

ANNEXE 'A'

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<b>REPORT TO:</b>	<b>HOUSING AND COMMUNITY SERVICES COMMITTEE</b>	<b>AGENDA ITEM:</b>
<b>DATE OF MEETING:</b>	<b>7<sup>th</sup> OCTOBER 2004</b>	<b>CATEGORY: RECOMMENDED</b>
<b>REPORT FROM:</b>	<b>DIRECTOR OF COMMUNITY SERVICES</b>	<b>OPEN</b>
<b>MEMBERS' CONTACT POINT:</b>	<b>DAWN DAWSON (Ext 5797)</b>	<b>DOC:</b>
<b>SUBJECT:</b>	<b>SUPPORTING PEOPLE CHARGES - SHELTERED HOUSING</b>	<b>REF:</b>
<b>WARD(S) AFFECTED:</b>	<b>ALL</b>	<b>TERMS OF REFERENCE: HCS01</b>

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**1.0 Recommendations**

- 1.1 That the proposed increase to the Supporting People Charge for the Sheltered Housing Service is considered and referred to the Finance and Management Committee for approval.

**2.0 Purpose of Report**

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

**3.0 Detail**

- 3.1 Members will recall that under the Supporting People legislation which came into effect on 1<sup>st</sup> April 2003, Housing Benefit can no longer be paid towards support costs associated with a tenancy. For South Derbyshire, this relates to the costs associated with providing the Community Warden and CareLine services. A costing exercise was carried out, which showed that the support cost for the Sheltered Housing Service was £8.60 per week. This charge has been reviewed, and for the current financial year the actual cost is £10.13 per week.
- 3.2 It has been widely publicised that nationally, the Supporting People funding stream is over subscribed. As a result of this, the Office of the Deputy Prime Minister (ODPM) announced that all Administering Authorities would be asked to make efficiency savings, and that individual funding levels would not be decided until those proposals had been received and analysed.

- 3.3 At the end of April this year, this Council was asked to submit proposals detailing how it would make an efficiency saving of 2.5%. The Council responded by stating that as we are a high performing authority with costs in the lower quartile, there is no scope for an efficiency saving from within existing budgets, without there being a detrimental impact upon the service.
- 3.4 On 6<sup>th</sup> September 2004, the Council was been advised that rather than making an efficiency saving, it has been awarded an increase of 2.29%, increasing the charge from £8.60 per week to £8.82, backdated to 1<sup>st</sup> April 2004.
- 3.5 Whilst this news is very much welcomed, as it will allow the Sheltered Housing Service to continue to improve, it must also be noted that the charge cannot be backdated to 1<sup>st</sup> April 2004. Part IV, Sect 103 (4) of the Housing Act 1985 states that the increase cannot take effect until a notice of variation giving at least four weeks notice of the increased charge has been served. Taking into account the approval required from the Finance and Management Committee, the earliest this up rated charge could be applied is 15<sup>th</sup> November 2004.

#### **4.0 Financial Implications**

- 4.1 The 2.29% increase will give an annual increase in funding of £12,600.
- 4.2 The inability to levy the charge until 22<sup>nd</sup> November 2004 equates to a loss in funding of £ 7,700.