

REPORT TO: HOUSING COMMITTEE – 28 JANUARY 2002
SOCIAL WORK COMMITTEE – 28 JANUARY 2002

REPORT ON: REVIEW OF SHELTERED HOUSING WARDENS SERVICE CHARGE

REPORT BY: DIRECTOR OF HOUSING AND DIRECTOR OF SOCIAL WORK

REPORT NO.: 49-2002

1. **PURPOSE OF REPORT**

- 1.1. To set out the proposed Sheltered Housing Wardens Service Charge for the financial year 2002/03.

2. **RECOMMENDATIONS**

It is recommended that Committee agree:

- 2.1. The Sheltered Housing Wardens Service Charge is increased by £3.10 to £16.72 per week for tenants receiving the Sheltered Housing Wardens Service from 1st April 2002.
- 2.2. The current protection scheme is extended to cover the increase for existing tenants who contribute to the Sheltered Housing Wardens Service Charge.

3. **FINANCIAL IMPLICATIONS**

- 3.1. The Sheltered Housing Wardens Service is funded by the service charge. Charges are set to cover the cost of the service. Any shortfall would have to be found from the rent or Council Tax charges.

4. **LOCAL AGENDA 21 IMPLICATIONS**

- 4.1. None.

5. **EQUAL OPPORTUNITY IMPLICATIONS**

- 5.1. None.

6. **SHELTERED HOUSING WARDENS SERVICE CHARGE REVIEW (SHWSC)**

- 6.1. The SHWSC was introduced in 1997 after Local Government reorganisation. The SHWSC was set up in such a way as to avoid persons not eligible for Benefits at the time of introducing the charge suffering financial hardship. This requires the Council to fund the costs of those tenants not covered by Housing Benefit.
- 6.2. Changes in the pattern of Sheltered Housing lets and the introduction of new rules governing Housing Benefit and Supporting People costs require a review of the SHWSC.
- 6.3. As tenants needs have changed some of the less attractive sheltered properties have become very difficult to let and some types have no demand. This has resulted in an increasing level of voids spread throughout the stock and a number of houses being decommissioned. However, as the voids are spread through the stock, rather than in specific locations, it has been impossible to reduce the Sheltered Housing Warden cover in proportion to the number of tenants and still maintain a satisfactory level of services at all sheltered housing locations.

- 6.4. Because of this the actual cost, per tenant, of providing the service has risen above what would normally be caused by inflation. In addition, staff pay increases have also risen above inflation and these costs have to be met from the service charge.
- 6.5. Rules governing supported housing are further complicated with the introduction of the Supporting People system in April 2003. From this date all charges relating to housing support will be met from a new Supporting People fund administered by the Council, rather than from Housing Benefit. The Sheltered Housing Wardens Service is affected by this change.
- 6.6. In preparing for this change, it is necessary to identify all costs relating to the SHWSC which are met from the Housing Revenue Account. At the moment all void costs relating to Sheltered Housing Wardens Service Charge are met from the HRA (approximately £150,000 per annum) which affects the overall rent charge for all tenants. In the future these costs can be covered by the Supporting People fund, if they are identified and in place in the form of Housing Benefit charges prior to April 2003. After this date the Supporting People fund will be determined by the Government and there is no guarantee that costs not already charged to Housing Benefit will be covered by the Supporting People fund. To ensure best use is made of the change of regulations and safeguard current and future Housing Benefit and Supporting People claimants it is intended all costs relating to the SHWSC are covered by the charge and not other Council Budgets. To achieve this it will be necessary to transfer the sheltered housing void costs to the SHWSC.
- 6.7. To meet these additional costs and to maintain the required levels of service it is necessary to increase the SHWSC by £3.10 per week to £16.72 per week from 1st April 2002.
- 6.8. The increase will be covered for those eligible for Housing Benefit. Those tenants previously protected for reasons of financial hardship will be assisted as before and the Social Work Department will carry out a full benefits check for all affected tenants to facilitate maximum take up of eligible benefits. It is recognised that changes to the regulations affecting sheltered housing have resulted in a charge increase which could not have been foreseen by existing tenants who currently contribute to the SHWSC. To protect those tenants from financial hardship it is intended to include the increase in the current protection scheme.

7. CONSULTATION

- 7.1. All Chief Officers have been consulted on the content of this report.

8. BACKGROUND PAPERS

- 8.1. None.

Elaine Zwirlein
DIRECTOR OF HOUSING

Signed _____

Date _____

Alan Baird
DIRECTOR OF SOCIAL WORK

Signed _____

Date _____