

Item No. 11.	Classification: Open	Date: 24 January 2012	Meeting Name: Cabinet
Report title:		Sheltered Housing Service Re-modelling	
Ward(s) or groups affected:		All	
Cabinet Member:		Councillor Ian Wingfield, Deputy Leader and Housing Management Councillor Dora Dixon-Fyle, Health and Adult Social Care	

FOREWORD - COUNCILLOR IAN WINGFIELD, DEPUTY LEADER AND CABINET MEMBER FOR HOUSING MANAGEMENT / COUNCILLOR DORA DIXON FYLE, CABINET MEMBER FOR HEALTH AND ADULT SOCIAL CARE

The purpose of this report is to consider the options available to the council due to the withdrawal of Supporting People funding for the council's sheltered housing service, as a result of reductions in national government funding. This report sets out the options for future service delivery which would form the basis of consultation with tenants and recommends a way forward for funding the service in future through a housing benefit eligible service charge. This is a genuine consultation and we want to listen to what our residents say. All options for future service delivery remain open. We would, however, wish to say that, subject to the outcome of the consultation, our preferred option is to expand the service and to enhance it as we firmly believe that this is in the best interests of the residents themselves and most likely to most effectively meet their needs. This is part of a wider offer and vision for older persons' housing in the borough which is to both deliver high quality services that meet residents' needs and promote self help and independence. It is further recommended that the longer term future of the council's sheltered housing service also should be considered when the Housing Commission has reported.

RECOMMENDATIONS

1. That cabinet notes the proposal to consult on the introduction of a service charge for sheltered housing as a result of the proposed loss of supporting people funding, following reductions in council funding as part of the government's comprehensive spending round.
2. That cabinet agrees to consult tenants on the proposal to make a service charge for the sheltered housing service, and on the options available for future provision of a service for sheltered tenants, using an enhanced housing management model, and based on one of the three models set out below:

Option 1 – Restructure of current service model (service hubs call out and warden visiting service). This would involve a landlord service charge to tenants of £21.91 p/w.

Option 2 – Reduced service model (call out) based on a call out emergency response service only. This would involve a basic landlord service charge to tenants of £6.68 p/w.

Option 3 – Enhanced service model (resident warden) based on an on site warden available Monday to Friday from 8am to 4pm each day. This would involve a landlord service charge to tenants of £32.70 p/w.

3. That the cost of the transitional protection for existing tenants who are not eligible for housing benefit is met from the saving from Adult Social Care budgets and that any new arrangements are put in place from April 2013.
4. That a review is carried out to consider the conversion of part of the council's sheltered housing stock to extra care provision.
5. That the sheltered stock should be subject to an updated options appraisal, especially as demand for both sheltered and extra care housing has increased significantly in recent years. The results of the appraisal will be subject to a further review and are likely to require cabinet input in deciding upon the longer term future of the stock.

BACKGROUND INFORMATION

6. In terms of the council's sheltered housing service, the council currently manages 19 separate sheltered housing schemes, providing help and support to 626 residents.
7. All service users are aged over 55, and the service profile is as follows:
 - 27% are BME
 - 50% Male/ Female
 - 87.84% Religion - Christian.
 - 33% 55 to 74
 - 56% over 75 years old
 - 21% over 84
8. Currently, sheltered tenants are not liable for a service charge and pay an all inclusive rent of around £80 - £100 per week. 88% of tenants are in receipt of full or part HB and the remainder are self – payers.
9. A survey of the council's sheltered housing service conducted in 2010 found the following profile of council sheltered housing residents.

Support need	Dec 2010
Require help with maintenance/housing management issues	31%
Require help to access and monitor social care needs	25%
Require help with income maximisation	22%
Wheelchair dependent	8%
Use walking frame or stick	45%
Hearing impairment	20%
Registered blind	4%
Mental health issue and supported by CMHT	8%
Other disability or impairment	9%

Support need	Dec 2010
Alcohol issues	3%
Substance misuse issues	Less than 1%
Learning disability	8%
In receipt of personal or domiciliary support	17%
Telecare equipment installed	9% (100% key safes)

10. Overall, the survey concluded that the support needs of the council tenants were found to be relatively higher than those in Registered Provider Sheltered Housing schemes. A recent survey conducted by the Council in 2011 looked comparatively at levels of need in both Council owned sheltered housing and the RP sector in Southwark. These are some of the main findings, as reported by sheltered housing tenants:

- 71% of RP respondents and 78% Council tenants say they either never or occasionally need help with applying for benefits. However, this should be set against the 43% of RPL and 60% of LBS sheltered residents who say they need more frequent help with letters and forms.
- a significant proportion (18% RP and 21% LBS) need assistance with debt and rent arrears either monthly or weekly.
- getting repairs done is a significant issue with both RP and LBS sheltered residents. Antisocial behaviour and neighbour disputes are low. In addition support with dealing with abuse and exploitation is also very low.
- a significant proportion in both RP and LBS sheltered provision show a support need in staying in contact with family and friends.
- as might be expected over half of both RP and LBS sheltered responses show a more frequent support need in relation to physical health problems. There are high levels of support needs in relation to accessing health services and also in medication compliance
- the frequency of support with mobility issues is high both in RP and LBS sheltered accommodation.
- there appears to be a small but significant support need around carers issues in both RP (16%) and LBS (23%) responses.
- Support around social isolation and loneliness seems less of an issue but this may be because of the nature of sheltered communities and activities.

KEY ISSUES FOR CONSIDERATION

Executive summary

11. The sheltered housing service is currently funded through the Council's supporting people programme. The yearly cost of £851k purchases a visiting warden support service to tenants living in council owned sheltered housing schemes, across the London borough of Southwark. Budget funding is held within Adult & Social Care in supporting people budgets. An in year efficiency saving of £49k was made on this budget in 2011-12. This means that the level of

funding has reduced to £802k, resulting in the deletion of further posts from the staffing structure.

12. Adult Social Care (ASC) is proposing to withdraw the funding, from April 2013, to meet savings requirements. It is envisaged that the loss of funding for the service will be offset by a re-orientation of the existing model of service delivery, from a support service to an enhanced housing management service, funded through a housing benefit eligible service charge. This is an approach which is increasingly being adopted by other providers of sheltered housing and the council's Housing Benefits team has confirmed that this is a viable way of funding future service delivery. No existing residents would be financially affected by the new charge as the cost of the charge would be met by either housing benefit or a transitional protection payment. In addition, around 95% of new tenants are expected to be in receipt of housing benefit and so would not have to pay the charge from their own resources either.
13. There are 19 sheltered housing schemes affected, providing a total of 626 units of accommodation for elderly tenants in Southwark.
14. Presently, there are 7 voids at 1.12% of the sheltered housing stock. 4 of these are currently on offer and expected to be filled. There are around 247 older people on the sheltered housing waiting list and about 70% of these are active bidders, depending on the type and location of the units that become available, on a weekly basis.
15. Further detail on these proposals is set out in this report.

Strategic context

16. In 2011, the council consulted stakeholders on an Older Persons Housing Action Plan. A key aim of the action plan is to help older people to live independently for as long as possible in their own homes and the council's sheltered housing service provides an important local resource to support this aim.

Local demographic trends indicate:

17. **Projected growth in number of over 65s** – Approximately 25,000 people aged 65 or over (8.5% of the total population) live in Southwark. By 2020 the number of older people in Southwark over 65 is expected to grow by about 2,000 people (8.0%). By 2030 it is estimated that there will be an additional 9,700 people aged over 65 compared to 2010.
18. **Projected growth in the number of over 85s** – By 2020 the number of older people over the age of 85 is expected to grow by 800 (21.0%). By 2030 it is estimated that there will be an estimated additional 1,700 people aged over 85 compared to 2010.
19. **The number of older people with dementia and other forms of mental illness** is expected to grow. There is a strong association between dementia and increasing age, and in 2015 an estimated 1,705 people over 65 will have some form of cognitive impairment in Southwark.
20. The sheltered housing service currently has 247 older people on the sheltered housing register. The average age of applicants on the list is 72 years of age and

a breakdown of applicants requesting council sheltered housing by age is set out below.

55-59	4%
60-70	33%
71-84	48%
85-100	16%

21. Approximately 58% of applicants are female and 42% are male. Circa 95% of applicants are currently in receipt of Housing Benefit. There is steady demand for sheltered housing; a snapshot of the housing register in October 2011 showed there were 247 people who had registered for sheltered housing including a high proportion from the top two priority bands. The void rate is just 1.17% for Council sheltered accommodation. For the last three years there have been around 550 bids per year for sheltered housing. There are approximately two lettings a week to the council's sheltered housing.
22. The provision of extra care housing is seen as essential to reduce the number of people moving into residential care and to allow people to live more independently. Many of the households who were placed in residential care could have been moved to extra care housing had this been available at time of placement. As of April 2011, there were approximately 600 older people permanently placed in registered care services, therefore if the borough could provide a further 150 units of extra care, 25% of these placements could have been avoided resulting in significant cost savings for the council. The council has identified an aspiration for 150 new units of extra care over the next five years. Many of the current sheltered residents have higher needs and would be better suited to extra care housing if there was sufficient provision in the borough, rather than prematurely moving into residential housing. Consequently, the conversion of a proportion of the sheltered housing stock to extra care housing is a key strategic aim of the council in order to be able to better meet the changing needs of older people.

Current service provision

23. 88% per cent of tenants receive a fully rebated rent paid through the housing benefit system. The remaining 11.3% (71 tenants) currently receive part housing benefit, dependent upon their individual circumstances.
24. Levels of support provided to tenants have been scaled back during the last 7 years. In 2009-10 Supporting People withdrew 28% of the overall funding which led to the development of a hub and spoke visiting service from what had previously been a resident warden service. This has brought the unit cost in line with more competitive unit costs offered by other providers, within the sector. It also ensured the service became specifically targeted at the most vulnerable tenants. The service provides support during normal working hours. Out of hours support is provided by the Southwark monitoring and alarm response team (SMART) through a warden call system. Reductions in the sheltered support service have resulted in increased pressures on both the SMART service and Area Management teams.
25. The existing hub and spoke model entails a visiting service targeted specifically at the most vulnerable tenants who require staff to visit their individual flats to check on their well-being, on a regular (and sometimes daily) basis. The proposed enhanced housing management model will enable staff to support

tenants with issues that are related to their tenancy and to the upkeep of communal aspects of the sheltered schemes. Officers believe that this model is likely to be popular with the majority of tenants.

26. Detailed in table one below is the supporting people funding profile over the last 7 years.

Table one

Year	Units	Rate per unit	£	% change
2005/06	683	41.67	1,276,269	
2006/07	683	42.71	1,308,175	2%*
2007/08	671	40.35	1,239,235	-5%
2008/09	671	34.01	1,186,676	-4%
2009/10	626	26.14	850,909	-28%
2010/11	626	26.14	850,909	0%
2011/12	626	26.14	850,909*	0%

Pre SMART Out of hour's service incorporated

- Fixed fee paid up to 11-12
- *In year budget FY 11-12 £802k

27. There is presently 18 staff in total comprising of management, administration and front line scheme coordinators and officers. These officers operate and managing the 19 sheltered schemes across the borough, providing a range of services to meet tenants' support needs. All of these posts are currently funded through Adult Social Care. The housing revenue account does not provide any funding for this service.
28. Following analysis of current housing benefit regulations with relevant housing benefit staff, the areas that are likely to be eligible to be funded as a landlord service are highlighted in appendix 1. These functions would be provided as part of an enhanced housing management model.
29. A number of boroughs have successfully changed their service to an enhanced housing management model, based on a housing benefit eligible service charge, including Hammersmith and Fulham. Other boroughs currently considering this option are Greenwich, Lewisham and Bromley. A number of RPs have already adapted to this approach to fund sheltered housing services.
30. Prior to the introduction of the national Supporting Programme (SP) initiative in 2003 the sheltered warden functions were mainly based around housing management tasks, such as dealing with building and maintenance issues, monitoring rents, dealing with security and anti social behaviour etc., as well as the provision of low level support tasks such as maximising benefits, accessing health and GP services, arranging social activities in the schemes, dealing with visitors and contractors and so on.
31. The Supporting People programme separated out the housing management tasks from the support functions, only continuing to provide funding for functions deemed to be housing related support. This split proved difficult to manage in reality as the wardens continued to work in the traditional ways to meet tenant expectations, however, continuing reductions in staffing levels have made it more difficult to deliver the service required by residents, especially around housing management tasks such as security, dealing with anti social behaviour issues, monitoring visitors to the schemes, managing CCTV, and dealing with the

general upkeep of the schemes and the reporting of individual and communal repairs.

32. All of the funding for the main council sheltered housing service is provided via the Council's Supporting People programme. Overall funding levels have, however, reduced since 2005. The number of schemes has also reduced from 23 to 19. Recently Lew Evans House was remodelled to become an extra care project managed through Health and Adult Social Care. Prior to 2005, tenants enjoyed the benefit of having a dedicated 24 hour warden service for each scheme. Due to high comparative unit costs this service was reduced and a dedicated day warden service was provided at each scheme Mon-Fri 8am-4pm, until 2009. Following a further significant reduction in funding in 2009, the hub and spoke model, outlined in more detail below, was introduced by the council.
33. Support to tenants living in one of the council's sheltered housing schemes is currently delivered by a small in-house team through a hub and spoke model. This means that small teams of 3-4 officers are largely based in 4 hub schemes and provide visiting support to the more vulnerable tenants located in nearby schemes. The hubs have been selected on the basis of geographical proximity to other schemes. The hubs are located at:
 - Silverlock: 23 George Walter Court, Silwood Street, SE16 2BG
 - D'Eynsford: 64 Don Phelan Close SE5 7BB
 - Jack Jones: 12 Reedham Street SE15 4PH
 - Brook Drive: 71-79 Brook Drive, SE11 4TR
34. Support provision is mainly issue led and staff may need to be based in certain schemes for longer periods of time to deal with specific issues that can arise on a day to day basis. This has a knock on effect for tenants in other schemes, where issues are not so pressing; resulting in less staff contact time due to limited resource availability and can, at times, be a matter of concern for tenants. It should be noted that not all tenants are as vulnerable as others or in need of the same level of staff support, on a regular basis.
35. Individual staff visits are made to those tenants who have been assessed a vulnerable or at risk. Tenants who are not in receipt of visits can access staff assistance either by calling at the hub or via drop in surgeries, conducted by staff at their schemes. Surgery times are communicated widely to all tenants.
36. All sheltered flats and communal areas are equipped with pull cords that can be activated to raise an alarm when a crisis situation arises; furthermore, all tenants are issued with pendant alarms that can be worn around the neck or on the wrist and tenants are advised to keep these alarms on their person at all times. This enables them to alert staff when emergency assistance is required.
37. This support is available 24 hours a day 7 days a week. The Southwark Monitoring and Alarm Response Team (SMART) provide the out of hour's emergency response to all sheltered tenants. This service is mainly funded through the housing general fund and part Supporting People funded also (34%).
38. A number of tenants are also in receipt of care packages provided by Adult Social Care and are visited by carers on a regular basis.

The level of savings required

39. The 2010 Spending Review resulted in extensive cuts to the Council's budget. As part of the Council's budget setting process in 2010/11, savings were agreed from the Supporting People programme budget of 50% and the profile of these savings is set out below:

2011/12	£3.6 million
2012/13	£3.0 million
2013/14	£1.8 million

40. The total savings required of the 3 year period are £8.2 million. A significant proportion of the total savings required will be delivered through robust use of the Southwark and Lewisham Supporting People Framework Agreement that is being used to market test and re-commission those existing services that will help deliver the council's wider strategic priorities across housing, health and community services, community services and children's services.
41. Current projections based procurement efficiencies secured to date and on expected future procurement efficiencies programme spend will be reduced to £10,711,720 by April 2014. This would represent a combined and cumulative effect of £5,525,423 against the 2010/11 budget of £16,237,144, which was the reference point for the 3 year savings target. This represents a saving of 34%. It leaves a gap of almost £2.59 million, or 16%, to achieve the 50% savings requirement.
42. Although the above level of savings required could lead to reductions in both Council and housing association sheltered housing support the impact of these reductions can be mitigated by exploring the opportunity of charging tenants for an enhanced housing management service for services which are currently funded via Supporting People. For most residents this would be covered by housing benefit.
43. The Strategic Director of Health and Adult Social Care has been consulted on the contents of this report and comments as follows. If the council is able to save the cost of funding the sheltered housing service by funding it instead through an enhanced housing management model this alleviates some of the pressure on the rest of the Supporting People programme. By way of illustration, we know the gap between efficiencies (which already includes a £300k saving from the council's sheltered housing service) and the 50% Supporting People saving requirement is around £2.59million. If we can increase the savings achieved from funding the council's sheltered housing service through a service charge so that the full costs of the service go into enhanced housing management then that would achieve a further £550k saving reducing the gap to circa £2million. We know we are going to have to reduce services and decommission projects generally across the board to find the remaining £2 million and increasing the savings achieved from sheltered housing could, as an example, mean the difference between a further hostel closure or not and the related impact on the provision of services for homeless households in the borough.

The introduction of a service charge

44. Due to the current financial difficulties, Adult Social Care has identified a savings requirement of 100% from financial year 2013/14. To offset this loss of funding, it

is proposed that the funding for sheltered housing is moved back to the Housing Revenue Account and recouped via an increase in service charges for sheltered tenants. This means that the service model will need to change as the housing related support tasks currently being carried out by the sheltered service will not be eligible for funding under housing benefit criteria. The focus instead will be on enhanced housing management.

The choices that residents might have regarding the level of service charge in relation to the services provided

45. It should be noted that sheltered tenants currently do not pay a service charge within their rent package for the council's sheltered housing service. However, housing benefit guidelines allow tenants to receive funding for service charges within the HRA. Using the criteria outlined in appendix one it is possible that an enhanced housing management service can be delivered to sheltered tenants by re categorising certain tasks away from support and in to housing management i.e. care taking, security, reporting repairs, and health and safety.
46. This is likely to prove to be a more viably acceptable method of service delivery to tenants and may not necessarily entail a reduction in overall service levels. It enables the council to decide whether or not to achieve this by re orientating the service away from support, toward a housing management focus and maintain continuity, through the retention of current staff.
47. Options for future service delivery are set out below. In summary, the options are: to retain the service as currently delivered; to enhance it to provide a resident warden service; or to reduce it to a call out only model.
48. Service charges are assumed at 100% collection rate for tenants on full housing benefit.
49. The three service options are set out in more detail below:

Option 1 – is the restructured current service model (service hubs call out and warden visiting service). This would involve a basic landlord service charge to tenants of £21.91 p/w.

50. This option provides an enhanced housing management service and allows the hub and spoke model to continue providing the existing level of service, with efficiency savings. This service would consist of 1 Team manager, three senior co-ordinators and ten scheme managers, a proportion of the Business Unit Manager, a service manager and administration support. Total of 15.50 staff 1 (staff): 40 (tenants).
51. This would entail a re-categorisation of tasks away from support to housing management. A mini re-structure of the service would be required to take place following consultation with tenants, staff and unions. It is likely to be the most popular option for tenants, in receipt of full housing benefit, however, it may have an impact on access to sheltered housing for older people who are not in receipt of benefits and/or are in employment, but this is expected to be a minimal number of people. Support duties would not be covered with this option.
52. Following consultation this option could be implemented in a relatively short period of time. Redundancy costs for this model are estimated at £35k.

Table

	General Fund £000	HRA £000
Option one - Restructure of current hub service		
Current budget – fixed fee	802	
Service re-provided by HRA		713
Service charge income - rebatable service charge		(713)
approx 71 tenants transitional protection (incl. cash & part HB tenants)	85	
Redundancy costs 2 posts - one off	35	
Net budget requirement 2013/14	116	
Saving in Supporting People support	686	
Loss of support service to tenant at 11%	89	
Weekly levy to tenant £		£21.91

53. Tenants would be levied a service charge of £21.91 per week and is comparable to the service charges made by external providers in paragraph 4.2.

Option 2 – Reduced service model (call out) based on a call out emergency response service only. This would involve a basic landlord service charge to tenants of £6.68 p/w.

54. This model will enable the provision of a very minimal landlord service by sheltered wardens. This model comprises of one senior co-ordinator and three scheme managers only. A total of 4 staff. Staff to tenant ratio of 1 (staff): 150 (tenants).
55. Adult social care will pay for a percentage of tenants during a period of transition. The redundancy costs for 14 staff are estimated at £230k.
56. Remaining staff would provide a minimal level of service and only visit the most vulnerable tenants on occasion. Reliance on the mobile response service and other emergency services would need to increase. There would be no funding for business unit or scheme management and administration.

Table

	General Fund £000	HRA £000
Option two - Call out service only		
Current budget – fixed fee	802	
Service re-provided by HRA		217
Service charge income - rebatable service charge		(217)
approx 71 tenants transitional protection (incl. cash & part HB tenants)	25	
Redundancy costs 13.5 posts - one off	230	
Net budget requirement 2013/14	255	
Saving in Supporting People support	547	
Loss of support service to tenants 73%	585	
Weekly levy to tenant £		6.68

Tenants would be levied a service charge of £6.68 per week

57. Sheltered service managers have noted the high prevalence of sheltered tenants with mobility issues in the council's sheltered housing stock (40%). With a reduced service model, it will be necessary for the SMART service to provide an emergency response to residents who experience a trip or fall, during normal office hours. Currently, the SMART service provided this function on an out of hours basis only to council sheltered tenants but since staffing reductions in 2009 and further reductions now, pressure on the SMART service is likely to increase.
58. In order to provide effective day-time emergency response to all council sheltered tenants alongside the enhanced housing management service, day time emergency response capacity for SMART would need to be enhanced. Without, this support it is increasingly likely that a number of tenants could be at risk of entering residential care or requiring enhanced care packages due to falls or trips. Therefore, any savings achieved through the introduction of a reduced call out service would also need to take account of the budget growth that may be required within the SMART service to accommodate this change.
59. This option could potentially present an income generating opportunity for the council. This could be achieved through the promotion of this model to other sheltered housing providers and local authorities, who are currently downsizing to more basic support models. Initially, any income generated would need to be reinvested in the service to ensure that there is enough capacity to achieve a more self sustaining level. A longer term option would be to explore the possibility of providing the service through a social enterprise, mutual or local authority trading model, resulting in efficiencies and enabling service charges to be kept to minimum levels for sheltered tenants. Obviously, tenants would have to choose this particular service charge option, in the first instance.

Option 3 – Enhanced service model (resident warden) based on site available Monday to Friday from 8 am to 4 pm each day. This would involve a full time landlord service charge to tenants of £32.70 p/w.

Option three - enhanced housing management service provision	General Fund £000	HRA £000
Current budget – fixed fee	802	
Service re-provided by HRA		1,065
Service charge income - rebatable service charge approx 71 tenants transitional protection (incl. cash & part HB tenants)	121	(1,065)
Redundancy costs 1 post - one off	22	
Net budget requirement 2013/14	143	
Saving assuming no SP support	659	
Gain of housing management services to tenant	nil	263
Weekly levy to tenant £		32.70

60. This model will alleviate pressure on area housing offices, enhance rent collection levels, improve health and safety, provide a full time service, better security and mitigate void loss. Tenants will receive a consistent level of service from an on site warden based at each scheme on a daily basis (8am to 4pm). Total 25.5 staff. Staff to tenant ratio 1 (staff): 24 (tenants).
61. It should be noted that this model represents the pre supporting people role of the traditional sheltered housing warden that was originally employed by the

council to provide support and assistance to vulnerable sheltered housing tenants. This model is now becoming increasingly re-adopted by a number of Councils and registered social landlords in the sheltered housing sector.

62. A recent survey carried out by Adult Social Care showed a high level of council tenants who require help with getting housing management and maintenance issues dealt with (31%). Although the review analysis asked the same question of RSL tenants: 'what they most sought help with from the support staff (warden, visiting worker)', RSL tenants did not report similar levels of concern in receiving help with housing management and maintenance issues.
63. An enhanced housing management model would allow the council to better co-ordinate all repairs and maintenance issues for the communal areas in sheltered schemes.

The recommended level of service charge

64. It is recommended that the proposal to make a service charge and the options for future service delivery are subject to consultation with service users, with a final report summarising the outcome of the consultation to go to cabinet for decision on the way forward.
65. Appendix one sets out the type and range of functions that can be funded through the introduction of a service charge. However, the type and range of functions will be dependant upon the level of service charge that the majority of sheltered tenants deem as acceptable. However, models of the levels of service that can be provided, under each of the service charge options, will be issued to tenants as part of the consultation exercise to enable tenants and their representatives to make fully informed decisions about which option is most pertinent to their individual needs and aspirations.
66. It is possible that tenant choices will differ greatly and this will result in the need for further consideration of the implications of this outcome. These considerations are likely to include the setting of variable service charges and rents in certain schemes (or clusters of schemes), provision of differing levels of service and of how sheltered accommodation is allocated, possibly removing a number of schemes from the Council's Choice Based Lettings system, in future years, to ensure that the most vulnerable are placed in the accommodation most appropriate to their needs.

Telecare

67. Although all council sheltered tenants are connected to the basic alarm system, the use of Telecare installations is substantially higher in RSL sheltered schemes than in council sheltered schemes. This equipment can be a key safe or a range of sensors linked to the alarm and home telephone system to keep people safe and independent at home. These include bed sensors, flood and temperature monitors, and equipment to detect falls, movement sensors and medicine reminders. When a sensor is triggered, an alarm is sent to the SMART team who monitor the system remotely and will respond.
68. Within the RSL schemes the Telecare installations are deployed to complement the visiting housing support and other social care services to ensure that older people can remain independent and living in sheltered accommodation as long as possible.

69. The supporting people review clearly identified the important role that the Telecare and SMART services provide within the overall package of support available to ensure older people's independence at home. It is recommended therefore that resources are made available to the SMART team to provide additional Telecare services for tenants in council sheltered schemes as part of their overall package of targeted support. Without investment in telecare for council sheltered tenants the service will be significantly weakened, especially if a reduced service model is chosen, particularly as council sheltered tenants tend to have a higher level of needs as shown in Table 1 above.

Average rents and benchmarking data

70. Average rents paid for sheltered accommodation in Southwark are between £75 -£87 per week, plus additional utility costs which average at £15 -£19 per week. The cost of support is presently paid for by supporting people at £851k per year and is £26.14 per tenant per week.
71. Service charge comparisons are set out below based on a representative cross section of housing associations researched:
- Hyde housing association £33.31
 - David Barker house Salvation Army £24.85
 - Quadrant supported living £28.29
 - Hammersmith and Fulham service charge £20.91
 - Amicus horizon £23.31

N.B. All of the service charges that are listed above are eligible for housing benefit.

Stock condition

72. A sheltered stock options appraisal was conducted in 2003/04. This identified some schemes which were deemed as not being 'fit for purpose' and made recommendations for disposal and conversion of a number of schemes. Two of the schemes identified (Lettsom House and Linden Grove) were decommissioned in 2006 and subsequently converted to general needs housing, whereas a further two (Brook Drive and Marden Square) were the subject of a disposal recommendation, in order to raise funds to re-invest in the remaining stock.
73. This recommendation has not been implemented as the demand for sheltered housing has increased significantly since 2006 and a decision regarding Marden Square was deferred pending a further examination of the options relating to Four Squares, in Bermondsey. It is recommended that the remaining sheltered stock should be subject to an updated options appraisal, especially as demand for both sheltered and extra care housing has increased significantly, in recent years, and that this should also be considered a wider strategic issue by the Housing Commission.

Extra care

74. Adult Social Care has highlighted a significant gap in the provision of extra care housing in the borough to meet increasing demand and this has been identified as a strategic objective in the Older People's Housing Plan. Converting Council owned stock to offer a more enhanced model of sheltered housing or extra care may prove a more cost effective and quicker route to achieving this objective. Furthermore, there is existing in-house expertise in the Housing Adaptations Team who possesses ample experience of surveying properties for minor and major adaptations that assist older and disabled people to live comfortably in their homes. Utilising this team to identify and arrange works to sheltered units with experienced and known contractors is also likely to prove most cost effective. The consideration of new purpose built extra care accommodation will also form part of our plans going forward.

Consultation plan

75. The consultation plan is set out below.

Action	Date	Lead Officer
Letter to Ward Councillors <i>(to include proposals & offer briefing)</i> .	January 2012	Adrian Duffy/ Darren Welsh
Letter and survey to sheltered tenants <i>(to include proposals & provide schedule of consultation meetings)</i>	By January 31, 2012	Adrian Duffy
Letter to staff <i>(to include proposals, schedule of consultation meetings & implementation timetable)</i>	By January 31, 2012	Adrian Duffy
Sheltered Tenant Meetings	February to April 2012	Adrian Duffy/Sheltered Mgt Team
Letter to SW Team Managers and all Stakeholder organisations	By January 31, 2012	Adrian Duffy
Attend Southwark Pensioners Forum	tbc	Sheltered Mgt Team
Attend Age Concern	tbc	Sheltered Mgt Team
Area Housing Forums	May to July 2012	Adrian Duffy/ Darren Welsh
Tenants Council	September 2012	Adrian Duffy/Sheltered Mgt Team
Stakeholder Presentation (invite AHOs)	November 2012	Adrian Duffy/Sheltered Mgt Team
Cabinet	December 2012	Darren Welsh
Implement new model	January to March 2013	Adrian Duffy

76. All dates are currently indicative only.
77. Officers will ensure that consultation with the sheltered housing tenants and their representatives on these proposals will be handled sensitively and with due consideration for the concerns of tenants, their families and all other stakeholders.

78. Tenants their families and other representatives will be given every opportunity to comment on and contribute to the re-specification of the service.
79. Sheltered tenants will be kept up to date throughout the whole process and via newsletter dispatches and by way of face to face meetings with relevant managers. Other stakeholders in the service such as staff, trade unions, elected members, supporting people, housing management and health and social care colleagues will also be given the opportunity to comment and contribute to the finer operational details of the proposal to ensure that any new service arrangements are implemented most effectively.
80. Officers will also be liaising with the council's communications team to ensure that the positive aspects of this proposal are highlighted and all key messages are clearly communicated to stakeholders.
81. Tenants, their families and representatives have previously objected strongly to any change in the way the service has been delivered. In 2009, it was extremely important to engage in detailed open and honest consultation that meant that each scheme was visited and proposals were discussed by relevant officers on several occasions. Tenants were also given options in deciding how the service was to be delivered. It will be important that a similar process is followed again to ensure transparency of decision making and full user involvement.

Risk assessment

82. The risks of introducing service charges includes reputational risks and risks around the eligibility of services for housing benefit, introduction of a housing benefit cap, and potential adverse publicity, and challenge by service users.
83. Adult Social Care has agreed to ring fence an element of the savings to offer transitional protection to self-paying tenants. A number of other Local Authorities and RSLs have already adopted this model and following discussions with colleagues in housing finance and the Department for Work and Pensions there is a consensus that these costs will be eligible under current HB criteria. There is, of course, a risk that the criteria may change and the government is currently consulting on proposals to changes in the way that supported and sheltered housing is funded. However, these proposals are not stating specifically what the changes are likely to be and even go as far as to indicate that the proposal to fund sheltered via HB is the likely direction of travel. Current sheltered rents are within proposed HB caps and are likely to remain so, even if increased to fund staff support for tenants.
84. Other concerns are regarding future access to sheltered housing, especially if service charges were to increase prohibitively to exclude non housing benefit eligible households. We currently have 200 applicants on the sheltered housing waiting list and over 50% of these households place bids on a weekly basis. A recent review has established that almost 98% of these households are currently in receipt of HB and therefore increases in service charges are unlikely to be a cause of concern for the large majority of prospective tenants. There are also opportunities for closer working with other services to enable prospective sheltered applicants, who have no recourse to HB (usually living in private sector homes) to benefit by signposting them to services such as the Home Improvement Agency who can offer assistance via grants and loans, secured against the property to carry out adaptations to their homes and/ or SMART who can equip vulnerable elders with assistive technology (telecare) that can provide

them with an emergency response service and promote reassurance to enable older people to continue to live in their own homes.

Long-term strategy

85. The proposals that are contained within this report are consistent with what other local authorities and housing associations are doing to deliver the savings in response to reductions in Supporting People funding.
86. The current proposals are only short to medium term pending a more detailed strategic review of housing borough wide which is currently planned through the establishment of an inter departmental Sheltered Housing Review group.
87. Future proposals may include the potential conversion of current sheltered housing units to extra care units, the possible disposal of schemes that no longer meet the needs of older people, with the proceeds reinvested in the improvement of the remaining sheltered housing stock, removal of some schemes from the Council's Choice Based Lettings scheme, setting of varying service charges/rents in different schemes (clusters of schemes) and models of service delivery.
88. The proposals that are within this report are incorporated within and aligned to the Older Persons Housing Strategy Action Plan, which is to be considered by Cabinet.

Community impact statement

89. No decision has yet been made. The consultation that it is proposed will be undertaken will inform the options and the analysis of the equalities implications. A detailed community impact assessment will be undertaken following the consultation, when a recommendation for future service delivery has been identified.
90. The council will actively work to mitigate any detrimental impact of these proposals vulnerable households.
91. We are aware of the implications of this proposal for self paying tenants and those, not in receipt of benefits, who wish to access Council sheltered housing. These issues will be assessed on an ongoing basis throughout the consultations and mitigating actions will be identified and agreed, to minimise or eliminate any negative impact. An example of this is the agreed transitional protection funded by Adult Social Care for tenants who are self paying their rent charges, in part or full, from April 2013.
92. Adult Health and Social care have offered transitional protection funding only for tenants whom currently receive support. All new tenants coming in to the sheltered schemes will not receive support in this way.
93. The implementation of an enhanced housing management model offers the Council the opportunity to deliver a significant proportion of the savings gap within the Supporting People programme budget savings. In doing so it mitigates against the need to consider decommissioning in other service areas of the programme and depending on the preferred option presented in this paper it could enable broadly the same level of service to current residents to continue albeit through an alternative funding model.

94. In addition the implementation of an enhanced housing management model could enable the Council to develop a more personalised and individually focused approach to meeting any additional care and support needs of residents, for example through personal budgets for personal care, targeted preventative support and increased use of assistive technology.
95. Adult Health and Social care have offered transitional protection funding only for existing tenants who are not entitled to Housing Benefit to off set the potential financial impact of the introduction of a service charge. All new tenants choosing to live in sheltered housing would not be entitled to transitional protection and the rent and service charge level will need to be clearly explained at the point of application for sheltered housing so that individuals can make an informed choice.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Strategic Director for Communities, Law & Governance

96. As a result of the proposed reduction in supporting people funding, the report seeks members agreement that tenants in council sheltered accommodation be consulted on options for the future provision of the sheltered warden service and the proposed introduction of a service charge.
97. Under Section 24 of the Housing Act 1985, local housing authorities have the power to 'make such reasonable charges as they may determine for the tenancy or occupation of their houses'. Section 24 also requires local authorities, from time to time, to review rents and make such changes as circumstances may require. The section confers a broad discretion as to rents and charges made to occupiers.
98. Under Section 105 of the Housing Act 1985, the council is under a duty to consult secure tenants likely to be affected substantially by a matter of housing management. The statutory definition of housing management includes matters which in the opinion of the landlord relates to the provision of services or amenities in connection with dwellings. Although the consultation requirement in section 105 does not apply in so far as it relates to the rent payable under a secure tenancy or to charges for services or facilities provided by the authority, a change in the provision of the sheltered warden service may substantially affect tenants occupying council sheltered accommodation and therefore engage the statutory duty to consult. Also the council has undertaken in its terms and conditions of tenancy to consult with the Tenant Council, 'before seeking to vary the sums payable for rents and other charges'.
99. To meet legal requirements consultation must be undertaken when proposals are still at a formative stage; it must include sufficient reasons for the proposals to allow interested parties the opportunity to consider the proposals and formulate a response; it must allow adequate time for interested parties to consider proposals and formulate their response and the outcome of consultation must be conscientiously taken into account when the ultimate decision is taken.
100. The report confirms that consultation is planned with those tenants likely to be affected by the proposals, Tenants Council and other interested tenant and other

organisations and individuals. A timetable incorporating the consultation plan is set out in the report.

101. The public sector Equality Duty, in section 149 of the Equality Act 2010, requires the council to consider all individuals when carrying out their functions; this includes delivering services and in relation to their own employees. It requires the council to have due regard to the need to eliminate discrimination, advance equality of opportunity, and foster good relations between different people when carrying out their activities. Officers will need to bear the duty in mind during the consultation process and when formulating recommendations to cabinet for final decision making. Members must have due regard to the duty when the matter is referred back to cabinet for decision following consultation.
102. If a decision is made to introduce a service charge the law requires that tenants be notified by service of a notice at least 28 days before it takes effect. Officers will therefore need to ensure that the consultation and decision making timetable provides sufficient time to deal with this requirement.
103. Residents of sheltered accommodation are a vulnerable client group; the report indicates that a number of tenants are also in receipt of care packages provided by Adult Social Care. The council should keep in mind its duty in section 47 of the National Health Service and Community Care Act 1990 to carry out community care assessments particularly if reshaping or reduction of services provided to sheltered housing residents becomes a likely recommendation following consultation.
104. The options set out in the report, if implemented, are likely to have an impact on council employees working in the warden service. Managers must ensure full consultation with staff and trade unions and the final proposals must be implemented in a manner fully compliant with the council's re-organisation, redeployment and redundancy procedure.

Finance Director

105. This report outlines the options under consideration for financing the sheltered Warden Service from 1 April 2013.
106. Due to the need for a reasonable lead time for implementation of a new service, it is proposed that supporting people will continue to fund the current sheltered warden service at a fixed fee of £802k until the end of financial year 2012-13.
107. Thereafter, proposals to provide a re-modelled service using enhanced housing management support as the main service is under consideration from one of the three options identified above.
108. Tenants will be charged for this warden service through the housing revenue account in the form of a weekly service charge. All three options detailed are to be consulted upon during the coming months and a selected model will become operational, subject to consultation from 1 April 2013.
109. Across the borough, there are 19 Schemes in use with 626 sheltered housing units, all accommodation will be levied a rebatable service charge.
110. **Option one** is the restructured hub style service and will be supported by 15.5 staff, costing £21.91 service charge per week. As this service involves

remodelling away from the current service, 2 staff will not be required and therefore redundant at an estimated cost of £35k. This cost will fall to supporting people in financial year 2013.

111. **Option two** is a basic call out service only and tenants will be charged £6.68 per week to respond to all types of enhanced housing management emergencies. A structure of 4 staff working across all units is required. This option means 14 of the current staff will not be required and will be redundant costing supporting people an estimated £230k.
112. **Option three** is an enhanced warden service costing tenants £32.70 per week. Full time housing management support will be available with 25.5 staff. One officer will be redundant and not required from the current service due to restructuring a one off cost to supporting people is estimated at £22k.
113. The housing revenue account is a ring fenced account and guidelines on which services are chargeable to the account have been considered in depth. Consideration of housing benefit guidelines on what is eligible within the HRA is included within all three models above.
114. Appendix 1 outlines the housing benefit eligible housing management tasks.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Older Person Housing Action Plan	160 Tooley Street, SE1 2QH	Claire Linnane, Housing Strategy & Partnerships Manager Tel: 020 7525 0732

APPENDICES

No.	Title
Appendix 1	Housing Benefit eligible housing management tasks
Appendix 2	Extra Care Housing

AUDIT TRAIL

Cabinet Member	Councillor Ian Wingfield, Deputy Leader and Cabinet Member for Housing Management Councillor Dora Dixon-Fyle, Health and Adult Social Care	
Lead Officers	Gerri Scott, Strategic Director of Housing Services Susannah White, Strategic Director of Health and Community Services	
Report Author	Darren Welsh – Head of Community Housing Services Sarah McClinton – Deputy Director, Health and Community Services	
Version	Final	
Dated	13 January 2012	
Key Decision?	No	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments included
Strategic Director for Communities, Law & Governance	Yes	Yes
Finance Director	Yes	Yes
Strategic Director of Health and Community Services	Yes	Yes
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team	13 January 2012	