

From: Anu Singh, Corporate Director of Adult Social Care and Health

To: Graham Gibbens, Cabinet Member for Adult Social Care

Decision No: 16/00137

Subject: **PROPOSED CHANGES TO FUNDING ARRANGEMENTS OF HOUSING RELATED SUPPORT AND COMMUNITY ALARMS IN SHELTERED HOUSING**

Classification: Unrestricted

Past Pathway of Paper: Social Care, Health and Wellbeing DMT (28 September 2016 and 1 March 2017)
Adult Social Care Cabinet Committee – 20 July 2017

Future Pathway of Paper: Cabinet Member decision

Electoral Division: All

Summary: The government's consultation on 'Funding for supported housing' ended in February 2017. This consultation is the first step towards creation of a new funding mechanism for supported housing based on integration of health and social care on a regional basis, encompassing a broad spectrum ranging from some housing management activities to elements of healthcare. Aspects of Housing Benefit will be devolved to local level from 2019/20, amounting to £2.12bn, predominantly to fund these activities. This fund will be ring-fenced and set on the basis of current projections of future need.

In preparation for the proposed changes, during 2017/18 Kent County Council intends to work collaboratively with current providers to explore alternative funding models. In tandem, the County Council will gradually withdraw its contribution to these services by end of March 2018. This will ensure funding for supported housing can continue on a secure footing.

Separately, the County Council will continue to meet its Care Act obligations to the residents of sheltered housing and this will be unaffected by the changes.

Recommendation(s): The Cabinet Member for Adult Social Care is asked to:

- a) **AGREE** for work to be undertaken in collaboration with current providers to explore and secure alternative funding models, enabling the gradual withdrawal or reduction of the Council's contribution towards housing related support and community alarms in sheltered housing by the end of March 2018 and;
- b) **DELEGATE** authority to the Corporate Director of Adult Social Care and Health, or other nominated officer, to undertake the necessary actions to implement the decision.

1. Introduction

- 1.1 Kent County Council currently provides funding to a number of sheltered housing schemes across the county. The funding is a partial contribution towards the posts of scheme managers. The remainder is funded via rents and service charges, reflecting the housing management role of these managers. The Council's contribution does not provide personal care, or any form of health or social care.
- 1.2 A community alarm service is also funded, most of which are hardwired within sheltered housing schemes.
- 1.3 Both elements are universally available to those residents in receipt of Housing Benefit in the schemes, regardless of their needs. The Council's contributions towards these services are due to expire on 31 March 2018.
- 1.4 In light of the government's housing and welfare reform plans, the Council proposes to cease its contribution towards housing related support and community alarms in sheltered housing by April 2018.
- 1.5 A range of briefings and events is in place to discuss the proposed changes.

2. Rationale

- 2.1 The government's consultation on 'Funding for supported housing' ended in February 2017. This consultation is the first step towards creation of a new funding mechanism for supported housing based on integration of health and social care on a regional basis, encompassing a broad spectrum ranging from some housing management activities to elements of healthcare. Aspects of Housing Benefit will be devolved to local level from 2019/20, amounting to £2.12bn, predominantly to fund these activities. This fund will be ring-fenced and set on the basis of current projections of future need.
- 2.2 It is clear that over recent years, both locally and nationally new ways of shaping and funding sheltered housing are already emerging in response to the changing need and funding streams available. The transitional arrangements must take place in tandem with withdrawal of the Council's contribution to these services to avoid duplication.
- 2.3 In order to deliver cost efficient services to the residents of Kent, which are fit for purpose, it must be ensured that all revenue is spent appropriately, targeting resources at priority and vulnerable groups, promoting independent living, facilitating social inclusion and keeping people safe and secure.
- 2.4 At present, the activities delivered within sheltered housing and community alarm services overlap with a number of other community services, designed to help older people remain independent.
- 2.5 The level of support provided through these services often exceeds what is required through the housing related support contract.

- 2.6 The demographic within sheltered housing is changing; many residents require no support, and ceasing to contribute will not affect those individuals. For residents who have identified support needs, these needs can be readily mitigated with alternative means of more person-centred alternative provisions that are already available within the community.
- 2.7 Where a resident of sheltered housing has additional needs that require enhanced housing management, which is not personal care or general social care, the landlord or an agent on its behalf can deliver additional support if required. This can be provided through intensive housing management activities eligible under housing benefit. Households not in receipt of housing benefit will be unaffected. Individuals with apparent social care needs will be offered an assessment as a routine.

3. KCC's Strategic Statement and Policy Framework

- 3.1 The proposed decision aligns with the Council's policy framework, in its Strategic Statement 2015 – 2020 'Increasing Opportunities, Improving Outcomes' which sets out the Council's vision for improving lives by ensuring every pound spent in Kent is delivering better outcomes for Kent's residents, communities and businesses.
- 3.2 The proposed decision supports the Council's strategic outcome for older and vulnerable residents to be safe and supported with choices to live independently.
- 3.3 The Council's strategic direction clearly dictates a move towards ending generalised support in favour of needs-based, person-centred services. For a number of reasons, including duplication of service, through the same provision being offered elsewhere, and lack of assessed need, the service approach currently offered is outdated, and therefore no longer offers best value.

4. Options Considered

- 4.1 **Option 1** - Do nothing, i.e. continue with existing contracts for housing related support and community alarms. The main risks of this approach are;
- The County Council, Kent residents and contracted providers will be disadvantaged when the new national funding arrangements for supported housing comes into effect in 2019/20.
 - Procurement rules require re-tendering of contracts, after April 2018.
 - Overlap with a number of other community services
 - Universally available generic services and not needs-led
 - Due to the changing demographic within sheltered housing, many residents require no support
 - The support provided is eligible under Housing Benefit and can be funded via intensive housing management costs

4.2 **Option 2** – Rationalise all services by a uniform percentage, thereby maintaining a level of housing related support and community alarms to all, regardless of need. The main risks of this approach are:

- All the risks identified above, plus
- There is no rationale to continue to provide a service that is not needs led.
- There is no rationale to fund services that are potentially duplicated, not needed or should be appropriately funded via alternative funding sources, at the detriment of the Council, targeting funding away from statutory services for the most vulnerable individuals and families in Kent.

4.3 **Option 3** – Undertake an assessment of each organisation and their readiness to transition across to the new Housing Benefit funding of these services. Subsequently to this to then:

- Enhance Housing Benefit entitlements through provision of intensive housing management services.
- Withdraw the Council's contribution to housing related support and community alarms by end of March 2018.
- Undertake close liaison and extensive stakeholder engagement, to mitigate potential impact to residents and disruption to service provision.

4.4 Option 3 is the recommended option as it aligns with the government's proposal on welfare reform and devolved funding. The transition of appropriate costs to Housing Benefit is the only way to ensure that the devolved funding is considered appropriately and that future funding of supported housing in Kent continues to be sustainable.

5. Financial Implications

5.1 The 2017/18 annual value of sheltered housing and community alarm contracts is currently £2.78m. It is expected that this commitment will be brought to an end by September 2018.

5.2 The implementation of this decision will help to deliver the Council's Medium Term Financial Plan 2017-20.

6. Legal Implications

6.1 There are no legal implications of the suggested action, subject to the standard termination clauses within the specified contracts.

6.2 The Council will continue to meet its obligations under the Care Act, namely to ensure that every resident over the age of 18 can have a social care assessment and that any assessed, eligible need will be met.

7. Equality Implications

- 7.1 An Equalities Impact Assessment has been undertaken and is attached as Appendix 1. The impact on groups affected will be minimal, and will be carefully managed and mitigated.

8. Conclusion

- 8.1 The way that sheltered housing is used and provided is changing nationally. At the same time, new national arrangements for the funding of all supported housing, including sheltered housing, is imminent.
- 8.2 A provider market briefing will have been held on 19 July, facilitated by an independent consultancy organisation. This will inform, engage and support providers to prepare for the transitional arrangements via housing benefit..
- 8.3 It is essential that the Council continues to work collaboratively with providers to ensure a smooth transition from housing related support to the new arrangements via housing benefit. This will maximise this new opportunity and ensure that people's needs are met in the best possible way. This will also ensure funding for supported housing can continue on a secure footing.
- 8.4 Separately, the County Council will continue to meet its Care Act obligations to the residents of sheltered housing and this will be unaffected by the changes.

9. Recommendation(s)

- 9.1 Recommendation(s): The Cabinet Member for Adult Social Care is asked to:
- a) **AGREE** for work to be undertaken in collaboration with current providers to explore and secure alternative funding models, enabling the gradual withdrawal or reduction of the Council's contribution towards housing related support and community alarms in sheltered housing by end of March 2018 and;
- b) **DELEGATE** authority to the Corporate Director of Adult Social Care and Health, or other nominated officer, to undertake the necessary actions to implement the decision.

10. Background Documents

Budget Book 2017/18

http://www.kent.gov.uk/_data/assets/pdf_file/0006/66534/budget-book-2017-18.pdf

Kent Social Care Accommodation Strategy, Better Homes: Greater Choices

http://www.kent.gov.uk/_data/assets/pdf_file/0018/14634/Kent-social-care-Accommodation-Strategy.pdf

Social Care, Health and Wellbeing Community Support Market Position 2016
http://www.kent.gov.uk/_data/assets/pdf_file/0004/60475/The-Social-Care,-Health-and-Wellbeing-Community-Support-Market-Position-Statement-FULL-statement.pdf

Strategic Statement 2015-2020, 'Increasing Opportunities Improving Outcomes'
<http://www.kent.gov.uk/about-the-council/strategies-and-policies/corporate-policies/increasing-opportunities-improving-outcomes>

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