

 Executive 28 June 2017		Agenda Item No. 6
Title	Housing Related Support Services	
For further information about this report please contact	Simon Brooke, Sustaining Tenancies Manager, Housing Services 01926 456433 Simon.brooke@warwickdc.gov.uk	
Wards of the District directly affected	All	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?	No	
Date and meeting when issue was last considered and relevant minute number	Executive 8 February 2017 Minute no.91	
Background Papers		

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	No
Included within the Forward Plan? (If yes include reference number)	Yes 854
Equality and Fairness Impact Assessment (E&FIA) Undertaken	Yes

Officer/Councillor Approval		
Officer Approval	Date	Name
Deputy Chief Executive	7.6.17	Bill Hunt
Head of Service	7.6.17	Bill Hunt
CMT	7.6.17	Bill Hunt
Section 151 Officer	7.6.17	Mike Snow
Monitoring Officer	12.6.17	Andy Jones
Finance	30.5.17	Andrew Rollins
Portfolio Holder(s)	12.6.17	Councillor Peter Phillips
Consultation & Community Engagement		
Formal consultation with all tenants who are currently provided with Housing Related Support, ended on the 20 December 2016. A verbal update was provided to the Housing Advisory Group on the 17 January 2017. Tenants will receive further communication following approval of the plans.		
Final Decision?	Yes	
Suggested next steps (if not final decision please set out below)		

1. Summary

- 1.1 This report updates Executive on actions taken to protect the Lifeline and Housing Support services from the loss of £463,700 of Supporting People funding from Warwickshire County Council, since the report presented to Executive in February 2017. At that time a further report to Executive in June was agreed.

2. Recommendations

- 2.1 That Executive notes the progress that has been made in addressing the loss of funding from Warwickshire County Council.
- 2.2 That Executive agrees plans set out in 3.8 below for savings and additional income to address the loss of funding from the County Council. This delivers £400,000 pa to address the loss of funding. This leaves £64,000 as the remaining gap from the loss of Supporting People funding.
- 2.3 That Executive notes that further marketing activities are aiming to generate up to £200,000 pa. Achievement of at least £64,000 additional income will mean that the loss of funding will have been fully addressed.

3. Reasons for the Recommendations

- 3.1 Supporting People funding of £463,700 per annum was previously contributing towards the cost of the provision of services to tenants in sheltered and designated properties but this funding, paid to the Council by Warwickshire County Council, ceased on 31 July 2016.
- 3.2 Executive agreed, on 13 January 2016, to approve the utilisation of additional budget provision, held within the HRA Business Plan, to maintain existing levels of Housing Related Support to tenants of the Council's sheltered schemes and properties designated for older people. This provision was made available while new proposals for funding the service were developed and brought forward for approval.
- 3.3 Executive agreed, on the 8 February 2017, plans that would seek to address the loss of funding. The plan had three parts: new charges for tenants; identifying savings of costs through a redesign of staffing; and a new marketing plan to generate additional income through the sale of Lifeline services.
- 3.4 New charges for our tenants in sheltered properties and our tenants of designated properties were approved in February. These charges generate an estimated £308,000 p.a. This replaces Supporting People charges that previously had generated £166,000 p.a. This means that additional income of £142,000 p.a. is being collected, that was reflected within the 2017/18 Original Budgets.
- 3.5 The redesign of our staffing has now been reported to Employment Committee. Subject to their approval on the 14 June 2017 of new staffing arrangements, this will generate savings of £131,000 p.a. through salary and on cost reductions. This involves a loss of 5.1 FTE posts.
- 3.6 We have also examined all associated budgets and have identified a further £127,000 p.a. of savings. The savings identified are as follows: Overtime/use of

bank staff £89,200; Savings on mileage costs of £20,000; Overheads £10,240; and IT software £6,000.

3.7 The final part of our plans is the marketing of our Lifeline and Support services. We have had some successful marketing initiatives these include:

- Lifeline vehicles are branded and are a visible presence in the District
- We have distributed advertising in the Council Tax demands in Warwick District and Stratford District
- We have distributed fliers with the bin collection
- We have renewed our online marketing materials
- We are attending community events and placing marketing materials in doctors surgeries and hospitals

However, we have ambitions to sell many more Lifeline units and the associated services. This more commercial approach means that our marketing plans need to be more robust. The employment of a Project Officer, agreed at the last Employment Committee, will lead this work in liaison with our own media team. Our total income each year is £578,000 we have plans to generate an additional income of £200,000p.a. by 2019/20.

3.8 A summary of the planned actions to address the loss of Supporting People funding and the financial impacts of those plans is set out below:

Summary of loss of funding and cost savings		
Loss of Supporting People funding		-£463,700
Additional income from tenant charges	£141,708	
Savings from reduced staff costs	£131,029	
Savings from other budgets	£126,940	
Total savings/additional income		£399,677
Remaining gap		-£64,023
Income from additional marketing activities		£200,000
Potential positive contribution to the HRA		£135,977

3.9 At Executive in February 2017, we also highlighted that some properties that are currently designated as older person properties are not best suited to this categorisation. Some properties advertised to the over 60s are receiving no or very few bids and then have to be re-advertised. We are planning to consult with residents during the year to consider changes to age restrictions. As agreed any proposals will come back to Executive for approval.

4. Policy Framework

4.1 **Policy Framework** – As the Council is continuing to provide services for older people, there is no change to the policy framework.

4.2 **Fit for the Future** – The review of services for older people will take into account the principle of Fit for the Future.

4.3 **Impact Assessments** – An impact assessment in respect of equalities has been carried out. It is recognised that the Supporting People cuts hit services directed towards services to older people and many of these had mobility or disability issues. The changes that we have made have sought to minimise the effect of these changes on the most vulnerable.

5. Budgetary Framework

5.1 The table below sets out the arrangements for the housing related support services in 2017/18 (following new charges being agreed but prior to any savings being identified, as per February 2017 Executive report), and the full year effect including savings from 2018/19.

		2017/18 original	2017/18 latest	2018/19 Estimate
Expenditure	Housing Support and Lifeline Team	£1,392,400	£1,392,400	£1,392,400
	Staffing savings		-£65,515	-£131,029
	Other budget savings		-£63,470	-£126,940
Expenditure Total		£1,392,400	£1,263,415	£1,134,431
Income	Lifeline charges (paying clients private)	-£244,700	-£244,700	-£244,700
	Other Income	-£35,500	-£25,200	-£25,200
	New income figure from tenant charges	-£293,367	-£308,108	-£308,108
Income Total		-£573,567	-£578,008	-£578,008
Net cost		£818,833	£685,407	£556,423
Income generated from additional marketing activities			-£50,000	-£200,000
Funding	Contribution from the HRA	£818,833	£635,407	£356,423

5.2 The table includes the new income figure from tenant charges of £308,000 (full year). This replaced the previous £166,400 income from charges from those tenants where we were not receiving Supporting People payments, with an estimated £293,000 allowed for within the 2017/18 Original Budget.

5.3 The agreed HRA contribution for 2017/18 of £818,833 will no longer be fully required given the savings summarised in 3.8 that will begin to be made during the year, commencing in quarter 3. The revised estimate for this is £635,000; this figure will be subject to review once the staffing redesign reported to June Executive has been fully implemented.

5.4 The revised costs relate to the full year effect of changes, reducing the impact on the HRA by £262,000 pa from £819,000 to £556,000 pa, comparing the 2017/18 Budget to the 2018/19 Estimate. Income generated from additional marketing activities could reduce this by up to a further £200,000 pa.

5.5 As the change to the contribution from the HRA has been the loss of Supporting People funding, the savings/additional income identified in 3.8 address this.

6. Risks

6.1 Services in this area are providing support to many elderly and vulnerable customers. In many cases, our services are helping to sustain people living independently and prevent hospitalisation and or care home solutions. Changes

to these services need to be carefully considered and demonstrate understanding of the vulnerabilities of many of our customers.

- 6.2 The review of these services has included: consultation with the Council's tenants; legal advice taken; consultations with our staff; these actions seek to mitigate any negative effects and to ensure that the proposed arrangements can continue to deliver effective support services to older tenants as well as provide good value for money.

7. Alternative Option(s) considered

- 7.1 The Council could decide to no longer provide Lifeline Services or support services to older tenants. The changes we are proposing make the best use of resources, deliver savings to address the loss of funding and ensure that we protect and continue what are considered valuable services for older and vulnerable tenants and private users.
- 7.2 The Council could look to contract out Lifeline services. The restructuring of our services allow the Council to deliver these services in a joined up approach to service delivery. Contracting out services could bring further savings. Current proposals allow us within existing resources to continue with services in house, providing continuity of services and a joined up approach to services to older and vulnerable customers.
- 7.3 If the Council are unable to increase take up of Lifeline services within 2 years, a re-evaluation of the continuation of Lifeline services will take place.

8. Background

- 8.1 In October 2015, WCC agreed to the restructure of Housing Related Support as part of its One Organisation Plan Savings to achieve a cumulative savings target of £3.725 million by 2018.
- 8.2 To implement this decision, WCC decided to decommission many of the existing services that their Housing Related Support funding supported and to use revised eligibility criteria to recommission other services.
- 8.3 WCC is not now commissioning any services that are specifically for older people. WCC have commissioned floating support services and any older person who fulfils the eligibility criteria regardless of tenure can be referred for this service.