



AGENDA ITEM: 5(a)

CABINET: 15 March 2016

Report of: Director of Housing and Inclusion

Relevant Portfolio Holder: Councillor J. Patterson

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SUBJECT: SHELTERED ACCOMMODATION REVIEW

Wards affected: Borough wide

1.0 PURPOSE OF THE REPORT

- 1.1 To advise members of Lancashire County Council's (LCC) planned consultation exercise with sheltered housing tenants which, is programmed to commence in late February 2016. This is in light of the announcement that LCC will potentially withdraw all Supporting People (SP) funding for older peoples housing related support from April 2017.
- 1.2 To seek authority to determine the future use of vacant sheltered accommodation that was previously occupied by residential wardens.
- 1.3 To seek authority to determine the future use of Communal Lounges for Category 1 Sheltered Accommodation
- 1.4 To advise members that I will further consult with sheltered housing tenants in light of LCC's decision regarding future SP funding.

2.0 RECOMMENDATIONS TO CABINET

- 2.1 That the Director of Housing and Inclusion be given delegated authority, in consultation with the relevant Portfolio Holder, to proceed with an option appraisal on a scheme by scheme basis of vacant resident warden accommodation to determine future use, and where appropriate, redeveloped or sold on the open market.

- 2.2 That in light of the proposal by LCC to withdraw all SP funding for older people's housing related support, the Director of Housing and Inclusion be given delegated authority, in consultation with the relevant Portfolio Holder, to proceed with an option appraisal on a scheme by scheme basis of Category 1 Communal Lounges to determine future use, and where appropriate, redevelop or sell on the open market, subject to obtaining all necessary consents and approvals.
- 2.3 That the Council undertake a consultation exercise with sheltered housing tenants in light of the outcome of LCC's consultation exercise to inform and agree the Council's future older persons housing related support service offer.
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3.0 BACKGROUND

3.1 Supporting People Funding

- 3.1.1 Supporting People funding for older person's housing related support in sheltered accommodation was reduced by LCC in April 2015. The Council have subsequently made a number of changes to service delivery to mitigate the impact of the reduced Supporting People funding. A revised two year contract was issued which is due to expire in April 2017.
- 3.1.2 Due to LCC budget pressures, a number of proposals have been identified to bridge the budget gap. One of the proposals is to completely withdraw SP funding for older person's housing related support from April 2017.
- 3.1.3 LCC have undertaken consultation with service providers in the County to understand the potential impact of the proposal and West Lancashire Borough Council have responded accordingly. It is understood that LCC also intend to consult with stakeholders and individually with service users over a three month period commencing late February 2016. Service users will be sent a detailed questionnaire which they will be asked to respond to. WLBC staff will be briefed to assist anyone who requires support to do this. LCC will also provide support through the SP team.

3.2 Sheltered Housing Assets

- 3.2.1 Following implementation of recommendations from an Organisational Reengineering Project of the Sheltered Housing Service, staff roles changed and the role of the resident warden ceased. This resulted in existing staff transferring to alternative posts on a non-residential basis.
- 3.2.2 The properties the resident wardens vacated are primarily located within Category 2 sheltered schemes, however some are located adjacent to or above sheltered communal lounges. As these units were family sized accommodation, they do not readily lend themselves to tenancies aimed at single people or couples requiring sheltered accommodation.
- 3.2.3 The communal lounge facilities associated with some Category 1 sheltered accommodation are under-utilised. Many of these facilities now also require

investment and modernising. It would not be financially prudent to commit to this investment without first completing an option appraisal of each facility.

4.0 CURRENT POSITION

4.1 Supporting People Funding

4.1.1 It is expected that the results of the 3 month LCC consultation will be available in summer of 2016. The results of this consultation will be used to develop possible options for the future service offer for sheltered housing tenants in West Lancashire.

4.1.2 These options will be financially modelled to ensure that they are financially viable and a further consultation exercise will be undertaken by West Lancashire to advise sheltered housing tenants of the future service offer from April 2017. Sheltered housing staff will set up a series of meetings to be held at various sheltered schemes across the Borough to meet tenants and discuss face to face the future service proposals. Information will also be placed on the Council's website. Feedback will be captured from these events to understand tenant's service requirements.

4.1.3 An additional issue that adds complexity is that rent for supported housing such as sheltered housing, have been exempted from the general rent reduction of 1% which applies to the remainder of the stock for one year. This will generate additional revenue which will assist with service delivery.

4.1.4 The report going to Council in February 2016, will also review whether an additional rent increase of up to 10% should be applied to new tenants from April 2016 which will assist with the provision of support services.

4.1.5 Government have indicated that they will be reviewing supported housing charges over the next 12 months and will be making some decisions regarding how costs are applied to rents and service charges as many providers were concerned that the changes proposed to supported housing may be detrimental to residents.

4.2 Sheltered Housing Assets

4.2.1 The Housing and Inclusion Asset Management Team will undertake a technical evaluation and option appraisal of the vacant resident warden accommodation including a review of location, demand and suitability. On completion of this work I will be in a position to make decisions, in consultation with the Portfolio Holder, which properties may be brought back into residential use and that would not compromise the sheltered accommodation scheme.

4.2.2 A capital growth bid has been submitted to Council, as part of the budget setting process. In the event that Council approve this bid the capital expenditure will be used to redevelop the communal lounge at Pennington Avenue, Ormskirk into a residential flat. The intention would be, on completion of the option appraisal and subsequent work, to sell the redeveloped property on the open market. If

this scheme is successful, the proceeds from the sale would be utilised to facilitate a programme of work following the outcomes of the other sheltered option appraisals.

5.0 SUSTAINABILITY IMPLICATIONS/COMMUNITY STRATEGY

- 5.1 The potential withdrawal of Supporting People funding would require the Council to reconfigure its service offer to sheltered housing tenants. This does have the potential to adversely affect the health and wellbeing of older residents. The Council's consultation exercise will help determine how best the Council manages this and minimises impact for service users.
- 5.2 Implementing a programme of option appraisals for the vacant and under-utilised sheltered housing assets will help determine the best approach to support a cohesive community within these areas.

6.0 FINANCIAL AND RESOURCE IMPLICATIONS

- 6.1 The option appraisal will establish the most appropriate use for the vacant sheltered housing assets.
- 6.2 If approved, the capital growth bid for 2016/17 will provide the capital expenditure which can be used to redevelop the communal lounge at Pennington Avenue, Ormskirk into a residential accommodation which would be sold on the open market. Proceeds from the sale could then be used to facilitate a programme of work following completion of further option appraisals.

7.0 RISK ASSESSMENT

- 7.1 The potential withdrawal of SP funding from LCC will present a risk to the income for the Housing Revenue Account. The recommendations in this report seek to minimise this risk and subsequent impact for service users.
- 7.2 A risk assessment has been conducted and is being managed by the service area.

Background Documents

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

Equality Impact Assessment

There is a direct impact on members of the public, employees, elected members and / or stakeholders. Therefore an Equality Impact Assessment is required. A formal equality impact assessment is attached as an Appendix to this report, the results of

which have been taken into account in the Recommendations contained within this report

Appendices

Appendix 1 - Equality Impact Assessment
Appendix 2 – Minute of the Landlord Services Committee (Cabinet Working Group) held on 9 March 2016 – to follow