
REPORT TO:	Housing and Community Services Committee	AGENDA ITEM:	13
DATE OF MEETING:	28th August 2003	CATEGORY:	DELEGATED
REPORT FROM:	Director of Community Services Mark Aiflat	OPEN	
MEMBERS' CONTACT POINT:	Dawn Dawson (Ext. 5797)	DOC	
SUBJECT:	Supporting People – Transitional Protection for Warden Service Charges	REF: DLD	
WARD(S) AFFECTED:	All	TERMS OF REFERENCE: CS 01	

1.0 Recommendations

1.1 That Members approve the proposed eligibility criteria change for Transitional Protection in respect of charges made for Sheltered Housing services.

2.0 Purpose of Report

2.1 As recommendation.

3.0 Detail

3.1 Members will recall that under the Supporting People legislation, which came into effect on 1st April 2003, Housing Benefit can no longer be paid towards support costs associated with a tenancy. For SDDC, this relates to the costs associated with providing the Community Warden and CareLine services.

3.2 An exercise was carried out prior to the introduction of the new Supporting People regime to determine the actual costs of providing the Sheltered Housing Service. The support costs were shown to be £8.60 per dwelling, and the management element was shown to be £3.63 per dwelling, giving a total service cost of £12.23 per sheltered housing dwelling per week.

3.3 The total support costs equate to £521,517 per year, and a proportion, equivalent to the costs for those receiving housing benefit (approximately 73% of sheltered housing tenants), is paid as a 'windfall' amount to the authority i.e. it is an additional source of funding for an unspecified period. The 'windfall' amount totals approximately £381,000. In line with legislation, the money is ring fenced within the Housing Revenue Account (HRA) for certain activities around housing service provision and improvement.

- 3.4 At Housing and Community Services Committee on 29th August 2002, Members were advised that Supporting People Guidance stated no-one who was a Sheltered Housing tenant as at 31st March 2003 should face an increase in rent above the annual rent increase. This means that the Council must subsidise the cost of the service for those tenants who are not entitled to housing benefit, and therefore not entitled to Supporting People funding. This subsidy is known as 'Transitional Protection' and must be paid for the duration of their tenancy and funded from the 'windfall' amount.
- 3.5 As Transitional Protection is only payable for the duration of the tenancy of the property occupied as at 31st March 2003, some existing sheltered housing tenants who do not qualify for Housing Benefit and now wish to move to more suitable sheltered accommodation within the sheltered housing stock, for example a ground floor flat as opposed to a first floor flat, would lose their Transitional Protection. There were 14 (not counting those relocated from Bass's Crescent or Smallthorne Place) transfers of tenants within the Sheltered Housing stock last year.
- 3.6 In order to ensure that existing Sheltered Housing tenants are not required to pay this additional amount, it is proposed that Transitional Protection remains with the tenant if they transfer from Sheltered accommodation to other Sheltered accommodation. This action will not bear any additional cost to the Council as it is already subsidising the tenants concerned. However as the proposal entails giving transitional protection for a longer period the overall ongoing cost of that protection to the Council will reduce at a slower rate. It remains that any new tenants coming into Sheltered Housing will be liable for the charge if they do not qualify for Housing Benefit.
- 3.7 The 'windfall' amount remains ring fenced within the HRA, and is currently only used for the Transitional Protection payments. No monies have been freed up for service provision and improvements, such as meeting the Decent Homes Standard. Members are advised that it is the recommendation of the Chief Finance Officer, that this position remains until approximately November 2003 when, upon completion of the interim subsidy claims for housing benefit, subsidy implications should become clearer. However, the final position may not be known until this time next year, after completion of the final subsidy return, therefore determining the usable amount of the windfall.

4.0 Financial and Corporate Implications

- 4.1 The cost of transitional protection to the Council, expected to reduce year on year as tenants leave sheltered housing, would reduce at a slower rate as the eligibility for the protection would be increased to include those moving to other sheltered accommodation.

- 4.2 Taking last year's 14 transfers, and the fact that the 73% of tenants moving would still be covered by supporting people grant, projecting forward would mean in any full year the cost of the additional protection would be £1,690 or £10,143 over the three year forecasting period. There will be potential savings for the Council to weigh against the reduced windfall amount namely that if tenants are in more suitable accommodation there should be fewer requests for property adaptations.

5.0 Community Implications

- 5.1 The Council is committed to promoting, as far as is possible, choice for it's tenants in terms of the type of accommodation they wish to live in, which is also in accordance with government legislation and guidance. This proposed policy change actively promotes that aim and helps to allow appropriate movement within the Sheltered Housing stock.

6.0 Background Papers

- 6.1 Housing and Community Services agenda and minute of meeting held 29th August 2002.

