

REPORT FOR: CABINET

Date of Meeting: 13 September 2012

Subject: Restructure of the Sheltered Housing Service

Key Decision: Yes

Responsible Officer: Paul Najsarek, Corporate Director, Community, Health and Wellbeing

Portfolio Holder: Councillor Bob Currie, Portfolio Holder for Housing

Exempt: No

Decision subject to Call-in: Yes

Enclosures: Appendix 1 – Summary of tenant consultation
Appendix 2 – Summary of staff consultation
Appendix 3 - Equality Impact Assessment

Section 1 – Summary and Recommendations

This report describes the proposed restructure of the Sheltered Housing Service.

Recommendations:

Cabinet is requested to support and approve the proposed restructure which includes the following key changes:

- 1 a move away from one designated Warden per scheme, which includes removal of the remaining 5 resident warden posts;
- 2 funding enhanced housing management services through a service charge.

Reason: (For recommendation) There are two key drivers – firstly, to improve service delivery and secondly, to facilitate a reduction in Supporting People funding over the next 3 years (to deliver a £200,000 in savings to Adults as set out in the Medium Term Financial Strategy).

Section 2 – Report

1.0 Introductory paragraph

Providing support and housing management services enables Sheltered Housing tenants to live as independently as possible, for as long as possible, in their own homes.

This not only helps improve & maintain the tenant's quality of life but also reduces the burden otherwise placed on the Borough's other support and care services. This proposal supports the council's commitment to improve support for vulnerable people and improve people's lives by giving people more choice and control in the services they use.

2.0 Options considered

Status Quo

Remaining with the current structure would not facilitate the level of service improvement required and would also lead to a significant reduction in staffing over the next 3 years.

Restructure service

Move to a structure that delivers enhanced housing management services and support services via different teams to provide a more flexible service to better meet the needs to sheltered housing tenants. This structure will also enable savings to be made to address the reduction in Supporting People funding.

3.0 Current situation

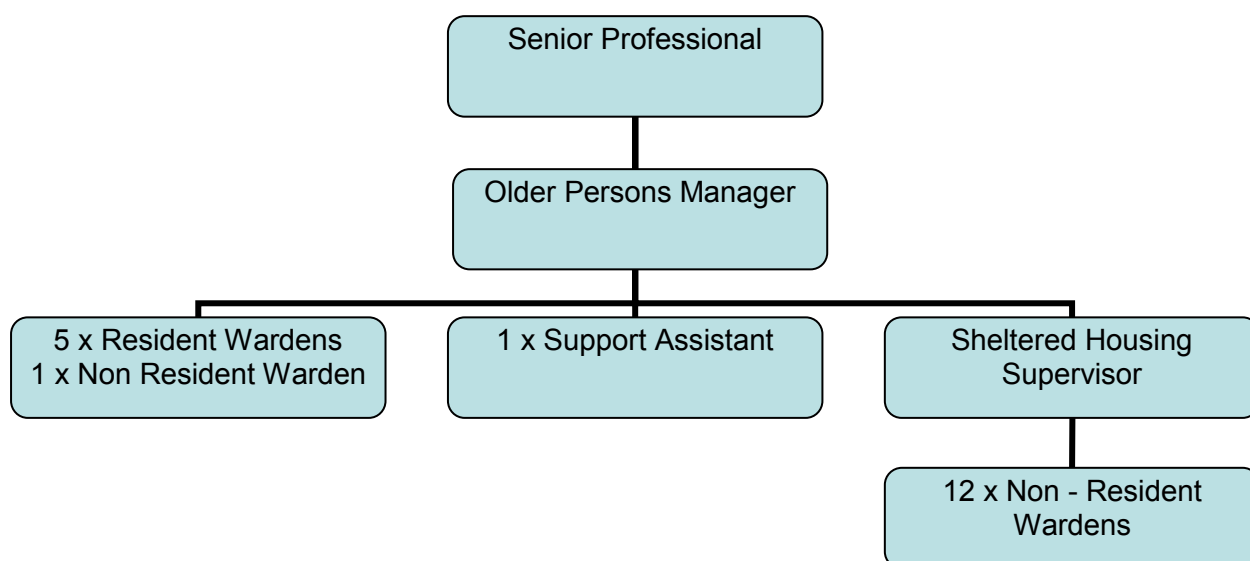
3.1 Staffing

There are 18 Sheltered Housing schemes across the Borough containing a total of 551 self contained flats. There is one designated Warden per scheme.

Historically, each block had a Resident Warden, however, resident staff have been phased out over recent years and now just 5 of the Wardens live-in. The current structure has been in place for more than 15 years.

Resident and non-resident Wardens work to different job descriptions and are on different pay scales. The 5 resident Wardens receive rent free accommodation and are on a higher salary scale than non resident Wardens.

The current staffing structure:



3.2 Funding

The Sheltered Housing Service is funded through Supporting People Grant (SPG) and the annual grant is currently £501,151 (2012 / 2013). However, this is insufficient to meet costs and the HRA currently provides the shortfall of £367,342 per annum.

4. Why a change is needed

4.1 Service improvement

We need to improve our service to tenants by offering flexible support, tailored to individual need. However, current staffing arrangements mean that:

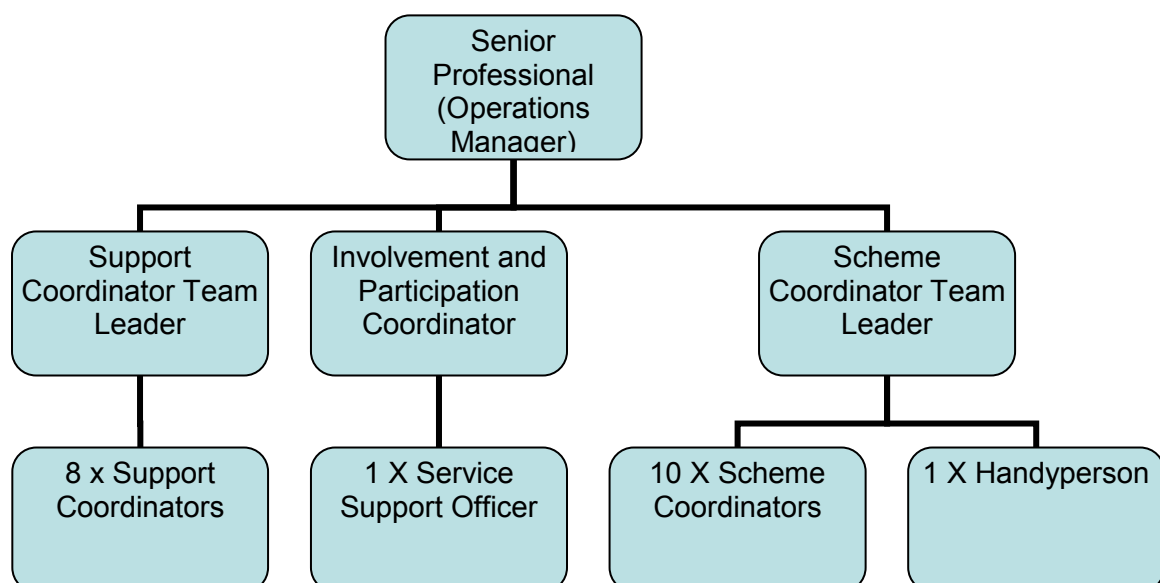
- Tenants have no choice in who they speak to about their support needs.
- Tenants are particularly vulnerable where the designated member of staff is on leave or where a post is vacant.
- Staff work in isolation. This hampers the development of service, consistency across the 18 schemes, taking forward improvements and best practice examples.

The restructure proposals are to retain 18 frontline posts, but as an alternative to having one staff member per scheme to create two staff teams; one to focus on housing management (maintaining the safety & security of the building, reporting repairs, liaising with & monitoring contractors etc) and one to focus on support (working with individual tenants on matters relating to their health & wellbeing).

The National Housing Federation publication “Breaking the Mould; Revisioning Older People’s Housing” (February 2011) presents the results of a comprehensive survey of older people’s housing support needs and confirms that flexible, personalised support is key. Further that “many older people do not need ongoing care and support services but would find life much easier and more secure if there was help at hand for housing maintenance and an assurance that support would be there when they needed it.”

This structure recognises the distinct differences between the support function and the scheme management function and should enable improved development of expertise in each area. For example, we are currently working with Adults to develop the model for the support service; this includes development of the service to work as part of a multi agency team to address delayed discharge from hospital.

The proposed staffing structure:



Key changes:

- All staff will be based at a central hub (Watkins House).
- 9 of the Scheme Coordinators (housing management staff) will each cover 2 Sheltered blocks. The remaining Scheme Coordinator will focus entirely on Watkins House as there are a higher number of vulnerable tenants living in this scheme.
- The 8 Support Coordinators will “float” between the blocks, providing flexible and individually tailored support packages to tenants. A key focus of their work will be facilitating successful hospital discharge. These posts will be offered initially as two year Fixed Term contracts, because Supporting People funding cannot be guaranteed beyond 2015/16. The position will be reviewed as the funding position becomes clearer.
- There are two additional posts in the proposed structure; one Tenant Involvement & Participation Coordinator and one Handyperson.
- The 5 resident staff will be issued with non secure tenancies in place of existing service tenancies (which ensures there are no issues concerning Right to Buy and that the properties will become available for letting if these staff move on, find new job roles etc.).

4.2 Funding

Relying on the present arrangements with Supporting People funding means that:

- Staffing levels in sheltered housing would have to be reduced significantly over the next 3 years.
- The HRA would continue to fund a shortfall in Supporting People funding (currently £367,342 per annum).

Supporting People Grant is paid on the basis that Wardens spend 95% of their time providing support to all 551 Sheltered tenants. However, a majority of tenants do not require a support package. All tenants, however, benefit from housing management of the buildings (monitoring contractors & repairs etc); these services are not Supporting People Grant eligible and, although service charges covering housing management qualify under the housing benefit regime (Housing Benefit Regulations 2006, Regulation 12b, Schedule 1), the Council doesn't currently charge for these services.

It is proposed to charge a service charge for the enhanced housing management services, including the following:

- Maintaining the health and safety of the building
- Arranging for repairs to communal areas and related fixtures & fittings.
- Running scheme surgeries to give tenants the opportunity to discuss repairs and problems associated with the building
- Controlling access to buildings including the lift, front and back stairs, communal garden and landing/corridor

- Arranging for the installation and maintenance of security equipment
- Providing tenants with information and advice about the services related to the scheme including Cleaning of common areas, use of communal area, issues that arise from CCTV/assistive technologies monitoring etc.

The current housing benefit regulations permit certain service charges to be included in a housing benefit claim and as such those tenants receiving housing benefit will be able to have the charges included and paid for via housing benefit payments.

Currently, the service provided by Wardens is designated a Long Term Service for Supporting People purposes. This designation means that the Service is means tested and tenants who are not in receipt of benefits are individually responsible for paying a weekly Support Charge of £15.25 (whether they need / use the Service or not).

Under the new arrangements, the support service will be designated a Short Term Service for Supporting People purposes and therefore the service will be free to all Tenants. However, within the Service Charge currently paid by Tenants, the charge for Housing Management will be increased to £15.25. The overall effect will be that Tenants will be no worse off financially.

Many Local Authorities (including LB Hammersmith and Fulham and LB Kensington and Chelsea) and other providers of Sheltered Housing services are now funding their services in this way. Many more providers are currently proposing to fund housing management services through Housing Benefit, including LB Lewisham.

4.3 Welfare Benefit Reform

The changes being effected by Welfare Benefit Reform include the introduction of Universal Credit in October 2013 (this applies to people of working age), a new Pension Credit commencing in October 2014 (to be fully implemented by October 2017) and a revision of eligibility criteria & “capping” for housing costs.

Housing Benefit are not yet able to determine the impact of implementation of the new benefit arrangements on individuals as the draft regulations do not include specific limits on housing costs. However, it is unlikely that the Sheltered Housing rent or service charge costs will be above any thresholds.

The Housing Benefit Department are confident that the new service charge is fair and transparent and would withstand scrutiny.

We understand that efforts to reduce service charges paid through Housing Benefit are aimed at those providers charging at the higher end. Our proposed service charge (of 15.25 per tenant per week) is low in comparison with other providers including LB Hammersmith and Fulham who charge £20.91 per tenant per week for housing management services in Sheltered Housing. Other services, such as those providing domestic violence services for example, are known to claim £100s per week per tenant.

5. Consultation Feedback

5.1 Tenant consultation

5.1.1 A report outlining tenant consultation is attached at appendix 1.

In summary the key concerns of tenants are:

- The potential loss of their designated Warden.

We have explained that, depending on whether existing staff fill the new roles, most tenants would continue to see their existing Warden, either in their capacity of Scheme Coordinator or Support Coordinator and that in addition, tenants would also be able to see other members of staff if they choose to. The Supporting People Older People's sub group has also confirmed that some tenants who may feel unhappy with the current service find it difficult to express themselves.

Whilst each scheme may not have a designated individual warden, individual tenants would still have access to a designated scheme co-ordinator and also access to a support co-ordinator who is best placed to support their individual needs. This should provide a more enhanced flexible service.

- Reduced staff presence at each scheme.

There will actually be an increase in frontline staffing hours. Currently, because Supporting People funding is insufficient, we typically provide 553 frontline hours per week (office hours, Monday to Friday). Under the proposed structure this will increase to 648 hours – the equivalent of more than 2.5 full time posts.

- Our ability to identify and meet the needs of the most vulnerable / suddenly vulnerable.

New Support Delivery mechanisms introduced in 2011 are aimed at identifying and meeting the support needs of tenants. These mechanisms, along with each tenant's individual support needs, will be reviewed prior to any changes being implemented.

- Access to the service for tenants who speak a language other than English.

Access to staff who speak a language other than English will be improved because Support Coordinators will float across the schemes. We will also ensure that all tenants are able to telephone the office at Watkins House.

5.1.2 We have endeavoured to address these concerns and reassure tenants. However, it is perhaps inevitable that some tenants will continue to be anxious about any changes to the service and we are mindful of this.

5.1.3 There will be a transitional period of 3 months, during which the new structure would be phased in and individual support needs reviewed; a 12 month Review Period to enable us to review and improve operational arrangements; Establishment of service improvement working group involving tenants and staff to seek regular engagement with service users.

5.1.4 Our intention is that tenants will receive an improved service. Information received from other Boroughs who have adopted a similar model suggests that while some tenants report service improvement, most tenants notice no change. LB Hammersmith and Fulham implemented a similar restructure in October 2010 and conducted a tenant survey in October 2011. 314 tenants responded and feedback demonstrates that:

- 54% thought that scheme safety had stayed the same, 25% said that it had improved and 14% thought it was worse (7% didn't answer the question),
- 55% thought that the response to repairs issues had stayed the same, 25% said that it had improved and 15% said it was worse (5% didn't answer the question),
- Overall 78% said that there was a reliable scheme presence and 21% thought there was not (1% didn't answer the question).

5.1.5 As a result of the consultation, we have increased the number of Scheme Coordinators from 9 to 10 and reduced the number of Support Coordinators from 9 to 8.

5.2 Staff consultation

5.2.1 A report outlining staff consultation is attached at Appendix 2. However, in summary:

5.2.2 Preliminary consultation with Sheltered Housing staff was undertaken between October 2010 and December 2011 in order to obtain ideas and suggestions for service improvement. Mechanisms included 3 staff away days. (Sheltered Housing managers liaised with Helpline managers from July to Dec 2011.)

5.2.3 Formal consultation with Sheltered Housing & Helpline staff and Unison & GMB on our original proposal commenced in January 2012 and closed in March 2012.

5.2.4 Resident Wardens have been offered compensation on the basis they agree to a change to their terms and conditions in relation to rent free service tenancies and on call payments. Instead of service tenancies, the former resident wardens will be offered a non-secure tenancy. Negotiations will continue should this proposal be approved.

5.2.5 A majority of the feedback received has been submitted by the 5 resident staff who are concerned about the effect of the changes on their terms and conditions and share the concerns of tenants as described above (our ability to meet the needs of the most vulnerable, access for speakers of languages other than English and reduced staff presence on site).

5.3 Changes to the original proposal

5.3.1 The original proposal set out the frontline teams as 9 Scheme Coordinators and 9 Support Coordinators. However, in response to concerns raised from staff and tenants during formal consultation, we are now proposing a team of 10 Scheme Coordinators (to ensure greater fixed, on site presence) and 8 Support Coordinators.

5.3.2 The original proposal stated that all 18 frontline posts would be offered on permanent contracts. However, following further discussion with the Supporting People Team (regarding concerns of funding continuing beyond 2015/16) and advice from HR, Legal and Unison, we are now proposing to offer the 10 Scheme Coordinator posts as permanent Harrow contracts and the 8 Support Coordinator posts as 2 year Fixed Term contracts.

5.3.3 We have formally consulted with staff on these amendments. A majority of the feedback concerns implementation of the new structure and the terms and conditions of staff.

6.0 Legal implications

6.1 Under Section 11A Housing Act 1985 the Council, as local housing authority may provide welfare services, being services for promoting the welfare of the persons for whom the accommodation is so provided and may make reasonable charges for these services. Welfare services does not include the repair, maintenance, supervision or management of houses or other property, but can include services commonly and historically provided by wardens to sheltered housing schemes.

6.2 Under s.105 of the Housing Act 1985, there is a duty to consult tenants who are likely to be substantially affected by a matter of housing management, which includes matters which in the opinion of the Council relate to the provision or services or amenities in connection with dwellings. As the proposal involves delivering services in a different way, the Council has consulted its sheltered housing tenants. The Council is not obligated by statute to consult specifically on the service charge payment, as this is excluded from the s.105 duty.

6.3 Under Schedule 1, paragraph 2 of the Housing Act 1985, a non secure tenancy can be granted to an employee if they have been occupying premises on a service tenancy and their contract of employment requires occupation of the dwelling-house for the better performance of their duties. The tenancy will remain a non secure tenancy until the Council gives notice that it should become secure, a decision which could only be made in accordance with the Council's allocation scheme.

- 6.4 Failure to reach agreement regarding changes to the terms and conditions of employment of the residential wardens could lead to dismissal and potential redundancies.
- 6.5 The Council's sheltered housing schemes are normally exempt from the right to buy on the basis of Schedule 5, paragraph 10 of the Housing Act 1985. This provides that groups of dwelling-houses, being particularly designed for elderly persons and which are let for occupation by persons aged 60 or more or those with a physical disability are exempt from the right to buy if they either have the services of a resident warden or have the services of a non-resident warden, a system for calling him and the use of a common room in close proximity to the group of dwelling-houses.
- 6.6 In relation to the Council's schemes, all schemes fulfil the requirements of this section and will continue to do so in that they all have a common room within them, the scheme and support co-ordinators will be fulfilling the requirements of a non-resident warden and there will be a system for calling these co-ordinators.
- 6.7 When deciding to change the way a service is provided, the Council must take account of all relevant material, including financial resources, consultation responses and potential equality impact in order to reach a decision. This report presents a proposal. However, this does not preclude Cabinet from determining that another option is the most appropriate way forward. In an extreme case, if Cabinet felt that the severity of the impact of the proposed options on particular groups of individuals was such that none of the options are appropriate and that additional resources are required to fund these services, then it should consider whether funding can be found from other sources and if this impacts on the agreed budget framework, refer the matter up to full Council with a recommendation that further spending resources be allocated to the Directorate (either from Council reserves or from other budgets).
- 6.8 The Council has carried out a consultation process to seek the views of sheltered housing tenants and affected staff in the services. Summary details of the consultation responses are included in the report. Case law has confirmed that when determining whether to change service provision, the Council must be receptive to reasonable arguments against the proposals. However this does not simply involve a head count of those for and against the proposals. The Council must take all views into account, as well as other relevant information. Even if the respondents to consultation have strong views against the proposals, Cabinet may decide to introduce the proposals if justified for proper policy and operational reasons.

7. Financial Implications

Expenditure	Current structure 2012/13	Proposed structure		
		2013/14	2014/15	2015/16
Pay cost	£ 663,807	£ 780, 273	£ 780, 273	£ 716,273
Non pay cost	£ 401,866	£ 422,886	£ 401,886	£ 401,886
Total HRA expenditure	£ 1,065,673	£ 1,203,159	£ 1,182,159	£1,118,159
Income				
Service charges	£197,180	£197,180	£197,180	£197,180
Supporting People Grant	£ 501,151	£ 352,000	£ 302,000	£ 238,000
Housing Benefit	£ 0	£ 436,150	£ 436,150	£ 436,150
Additional rental income	£ 0	£ 13,213	£ 23,122	£ 26,425
Total HRA income	£ 698,331	£998,543	£ 958,452	£ 897,755
Net cost to HRA	£ 367,342	£ 204,616	£ 223,707	£ 220,404
One-off costs – statutory lump sum	£ 23,360	Nil	Nil	Nil
Net cost less one-offs	£ 390,702	£ 204,616	£ 223,707	£ 220,404

Notes:

- 7.1 The service has been significantly under-funded for many years.
- 7.2 The budget for the proposed restructure has been agreed by Housing Benefit, Finance and the Supporting People Team.
- 7.3 Pay costs are higher in the new structure as 2 new posts are included (Tenant Involvement and Participation Coordinator and Handyperson). These posts are funded through Housing Benefit and are essential to the service going forward.
- 7.4 One-off costs (cash lump sums) relate to cash buy-outs offered to resident staff who will no longer receive rent free accommodation in the proposed restructure. The additional rental income relates to the phasing in (over 18 months) of the rent payable on the 5 flats.

- 7.5 Service charge income relates to Caretaking and Grounds maintenance costs.
- 7.6 Pay costs reduce from £780,273 in 2014/15 to £716,273 in 2015/16 due to Support Coordinator posts being reduced from 8 to 6. (Supporting People finance beyond 2015/16 is not be guaranteed.)
- 7.7 By 2015/16, the proposed restructure is projected to deliver total net savings of £360,089 each year compared with the position in 2012/13. These will comprise a saving in the General Fund of £263,151 in respect of Supporting People funding, partly offset by a loss of Supporting People chargeable income of £50,000 to give a net saving of £213,151. This will meet the commitment in the Medium Term Financial Strategy to save £200,000 on Supporting People services to older people. There will also be a net saving to the Housing Revenue Account of £146,938.

8. Performance Issues

- 8.1 Under the restructure we will deliver improved support for tenants in the following 5 High Level Supporting People outcomes:
- 8.1.1 Achieve Economic Wellbeing (help tenants to maximise income, including receipt of the right benefits, reduce overall debt and participating in paid work where appropriate)
- 8.1.2 Enjoy and Achieve (help tenants to participate in chosen training / education, and where applicable, achieving desired qualifications, participate in chosen leisure/ cultural / faith/ informal learning activities / chosen work like/ voluntary/ unpaid work activities and establish contact with external services/ family/friends)
- 8.1.3 Be Healthy (Better manage physical / mental health, substance misuse and independent living as a result of assistive technology/ aids and adaptations)
- 8.1.4 Stay Safe (Maintain accommodation and avoid eviction, comply with statutory orders and processes, better manage self harm, avoid causing harm to others, minimise harm/risk of harm from others)
- 8.1.5 Make a positive contribution (Greater choice and/or involvement and/or control at service level and within the wider community)
- 8.2 We are working with the Supporting People Team to develop the support service to become a dynamic team that will work with health and other partners as part of a multi agency approach to falls prevention and hospital discharge.
- 8.3 We will work with colleagues in Housing to ensure improved repair response times.

- 8.4 We will work with the Helpline service to develop a Service Level Agreement to monitor and improve the out of hours support provided to tenants.
- 8.5 If approved, the restructure will be subject to a 12 month Review Period and a staff and tenant working group will be established in order to inform the review process. Monthly updates will be provided to Harrow Sheltered Residents Association and other stakeholders.
- 8.6 We will work with Harrow Sheltered Residents Association, the Supporting People Team and other stakeholders in order to develop a performance monitoring framework and associated targets.

9. Environmental Impact

- 9.1 Energy consumption – In the current staffing structure, a Warden is on site from Monday to Friday during office hours at all 18 Sheltered Housing schemes. In the new structure, staff will be based at a central hub at Watkins House with a Scheme Coordinators at each scheme for half a day per week (on average). This will reduce use of electricity.
- 9.2 Traffic and transport – We will ensure that staff manage their diaries efficiently to avoid unnecessary travel. We will also encourage use of public transport and walking / cycling.

10. Risk Management Implications

- 10.1 The proposed new ways of working would introduce a new charging mechanism for the sheltered housing service which would require the introduction of a new service charge for tenants. This could have wider impacts for the Council in terms of:
- Budget setting for both the Housing Revenue Account and General Fund
 - The rent and service charge setting process
 - The Council's overall benefit bill.
- 10.2 One further risk relates to the Welfare Benefit Reform. At present there are no proposals that would adversely affect the new charging arrangements, but it is possible that this may become a concern in the future if Housing Benefit were no longer available to cover the new service charges. If this happens the structure may need to be reviewed at that time.

11. Equalities implications

- 11.1 Section 149 of the Equalities Act 2010 created the public sector equality duty. Section 149 states:-

- (1) A public authority must, in the exercise of its functions, have due regard to the need to:*
- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;*
 - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;*
 - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.*
- 11.2 When making decisions in relation to service provision and in particular changing policies and the way services are provided, the Council must take account of the equality duty and in particular any potential impact on protected groups.
- 11.3 An Equalities Impact Assessment has been undertaken and a copy is attached (see Appendix 3). A summary of adverse impacts and proposed actions follows:

Area of potential adverse impact e.g. Race, Disability	<i>Action proposed</i>	Desired Outcome
Age / Disability – particularly vulnerable Tenants (such as those with mental & physical health / disability support needs) need to be identified and offered appropriate support.	All Tenant's needs and risk assessments will be reviewed prior to any changes being implemented to ensure that appropriate care & support packages are in place.	All Tenants needs & risks are identified and addressed.
Gender - There are financial implications for the 5 resident Wardens.	Cash buy outs have been issued in mitigation.	Offers are accepted and affected staff take up new posts in the restructured service.
Race – Telephone access to the new service for speakers of languages other than English is an issue.	Language barriers need to be addressed in advance of implementation. (Policy & procedure currently in development).	The service is equally accessible to all Tenants.
Sexuality & Gender Reassignment – No monitoring information for Tenants. Also, schemes & service not obviously LGBT friendly.	Staff team require training in LGBT issues. Schemes need to promote positive LGBT images. Improved monitoring is required.	As above.
Marriage & Civil Partnership - Although there is no impact on Tenants because of their marital status – current monitoring categories do not include “widow / widower”. Data from 9 of the 18 schemes demonstrates that 26% of Tenants are widows / widowers.	Recommend that to the Equalities Team that a category of “widow/widower” be added to monitoring forms.	Efficient monitoring of this category.

12. Corporate Priorities

12.1 The new policy will improve support for vulnerable people by ensuring better performance and higher quality outcomes.

Section 3 - Statutory Officer Clearance

Name: Roger Hampson	<input checked="" type="checkbox"/>	on behalf of the Chief Financial Officer
Date: 17 August 2012		
Name: Sarah Wilson	<input checked="" type="checkbox"/>	on behalf of the Monitoring Officer
Date: 30 July 2012		

Section 4 – Performance Officer Clearance

Name: Liz Defries	<input checked="" type="checkbox"/>	on behalf of the Divisional Director Partnership, Development and Performance
Date: 14 August 2012		

Section 5 – Environmental Impact Officer Clearance

Name: Andrew Baker	<input checked="" type="checkbox"/>	on behalf of the Divisional Director (Environmental Services)
Date: 15 August 2012		

Section 6 - Contact Details and Background Papers

Contact: Beverley Bonnefoy, Senior Professional - Communities and Investment
Tel: 020 84168684

Background Papers: Summaries of tenant and staff consultation are attached as appendices 1 and 2. The Equality Impact Assessment is attached as appendix 3.

**Call-In Waived by the
Chairman of Overview
and Scrutiny
Committee**

NOT APPLICABLE

[Call-in applies]