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REPORT TO:	FINANCE AND MANAGEMENT COMMITTEE	AGENDA ITEM:
DATE OF MEETING:	16 TH JUNE 2005	CATEGORY: DELEGATED
REPORT FROM:	DIRECTOR OF COMMUNITY SERVICES	OPEN
MEMBERS' CONTACT POINT:	DAWN DAWSON (Ext 5797)	DOC:
SUBJECT:	SUPPORTING PEOPLE CHARGES - SHELTERED HOUSING	REF:
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE: FM08

1.0 Reasons for Urgency

- 1.1 The Sheltered Housing Service receives funding for the majority of its costs via the Supporting People funding stream. Failure to consider the increase to funding at the earliest opportunity, will result in a loss of revenue into the HRA.

2.0 Recommendations

- 2.1 That the proposed increase to the Supporting People Charge for the Sheltered Housing Service is approved, following consideration by the Housing and Community Services Committee on 9TH June 2005. A copy of the report is attached as Annex A.

3.0 Purpose of Report

- 3.1 To inform members of increase in funding proposed by Derbyshire County Council as the Administering Authority for Derbyshire, for Supporting People.

4.0 Detail

- 4.1 Supporting People legislation came into effect on 1st April 2003, and replaced the Housing Benefit payment for support costs associated with a tenancy. For South Derbyshire, this relates to the costs associated with providing the Community Warden and CareLine services. The original costing exercise for Supporting People purposes that was carried out, showed that the support cost for the Sheltered Housing Service was £8.60 per week for the year 2001/2002.

- 4.2 The Council was advised on 6th September 2004 that an increase of 2.29%, increasing the charge from £8.60 per week to £8.82, backdated to 1st April 2004, has been awarded. This charge could not be levied until 15th November 2004, due to the requirements of Part IV Sect 103 (4) of the Housing Act 1985, which states that 4 weeks notice of the amended charge must be given to tenants, and the approval required from this Committee.
- 4.3 On the 18th April 2005, the Council was advised that for the year 2005/2006, an increase of 1.9%, equating to an increase in charge to from £8.82 per week to £8.99 per week, had been awarded. Actual costings for the service show the cost to be £10.99 per week.
- 4.4 Again, due to the legislative requirements detailed in paragraph 3.2, the charge cannot be levied until 25th July 2005.

5.0 Financial Implications

- 5.1 The 1.9% increase will give an annual increase in funding of £6,474.
- 5.2 The inability to levy the charge until 25th July 2005 equates to a loss in funding of £ 3,140.