

MAYOR AND CABINET		
Report Title	Sheltered Housing Investment and Improvement Programme	
Key Decision	Yes	Item No.
Ward	All	
Contributors	Executive Director of Customer Services, Executive Director for Resources and Regeneration, Head of Law	
Class	Part 1	Date: 11 November 2015

1 Executive Summary

- 1.1 This report seeks Mayor and Cabinet approval to implement changes to the way the Council's Sheltered Housing Service is managed and charged for. This includes a transfer of the service to Lewisham Homes and the delegation of approval for the finalisation for those changes to the Executive Director of Customer Services on advice from the Executive Director of Resources and Regeneration. The changes would see the transfer of the existing staff team, under TUPE arrangements if applicable, to Lewisham Homes and the introduction of an intensive housing management service across the Council's 18 sheltered housing schemes, to be paid for in full through a new service charge to tenants.
- 1.2 This model will entail a re-orientation of functions away from personal support to a proactive housing management approach with a focus more on supporting tenants to manage their individual tenancies and repairs and improve the upkeep and use of communal facilities. This approach is intended to enable an enhancing living environment for tenants, helping to reduce social isolation, while also ensuring the financial sustainability of the service in the longer term.
- 1.3 In July Mayor and Cabinet agreed that officers should consult with tenants about re-orientating services in this manner. The findings from that consultation were that an overall majority of 62 per cent of tenants who took part preferred a service enhancement, against 38 per cent who opted for a lower service charge, with no enhancement. Although three potential service models were presented to tenants during the consultation the intention was that any new service model would be flexible and seek to directly respond to the issues and aspirations of tenants, expressed during the consultation.
- 1.4 On this basis, it is recommended that a new service model be introduced across all 18 of the Council's sheltered housing schemes. In this model Lewisham Homes will assume full management responsibility for the service and will design a service model that directly responds to

concerns raised by tenants during the consultation. This will also entail the transfer, under TUPE arrangements if applicable, of the existing floating support team of 1x team leader and 4 x support officers to Lewisham Homes, and the introduction of a service charge to all tenants in sheltered housing schemes of £23.62 per week from April 2016.

- 1.5 The additional service charge to tenants will for the vast majority of people be paid for by Housing Benefit. Where an existing tenant is not in receipt of Housing Benefit, the service charge will be paid for through a service charge assistance fund to be met by the Housing Revenue Account, at an estimated cost of circa £80,000 per year. This will enable the Council to achieve the revenue savings target of £350,000 per annum in line with proposals previously developed as part of the Future Lewisham Programme, and agreed by Mayor and Cabinet.

2 Purpose of the report

- 2.1 To seek Mayor and Cabinet approval to commence the implementation of a staffing model that directly addresses the gaps in service identified by tenants during the consultation and to proceed with the full transfer of management responsibility for the service to Lewisham Homes, from April 2016. This will entail the introduction of an enhanced housing management service funded by an HB-eligible service charge of £23.62 per week and the transfer of the current staff team, under TUPE arrangements, if applicable.
- 2.2 To clarify the arrangements for the establishment of a service charge assistance fund to be met from the Housing Revenue Account and made available to the 65 tenants who currently pay their own rent to ensure that they are not adversely disadvantaged by the introduction of the new service charge and to ensure equality of treatment with tenants who pay their rent via Housing Benefit, as a result of these proposals.

3 Policy context

- 3.1 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.

3.2 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.

4 Recommendations

4.1 It is recommended that the Mayor:

4.2 Notes the findings of the consultation exercise that has been carried out with the tenants of the Council's 18 sheltered housing schemes, as set out in section six of this report

4.3 Agrees that, on the basis of these results, an enhanced housing management service, funded by service charges to tenants and the existing management fee to Lewisham Homes, should be introduced in all 18 schemes, and that the transfer is approved.

4.4 Agrees that the current floating support service is transferred to Lewisham Homes (with staff transferring under TUPE arrangements where applicable and subject to staff consultation), and is expanded in a manner that directly addresses the concerns raised by tenants during consultation, as outlined in section six of this report.

4.5 Notes that officers estimate that the new service charge to tenants will be £23.62 per week, to be implemented from April 2016, subject to further and final consultation with tenants as part of the Council's annual rent and service charge setting process.

4.6 Agrees to implement a service charge assistance fund for any existing tenants not in receipt of housing benefit who experience financial hardship as a result of this new service charge, in the manner set out in section eight.

4.7 Agrees that the finalisation of the transfer and proposals for the new service is delegated to the Executive Director of Customer Services as advised by the Executive Director, Resources and Regeneration.

5 Background

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 2014 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 being supported into alternative accommodation.
- 5.4 In July 2015 Mayor and Cabinet agreed 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.
- 5.5 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.

6 Consultation process, results, and proposed approach

- 6.1 A series of tenant consultation meetings took place in all 18 sheltered schemes during July and August. Officers from the Council and Lewisham Homes attended all of these meetings. At each meeting three options were proposed in detail to tenants and the rationale for change was clearly explained. Tenants were given the opportunity to ask questions and/or to make comments regarding the proposals or to say

how they believed the proposals would impact upon them, both collectively and individually.

- 6.2 Officers from the Lewisham Homes Asset Management Team then spoke to tenants about future investment plans and current maintenance and repair issues. These officers carried out inspections of the buildings, recording and reporting on immediate concerns and repairs needed in the communal and external areas.
- 6.3 At the end of the meetings ballot papers, outlining each of the options were passed to tenants. An estimated total of 200 tenants attended the meetings and 160 ballots were completed and handed back to officers at the end of the meetings. A ballot box was placed in each scheme to allow tenants who had not attended the meetings to indicate their preference and boxes were collected at the end of September.
- 6.4 A total of 309 ballots were cast out of a possible 471, representing 67 per cent of the total number of tenants currently residing in sheltered schemes.
- 6.5 The results are set out in the table below, and show that 62 per cent of respondents preferred an enhanced service provision of one type or other:

Option	Summary	Weekly service charge to tenant (£)	Ballot Results	Transitional Protection estimated cost
Current service only	Provide sufficient housing management staff equivalent to the existing service only	14.79	38%	£50,000
Minimal service expansion	Increase the existing support to provide scheme managers/wardens where potentially a manager is shared across two schemes	21.00	22%	£70,980
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	40%	£88,827

- 6.6 The consultation also provided an opportunity for tenants to discuss their concerns about the current service and the condition of the schemes. The main issues arising from the meetings were largely to do with repairs and the general upkeep of the schemes. Officers from the Lewisham Homes Asset Management team were present at all the

meetings and have recorded the issues raised and are acting upon urgent cases.

- 6.7 The headline issues with regard to the maintenance and upkeep of the properties were varied from scheme to scheme. However, a number of themes emerged that will need to be addressed in the near future. These were communal lighting systems, security and access, including CCTV, laundry facilities, space and battery charging for mobility scooters, lifts and stair lifts (especially urgent at John Penn House), general cleaning and hygiene standards and grounds/garden maintenance.
- 6.8 Other themes emerging from the consultation were social isolation and boredom. Many schemes were keen to have greater access to staff to help establish and promote social activities within schemes and make better use of communal facilities. Tenants also raised concerns about frail elderly neighbours, who in many cases have mobility/ sensory issues and needed to be routinely checked upon to ensure their wellbeing. There were concerns that there are currently not enough staff resources to ensure their ongoing safety.
- 6.9 During consultation no tenant stated that they would rather have an Option to completely withdraw the service rather than pay any new charge. In most cases tenants were concerned not to lose the experience and knowledge of the current floating support staff, once overall management responsibility was transferred to Lewisham Homes.
- 6.10 Tenants did not express any reservation regarding the proposed transfer of the existing service to Lewisham Homes and were supportive of having a more joined up service with a single point of access for both housing management and well-being issues.
- 6.11 It should be noted that the current floating support team of 1x Team Leader and 4 x Support Officers has limited capacity and can only hold a caseload of circa 150 of the most vulnerable tenants who require direct support. The remaining tenants can access the service by attending surgeries that are held in each scheme on a weekly basis. Many tenants appear not to access any support whatsoever and there is potentially a risk that need is not being met and some tenants are becoming increasingly at risk as they become older and their needs increase.

7 New Service Model

- 7.1 It is recommended that a service charge level of £23.62 per week should be applied to all sheltered rent accounts, from April 2016. This will enable an increase in the overall numbers of staff within the Sheltered Housing Service to reflect the preference of tenants for an enhanced service model. The cost reflects a level of service which will be between Options 2 and 3 which were consulted on. It presents an opportunity to respond directly to the issues raised by tenants during the consultation

by designing a service that specifically addresses tenant concerns about social isolation, boredom, repairs and security within the schemes.

- 7.2 The service will continue to promote the wellbeing and independence of tenants by settling them in to the schemes, signposting to health and care services and advocating on their behalf where necessary. Staff will continue to encourage tenants to participate in social activities within the schemes and their local communities to reduce social isolation and to promote individual health and well being. The new enhanced housing management model should also include tasks such as security, dealing with anti social behaviour issues, monitoring visitors to the schemes, managing CCTV, promoting safety awareness and dealing with the general upkeep of the schemes and the reporting of individual and communal repairs
- 7.3 The enhanced housing management model would also see a re-orientation of the existing model of service delivery, from a support service to an enhanced housing management service, to ensure the new charge meets housing benefit eligibility. Existing staff who are being transferred should also receive tenancy management and other landlord related training.
- 7.4 This proposal provides the Council and Lewisham Homes with the opportunity to ensure that Sheltered Housing remains a part of the overall range of services available to older people in Lewisham at a time of significant pressure on funding.
- 7.5 The model recommended has been informed by the findings of a comprehensive consultation exercise with sheltered tenants undertaken by the council in 2015. The consultation with tenants on the options for an enhanced housing management service identified that the key issues for tenants were related to housing management functions, most notably repairs and security.
- 7.6 The proposed model will have a role in supporting older people to resolve repairs issues. It will be important that the new service model adopts an enabling approach that promotes independence and self-reliance.
- 7.7 As noted above the proposed enhanced housing management model will allow older people to continue to have a range of choices in their housing options by ensuring that those with lower level needs who require assistance around practical aspects of maintaining their tenancies, including resolving any housing management and repair issues, have access to the right advice and assistance. Based on feedback from the consultation it will also provide older people with reassurance around feeling safe and secure while living independently in the community.

- 7.8 Following Mayor and Cabinet approval it will be necessary for the relevant Lewisham Homes and Council Officers to work collectively to establish the new service by April 2016. This will include formal consultation with the affected staff and their representatives as well as informing sheltered housing tenants of the outcome of the consultation programme conducted during the summer and how the new service model will respond to their concerns and aspirations, from April 2016.

8 Service charge assistance fund

- 8.1 Currently 471 tenants reside in Council Sheltered schemes. There are 7 voids across the 478 sheltered housing units. There are 65 tenants who are not in receipt of Housing Benefit and are responsible for paying their own rent and service charges directly. The remaining 406 tenants are in receipt of Housing Benefit and will not be adversely affected by the introduction of the new charge.
- 8.2 To ensure parity of treatment for the 65 self funders it will be necessary to establish a service charge assistance fund. It is estimated that with the introduction of a new charge at £23.62 per unit per week, the fund will cost the Council £80,000 per annum. It is proposed that this will be funded through the Housing Revenue Account.
- 8.3 The service charge assistance fund will only fund costs for existing tenants and will not be available to prospective sheltered housing tenants. This will only affect a small number of people as the vast majority of Sheltered Housing applicants are normally already in receipt of Housing Benefit, at the time of application.
- 8.4 For prospective tenants who are not entitled to Housing Benefit it is considered that there is an adequate range of age exclusive alternative housing options available, where these charges will not apply. Prospective tenants will also be given advice on income maximisation that may entitle them to housing benefit should they still desire to live in Council owned sheltered housing.

9 Financial implications

- 9.1 This report seeks approval for the transfer of the Sheltered Housing Floating Support Service to Lewisham homes. Funding responsibility will be transferred from the Community Services budget to the Housing Revenue Account (HRA) and then service charged on to service users.
- 9.2 The transfer will enable the council to achieve General Fund savings of £350k, as approved by Mayor and Cabinet on 11 February 2015.
- 9.3 A service charge assistance fund of up to £80k is to be met from the HRA to support existing tenants not in receipt of Housing Benefit.

10 Legal Implications

- 10.1 Approval in relation to service delivery and the transfer to Lewisham Homes is an executive matter reserved to Members under point 6 of the Mayoral scheme of delegation, as the value of the service is over £500,000 per annum.
- 10.2 The proposal for the transfer of the service set out in the report does not raise procurement implications under the Council's Contract Procurement Rules, as Lewisham Homes is a wholly owned subsidiary of the Council and the proposal is exempted thereby under EU law by the "Teckal" exemption.
- 10.3 The applicability of the Transfer of Undertakings Protection of Employment Regulations 2006 ("TUPE") for any Council staff who may transfer will need to be fully considered once the proposed specific method of operation of the service by Lewisham Homes has been clarified. Appropriate consultation will need to take place with unions and staff, if it is then established that TUPE is applicable to the transfer.
- 10.4 The report to Mayor and Cabinet dated 15 July 2015 noted that the Council had statutory power under sections 11 A and 24 of the Housing Act 1985 as amended ("HA") to make reasonable charges for relevant services. Section 105 HA required a consultation to take place with secure tenants and the report confirms this has occurred with further consultation taking place as indicated at paragraph 4.5 of the report. Under section 103 HA officers will be required to serve a notice of variation on its tenants, if it wishes to vary the terms including increasing or decreasing rent or other charges.
- 10.5 The report proposes the delegation of approval of the finalisation of any matters relating to the transfer and the new service to the Executive Director of Customer Services on the advice of the Executive Director of Resources and Regeneration.
- 10.6 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.
- 10.7 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. 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.

11 Crime and Disorder Implications

11.1 There are no crime and disorder implications arising directly from this report. However, the recommendations contained within this report will have an immediate and positive impact on Sheltered Housing tenants who expressed concerns regarding levels of security which will be addressed by increasing staff presence within the schemes and by providing a more joined up housing management service to tenants.

12 Equalities Implications

12.1 The nine strands of the Council's equality agenda have been considered to assess any potential impact. These nine strands are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

12.2 It has been assessed that there are no significant detrimental impacts from the proposals which are set out in this report.

12.3 No existing tenants will be affected by the introduction of the charge and it is estimated that only a small percentage of new tenants would not be eligible for housing benefit to cover the cost of the new charge in future. For the small number of new potential tenants that are likely to have to pay the charge in future, advice will be provided in relation to income maximisation as well as other housing options available.

13 Environmental implications

13.1 The original report about sheltered housing asset improvements 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.

14 Background documents and originator

14.1 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 link	Jeff Endean 020 8314 6213
"Housing Matters": New investment and delivery approaches	11 July 2012	Available at this link	Jeff Endean 020 8314 6213
Housing Matters	16 January 2013	Available at this link	Jeff Endean 020 8314 6213
Housing Matters Programme Update	4 December 2013	Available at this link	Jeff Endean 020 8314 6213

Short Title of Document	Date	Location	Contact
The Council's Extra Care Service at Kenton Court and Somerville	25 June 2014	Available at this link	Jeff Endean 020 8314 6213
The Council's Extra Care Service at Kenton Court and Somerville	12 November 2014	Available at this link	Jeff Endean 020 8314 6213
Sheltered Housing Investment and Improvement Programme	15 July 2015	Available at this link	Jeff Endean 020 8314 6213

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