

## SOCIAL WORK & HOUSING COMMITTEE – 6 JUNE 2013

### IMPLEMENTATION OF SHELTERED HOUSING REVIEW - CHARGES

#### 1 Recommendations

The Committee is recommended to:

- 1 Provide comment on the proposed review of sheltered housing charges.
- 2 Agree that a consultation exercise be carried out with affected tenants to obtain their views regarding the possible removal of protection from Housing Support charges.
- 3 Seek a further comprehensive report to the Social Work & Housing Committee in November 2013.

#### 2 Background/Discussion

- 2.1 At the December 2012 meeting of the Social Work and Housing Committee, the report “**Implementation of Sheltered Housing Review – Evaluation**” was considered. One of the recommendations was to review the housing support charges. Following further subsequent discussion on this overall item, the Full Council confirmed this review should progress.
- 2.2 In the December 2012 report referred to above, under the paragraph relating to “Service Charges”, it advised that the issue of charging did not form part of the original review proposals (of Sheltered Housing). Many tenants expressed strong views throughout the independent consultation carried out in 2010 that the current protection from charges should be removed and all tenants should have the same charging arrangement. The report further advised that protection from charges was introduced by the UK Government as part of transitional housing benefit regulations applying to tenants who moved into sheltered housing before 2003. In recent years, the government has changed the regulations so that councils have discretion to retain or remove this protection.
- 2.3 Sheltered Housing tenants in Aberdeenshire currently require to pay the following charges:
  - Rent – Amount varies by scheme depending on rent setting criteria
  - Heat & Light - £25.80 per week, paid with rent
  - An HRA Management Charge - £8.30 per week, paid with rent
  - HRA Service Charge - £1.94 per week, paid with rent
  - A Housing Support Charge, which varies between £15.71 per week as a standard charge; £7.34 per week for those partially protected and no payment for those fully protected (**Appendix 1** attached to this report identifies the nature of these charges).
- 2.4 Excluding rent, heat and light, the **maximum** weekly amount for other charges to tenants is £25.95 per week. The Housing Management and

Service charges are eligible for Housing Benefit, whereas Heat and Light charges are not. The Housing Support Charge is eligible for a financial assessment by Social Work but not eligible for Housing Benefit

HRA Management Charge	£ 8.30
HRA Service Charge	£ 1.94
Housing Support Charge	<u>£15.71</u>
	<u>£25.95</u>

2.5 A short term officer group was established to consider the following:

- Whether or not “protection” should be removed as highlighted by the independent consultation exercise. If so, to consider at what level charges should be set for Housing Support and, if protection is to be removed, that these be phased in over a period of time.
- Consider the impact on the HRA and the General Fund regarding current subsidy issues and make recommendations on any changes.
- To make charges more transparent for tenants and to consider ways of introducing efficiencies in administration (for example by including any Housing Support charges with rent rather than by separate invoicing). Some charges are eligible for Housing Benefit.

2.6 If Committee approves this report, arrangements will be made to carry out the consultation exercise as soon as possible. The report to the November 2013 Social Work & Housing Committee will contain recommendations on:

- Consultation feedback, specifically on the issue of Housing Support Charges protection
- The financial impact of any proposed changes and the numbers of tenants affected
- The impact of subsidy on budgets, specifically the HRA and the General Fund
- Proposals to simplify the charging system for tenants
- Research from other social housing providers regarding the treatment of expenditure and charges within sheltered housing developments

2.7 The Head of Finance and Monitoring Officer within Corporate Services have been consulted in the preparation of this report and agree with the content.

### **3 Equalities, Staffing and Financial Implications**

3.1 A detailed EIA will be carried out when the detailed review is complete and a further report submitted to Social Work & Housing Committee in November 2013.

**Ritchie Johnson**  
**Director of Housing & Social Work**

Report prepared by Brian Watson, Housing Manager (Finance)/Douglas Edwardson  
27<sup>th</sup> May 2013 final version

**Appendix 1**

Charges cover the following (the charges for Rent, Heat & Light are self-explanatory):

<b>Charge</b>	<b>What It Covers</b>
HRA Management Charge	This charge represents the time that Sheltered Housing Officers (SHO) spend doing “housing management” duties, generally relating to looking after the building and including tenancy management work. This includes taking repairs, giving contractors access, taking meter readings, testing fire alarms, cleaning spills etc This previously included the time SHO’s spent on routine cleaning and before the review; the split between Housing Management/Housing Support was 30:70. Since introduction of the cleaning contract, the split is 10:90
HRA Service Charge	This charge was historically restricted to the upkeep and repair of communal furniture and equipment, therefore related to spend on laundry equipment; furniture & furnishings, carpets & curtains etc. However, this charge currently does not represent the cost of communal works. Other aspects that should be included are emergency lighting; boiler maintenance; window & wheelie bin cleaning; lifts; painting of communal areas; grounds maintenance; legionella works and sprinkler maintenance
Housing Support Charge	Housing support charge is applied to promote and enable independent living for tenants. This service includes a daily visit or call to ensure wellbeing, Creation of a housing support plan (individual to the tenant) Assistance with making appointments, form filling, reporting repairs, ensuring safety of self and property. Facilitating and enabling to maintain wider community links as well as those within the Sheltered housing complex. This service is available to all tenants over 7 days a week via the Sheltered housing Officer team.