



REPORT TO: Housing Portfolio Holder
LEAD OFFICER: Stephen Hills

21 March 2018

Review of Sheltered Housing Communal Rooms

Purpose

1. The purpose of this report is to detail the work undertaken to date to prepare for the review of the Councils sheltered housing communal facilities known as communal rooms to be taken forward to encompass all 41 facilities.
2. This is not a key decision but has been brought before the Housing Portfolio Holder to update on the progress so far with regards to the communal room review and to approve the next steps of the project.

Recommendations

3. It is recommended that the Housing Portfolio Holder:
 - a) approves the project, the projected expenditure, the work undertaken to date and agrees to the project being rolled out in accordance with the draft programme which is estimated to be completed within a two year timescale
 - b) agrees to a proposed allocation of £205,000 to be vired from the existing capital budget and recouped from realised increased revenue and capital receipts
 - c) agrees to the proposed dedicated staffing resource to assist in managing and taking forward the project
 - d) agrees that a Deed of Variation should be included in all future leases of equity share properties to ensure that leaseholders are not in a position to block any change of use proposed for communal rooms on the sheltered housing scheme where they reside.

Reasons for Recommendations

4. The desire to undertake a thorough review of the facilities has been driven by many factors which have been a cause for concern. The concerns are primarily;
 - Use of the rooms both by residents and external agencies varies over the district from well used to unused.
 - The rooms are dated and many have not been upgraded therefore any work or replacements are taken on a responsive basis. A timely example is the need to upgrade a large number of cookers as they are likely to be condemned in the near future as they do not meet current safety regulations.
 - Resident's service charges pay for the upkeep and heating of the rooms which if unused gives rise to complaints.

- The Tenants Scrutiny Panel has undertaken a review of communal rooms resulting in a number of recommendations which have been accepted by the Council.
 - Arising from the review it is anticipated that there will be increased rental income and possible capital receipts that will allow the remaining rooms to be invested in to bring them up to a standard expected in a community facility.
5. To do nothing will lead to further deterioration of some rooms, a continued waste of energy heating unused assets, a wasted opportunity of the potential to realise income or a capital receipt for the HRA and provide a facility that is fit for purpose by current standards.

Background

6. There are 44 sheltered schemes throughout the district with 41 having a communal room facility associated with them. The facilities known as communal rooms vary significantly in size but mostly they have furnished lounge rooms, a kitchen facility (some of commercial size), toilets and laundry rooms. Some have unused facilities comprising of limited office space, guest rooms and assisted bathing capability. The office space is unused due to business rates being applied, most are now empty and some are being used for storage. The use of the guest rooms is infrequent and some of the assisted bathing facilities have been capped due to risks associated with legionella.
7. The rooms are paid for through service charges which are a significant source of challenge, particularly from leaseholders, who understandably complain that they are paying for a facility that is largely unused. The most commonly used aspect of many rooms is the laundry facility.
8. The communal rooms represent an HRA asset that in some case could yield an income or a capital receipt but are also a community resource that is not always fully utilised.
9. As a community asset they could have a positive impact on many community concerns such as loneliness, a lack of community facilities in villages and the fact that they range from unused to busy but not utilised to their full potential.
10. The rooms, in some cases, have not been refurbished resulting in many being uninviting and poorly furnished. Any refurbishment will impact on tenants and leaseholders service charges which has been the main cause for a historical lack of planned improvements.
11. The Council has reviewed, in the past, the payment for the use of facilities by groups and individuals, such as day care facilities, lunch clubs, whist clubs, chiropodists and hairdressers. It also considered use by persons other than residents.
12. The result of the review was a charging system which has been implemented. It is not however administered on a consistent basis as it is quite labour intensive to “police” all events and charge accordingly. The charging system was not welcomed by all resulting in some individuals, such as hairdressers, taking their business from the rooms into resident’s houses.

13. The Tenants Scrutiny Panel has undertaken a review of both sheltered housing and communal rooms resulting in recommendations largely accepted by the Council. The main recommendation coming forth was the charging system. This review accepts this, however, as it is very wide in scope it is intended that this recommendation is considered after the review of all rooms has been undertaken.
14. The review of the communal rooms is proposed as a project for the Housing Service Plan 2018/19. Ground work has commenced to launch the project. To date the work has included;
 - Preliminary scoping and completion of a Project Implementation Document (PID).
 - Setting up a project team comprising of staff, elected members and resident representatives.
 - Undertaken a pilot review of two rooms based in Fulbourn (Hollmans Close/St Vigors and Chaplin's Close). This has as yet to be concluded.
 - Established a consultation process involving standard letters, surveys, drop in sessions and follow up telephone calls to ensure all residents and as far as practicable all known stakeholders can give their view.
 - Established a second stage follow up process of letters outlining the result of the initial consultation and follow up consultation with any schemes affected by change.
 - Identified the need for a resource of a member of staff one day per week to work on taking forward the project as feasibility studies, legal and procurement advice, PID management and reports on recommendations for each scheme will be required. The expense of the resource is available from existing budgets.
 - Commissioned a feasibility assessment of one communal room to convert it back to being used as a residential bungalow within the scheme.

Considerations

15. In undertaking the review the main outcomes for recommendations shall be one:
 - retain as a communal room and identify a package of property and service improvements to support the use of the facility
 - retain forming a community resource in partnership with the community or other agencies
 - closure as a communal room and a different use agreed by the Council
 - sale or leasing of the communal room
16. The decision on the recommendations of each review will be authorised by the Housing Portfolio Holder.
17. Whilst a mechanism for full consultation has been established it is anticipated that there will be some residents unhappy with the resulting proposal for the scheme. It is recognised that this could result in adverse publicity therefore the Communications Team have been briefed on the communications being sent out and kept informed of progress.

18. It is also recognised that there may be some unintended consequences of decisions taken such as increased loneliness and isolation. Whilst every effort will be made to ensure that there are accessible facilities nearby for affected residents this may not always be possible, therefore the Sheltered Estates Officer for that scheme will undertake to support residents to access services or other facilities. An example would be introducing residents to other communal rooms to ensure they are welcomed.
19. Nearly every scheme has at least one equity share leaseholder on the scheme. Not all leases are the same therefore they will need to be checked on a scheme by scheme basis for the clause on the lease that refers to the use of a communal facility. In order to change the use of a facility all leaseholders on the scheme need to agree to a Deed of Variation. If they do not it will not be possible to make any changes.
20. In order to overcome potential barriers to change it is intended that all future leases whether they are the ones that the Council is legally obliged to buy back (leases completed pre-2007) and those that are sold on the open market will be accompanied with the deed of variation to ensure that even if proposed changes of use of a communal room are blocked at a point in time they can be resumed when the lease changes when it is ultimately sold.
21. The charging for the rooms will be reviewed at the end of the project although work will be done to inform the matter as the project progresses. This will include consideration particularly for communal rooms that are retained and those that are leased out.
22. The project is proposed to span over two years. It is planned to carry out consultation firstly where there are more than one facility in one village or a confined cluster of villages such as Histon and Impington and where there are known issues with particular rooms.
23. The two rooms identified for the next review has commenced; they are The Limes, Bassingbourne and Knutsford Close, Bassingbourne. The reason for this is that the heating system in The Limes is old and liable to complete breakdown which will require a significant capital investment to renew. It is also the only scheme that has oil heating.
24. The next planned room that will be reviewed is The Close at Papworth Everard. This is known to be a room that is not used and the project team wish to use this review to further develop the communications used for this scenario.
25. For those schemes where it is recommended that the communal room should remain, consideration needs to be given to setting up a community chest to invest in the rooms. This could be tenant led. A separate report will be brought back to the Housing portfolio Holder once the details of this proposal have been developed.
26. To ensure that the schemes remain as sheltered housing the provision of the services of a Sheltered Estates Officer will be maintained as well as the provision of alarm service and grounds maintenance. It should be noted that the Council already has sheltered schemes that do not have communal facilities attached to them where residents are encouraged and do access other nearby communal facilities. Every effort will be made to connect residents where the communal room is changed from its existing use to another one nearby or alternative community facility.

Options

27. The Housing Portfolio Holder may:
- a) approve the project, the projected expenditure, the work undertaken to date and agrees to the project being rolled out in accordance with the draft programme which is estimated to be completed within a two year timescale
 - b) agree to a proposed allocation of £205,000 to be vired from the existing capital budget and recouped from realised increased revenue and capital receipts
 - c) agree to the proposed dedicated staffing resource to assist in managing and taking forward the project
 - d) agree that a Deed of Variation should be included in all future leases of equity share properties to ensure that leaseholders are not in a position to block any change of use proposed for communal rooms on the sheltered housing scheme where they reside.
28. Alternatively, the Portfolio Holder could request that further work is undertaken to extend the pilot pending the outcome of the identified reviews and bring a revised report back for consideration at a future Portfolio Holder meeting.

Implications

Financial

29. There are financial implications that have been referred to in the report. The review will incur staffing and professional service costs. These staffing costs have already been agreed within the current financial budget and the cost of professional fees can be met within the current financial budget. The estimated professional fees per review are anticipated to be around £5000. This professional support will therefore be engaged using the Council's procurement processes.

Legal

30. Legal support is required to advise on equity share holder leases, their associated issues and to draft a Deed of Variation.
31. Advice may be necessary as regards the Government's new funding arrangements for supported housing as this will affect sheltered housing and may have an impact on this review. The new funding regime refers to special rents for sheltered housing but the detail has not yet been published.

Staffing

32. The staffing requirements besides the project team are considered to be one day per week. HR advice will be sought on the employment of one member of staff by offering it as a secondment opportunity for existing part time members of staff who wish to increase their hours should the recommendations in this report be agreed to.

Risk Management

33. There is a risk that the project will attract adverse publicity and possibly legal challenge from leaseholders. By proactive dialogue and advice from the Communications Team and 3C Legal Services this risk will be minimised.

34. There is a risk of unintended consequences such as increased loneliness and isolation. This will be minimised by focussing the resources of the Sheltered Estates Officers to support and sign post those affected to ensure that this risk is minimised.

Equality and Diversity

35. The project will impact directly on older residents in sheltered housing. Every opportunity is being taken to consult with all residents on the scheme and a full impact assessment will be carried out on the proposal for each communal room.

Climate Change

36. This is minimal however the Council will avoid using energy through heating unused facilities.

Consultation responses

37. The Tenant Scrutiny Review of Communal Rooms has helped to shape the pilot project.

Effect on Strategic Aims

Aim 1 – Living Well

38. Support our residents to stay in good health as they grow older with access to the services they need.

Aim 4 – An Innovative and Dynamic Organisation

39. Develop strategies for the Council to take advantage of commercial and investment opportunities as they arise.

Background Papers

Tenant led Scrutiny of Sheltered Communal Rooms, Housing Portfolio Holder,
13/9/17

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