addressing social isolation; and
 - Consistency of service delivery.
- 2.5. The highest priority issue identified by tenants is the management of maintenance and repairs and it became clear from the sessions with tenants and staff that the role of the scheme manager had evolved over recent years to accommodate this. Where previously the service may have focused on more detailed individual support plans, scheme managers are more recently enabling tenants to live independently by providing a reassuring presence at the scheme, their daily contact with tenants and the provision of ad hoc advice and information.

Service Proposals

- 2.6. Working with the Sheltered Housing Tenants' Forum the priorities and views of participating tenants and staff were developed into a series of proposals for a revised service which include;
- Retaining a dedicated staff presence at each scheme from Monday to Friday;
 - The role of the scheme manager being revised from one of providing personal support to one of offering enhanced housing management;
 - The replacement of the weekly support charge with a service charge payable together with the rent.
 - The development of a Sheltered Housing Tenants' Service Charter.
 - The introduction of a Sheltered Handyperson service to offer a rapid response to minor repairs; and
 - The introduction of cyclical planned maintenance at retained schemes;

Charging Proposals

- 2.1 With a proposed future service offer focused on the provision of enhanced housing management it has been possible to reconsider the current funding stream and charging arrangements which are a legacy from the Supporting People programme and associated grant which ceased in 2014.
- 2.2 Under the current arrangements a weekly "Support Charge" of £16 is applied to sheltered housing tenants, which is collected under the Council's Contributions for Care and Support Services Policy. Tenants may apply for financial relief from the charge through a financial assessment of their income and assets, and those who are required to pay all or part of the charge are invoiced four-weekly, eight weeks in arrears. During

the co-production events many tenants reported that they found this process confusing primarily as it appears disconnected from the service offered as a result of their occupation of sheltered accommodation.

- 2.3 Given the greater focus of the future service on offering enhanced housing management rather than support it is proposed to replace the current support charge with a sheltered housing specific service charge that would be collected together with the rent. This proposal will also simplify the charging/collection process and was strongly supported by tenants who responded to the consultation exercise.
- 2.4 The proposals would be introduced over a number of months commencing with the replacement of the Support Charge, with service charge from September 2015. This would enable in-year savings to be delivered and the future funding of the service to be established while additional components of the service offer are developed and implemented.

3. Finance

- 3.1 The service is currently financed from the General Fund (GF) with a contribution from the Housing Revenue Account (HRA). Tenants are charged a £16 contribution toward the service costs under the Council's Contributions for Care and Support Services Policy, and those who are required to pay are invoiced four-weekly, eight weeks in arrears. The income generated from this charge, together with chargeable income collected for other support services, is credited to the Supporting People Business Unit
- 3.2 It is proposed to increase the level of HRA contribution but offset any additional cost to the HRA by introducing a weekly sheltered housing service charge, equal to the current weekly support charge of £16.

Based on 2014/15 costs	Current	Proposed
GF Sheltered /support charge income	£148k	£78k
HRA income Based on £13 per week charge	£0	510k
Total annual service expenditure	£1.585m	£1.463m
HRA Net cost	£650k	£633k
General Fund Net cost	£787	£240k
General Fund Savings	£0	£496k

- 3.3 The majority (83%) of sheltered housing tenants receive housing benefit (HB) to help pay their rent and eligible service charges. (E.g. heating and lighting of communal areas,

estate cleaning etc.). The larger part of the proposed sheltered service charge (£13) would contribute towards the enhanced housing management element of the service and would therefore be eligible for HB payment.

- 3.4 The remaining £3 of the proposed charge would represent a GF charge and contribute toward the cost of support type elements of the service (e.g. Careline24, arranging social activities etc. This element of the charge, like heating or hot water charges, would not attract HB and would be payable by all tenants.
- 3.5 Under the current arrangement, where tenants have been financially assessed as not liable for all or part of the support charge, the cost is met by from GF. Approximately £148k is billed annually to the group of tenants who are assessed as liable for all or part of the charge.
- 3.6 Under the proposed arrangements all tenants will be asked for a contribution toward the cost the service (i.e. £3 for the non HB eligible GF element) that would generate annual income of £78k to the GF.
- 3.7 The greater, HB eligible part of the proposed service charge would generate annual income to the HRA of £510k. This would enable the GF contribution to the total service costs to be reduced to £210k in the first year and realise a saving of £496k in the GF.
- 3.8 The introduction a new service charge will require additional consultation in line with the Council's HRA Rent and Budget Setting Process. This will be carried out at the Area Housing Forums during July 2015 with proposed implementation (subject to IT requirements) of the new charges in September 2015.
- 3.9 During the consultation there was some concern expressed regarding any possible future increases in the service charges. It is proposed that the service charge, as a contribution toward the service cost, is maintained at £16 during its transitional introduction i.e. until April 2017. It would then be considered in line with the Council's HRA Rent and Budget setting process.

4. Legal and Democracy

- 4.1 Section 21 of the Housing Act 1985 provides the Council with powers for the general management, regulation and control of its dwelling stock. Section 111 of the Local Government Act 1972 provides powers for a local authority to do anything (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions.
- 4.2 Section 24 of the Housing Act 1985 states that the Council may make such reasonable charges as it determines for the tenancy or occupation of its dwellings and that it must review rents from time to time and make such changes as circumstances require. Further, Section 24(3) provides that when the Council exercises its function under that section it "shall have regard in particular to the principle that the rents of houses of any class or description should bear broadly the same proportion to private sector rents as the rents of houses of any other class or description".

- 4.3 The provisions of Section 103 of the Housing Act 1985 require the Council to serve a notice of variation on its tenants if it wishes to vary the terms of tenancies, including any increase or decrease in rent and other charges. The notice of variation must be served at least four weeks before it is to take effect. Section 103(2) is concerned with the requirement to serve a preliminary notice on tenants which affords the opportunity for tenants to comment. However, this requirement does not apply to a variation (which includes both addition and deletion) of the rent, or of payments in respect of services or facilities provided by the landlord.
- 4.4 Similarly, the Council's duties in relation to the consultation of tenants on matters of housing management, as set out in Section 105 of the Act, do not apply to rent levels, nor to charges for services or facilities provided by the authority. However, if there is going to be any change in housing management that will substantially affect all secure tenants or a group of them, the Council is obliged to consult with those tenants affected and take into account their representations before making a decision.
- 4.5 When Members of the Cabinet consider whether to adopt the recommendations of this report, they will be exercising discretion within the constraints of the duties referred to above and should therefore have in mind the following principles of administrative law:
- the decision must be within the Council's powers
 - all relevant information and consideration, including the Council's fiduciary duty to the Council Tax payer, must be taken into account
 - all irrelevant considerations, including unauthorised purposes, must be ignored
- 4.6 Pursuant to Part II of the Equality Act 2010, public authorities must, in the exercise of their functions, have due regard to the need to:
- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act;
 - advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
 - foster good relations between persons who share a relevant protected characteristic and persons who do not share it
- 4.7 Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment; pregnancy and maternity, race, religion and belief, sex and sexual orientation) and persons who do not share it involves having due regard, in particular, to the need to:
- remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
 - take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;
 - encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low
- 4.8 This proposed key decision was entered in the Forward Plan and the necessary 28 clear days' notice has been given. The report will be published for five clear days before the decision is approved by Cabinet. A further period of five clear days - the call-in period –

must then elapse before the decision is enacted. If the decision is called-in during this period, it cannot be enacted until the call-in has been considered and resolved.

5. Consultation and co-production

- 5.1 Extensive consultation has been undertaken to arrive at the current proposals; the outcome of consultation carried out between March and June 2013 was used to inform development of the current sheltered housing programme and was reported to Cabinet in November of that year. (Report No 187/13-14 and appendices). At that time tenants were asked their preferred option of three different models of support delivery; Floating Support; Area-based Team Delivery; or Scheme-based Management. Of these options the majority of tenants were in favour of the scheme based option therefore the development that specific model was taken forward for this exercise.
- 5.2 Co-production of the service proposals was undertaken with tenants, staff and stakeholders in September and October 2014. The outcome of this exercise is described in paragraph 2 above and detailed in Appendix 1.
- 5.3 The Cabinet Member for Housing, and the former Deputy Cabinet Member for Housing, whose portfolio at the time included Older People's Housing) have been consulted on the service and charging proposals.
- 5.4 The Cabinet Member for Adult Social Care has been consulted on the service and charging proposals together with the outcome of tenant consultation.
- 5.5 Consultation on the proposals was undertaken with tenants, staff and other stakeholders during April and May 2015. This included meetings and presentations at each scheme, which were attended by almost 300 tenants, and views obtained through 287 written surveys that were returned.
- 5.6 Of the tenants and stakeholders that responded, 83% strongly agreed with the proposal to retain a scheme based staff presence with a further 13% tending to agree. 48 % of tenants strongly agreed with replacing the current support charge with a service charge collected together with the rent, with a further 36% tending to agree with this proposal.
- 5.7 There was also strong support for proposals to offer enhanced housing management services; for the handy person service and for planned cyclical maintenance. Further details of the consultation and included at Appendix 1.
- 5.8 Tenants' Council Executive has been consulted on the proposals.

6. Risk management

- 6.1 The primary risk associated with this proposal is related to the impact of Universal Credit and wider government welfare reforms on HB eligibility of certain service charges applied to supported housing schemes. This issue has been carefully considered, in the context of the inclusion of sheltered housing as "Exempt Accommodation" for the purposes of assessing Universal Credit and discussions undertaken with HB officers confirm that any risk is considered to be negligible. This issue will be kept under future review.

7. Equalities impact assessment

- 7.1 The Equalities Impact Assessment on these proposals is attached at Appendix 2. The primary impact to note from the proposals is a low socio economic impact on older people; the age threshold for access to Lambeth's sheltered housing is 55 years, (for those with a physical disability or mental impairment), however 79% of tenants are over 66 years or over.
- 7.2 Under current charging arrangements the majority of tenants, who are financially assessed for the support charge, are required to pay nothing. Under the proposed arrangements, this group, who are largely included in the 83% of sheltered housing tenants in receipt HB eligible for housing benefit, will be asked to contribute £3 per week towards HB ineligible service charges.
- 7.3 In order to mitigate the financial impact of this additional £3 of HB ineligible service charges it is planned to introduce the HB ineligible element of the proposed service charge gradually, starting at £1 weekly when introduced, and increasing the charge by £1 each of the following two years.
- 7.4 Tenants who are financially assessed as being liable for the full support charge, broadly those who are not eligible for HB, will not be impacted as they will cease to pay the support charge but will be liable for the service charge of the same amount, while benefiting in the first two years from its transitional introduction.
- 7.5 The collection of rents and service charges is covered by the Council's recently agreed Income and Debt Recovery Strategy. The proposal to collect charges for the sheltered housing service together with the rent and other service charges aligns with a key principle of the strategy i.e. "Making payment easy". The transitional introduction of the service charge aims to support the avoidance of debt among sheltered housing tenants, however those who may already be experiencing debt would benefit from the support the strategy offers to vulnerable debtors.

8. Community safety

- 8.1 Many tenants value the feeling of safety and security that sheltered accommodation can offer. A staff presence offers reassurance and the provision of an integrated call alarm system. and associated technology with 24 hour monitoring. enables tenants to summon assistance in the event of an emergency whilst maintaining their independence.

9. Organisational implications

9.1 Environmental

There are no environmental implications arising from the report.

9.2 Staffing and accommodation

The proposals relate to the service delivery that is undertaken by the sheltered housing staff team and therefore will impact on that group. This impact is likely to include job descriptions and reporting arrangements. Staff have been engaged in co-production of

the proposals, however formal consultation on any changes will be undertaken with staff and trades unions in line with agreed Council procedures.

9.3 Procurement

There are no procurement implications arising from the report.

9.4 Health

An outcome of providing a sheltered housing service is to enable older people to live more independently by providing an on-site staff offering reassurance, advice and assistance together with the provision of a 24 emergency call alarm system with visiting response. This in turn leads to improved health and wellbeing of tenants through reduction in falls and trips, better management of illness, reduced hospital admissions, reduction in social isolation, less fear of crime, reduced anxiety etc.

10. Timetable for implementation

10.1 Subject to approval of recommendations by Cabinet;

June 2015	Consideration by Cabinet
July 2015	Notification to tenants
July-September 2015	Further engagement and consultation with staff Engagement and formal cost
September 2015	Introduction of Sheltered service charge
July 2015- March 2016	Planning, development and introduction of full service offer (Handyperson, planned maintenance, service charter etc.) following reintegration of housing management service.

Audit trail				
Consultation				
Name/Position	Lambeth cluster/division or partner	Date Sent	Date Received	Comments in para:
Helen Charlesworth May	Strategic Director Commissioning	6/5/2015	11/5/2015	
Sue Foster	Strategic Director Delivery	5/5/2015		
Rachel Sharpe	Commissioning Director	30/4/2015	1/5/2015	Throughout
Gill Vickers	Director of Adult Social Care	5/5/2015	5/5/2015	
Neil Wightman	Delivery Director	5/5/2015		
Mandy Green	Associate Director Commissioning	30/4/2015	9/5/2015	
Finance Julie Curtis Senior Accountant HRA	Business Partnering	30/4/2015	6/5/2015	3.1-3.9
Legal Services	Enabling: Integrated Support	30/4/2015	6/5/2015	4.1-4.7
Wayne Chandai Democratic Services	Enabling: Corporate Affairs	5/5/2015	22/5/2015	4.8
Councillor Jackie Meldrum	Cabinet Member: Adult Social Care	6/5/2015	11/5/2015	
Internal Officer Board	Date of meeting			
Sheltered Housing Programme Board	20/5/2015			
External				
Cedric Boston Director of Housing Services	Lambeth Living	5/5/2015	5/5/2015	

Report history	
Original discussion with Cabinet Member	5/2/2015
Report deadline	27/05/15
Date final report sent	27/05/15
Report no.	15-16/21
Part II Exempt from Disclosure/confidential accompanying report?	No
Key decision report	Yes
Date first appeared on forward plan	1/5/2015
Key decision reasons	Expenditure, income or savings in excess of £500,000
Background information	Lambeth Older People's Housing Strategy Cabinet report Older People's Housing Cabinet Report November 2013 (Report No 187/13-14 and appendices) Cabinet Report Older People's Housing Programme update (Report no 342/13-14) Lambeth Income & Debt Strategy
Appendices	Appendix 1 Sheltered Housing Service Co-production and Consultation Feedback

