

# CABINET

## Review of Sheltered Housing Management Arrangements 31 July 2008

### Report of Corporate Director (Community Services)

PURPOSE OF REPORT			
The report identifies weaknesses within the existing arrangements for managing the Council's Sheltered Housing Schemes and proposes a more flexible approach utilising non resident managers for Category I Schemes			
Key Decision	<input checked="" type="checkbox"/>	Non-Key Decision	Referral from Cabinet Member
Date Included in Forward Plan	05 June 2008		
This report is public			

#### RECOMMENDATIONS OF COUNCILLOR KERR:

- (1) That the Prospect Grove Sheltered Housing Scheme be redesignated as having a non residential manager.
- (2) That, as and when the Scheme Manager positions at Penhale Gardens and Altham Walk become vacant, the schemes be redesignated as having non residential managers.
- (3) That the pooling of the three schemes referred to in (i) and (ii) be approved.
- (4) That the Scheme Manager's house at Prospect Grove be converted into an operational base for all non residential scheme managers and a guest bedroom for visitors to the Scheme.
- (5) The cost of the house conversion, estimated at £15,000, be funded by an additional revenue contribution to the Capital Programme, utilising funds contained within 2007-08 Carry Forward Requests (subject to the approval of these by Cabinet).
- (6) That the tenants of the ground floor flats connected to the community alarm service on the Ryelands and Vale estate are given the option to opt out of the community alarm service with a view to phasing out the service in these blocks.
- (7) That the Revenue Budget and Capital Programme be updated to reflect the above.

## **1.0 INTRODUCTION**

### **1.1 Background Information**

- (i) The Council currently owns and manages 16 sheltered housing schemes, comprising 575 units of accommodation in total. We are the single largest provider in the district (with eight Registered Social Landlords also providing a combined total of 573 units). In addition to the sheltered housing schemes we also have 309 units of council accommodation connected to the community alarm service.
- (ii) The full cost of providing the additional services which tenants of sheltered housing and community alarm properties receive is accounted for separately and incorporated within a service charge. Prior to April 2003, the full amount of the service charge qualified for housing benefit purposes.
- (iii) Since 2003, the personal support aspect of the service which tenants receive has been separately accounted for, and is funded via the Supporting People Budget. The "landlord" functions undertaken by Scheme Managers continues to be funded via housing benefit (where applicable).
- (iv) The Supporting People Fund is administered by Lancashire County Council. The County now commissions Support Services from a range of providers and has responsibility for ensuring that the services commissioned are of the right quality, are in the right place, and are provided for those people who are in most need.

### **1.2 The Need for Change**

- (i) Lancashire County Council are currently in the process of reviewing the arrangements for commissioning community alarm and sheltered accommodation services for older people across the County. They have adopted a three stage approach to future service provision:
  - Award of "Steady State Contract" for existing services (this is likely to be for three years)
  - By 2010, to have developed and approved a long term vision of how housing and support services for older people should be delivered across the County
  - Procure services in line with the long term vision
- (ii) The Lancashire Supporting People Team (who are responsible for administering contracts) have already begun to discuss proposals for change with existing providers. The general areas where they are looking to see proposals coming forward are:
  - changing from "hard wired" to "dispersed" alarm systems
  - changes in warden/scheme manager working patterns and practices

- optional stepped/planned support
- changes in/declassification of sheltered property
- moves towards tenure neutrality, with support services offered to people in non sheltered housing and other tenures

(iii) Providers of sheltered housing, including ourselves, must therefore become accustomed to operating in a contract culture. Future contracts which rely on Supporting People funding will need to demonstrate:

- Strategic relevance
- Demand
- Quality
- Performance
- Value for Money
- User involvement

Supporting People has also introduced a comprehensive Quality Assessment Framework to ensure that services meet people's individual needs and are of the highest quality. The Council will need to ensure that we continue to be in a position to meet these standards.

- (iv) The Council has always provided a traditional sheltered housing service. It is clear that this approach is no longer appropriate as it offers a very fixed service which is unable to respond to users changing needs and demands.
- (v) Traditionally, sheltered housing was allocated to independent, active older people who would then ultimately move into residential care when they could no longer remain independent. However, the promotion of supported care and independent living has resulted in a move away from residential care. The modern view of sheltered housing is that it should provide a flexible service that can adapt to the changing demands of residents as they get older and frailer.
- (vi) As well as responding to the external drivers for change, the Council also has to acknowledge that, in recent years, sheltered housing has become less attractive than it once was. Demand for sheltered housing is now much lower than for other property types, with demand for bedsit accommodation within Category II Schemes being particularly low. Elderly people are now less inclined to want to move to sheltered housing and prefer to receive support within their own home environment as and when that becomes necessary.
- (vii) Low demand is becoming an increasing problem. Advertising and marketing campaigns have failed to generate any significant new demand and bedsit units and upstairs flats not serviced by a lift are the most difficult properties within the Council's entire housing stock to let. Problems are particularly acute within the Melling House Sheltered Housing Scheme which is the oldest Category II Scheme within the district and its internal design falls far short of the expectations of today's elderly applicants.
- (viii) Many other providers within Lancashire have already reviewed their services and have examined the need for some of their existing sheltered schemes. Locally, officers have also been undertaking a review and are now in a position to present a range of options to Cabinet for consideration.

## 2.0 PROPOSAL DETAILS

### 2.1 Category I Schemes

- (i) One of the major problems the Council has at the moment is not being able to meet individual tenant Support Plans (which is a key aspect of the Quality Assessment Framework). Because our existing arrangements rely on Residential Scheme Managers for service delivery, there is no inbuilt flexibility to provide continuity of service should there be a Scheme Manager absence. Because of annual leave, sickness, staff turnover, etc, such occurrences are frequent and, at best, all that we currently are able to offer is a maximum of two visits a week using very ad hoc arrangements.
- (ii) As an attempt to increase flexibility, we have in recent years filled two Scheme Manager vacancies with Non Residential Scheme Managers (Morley/Price Close and Elterwater Place). This has been extremely successful as, not only do the postholders undertake the traditional duties within their own scheme, they have become a useful resource for providing a mobile service to cover other schemes during periods of absence (as referred to above). It is clear that where we have introduced Non Residential Scheme Managers, we have been able to provide greater flexibility without adversely affecting service delivery.
- (iii) A Scheme Manager vacancy currently exists at the Prospect Grove Sheltered Housing Scheme in Morecambe. This scheme comprises 30 bungalows with a small communal lounge attached to the Scheme Manager's House. In order to provide increased flexibility, officers propose that this vacancy should be filled with a Non Residential Scheme Manager. To ensure even greater flexibility, it is further proposed that Prospect Grove be "pooled" with two other similar nearby Category I Schemes – Penhale Gardens (25 properties) and Altham Walk (26 properties). Whilst these two schemes currently have residential managers, it is further proposed that, as and when vacancies arise, they too will be replaced by non residential managers. There will then be a pool of three managers covering the three schemes. These arrangements will mean that, even when one of the managers is absent, there will be sufficient flexibility for the remaining two managers to ensure that resources are targeted where needed and that individual tenant Support Plans can be honoured. The pooling of the schemes should also provide increased opportunities for integrating communal activities for residents – at the moment many activities and trips are not viable within individual schemes as there are insufficient numbers of interested residents.
- (iv) These proposals have been discussed at length at public meetings with residents of the three Sheltered Schemes. These were followed up by individual surveys of their views. The results were as follows:

	<b>No of Properties</b>	<b>No of Surveys Returned</b>	<b>% in Favour</b>	<b>% Against</b>	<b>Don't Know</b>
Prospect Grove	30	29	55%	45%	0%
Penhale Gardens	25	22	59%	28%	9%
Altham Walk	26	23	57%	31%	9%
<b>TOTAL</b>	<b>81</b>	<b>74</b>	<b>57%</b>	<b>37%</b>	<b>6%</b>

These results illustrate a clear majority of residents are in favour of the proposals.

- (v) Should the proposals be approved, the Scheme Manager's house which is attached to the communal lounge at Prospect Grove would be surplus to requirements. The property is a two bedroom house which has shared access with the communal lounge. Its design and the fact that it is situated within a quiet cul de sac entirely comprising sheltered bungalows would make it impractical to convert into general needs accommodation. It is therefore proposed that the ground floor be converted into a guest bedroom for use by visitors to residents of the scheme (this type of facility is already being provided within a number of other sheltered schemes) and the first floor be used as an operational base for non residential scheme managers to use as a "hot desking" facility (all Category 2 Schemes already have their own scheme manager's office). The costs of conversion works are estimated at £15,000. (This will include upgrading of access and toilets to meet current standards.) The cost of this work can be funded by an additional revenue contribution to the Capital Programme, utilising funds contained within 2007-08 Carry Forward Requests (subject to the approval of these by Cabinet).
- (vi) Officers will monitor the effectiveness of the new arrangements and will report back to Cabinet with proposals for introducing non residential pooled managers for the remaining Category I Schemes throughout the district.

## 2.2 Category II Schemes

- (i) It is envisaged that the larger Category II Schemes will always require a Resident Scheme Manager. This is because the tenants within these schemes tend to have greater levels of dependency and the size and nature of the buildings also require them to have a more permanent management presence. This Report therefore makes no immediate recommendations in respect of the service provision in Category II Schemes.
- (ii) Officers will, however, also consider whether or not any new arrangement could generate sufficient capacity to extend the service offered by Scheme Managers to include visiting vulnerable elderly people who don't live within an existing sheltered scheme. This could be particularly useful in rural areas where the current sheltered provision is extremely limited.

## **2.3 Community Alarm Properties**

- (i) The majority of community alarm properties are older person's bungalows providing good sized accommodation with an appropriate level of support through the community alarm service. This type of property is very popular and demand is good.
- (ii) We also have a number of flats connected to the community alarm service, some of which again are very popular forms of accommodation for older people – notably Park House in Skerton. However, we have a number of ground floor flats with community alarms in mixed aged blocks where the demand from older people for this type of accommodation is low (24 in total). This is particularly the case where we also have a good supply of bungalow accommodation in the same vicinity for example on the Ryelands and Vale estates.
- (iii) It is proposed that with the 24 ground floor flats connected to the community alarm service on the Ryelands and Vale estates we should give the tenants of those properties the option to opt out of the service with a view to phasing out the service in these blocks. It is envisaged that this will be a gradual process which will take a number of years to achieve. However, the total income received for monitoring all 24 alarms is just £2,027pa (assuming 100% occupancy of all flats), the majority of which is funded via Supporting People. It is likely that this level of income can be secured in the longer term by providing mobile dispersed alarm equipment within other properties where specific individual needs have been identified.

## **2.4 Longer Term Issues**

- (i) As previously indicated, the Council, as a housing support provider, is in a contract situation with County. The Supporting People Commissioning Body will be looking at the possibility of tendering services in 2010. At this stage, there are no indications as to whether this will be on a county wide basis or more local contracts (officers are clearly lobbying for a local contract). Even if there were to be a Lancaster contract, the likelihood is that it would incorporate all local provision, not just the Council's stock. If the Council wants to continue to be a direct provider of housing support, it is therefore likely that we will need to be in a position to compete for a contract which will include providing support to properties not in our ownership (and, potentially, not in our district). A further report will therefore need to be presented to Cabinet once the position becomes clearer.

## **3.0 DETAILS OF CONSULTATION**

- 3.1 The proposals for Prospect Grove/Penhale Gardens/Altham Walk were discussed in details at public meetings with residents. This was followed by a survey of all individual tenants which resulted in a 91% return rate.
- 3.2 The proposals have also been discussed at meetings of the Sheltered Housing Forum and District Wide Tenants Forum and have their support.

## **4.0 OPTIONS AND OPTIONS ANALYSIS (including risk assessment)**

**(i) Redesignate the Prospect Grove Sheltered Scheme as Non Residential.**

	<b>PROS</b>	<b>CONS</b>
<b>Option 1</b> To continue with existing arrangements	Tenants would not see any changes in service and would retain the perceived comfort of having a resident warden	The Service would not have sufficient flexibility to meet individual tenants Support Plans. The Council would not be able to meet the Quality Assessment Framework Service Standards.
<b>Option 2</b> To redesignate Prospect Grove as Non Residential	There would be increased flexibility to respond to the wider needs of the service and of individual tenants	Some residents are concerned about the loss of a Residential Scheme Manager.

**(ii) Redesignate the Penhale Gardens and Altham Walk Schemes to become non residential as and when managers posts become vacant.**

	<b>PROS</b>	<b>CONS</b>
<b>Option 1</b> To redesignate the schemes as posts become vacant	This would enable the service to provide even greater levels of flexibility in delivering support to vulnerable tenants	There are a minority of tenants who would prefer to retain the services of a Residential Scheme Manager
<b>Option 2</b> To continue with existing arrangements	Tenants would not see any changes in the service and would retain the perceived comfort of having a residential scheme manager	The Council would not have sufficient flexibility to meet individual support plans or meet the QAF Standards if any Scheme Managers were absent from work

**(iii) Conversion of Scheme Manager's House, Prospect Grove.**

	<b>PROS</b>	<b>CONS</b>
<b>Option 1</b> Not to proceed with the conversion	There would be a saving of £15,000 conversion costs and the Council would continue to receive rental income	The proposals for non residential scheme management would not work efficiently without the provision of an office base. It is difficult to envisage an

	<b>PROS</b>	<b>CONS</b>
		alternative use for the house.
<b>Option 2</b> To convert the Scheme Manager's House	Conversion would facilitate arrangements for providing an efficient "mobile" non residential service. There would also be an opportunity to provide a guest bedroom for visitors to Prospect Grove	The HRA would lose ongoing rental income for the house (currently £3,419pa).
<b>(iv) Opting Out of the Community Alarm Service – Ground Floor Flats, Ryelands and Vale.</b>		
	<b>PROS</b>	<b>CONS</b>
<b>Option 1</b> To approve the opt out.	Would enable the better use of the flats to meet the housing needs of applicants.	There could be a potential loss of income for alarm monitoring (a maximum of £2,027pa).
<b>Option 2</b> To continue with existing arrangements.	Would ensure alarm monitoring income is retained.	Would result in flats continuing to be allocated inappropriately, as tenants of these flats generally don't have support needs and the alarm service is of no value to them.

## **5.0 OFFICER PREFERRED OPTION**

5.1 (i). Prospect Grove – Option 2 is the preferred option as redesignation will enable the service to be delivered more flexibly and the Council will be better placed to meet individual tenants' support needs.

(ii). Penhale Gardens and Altham Walk – Option 1 is preferred as this will further progress the principle of non residential managers for Category 1 Schemes. Officers are firmly of the view that providing a more flexible "mobile" service is the best way of ensuring the Council is well placed to meet the demands of the Supporting People Commissioning Body and also those of existing vulnerable tenants.

(iii). Conversion of Scheme Manager's House – Option 2 is the preferred option as an office base will be an integral part of providing a more comprehensive and flexible service.

(iv). Opting Out of Communal Alarm Service – Option 1 is preferred as it is clear that most tenants currently living in these ground floor flats do not require the Community

Alarm Service. Opting out will also ensure that future vacancies can be allocated to those applicants with the greatest housing need.

## **6.0 CONCLUSION**

- 6.1 It is clear that the traditional model for managing sheltered housing is no longer appropriate and is incapable of meeting individual tenant Support Plans. The proposals will provide greater operational flexibility and will make the Council better placed to respond to future external demands.
- 6.2 The Council can't ignore the increasing problems of low demand for some of its sheltered properties. In the longer term, we will need to identify a solution which will address the general oversupply problems as well as the specific design issues associated with the Melling House Scheme. A further report will therefore be presented to Cabinet later this year.

### **RELATIONSHIP TO POLICY FRAMEWORK**

**Corporate Priority 1** - Continue to evaluate our services to ensure they are delivered in the most efficient and cost effective way.

### **CONCLUSION OF IMPACT ASSESSMENT**

**(including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)**

The proposals contained within the report will help to ensure the long term sustainability of the Council's Sheltered Housing Provision. They also offer the prospect of providing housing support to non sheltered elderly tenants, particularly those living in rural communities.

### **FINANCIAL IMPLICATIONS**

The costs of providing services to tenants of sheltered housing is fully recoverable via service charges (which in turn qualify for housing benefit/Supporting People Payments). The proposals contained within the report are therefore cost neutral to the Housing Revenue Account. There will be savings achieved from discontinuing with the 50% rent allowance paid to the Scheme Manager at Prospect Grove (£1,709pa) but these will be offset by slight increases in car allowances/public transport and the cost of running the new office. Any net increase in expenditure which may arise (if any), would need to be reflected within the 2009/2010 service charges paid by tenants.

The only direct revenue implications to the Housing Revenue Account at this stage would be the loss of the rental income for the house and garage previously paid by the Residential Scheme Manager at Prospect Grove (£3,419pa).

The cost of converting the Scheme Manager's House is estimated at £15,000. The proposal is that this be funded by an additional revenue contribution to the Capital Programme, utilising funds contained within 2007-08 Carry Forward Requests (subject to the approval of these by Cabinet).

In the worse case scenario, the withdrawal of the 24 fixed community alarms could reduce income by £2,027pa. However, as the number of customers connected to Central Control is subject to continued fluctuation, it is difficult to predict whether there will be any long term financial impact to the housing Revenue Account. Overall, therefore, it can be seen that the effects of the recommendations at this stage are expected to be fairly minimal for the Housing Revenue Account, and well within the discretion available to Cabinet for increasing future years' net budgets.

#### **SECTION 151 OFFICER'S COMMENTS**

The Section 151 Officer has been consulted and her comments incorporated within the report.

#### **LEGAL IMPLICATIONS**

There are no legal implications stemming from this report.

#### **MONITORING OFFICER'S COMMENTS**

The Monitoring Officer has been consulted and her comments incorporated within the report.

#### **BACKGROUND PAPERS**

Council Housing Services Files.

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