

WELWYN HATFIELD COUNCIL
CABINET – 1 NOVEMBER 2016
REPORT OF THE EXECUTIVE DIRECTOR

PROPOSED INCREASES TO COMMUNAL FACILITIES CHARGES FOR SHELTERED HOUSING RESIDENTS AND LIFELINE CHARGES FOR COUNCIL TENANTS

1 Executive Summary

- 1.1 This report proposes that the Council raises the current charges for the communal facilities and services provided to tenants living in sheltered accommodation.
- 1.2 It is also proposed that the Council phases in over the next three years the communal facilities charge for sheltered housing tenants who were previously exempt because their tenancies began before the introduction of Supporting People in 2003 and as such they have never been subject to charging for the support services they receive.
- 1.3 It is further proposed that charges are increased to council tenants living in general needs properties who use the 'Lifeline' community alarm service. Council tenants currently pay approximately 30% less than private residents in the borough who receive exactly the same service.

2 Recommendation(s)

- 2.1 It is recommended that Members approve the proposals to increase the communal facilities charges and the charges for the 'Lifeline' alarm service, as detailed in this report.

3 Explanation

- 3.1 The Council is the largest provider of sheltered housing in the county. The Housing Trust manages on behalf of the Council 1751 homes across 27 sheltered housing schemes. Of these, 18 schemes are of the traditional type, in blocks and with communal facilities, such as a communal hall, laundry and guest room. The remaining nine schemes are dispersed/neighbourhood schemes, where properties are sited in locations across the borough. Some of these schemes have communal facilities attached and others do not.
- 3.2 The Council provides community alarm 'lifeline' services to around 900 households living in the borough. Of these, 243 are Council tenants and 625 are private (including housing association) residents. The lifeline service provides residents with a direct link to our 24/7 Control Centre and enables emergency assistance to be provided at the press of an alarm pendant or a one-button feature on their landline phone. Where this service is activated the Control Centre will either arrange a visit by our 24 hour mobile warden service, contact a carer or relative or call the relevant emergency services.

- 3.3 The Housing Trust provides alarm monitoring services (without visits by the mobile warden) to nearly 2000 tenants of other housing associations in the county. These contracts were put in place in 2015 as an initiative to help mitigate the loss of Supporting People funding from HCC and ensure the viability of the service provided in Welwyn Hatfield.
- 3.4 Supporting People (SP) was introduced in 2003. SP was a county-administered funding and regulatory framework for housing related support services to older/vulnerable adults and we have delivered services through the programme since its introduction. SP required the council to levy a weekly charge to sheltered housing residents, with HCC subsidising low income households. (Prior to 2003 the council had fully subsidised the service through the HRA and clients were not required to pay either a support or service charge.) When SP was introduced Welwyn Hatfield Council policy was to exempt existing (pre-2003) clients from contributing, where households were not eligible for SP subsidy.
- 3.5 From April 2015 in the face of significant government funding cuts, HCC's Adult Care and Health Team implemented a range of funding cuts for housing related support services. These new measures included:
- Ending housing related support contracts for alarms and support services for older people. A single contract for alarm provision was awarded to North Hertfordshire District Council and only their clients are able to benefit from any form of subsidy from HCC.
 - Removing ring-fenced funding for the provision of support services to older people in sheltered accommodation. (With the exception of flexi-care housing).
- 3.6 The financial impact on the council/housing trust for the removal of SP charges for sheltered housing support was a loss of £280,000 and for alarm provision, more than £180,000.
- 3.7 The Housing Trust introduced a new Communal Facilities (CF) charge for 2015/16 to bridge the shortfall in funding. The CF charge was set at a similar (slightly lower) level to SP. It covers the maintenance of communal facilities across all schemes. The CF charge made to residents of neighbourhood schemes is slightly lower than for residents in communal schemes, to reflect the reduced level of facilities to which they have access. CF is a housing-benefit eligible charge, whereas the SP charge was met by HCC where tenants were in receipt of Housing Benefit.
- 3.8 When the CF charges were first introduced it was agreed that the pre-2003 tenants would not be charged initially and that a review would take place as to their position. The number of pre-2003 tenants still in occupation has naturally diminished significantly over time. This group now accounts for less than 13% of all tenants living in our sheltered housing schemes.
- 3.9 Proposed increase to CF charges

It is proposed that an increase of 5% be applied to CF charges from 2017, for tenants already paying the charge (post-2003 tenants) and that one-third of the weekly CF charge is introduced for tenants who, for the reasons stated in 3.4 above are not currently subject to CF charges. Actual current and proposed charges are as follows:

Table 1

**-
Communal Facilities Charge
For current payers (post-2003)**

2016/17 Charge £week	Number of Customers	Weeks	Total
Neighbourhood schemes 8.80	711	50	312,840.00
Communal schemes 9.30	762	50	354,330.00
Total	1473		667,170.00
2017/18 Proposed 5% Increase			
Neighbourhood schemes 9.25	711	50	328,838.00
Communal schemes 9.80	762	50	373,380.00
	1473		702,218.00
	Increased Income		35,048.00

Table 2

**Communal Facilities Charge
Proposed for pre-2003 tenants**

2017/18 Proposed one-third charge £week	Number of customers	Weeks	Total
Neighbourhood schemes 3.08	103	50	15,862.00
Communal schemes 3.27	109	50	17,821.50
	New income		33,683.50

3.10 Proposal to increase community alarm (Lifeline) services

There is currently a two-tier pricing structure for provision of this service, depending upon whether the service is provided to council tenants or owner-occupiers/tenants of other landlords. The weekly charges are £2.08 and £3.07 respectively. All Welwyn Hatfield tenants receive the same level of service regardless of whether they are a private resident or a council tenant. The higher charge for non-council tenants is priced competitively and provides a strong marketing tool when seeking external business for this service, being less than the local charges made by direct competitors.

The weekly charges have remained the same for a number of years and it is proposed to increase the charge to council tenants, to £2.20 per week. This would generate a modest increase in income to the council of £1458 in 2017-18.

It is recommended that annual price reviews will follow, to include both council and non-council residents. The aim will always be to keep this much-valued service affordable and remain competitive with other service providers.

4. **Legal Implication(s)**

There are no legal implications. The CF charge is a legitimate one, widely used by other landlords and tenants were notified in the appropriate way when the charge was first introduced. We will write to inform the pre-2003 tenants as part of the rent notice process, early in 2017.

5. **Financial Implication(s)**

5.1 The measures proposed in this report will generate higher levels of income for the HRA and in doing so, help the council to continue to deliver high quality services in the face of efficiency savings.

5.2 The increased income generation is summarised thus:

Table 3	
Total potential income growth for Independent Living Services 2017/18	
Description of charge	Additional annual income£
5% increase CF charges (current payers)	35,048.00
Introduction of 33% charge, pre-2003 tenants	33,683.50
12p weekly increase, council Lifeline customers	1,458.00
Total	70,189.50

6. **Risk Management Implications**

6.1 The provision of the essential services described above mitigate many of the risks to which our older and vulnerable residents could be exposed. These risks include social isolation (for sheltered housing residents) being without support during a medical or other type of emergency.

6.2 Reputational risk to increasing charges. An effective communications campaign will be required to mitigate this risk.

6.2 Revenues and Benefits have been consulted and there is no concern around the additional level of benefits which may be payable as a result of the increase. Further, Revenues and Benefits are satisfied that the description of the CF charge fits the criteria for benefits entitlement.

7. **Security and Terrorism Implication(s)**

7.1 None directly arising from this report.

8. Procurement Implication(s)

8.1 None directly arising from this report

9. Climate Change Implication(s)

9.1 None directly arising from this report.

10. Link to Corporate Priorities

3.11 The subject of this report is linked to the Council’s Corporate Priorities “maintain a safe and healthy community” and “Meet the borough’s housing needs”

11. Equality and Diversity

3.12 An Equality Impact Assessment will not be required, on the basis that:

- 1. Service provision will remain unchanged
- 2. Customers in financial hardship will not be impacted by the increased CF charges because the charge is allowable by housing benefits.

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Date	September 2016

SCHEDULE OF FEES

Licence/ activity	Duration	Fee £
Hackney carriage driver licence	1 year	150
Hackney carriage vehicle licence	1 year	290
Private hire vehicle licence	1 year	290
Private hire driver licence	1 year	150
Private hire operator licence	1 year	330
Private hire operator licence	3 year	762
Private hire operator licence	5 year	1194
CRB check		50
Knowledge test (per attempt)		60
Replacement plate		20
Replacement bracket		15
Replacement driver's badge		15
Extra copy/duplicate of licence		5
DVLA		10
Vehicle transfers		100