

<b>MAYOR AND CABINET</b>		
<b>Report Title</b>	Sheltered Housing Investment and Improvement Programme	
<b>Key Decision</b>	Yes	Item No.
<b>Ward</b>	All	
<b>Contributors</b>	Executive Director of Customer Services, Executive Director for Resources and Regeneration, Head of Law	
<b>Class</b>	Part 1	Date: 15 July 2015

## **1 Executive Summary**

- 1.1 This report seeks Mayor and Cabinet approval for officers to commence a programme of consultation with Council Sheltered Housing tenants regarding the introduction of an enhanced housing management service, potentially to include the re-introduction of warden-type scheme managers, for the Council's 18 sheltered housing schemes.
- 1.2 The purpose of this proposal is to enable a new service model to be introduced that has the potential to improve services for tenants whilst protecting the service for the long term in the light of the on-going revenue budget pressures the Council faces. This change would achieve a saving of £350,000 in line with proposals previously developed as part of the Future Lewisham Programme, and agreed by Mayor and Cabinet.
- 1.3 The report outlines three potential alternative models, which would all see the introduction of an enhanced housing management service model which would be paid for by tenant service charges, and could be covered by Housing Benefit where the tenant is eligible. Officers recommend that the Council now consults with sheltered housing tenants about these three options to enable final decision making to be undertaken by Mayor and Cabinet as part of the budget setting process later this year.
- 1.4 Officers aim to visit all eighteen sheltered housing schemes by September 30, 2015 to ensure that all tenants are given the opportunity to express their views and to state their preferred option. The most popular option will be implemented by April 2016. It is envisaged that responsibility for the management of the service will be formally transferred to Lewisham Homes from this date, following a further report to Mayor and Cabinet later this year.
- 1.5 The report also sets out a Sheltered Housing investment plan to be delivered by Lewisham Homes to ensure that all eighteen schemes are refurbished/repaired and maintained to the Council's decent homes

standard to enable Sheltered tenants to continue to live as independently as possible, in their own homes, for as long as possible.

## **2 Purpose of the report**

- 2.1 To seek Mayor and Cabinet approval to commence consultation with Sheltered Housing tenants regarding the introduction of an enhanced housing management service funded by an HB-eligible service charge that will enable the Council to deliver £350,000 revenue savings, identified by the Future Lewisham Programme, whilst maintaining a sheltered housing service which encourages residents to live independently.
- 2.2 To note that the three proposed options all entail a re-orientation of functions away from personal support to a proactive housing management approach which focuses more upon supporting tenants to manage their individual tenancies and repairs and improve the upkeep and use of communal facilities, thus enhancing the living environment and helping to reduce social isolation.
- 2.3 To also set out proposals for capital investment in the physical fabric of the Council's 18 Sheltered Housing schemes, ensuring that as a minimum all 18 meet the Decent Homes standard and, additionally, to test a new higher standard for investment in six of those 18 schemes to ensure that they are fit for purpose, over the long term, for supporting the Council's older residents to live safely and independently at home for as long as possible.

## **3 Recommendations**

It is recommended that the Mayor:

- 3.1 Notes the rationale for considering a change to the service delivery model in the Council's sheltered housing stock, and the three potential models for a new model which are set out at section 5;
- 3.2 Notes that the proposals include the provision of a service charge assistance fund, to assist tenants with the financial transition;
- 3.3 Notes that, if finally approved, these proposals would all see a management and operational transfer of the service from the Council to Lewisham Homes;
- 3.4 Having noted those points, agrees that Officers can immediately commence a comprehensive consultation exercise, in the manner set out in section 6 of this report, with all tenants currently residing in sheltered housing and their representatives, regarding those three options;

- 3.5 To note that the outcome of this consultation will be brought before Mayor and Cabinet again for final decision making before any change will be implemented
- 3.6 To note the plans for capital investment within the 18 sheltered housing schemes, which will come forward separately to the consultation relating to the service model, and which will see all 18 schemes brought to the decent homes standard and in the following six schemes a new investment standard will be trialled.
- Commodore Court
  - Fairfields
  - The White House
  - The Vineries
  - Lawrie Park Road
  - Talbot Court

## **4 Policy context**

- 4.1 The contents of this report are consistent with the Council's policy framework. It supports the achievements of the Sustainable Community Strategy policy objectives:
- Ambitious and achieving: where people are inspired and supported to fulfil their potential.
  - Empowered and responsible: where people can be actively involved in their local area and contribute to tolerant, caring and supportive local communities.
  - Healthy, active and enjoyable: where people can actively participate in maintaining and improving their health and well-being, supported by high quality health and care services, leisure, culture and recreational activities.
- 4.2 The proposed recommendations are also in line with the Council policy priorities:
- Strengthening the local economy – gaining resources to regenerate key localities, strengthen employment skills and promote public transport.
  - Clean, green and liveable – improving environmental management , the cleanliness and care for roads and pavements and promoting a sustainable environment.

## **5 Background and proposal**

- 5.1 In July 2012 the Mayor received a report outlining the severe housing challenges in Lewisham and London more generally and as a result agreed to launch the "Housing Matters" programme. This consisted of

three interlinked streams of work designed to address those challenges, which were to review the options for the ownership and management of housing stock, to initiate a new build housing programme, and finally to review the Council's policy for and approach to the delivery of housing specifically for its older residents.

- 5.2 This report focuses on the last of these three strands, on which significant progress has been made since the programme was launched. In October of 2015 a new extra care facility – Conrad Court - opened as part of the Marine Wharf development in Deptford, providing 78 new homes that are especially adapted to the needs of older residents, which meet all modern standards in relation to design, provide much greater flexibility for residents to be supported and cared for in their own homes for much longer, and thereby enable residents to maintain their independence at home for longer. In addition two further extra care schemes, both of which will meet these same high standards, are currently in development and are expected to be launched in 2017. Between them these will provide a further 111 new homes meeting this new modern standard, meaning a total new provision of nearly 200 new modern homes for older residents will be provided at that point.
- 5.3 In November 2014 Mayor and Cabinet agreed that the two Council extra care schemes, at Kenton Court and at Somerville, should be closed as they did not meet a modern standard of accommodation for older residents, and could not be adapted to do so. This process is on-going, with the tenants of both being supported into alternative accommodation.
- 5.4 This report now continues the theme of investing in specialist housing and focusses specifically upon the 18 sheltered housing schemes that the Council owns and which are managed by Lewisham Homes. These schemes offer age-specific housing for older Council tenants who choose to live in that setting.
- 5.5 The Council's sheltered housing service provides support to some of the sheltered housing tenants during normal working hours via a floating support model. These tenants have been assessed as requiring this service, which is funded by the Council. The service is provided by a team of five officers who provide visiting support to the most vulnerable tenants, as well as drop in surgeries at the schemes to enable less vulnerable tenants to access the service when they are in need of support and assistance. The service is supplemented both during office hours and out of hours by the Lewisham Linkline service through an emergency warden call system whereby, in the event of an emergency, tenants can raise an alarm and a Linkline Officer will attend the premises to provide assistance.
- 5.6 In a number of boroughs, plans have been successfully implemented to create an enhanced housing management model, whereby most of the tasks that are undertaken through a floating support model can be undertaken by scheme housing managers. This arrangement has been

implemented successfully in, for instance, Hammersmith and Fulham, Southwark and Bromley. Under this arrangement the costs of housing management are charged as a service charge and can be met by housing benefits for any tenants in receipt of those.

- 5.7 Officers have been developing options for implementing a similar operating model across the 18 Council sheltered housing schemes. This follows on from the need to achieve revenue savings within supported housing and the saving plans that were agreed first by the Lewisham Future Programme Board and subsequently by the Mayor as part of the budget savings round agreed for 2015/16.
- 5.8 The basic premise of this approach, financially, is that the service is transferred from a care provider to a housing manager – in this case from the Council's adult social care team to Lewisham Homes – that the cost of provision is met as a service charge and so the cost of the existing care provision – of approximately £350,000 per year, can therefore contribute to the revenue savings the Council is required to make.
- 5.9 Officers have developed three potential service delivery models, and associated charging levels, to enable a consultation with all sheltered about the proposed introduction of a service charging model, and to gauge support for the various levels of support that might be provided, from very little up to the introduction of scheme managers who might carry out some of the functions of the wardens who used to work out of sheltered housing schemes, as well as 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. These three models are set out in the next section.
- 5.10 Mayor and Cabinet should note that in the main the cost implication of any change such as this will be met by housing benefit. In recognition that, despite the eligibility for Housing Benefit, such an increase in charges may still cause financial hardship to a number of clients, it is proposed to establish a transitional support fund. The fund would be made available to any tenant who experiences difficulties as a result of these changes.

## **6 Proposed service models for consultation, and approach to consultation**

- 6.1 In order to take these proposals forward it is recommended that officers immediately commence a programme of consultation across all 18 schemes. This would involve a drop-in session to which all tenants will have been invited in advance. Council housing officers will attend alongside representatives of the existing floating support team and of Lewisham Homes. At these sessions the rationale for change will be

explained and the three options in the table on the following page will be described.

Option	Summary	Weekly service charge to tenant (£)
Current service only	Provide sufficient housing management staff sufficient to replicate the existing service only	14.79
Minimal service expansion	Increase the existing support to provide scheme managers/wardens where potentially a manager is shared across two schemes	21.00
Full enhanced management service	Increase the existing support as above, but also to provide an enhanced repairs and maintenance service for low level repairs and an emergency response service	26.28

6.2 The consultation with residents at this early stage will provide tenants with the opportunity to influence the level and type of service that they would like to see, based on high level estimates of service models and costs as set out above. Based on the feedback from this consultation, which will include the support or otherwise for the changes in principle and then preferences around the preferred level of service, officers will be able to tailor a final solution and bring that back to Mayor and Cabinet for final decision making.

6.3 Mayor and Cabinet is also asked to note that officers are also working with all Registered Providers in the borough in order to support them to develop similar integrated housing management and support solutions rather than relying on council funded services.

## 7 Proposed capital investment programme

7.1 Separately to the plans for the revenue service for the schemes, officers have been reviewing options for capital investment into the physical fabric of the buildings, so that they might be brought, where practicable, as close to the standard that is being achieved in the new extra care schemes as possible.

7.2 As such, and to coincide with the period of engagement that will now follow with sheltered housing tenants, a new standard will be piloted in six of the 18 schemes. This standard will include, as a minimum:

- Much greater individual control over heating systems - where schemes have communal boilers these will be upgraded to install time and temperature controls and, where schemes have electric

storage heaters as the main heating source, these will be replaced with communal time and temperature controlled heating;

- The installation of energy efficiency measures to improve the efficiency of buildings and reduce tenants' bills;
- The development of suitable and appropriate communal facilities including consistency in decoration and furnishings;
- Enhanced weather protection to the main entrances and appropriate refuse arrangements
- Provision of adequate storage facilities for mobility aids, where possible.

7.3 The six of the 18 schemes in which this new standard will be trialled – which are set out below – the consultation exercise will be tailored to enable tenants to review this standard and consider additional or other changes at their request. The six schemes for the pilot of this approach are:

- Commodore Court
- Fairfields
- The White House
- The Vineries
- Lawrie Park Road
- Talbot Court

7.4 On all of the remaining 12 schemes, decent homes works will commence this year to ensure that, as a minimum, that level of investment standard is met. Over the coming years, and as the experience of the pilot can be evaluated, the new standard will be rolled out further across some or all of the remaining 12 schemes. Officer will shortly commence feasibility reviews to assess the extent to which the standard can be met across the remaining schemes.

## **8 Financial implications**

8.1 There are no direct financial impacts arising from this report which seeks permission to consult residents on a new model of providing services to residents of the Council's sheltered housing scheme.

8.2 However, there will be both TUPE and housing management cost implications depending which of the three options are chosen to replace the current services provided by community services in order to achieve saving proposals put forward as part of the councils Future Lewisham Programme.

- 8.3 The proposals are to discontinue with the current GF funded service and introduce an enhanced housing management service into the HRA, which will be paid for via a service charge to residents who access the service.
- 8.4 This service will be eligible for Housing Benefit. The current principles applied to the introduction of services charges within the HRA are that they are set to recover full costs, and make neither a surplus nor deficit.
- 8.5 This is to ensure that there is no adverse financial impact on the HRA which other tenants, who do not use the service, are not liable to cover.
- 8.6 The current options demonstrate both the current level of service cost and two other service levels with enhanced levels of service. Depending on the option chosen, the service charge level is likely to be £14.79, £21.00 or £26.28 per week.
- 8.7 For those tenants who currently receive benefits, the cost is likely to be covered by HB in full. Tenants who are not in receipt of benefits, or self-payers, will normally have to pay this additional charge in full.
- 8.8 A hardship fund would generally be aimed at anyone who has to pay for the service either in part or in full if it is not covered by Housing Benefit, and who may experience difficulty in paying the new charge. This could be funded for a period of up to two years via resources yet to be identified from the HRA, to be administered by Lewisham Homes from, April 2016. This is likely to cost between £100k - £177k depending on the option chosen.
- 8.9 The phasing-in of the introduction of a service charge would affect all tenants irrespective of status. The service charge would be introduced incrementally each year until the full charge was implemented in the target year. Under this option no hardship fund would be available for residents who are not in receipt of benefits.
- 8.10 The cost to the HRA of a phased implementation of a service charge would need to be assessed against the number of years upon which the implementation was based. However, it is likely to be a more costly option than the establishment of a hardship fund as it would affect all residents rather than just those who are not in receipt of HB. HRA resources have yet to be identified to cover any potential shortfall in service charge income.

## **9 Legal Implications**

- 9.1 The Authority has statutory power to make reasonable charges for relevant services under sections 11A and 24 of the Housing Act 1985, as amended. ("HA".)

- 9.2. Section 11A of the HA states that
- (1) "A local housing authority may provide in connection with the provision of housing accommodation by them ... such welfare services, that is to say, services for promoting the welfare of the persons for whom the accommodation is so provided, as accord with the needs of those persons.
  - (2) The authority may make reasonable charges for welfare services provided by virtue of this section.
  - (3) In this section "welfare services" does not include the repair, maintenance, supervision or management of houses or other property." Under section 24(1) of the HA, local housing authorities have the power to "make such reasonable charges as they may determine for the tenancy or occupation of their houses" and "shall from time to time review rents and make such changes, either of rents generally or of particular rents, as circumstances may require".
- 9.3 S. 103 HA requires 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.
- 9.4 Pursuant to s. 105 HA, the Council is under a duty to consult secure tenants likely to be affected substantially by a matter of housing management. 'Housing management' includes matters which relate to the provision of services or amenities in connection with the dwellings. A change in the provision of sheltered accommodation directly from the Council to Lewisham Homes, may substantially affect tenants occupying council sheltered accommodation and therefore engage the statutory duty to consult on that basis.
- 9.5 Consultation must be undertaken when proposals are still at a formative stage. This report confirms that consultation is planned with those tenants likely to be affected by the proposals
- 9.6 The Equality Act 2010 (the Act) introduced a new public sector equality duty (the equality duty or the duty). It covers the following nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 9.7 In summary, the Council must, in the exercise of its functions, have due regard to the need to:
- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
  - advance equality of opportunity between people who share a protected characteristic and those who do not.
  - foster good relations between people who share a protected characteristic and those who do not.

- 9.8 The duty continues to be a “have regard duty”, and the weight to be attached to it is a matter for the Mayor, bearing in mind the issues of relevance and proportionality. It is not an absolute requirement to eliminate unlawful discrimination, advance equality of opportunity or foster good relations.
- 9.9 The Equality and Human Rights Commission has recently issued Technical Guidance on the Public Sector Equality Duty and statutory guidance entitled “Equality Act 2010 Services, Public Functions & Associations Statutory Code of Practice”. The Council must have regard to the statutory code in so far as it relates to the duty and attention is drawn to Chapter 11 which deals particularly with the equality duty. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value. The statutory code and the technical guidance can be found at:

<http://www.equalityhumanrights.com/legal-and-policy/equality-act/equality-act-codes-of-practice-and-technical-guidance/>

- 9.10 The Equality and Human Rights Commission (EHRC) has previously issued five guides for public authorities in England giving advice on the equality duty:

1. The essential guide to the public sector equality duty
2. Meeting the equality duty in policy and decision-making
3. Engagement and the equality duty
4. Equality objectives and the equality duty
5. Equality information and the equality duty

- 9.11 The essential guide provides an overview of the equality duty requirements including the general equality duty, the specific duties and who they apply to. It covers what public authorities should do to meet the duty including steps that are legally required, as well as recommended actions. The other four documents provide more detailed guidance on key areas and advice on good practice. Further information and resources are available at:

<http://www.equalityhumanrights.com/advice-and-guidance/public-sector-equality-duty/guidance-on-the-equality-duty/>

## **10 Crime and Disorder Implications**

- 10.1 There are no crime and disorder implications arising directly from this report.

## **11 Equalities Implications**

- 11.1 The recommendations in this report are intended to enable and

secure an effective enhanced housing management support service specifically for older tenants in sheltered housing. In doing so it will have a positive impact in relation to the age protected characteristic. It is also proposed to implement an interim support fund to mitigate the financial risks for tenants as a result of these implications. However, Officers will undertake an equalities analysis assessment once approval for this exercise is agreed. The results of which will be presented in a further report to Mayor and Cabinet following the outcome of the consultation.

## 12 Environmental implications

- 12.1 The report includes proposals to improve the energy efficiency of the Council's sheltered stock, which will have environmental benefits generally and will also help to reduce fuel bills for tenants.

## 13 Background documents and originator

- 13.1 The following sets out the background documentation that is relevant to this report:

Short Title of Document	Date	Location	Contact
Future of Housing	18 January 2012	Available at this <a href="#">link</a>	Jeff Endean 020 8314 6213
"Housing Matters": New investment and delivery approaches	11 July 2012	Available at this <a href="#">link</a>	Jeff Endean 020 8314 6213
Housing Matters	16 January 2013	Available at this <a href="#">link</a>	Jeff Endean 020 8314 6213
Housing Matters Programme Update	4 December 2013	Available at this <a href="#">link</a>	Jeff Endean 020 8314 6213
The Council's Extra Care Service at Kenton Court and Somerville	25 June 2014	Available at this <a href="#">link</a>	Jeff Endean 020 8314 6213
The Council's Extra Care Service at Kenton Court and Somerville	12 November 2014	Available at this <a href="#">link</a>	Jeff Endean 020 8314 6213

- 13.2 If you would like any further information on this report please contact Jeff Endean on 020 8314 6213.