

## **Report of the Councillor Working Group on Older Persons' Accommodation**

April 2025

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## **1. Introduction and executive summary**

This politically balanced working group of seven councillors was established by the council's former Policy Committee in December 2021 and is now sponsored by Overview Committee.

It has reached a consensus on the findings and recommendations of this review based on extensive evidence.

The review of sheltered housing and Sheltered Plus services was long overdue.

Sheltered Plus was put in place in 2018 with a large financial subsidy from the Housing Revenue Account (HRA) and a guarantee that it would remain unaltered for two years.

The council has honoured that commitment and more. Six years have passed and the environment in which the council's housing operates has changed dramatically and the current arrangement is not financially sustainable.

The buildings are ageing and require significant capital investment for repairs, maintenance and modernisation.

Many are dated, with limited internal space, no Wi-Fi or electric vehicle charging points.

Society has changed dramatically since the schemes were designed and they no longer meet the needs or aspirations of many of today's over-60s, which is reflected in limited demand.

However, housing need in general is increasing and the council must make the best use of its scarce supply of affordable homes for the benefit of local households of all ages that desperately need a home.

The full cost of the Sheltered Plus service is unaffordable to many because key elements of the service, such as night reassurance cover and the laundry service do not qualify for Housing Benefit, as they are personal care and not related to the provision of accommodation.

The unfunded costs have been met by the HRA, which is not what it is intended for and, with the other financial pressures on the HRA, the situation is untenable. If the council is to survive as a social landlord, this hole in the finances must be addressed and Sheltered Plus services must adapt to changes in society to ensure that they remain relevant for current and future generations.

Although there is a powerful and logical case for change, change can be worrying. The council wants to ensure that the views of affected residents are at the forefront of the decision-making process. Therefore, the council will arrange personal meetings with every affected tenant to discuss their situation, to identify how they might be supported to minimise the impact and make the transition as smooth as possible.

## **2. Terms of reference of the councillor working group**

The purpose is to review the council's provision of older persons accommodation (HRA stock). The scope of the review will include and explore:

- £ Existing assets in terms of stock condition, investment required, value of sites, and options available.
- £ Whether accommodation should be specially designated for older people, what the needs of older people are, and the amount required to meet housing needs.
- £ Schemes run by other councils and Registered Social Landlords - taking into account best practice.
- £ Whether there are any partnership opportunities to work with social care or health providers.
- £ What services it is appropriate for the council to provide as a landlord - with consideration being given to the views of older people, especially those who are our existing tenants.

- € Financial modelling of the provision to ensure that it is sustainable and affordable to meet needs.

Appendix A contains a list of the properties included within the review and Appendix B shows their general location.

### **3. Guiding principles**

Throughout the review the guiding principles of the working group were to:

- Respect the independence, dignity and freedom of choice of all residents.
- Ensure that the council's accommodation for older people is well maintained, fit for purpose and meets the housing needs and aspirations of current and future generations of residents.
- Provide services that are relevant to older people of all ages and are affordable to residents and to the council.
- Ensure the review is based on evidence to provide a firm foundation for future policy development.

### **4. Introduction to sheltered housing**

- Canterbury City Council owned 5,067 homes on 31 March 2024.
- 1,053 (21%) were designated for older people, of which:
- 585 properties (11.5%) were sheltered housing or Sheltered Plus for people over 60, accommodating approximately 645 residents and consisting of:
  - 458 properties in 12 sheltered schemes and adjacent satellite sites operating under the "Independent Living" brand.
  - 127 properties in four Sheltered Plus schemes of sheltered housing with additional services.
- 468 properties (9%) are non-sheltered independent living with minimal services for the over 55s. This designated older persons' accommodation is not included in this review.
- Most schemes contain about 30 properties, which is fairly small compared to many modern developments and makes it difficult to achieve any economies of scale.

Sheltered housing is purpose-built, secure, convenient accommodation.

All properties are self-contained, with their own front door, privacy and private facilities, such as living area, bedroom, bathroom and kitchen.

Some schemes include a laundry room, kitchen and communal lounge where tenants can meet with friends and neighbours.

All schemes have door entry systems, fire alarms, smoke detectors and alarm systems to provide security and alert staff in an emergency.

Larger or newer purpose-built schemes are generally accessible for disabled people and wheelchairs.

Satellite accommodation sometimes lacks communal facilities and more closely resembles non-sheltered accommodation for older people or even general needs properties for people below 60.

Of all the properties, 90% or 527 have a shower or wet room, which is more practical for people with impaired mobility.

A total of 77% (452) have a kitchen that is classified as small: too small in some schemes for residents to install their own washing machines, which is why there is a laundry service in the Sheltered Plus schemes.

### **5. The current service model**

## **5.1 Sheltered housing**

Independent Living Managers cover two or three schemes during office hours on weekdays.

They visit regularly to check on the wellbeing of residents and their home, and support residents to live an independent life.

Sheltered housing offers intensive housing management, which includes:

- € Welcoming prospective or new residents, showing them around and explaining how sheltered housing works.
- € Helping residents with housing matters, such as signing tenancy agreements, benefit application forms and signposting support from external organisations.
- € Completing independent living support plans for new residents and making sure residents' needs plans are regularly updated.
- € Regularly checking fire alarms and emergency call systems, reporting any faults.
- € Monitoring the condition of buildings, the timeliness and quality of cleaning of internal communal areas, repairs, grounds maintenance and planning for emergencies such as power cuts.
- € Regularly calling residents either by phone or home visit.
- € Contacting next of kin or appointed person if residents do not respond or are unwell, and GPs or care managers if necessary.
- € Benefits advice.
- € General advice to help residents remain independent in their own home.

## **5.2 Sheltered Plus**

The service is unique and is not replicated anywhere else in Kent.

It replaced Enhanced Sheltered Housing, which before 31 March 2018, was funded by Kent County Council's (KCC) Supporting People Grant.

Sheltered Plus is provided at:

- € Lang Court, Whitstable
- € Cranmer House, Canterbury
- € Collard House, Canterbury
- € Whitgift Court, Canterbury

The service was designed through consultation with tenants and their families.

Residents voted to keep and pay for services beyond standard sheltered housing:

- € An on-site, non-residential Independent Living Manager during weekday office hours.
- € A supported laundry service during weekdays because the kitchens of individual flats are too small to install a domestic washing machine, and tenants sometimes find the controls of the commercial-style machines in the communal laundry too heavy to operate.
- € On-call night reassurance service, seven nights a week, in case of emergency. At Whitgift Court and Lang Court there is a dedicated member of staff, whereas Collard House and Cranmer House share a member of staff and pay commensurately less. The night reassurance service does not provide a hands-on response in an emergency but alerts the council's Central Control via the Lifeline service. Night reassurance cover is a comfort to some residents but does not enhance the service provided by Lifeline. Instead, it puts an additional step in the emergency response, which may cause delay.

- £ Signposting to taking up activities, training, work or engaging with the community.
- £ Advice about accessing health care and social care.

The cost of employing Independent Living Managers is eligible for Housing Benefit (HB), as this constitutes a landlord service/intensive housing management.

Other services, such as laundry and night staff are not eligible for HB because they are defined as personal support and are not related to the provision of the accommodation.

The council is not, and never has been, registered or regulated to provide personal care to residents and therefore cannot do so.

People living in any other accommodation who require help with daily tasks, such as laundry, usually seek support from Social Services or private agencies and pay for it from other sources, such as Attendance Allowance.

The full cost of the Sheltered Plus service is too expensive for most tenants, and a commitment was given by the council in 2018 to subsidise the service for two years before it was reviewed, with the deficit underwritten by the HRA, which is not what the HRA is intended for.

Both sheltered housing and Sheltered Plus are supported by the council's Lifeline service which:

- £ Enables tenants to raise an alarm in an emergency, including communal areas and lifts.
- £ Alerts in case of fire.
- £ Alerts if a fire escape is activated.
- £ Enables reassurance calls to be made to residents.
- £ Helps control door entry for visitors and carers.
- £ Helps emergency services gain access.
- £ Helps support fire alarm testing and arrangements for contractors to visit sites.
- £ Enables tenants to report issues or leave messages, such as faults, being away from home or visitors.

## **6. Types of tenancy offered**

Tenants who are new to the council are offered an Introductory Tenancy for 12 months. If they comply with the conditions of their tenancy agreement, their tenancy automatically becomes a Secure Tenancy at the end of the period.

An Introductory Tenancy may be extended or ended if the tenant breaks any of the tenancy conditions, which could result in eviction in the most extreme cases.

Secure Tenants enjoy all the rights and responsibilities set out in the Housing Act 1985 with the exception that sheltered housing is exempt from the Right to Buy.

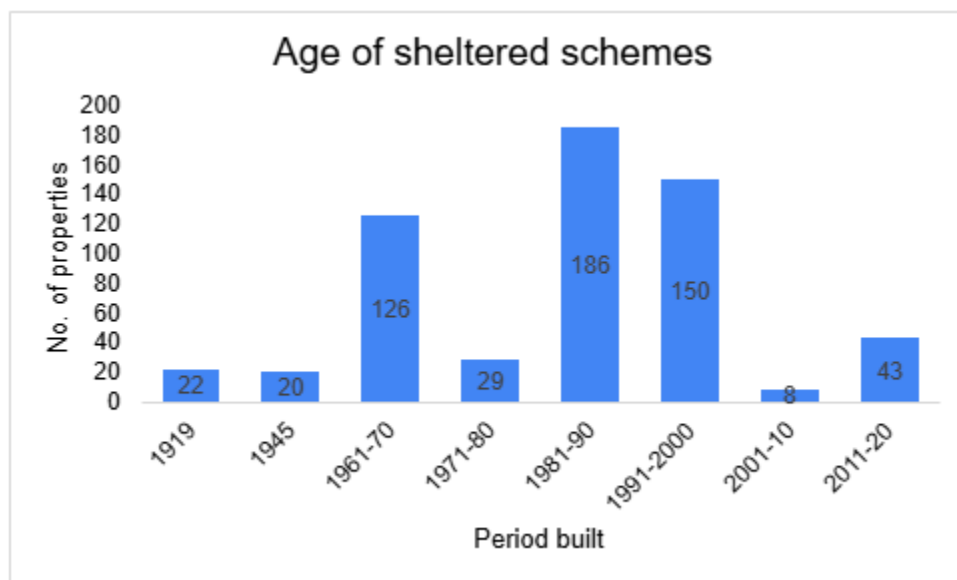
The council uses its standard generic tenancy agreement for sheltered housing and Sheltered Plus, with an additional clause in a separate document that tenants are required to sign undertaking to pay a service charge for the provision of the Lifeline alarm system.

The tenancy agreement contains no references to the sheltered housing or Sheltered Plus service model nor the level of services provided. This is explained on Kent Homechoice when the property is advertised for reletting. Therefore, recommendations to change the service model should not require amendments to the tenancy agreement.

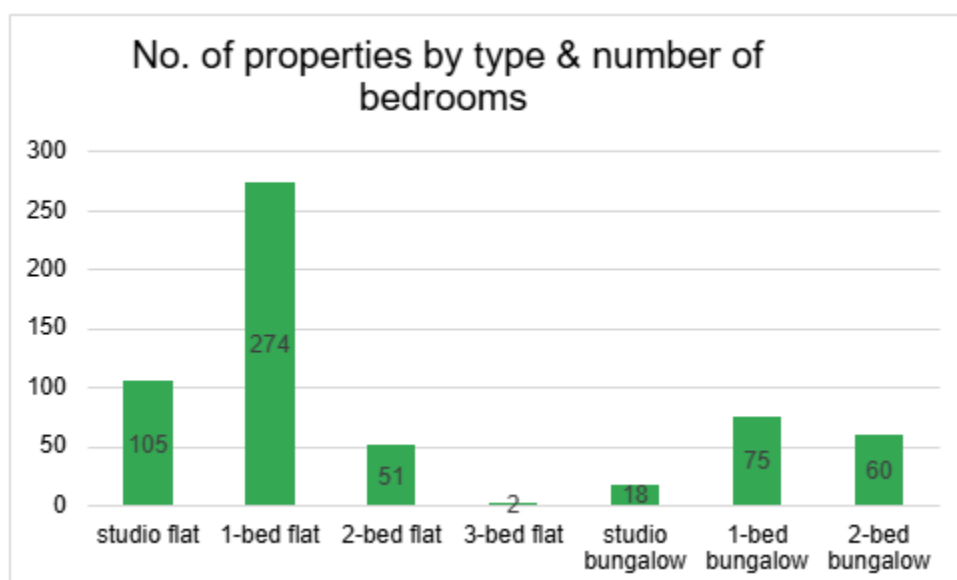
However, it would be beneficial to review the tenancy agreement and supporting documentation to ensure that it is fit for purpose and safeguards the rights and duties of the residents and the council.

## **7. Property information**

Most sheltered schemes date from the 1980s and before, which is not terribly old compared to many other homes in the district. However, lack of internal space, layout and character makes many of them feel quite dated.

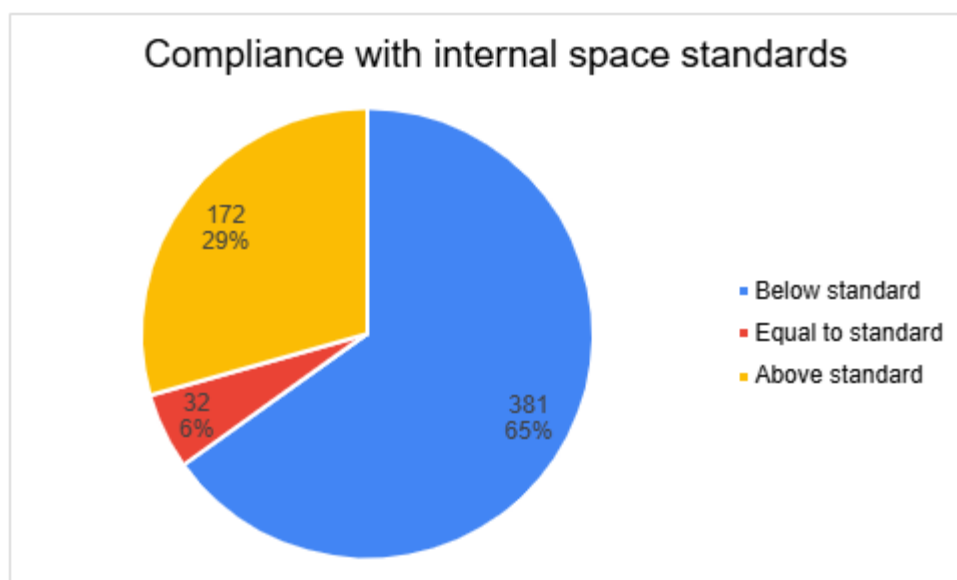


47% are one-bedroom flats and 21% are studios, which are small and generally unpopular, particularly among younger applicants, which has a direct effect vacancy rates and reletting times.



In addition to the general unacceptability of studio accommodation, 65% of properties do not meet internal space standards, which limits their practicality and desirability.

All these factors combine to make it difficult to remodel individual properties and schemes satisfactorily and cost effectively.



## 8. Stock condition

Every sheltered scheme is being surveyed to create a planned maintenance programme based on actual data about the condition of the key elements of each building and their anticipated lifespan to profile the capital investment required over 30 years.

The table below summarises the age of key components of the schemes surveyed to date.

Age of key components in sheltered housing			
	Oldest	Newest	Average
<b>Bathrooms</b>	41 years	1 year	16 years
<b>Kitchens</b>	46 years	4 years	14 years
<b>Windows</b>	34 years	1 year	18 years
<b>Roofs</b>	45 years	13 years	30 years
<b>Fascias &amp; soffits</b>	34 years	2 years	18 years

Costs to replace key components			
	Now	In 5 years	In 10 years
<b>Kitchens</b>	£375,700	£618,800	£1,947,400
<b>Bathrooms</b>	£306,670	£429,650	£1,525,550
<b>Windows</b>	£243,100	£640,575	£707,200
<b>Boilers</b>	£1,491,750	£100,750	£58,500
<b>Doors</b>	£75,660	£35,100	£187,200
<b>Total</b>	<b>£2,492,880</b>	<b>£1,824,875</b>	<b>£4,425,850</b>

The combined cost over the next 10 years is estimated at £8.74 million.

A strategic assessment of each scheme will be scheduled to decide their most appropriate long-term future use.

### Windsor House pressures

Windsor House is the council's only high-rise sheltered housing and merits special mention.



It is a 12-storey building containing 70 flats, a single staircase and two lifts, one lift for each side of the building, serving alternate floors.

The external cladding, which is a potential safety risk, needs to be replaced urgently and the roof, is leaking badly and water ingress is damaging the internal fabric.

It is on the building safety register and does not meet the Building Safety Act requirements.

In May 2024 Kent Fire and Rescue Service instructed the council to amend the fire evacuation plan from a “stay put” policy to simultaneous evacuation because fire remedial works are required.

Tenants who cannot self-evacuate in the event of a fire cannot remain.

Because of their age, there is a risk that tenants may become less mobile, be unable to self-evacuate and need to be relocated.

As a result, the building is now staffed day and night in case of fire at a cost of £5,760 per month since April 2025.

Contractors have been appointed but cannot start work until the design is approved by the Building Safety Regulator. The process should take 26 weeks but is to be taking much longer due to capacity issues at the Health and Safety Executive.

The removal of the cladding will cost approximately £200,000: replacement cladding will cost £635,000 and the roof will cost £204,000.

It is expected that the total cost will be over £1.9 million.

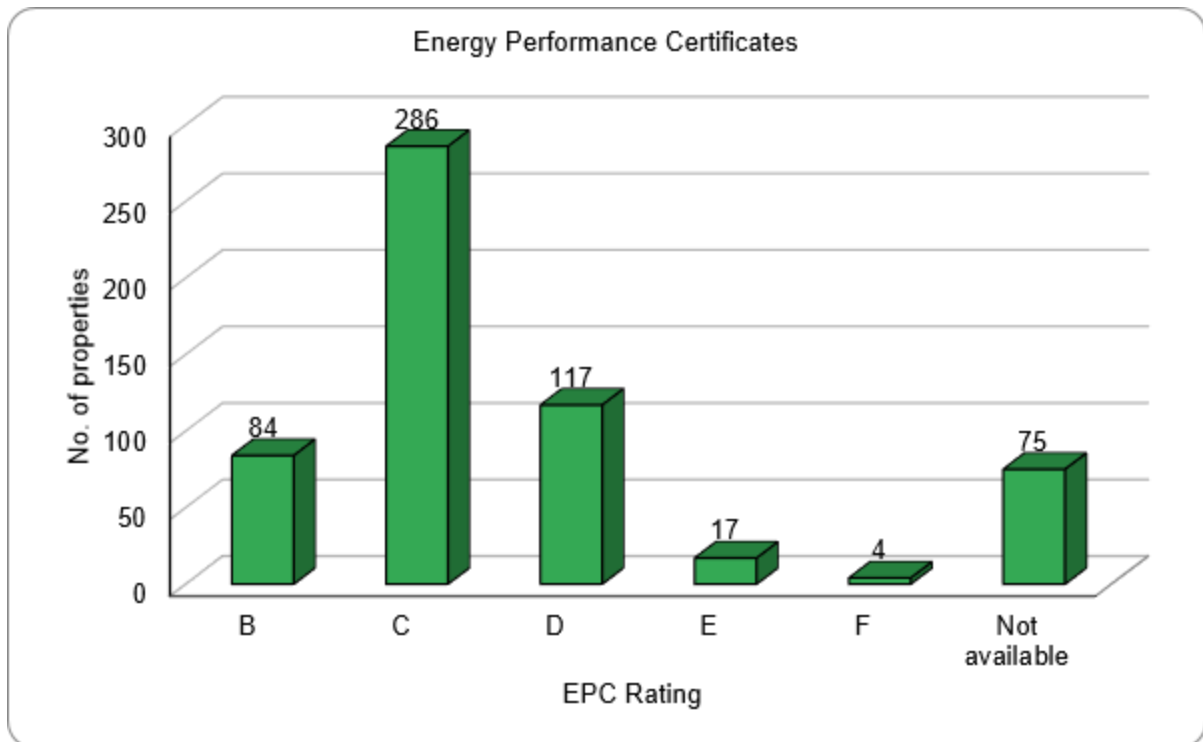
## **9. Energy efficiency**

The council's homes are the single largest source of carbon emissions produced by the council's activities.

Therefore, energy efficiency is a central element of planned maintenance programmes and is increasingly important for residents, many of whom are on a limited and/or fixed income, as energy costs rise.

Most sheltered schemes have communal heating and hot water facilities, and the actual cost of utilities should be recovered through service charges.

The council is required to have a valid Energy Performance Certificate each time the property is re-let.



The Government set a target for all social housing to achieve an EPC Rating of C or better by 2030 to achieve the goals for fuel poverty alleviation and carbon emissions reductions.

63% of the sheltered housing portfolio has already achieved a minimum EPC Rating of C.

To achieve these objectives for the remainder, homes usually require improved wall, floor and roof insulation, better ventilation with heat recovery and gas boilers exchanged for heat pumps.

The typical cost is around £15,000 per property.

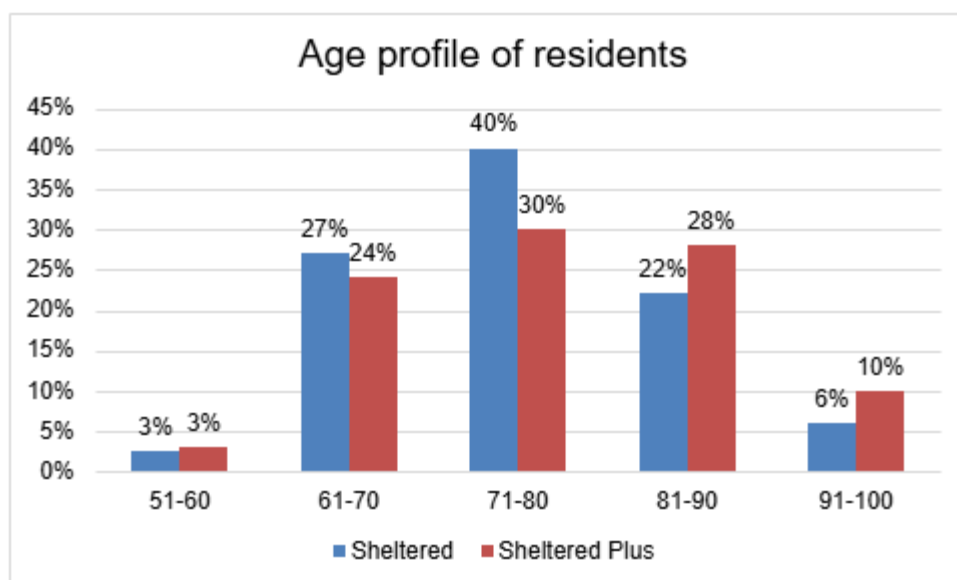
Grants may be available to part fund the improvements, but their availability is uncertain, and the full costs need to be factored into the planned maintenance investment requirements.

## 10. The residents

Anyone aged 60 years and over may apply for sheltered housing or Sheltered Plus, although most residents are over 70 years old.

Nowadays, many people in their 60s are unlikely to think of themselves as elderly and the concept of sheltered housing seems to have little relevance to their lives.

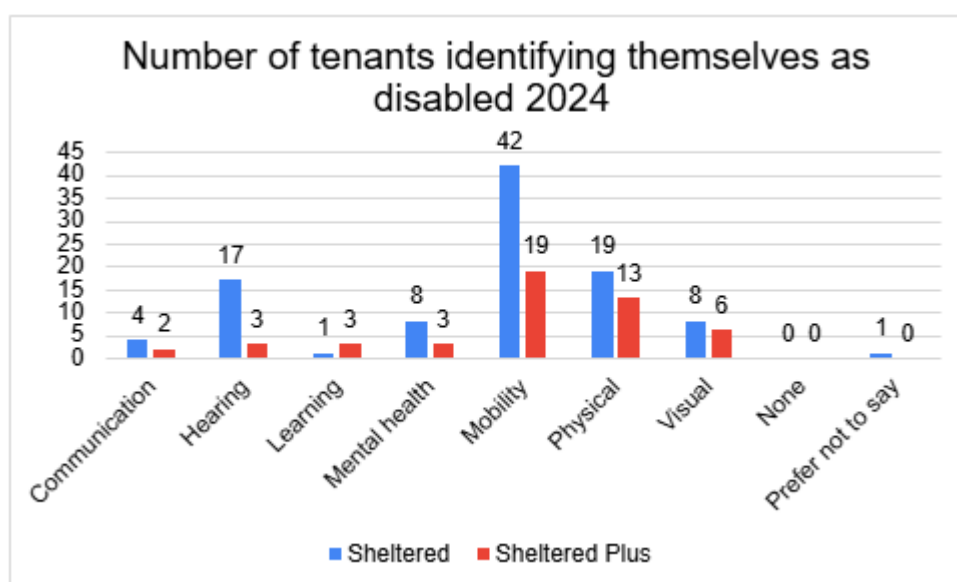
The graph shows that the age profile of residents in sheltered housing and Sheltered Plus is broadly comparable, with a slightly higher percentage of the residents of Sheltered Plus aged over 80.



About 40% of households are married and 60% single.

125 tenants of sheltered or Sheltered Plus responded to the Tenant Satisfaction Survey of 2024 and were asked whether they considered themselves to be disabled.

Several had more than one condition, with mobility, physical disability and hearing the main problems.



This snapshot is not an objective assessment of the levels of disability, but perhaps it is to be expected that a higher percentage of Sheltered and Sheltered Plus residents identify themselves to be disabled compared to the wider population of Canterbury.

Most residents of sheltered or Sheltered Plus would probably be able to live reasonably independent lives with the right package of support from Social Services or a private provider, funded in full or part by Attendance Allowance.

The following table provides a more objective guide to residents' support needs, as it is based on each person's housing support plan, agreed with the Independent Living Managers and validated by Social Services.

Sheltered Plus supplies an on-call night reassurance service, seven nights a week.

At Whitgift Court and Lang Court there is a dedicated member of staff, whereas Collard House

and Cranmer House share a member of staff and pay commensurately less.

The night reassurance service does not provide a hands-on response in an emergency but alerts the council's Central Control via the Lifeline service.

In essence, it provides the same service as Lifeline service but introduces an extra step into the process at much greater cost.

There is also a supported laundry service during weekdays in Sheltered Plus because the kitchens of individual flats are too small to install a domestic washing machine, and tenants sometimes find the controls of the commercial-style machines in the communal laundry too heavy to operate.

The following table summarises the use of services in Sheltered Plus, whether they need to or not. The final column contains the number who will need support.

**Use of services by residents of Sheltered Plus in February 2025**

	No. of properties	External Care Packages	Care by family	Receive evening call	Unable to use laundry	Use laundry service	Need for support
<b>Lang Court</b>	38	13	14	15	31	29	14 laundry 2 evening calls 14 laundry & evening calls
<b>Collard House</b>	30	5	0	3	10	13	5 laundry 3 laundry & evening calls
<b>Cranmer House</b>	30	6	9	10	18	20	9 laundry 2 evening calls 8 laundry & evening calls
<b>Whitgift Court</b>	29	8	3	14	14	16	1 laundry 2 evening calls 12 laundry & evening calls
<b>Total</b>	127	32	26	42	73	78	29 laundry 6 evening calls 37 laundry & evening calls

The following table summarises the number of residents in each Sheltered Plus scheme who use the laundry service. Over 40% of residents do not use the service but are either self-sufficient or helped by family or carers.

More familiar domestic washing machines could be installed in communal laundries where space permits, which would enable more residents to serve themselves.

Also, off-site laundry services, either provided commercially or by Age UK, will collect from and deliver to peoples' homes.

**Laundry service statistics December 2024**

<b>Scheme</b>	<b>Total no. of units</b>	<b>No. of voids</b>	<b>No. using Laundry Service</b>	<b>No. supported by family/friends</b>	<b>No. self-users</b>	<b>No. using mixture of these</b>	<b>Laundry Service users as a %</b>	<b>Average loads weekly</b>
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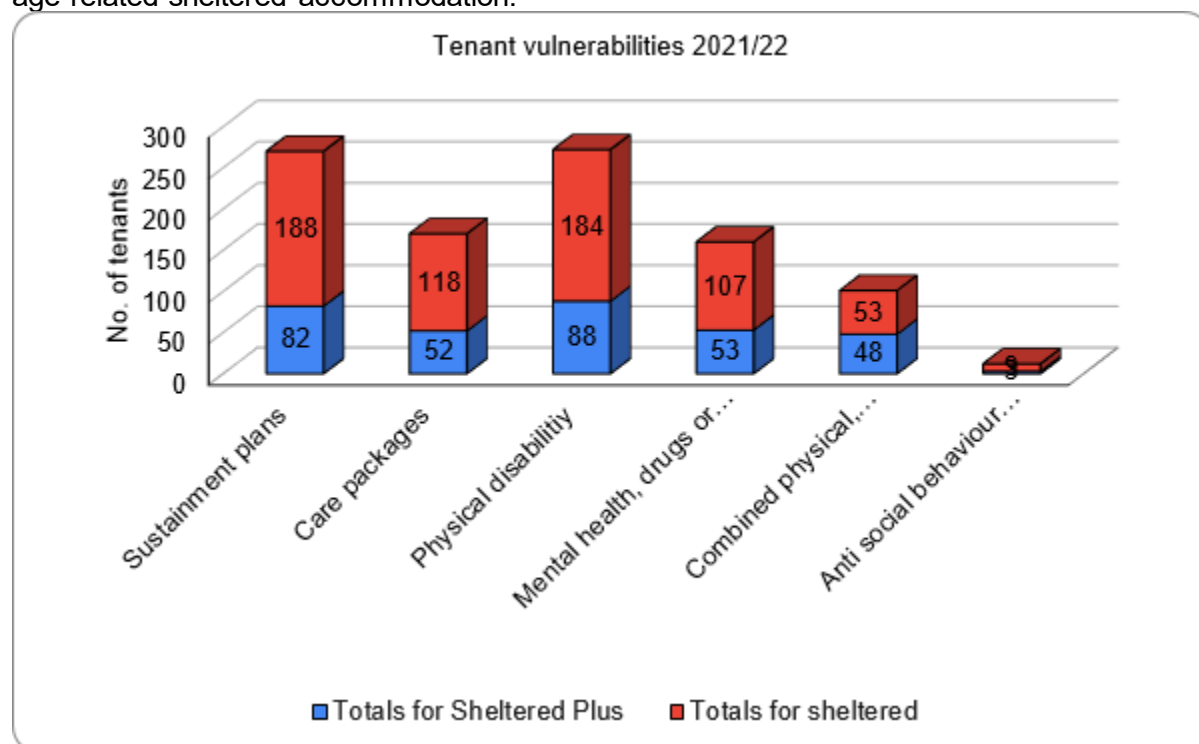
Lang Court	38	3	21	5	6	3	55%	52
Collard House	30	3	14	3	10	1	52%	12
Cranmer House	30	2	16	6	6	0	57%	21
Whitgift Court	29	1	15	8	5	0	52%	20

Today, many people in their 60s do not identify themselves as elderly, and the small accommodation in sheltered schemes does not address their lifestyle or aspirations.

Therefore, some residents in their early 60s opt for sheltered accommodation because of their desperate housing need, rather than personal choice.

They sometimes have unstable personal lives and complex vulnerabilities, including mental health issues, alcohol or drug dependency, which occasionally manifests itself in anti-social behaviour, which can affect their older neighbours.

These vulnerabilities might be better served in specialised supported housing, rather than age-related sheltered accommodation.



Also, until the Housing Allocations Scheme was amended in 2023, disabled people under 60 years of age were not eligible for accessible accommodation in sheltered housing.

This has now been changed to make better use of the housing stock and meet housing needs.

Using age as a qualification for accommodation is probably not the most effective way to address applicants' needs or vulnerabilities.

Nor is Canterbury City Council, a social landlord, structured or funded to provide specialist care or personal support, which is a Social Services function.

## 11. Residents' opinions

In the Tenant Satisfaction Survey of 2024, 93 sheltered and 73 Sheltered Plus residents

expressed their views:

	Satisfied	Neither	Dissatisfied	Don't know	No reply
<b>Satisfaction with the service provided by the council as a landlord</b>					
Sheltered	76.3%	6.5%	10.7%	0	6.5%
Sheltered Plus	81.3%	3.1%	6.3%	0	9.4%
<b>Satisfaction that the council provides a home that is well-maintained</b>					
Sheltered	77.7%	10.8%	11.9%	1.1%	8.6%
Sheltered Plus	81.2%	9.4%	6.3%	0	3.1%
<b>Satisfaction that your home is safe</b>					
Sheltered	75.3%	9.7%	11.9%	0	3.2%
Sheltered Plus	78%	9.4%	9.4%	0	3.1%
<b>Satisfaction that the council listens to your views and acts upon them</b>					
Sheltered	48.4%	21.5%	22.6%	4.3%	3.2%
Sheltered Plus	62.5%	9.4%	9.4%	12.5%	6.3%
<b>Satisfaction that the council keeps you informed about things that matter to you</b>					
Sheltered	67.7%	17.2%	10.8%	1.1%	3.2%
Sheltered Plus	71.9%	15.6%	9.4%	0	3.1%
<b>Would you like to be more involved in how your housing service is run?</b>					
	Yes	No	Don't know	No reply	
Sheltered	8.6%	78.5%	9.7%	3.2%	
Sheltered Plus	15.6%	71.9%	9.4%	3.1%	

The results show that well over 75% of sheltered housing and Sheltered Plus residents are satisfied with the council as a landlord, that their homes are well maintained and safe.

However, the results indicate the council needs to demonstrate that it listens to tenants' views and keeps them informed.

A focus group was held on 28 July 2022 and 7 residents volunteered to attend, answering questions about their experience.

### Overarching themes - positives

- ✘ Peace of mind for family
- ✘ Overall security for residents
- ✘ Peace of mind for residents' families

£ Daily calls from ILM

£ Communal lounge

£ Scheme surgeries

### **Opportunities for improvement**

£ Lack of staff presence: staff are too stretched

£ No CCTV

£ Independent living must evolve to appeal to future generations e.g. parking, electric vehicle charging, Wi-Fi

£ CCC should focus on existing housing stock instead of building more accommodation - get the basics right

£ Less demand for bedsits

## **12. Rents**

Rent is the main source of revenue for the HRA, paying for the provision of the accommodation, its maintenance and modernisation.

All the sheltered housing and Sheltered Plus are let at Social Rents based on a formula set by the government that takes account of the relative value of the property, relative local income levels, and the size of the property. Government rent policy allows the council to increase rents by CPI + 1% per year.

The council has no influence over rent levels or government rent policy.

Social rents are the cheapest in the district, at less than 50% of market rents, which is insufficient to pay for planned maintenance programmes, modernisation and new priorities, such as decarbonisation in ageing accommodation.

In 2025/26 the average rent without service charges is £102.45 per week over a 50-week rent year.

<b>Average weekly rents in sheltered &amp; Sheltered Plus</b>			
<b>Bedrooms</b>	<b>Average rent p.w. 24/25</b>	<b>Average increase p.w. 25/26</b>	<b>Average rent p.w. 25/26</b>
0	£85.15	£2.23	£87.38
1	£99.52	£2.69	£102.21
2	£116.13	£3.13	£119.26
3	£127.35	£3.44	£130.79
<b>Overall average</b>	£99.77	£2.68	£102.45

## **13. Service charges**

Service charges are payable for specific services or communal facilities.

In 2015/16 Council adopted the principle of recovering the actual cost of services.

The council has adopted the policy of:

£ Setting reasonable and transparent service charges that reflect the service being provided to tenants.

£ Ensuring that the services and works are of a reasonable standard.

£ Supplying tenants with clear information on how service charges are set.

- £ Identifying service charges separately from the rent charge.
- £ Where new or extended services are introduced, and an additional charge may need to be made, the council will consult with tenants.
- £ Service charges will be based, where reasonably possible, on actual expenditure during the preceding financial year.
- £ If service charges are less than actual expenditure, they will be raised by CPI + 1% + up to a further £1 per week.
- £ If actual expenditure is less than the current charge, the service charge will be reduced accordingly.

Government guidance suggests that service charge increases should be limited to CPI plus 1%. However, service charges are not subject to the same legislative and regulatory framework as rent but are governed by landlord and tenant legislation and case law.

Service charges vary according to the scheme and generally include scheme management, intensive housing management, communal heating, lighting and cleaning, a small charge for the replacement of laundry equipment, Lifeline, individual heating and water.

#### **Average cost of generic service charges to all schemes**

	Actual charges 2024/25			Estimated charges 2025/26			Average increase
	Lowest 24/25	Highest 24/25	Average 24/25	Lowest 25/26	Highest 25/26	Average 25/26	
Cleaning	£0.26	£13.79	£4.60	£0.27	£14.48	£4.83	£0.23
Lighting	£1.53	£12.75	£5.55	£1.65	£13.77	£5.99	£0.44
Heating	£0.39	£41.27	£19.19	£0.40	£42.38	£19.70	£0.51

Sheltered Plus has been an anomaly since it was established in 2018 with a large financial subsidy from the HRA and a guarantee that it would remain unaltered for two years.

That commitment was never financially sustainable for the HRA, but the council has honoured it for six years. However, the environment in which council housing operates has changed dramatically and the HRA is under severe financial pressure.

The full cost of the Sheltered Plus service is unaffordable to many residents because key elements of the service, such as night reassurance cover and the laundry service do not qualify for Housing Benefit because they are personal care and not accommodation related.

The unfunded costs have been met by the HRA, which is not what it is intended for and is contrary to government guidance and regulations.

For Sheltered Plus in 2024/25, there was a shortfall of £218,255 between the service charges paid by tenants for night reassurance and laundry and their actual cost. This underpayment averages £33.70 per property per week. The calculation is set out in Appendix C.

In sheltered housing there was a shortfall in 2024/25 of £79,659 for staffing costs, equating to £3.42 per property per week because actual staffing costs were higher than the budgeted figure. This will be corrected by increasing the service charge through the annual budget process for 2026/27.

Together, these unfunded staff costs totalled £297,914 in 2024/25.

#### **14. Council Tax**

Council Tax is the other major property-based expense paid by tenants. A total of 93% of sheltered housing properties are in Council Tax bands A and B, meaning that the accommodation costs are among the lowest in the sector.



## **15. Financial assistance with rent and service charges**

Residents on limited incomes may be eligible for Housing Benefit (HB), a means-tested benefit to help people with their housing costs.

Rents and service charges directly associated with the provision of accommodation are normally eligible for HB.

Overall, 74% of residents in sheltered housing and Sheltered Plus receive either full or partial HB or Universal Credit (UC).

There is little direct difference between HB and UC in terms of how the help with housing costs is means-tested.

However, there are some indirect financial differences, especially for “mixed age couples” who must claim UC since 15 May 2019.

A single person or couple of pension age is exempt from bedroom tax. However, single claimants under 66 or a couple where one of the couple is under 66 are not exempt.

In addition, new claimants of UC must wait for five weeks before receiving benefit, which is then paid in arrears.

Service charges that are usually part of one’s living expenses, such as heating one’s own flat, are expected to be funded by the resident, either from private resources or from other benefits that include elements intended to cover day-to-day living expenses.

In Sheltered Plus, neither the night reassurance or laundry service are eligible for HB because the regulations consider them to be personal support or personal care, rather than a cost directly associated with the provision of housing accommodation.

In most accommodation, this type of service would be undertaken by carers, sourced either privately or from KCC and paid for from either private resources or benefits such as Attendance Allowance.

Residents on low incomes may also receive a reduction in their Council Tax.

## **16. Vacancies and relet times**

Appendix D summarises the number of properties that were vacant and relet in 2023/24 and 2024/25. It does not include current vacancies.

During the two years, 125 properties became vacant in 25 schemes and were empty for 16,581 days, an average relet time of 133 days or 19 weeks, which seems excessive when there is such great housing need in the district. It reflects the unattractive nature of some accommodation and services and indicates a need to streamline the void maintenance and reletting processes.

This resulted in a loss of rent and service charge income during that period of £278,808, a huge sum when the HRA’s finances are under considerable strain.

The table below shows the six schemes that accounted for the greatest number of days vacant and lost the most income.

The six schemes listed in the table below constitute:

- £ 39% of the properties in the sheltered portfolio but account for:
- £ 53% of the income lost because of vacancies
- £ 56% of the days that properties were vacant

The four Sheltered Plus schemes are all on the list, reflecting their very high service charges, which are a disincentive to prospective tenants.

**Sheltered and Sheltered Plus schemes where properties were vacant for the most days and lost most income 2023/24 to 2024/25**

Scheme name	No. of units	No. voids 23/24+24/25	No. days void	Average no. days to relet	Rent loss	Service charge loss	Total rent + service charge loss
Cranmer House	31	8	2178	272	£24,961	£8,563	£33,524
St Gregorys Court	28	12	1751	146	£20,741	£5,138	£25,878
Lang Court	38	10	1442	144	£20,462	£3,454	£23,916
Windsor House	70	12	1274	106	£17,734	£6,089	£23,823
Collard House	30	7	1260	180	£14,829	£6,245	£21,074
Whitgift Court	29	8	1197	150	£14,091	£6,588	£20,680
<b>Total</b>	<b>226</b>	<b>57</b>	<b>9102</b>	<b>166</b>	<b>£112,818</b>	<b>£36,077</b>	<b>£148,895</b>

The average number of days to relet was longer in some schemes not on this list, but the financial impact of these six is much greater.

The table below shows that Sheltered Plus:

- £ Makes up 22% of the sheltered housing portfolio.
- £ Accounted for 28% of vacant properties.
- £ Took an average of 169 days to relet compared to 119 for sheltered housing and
- £ Accounted for 36% of the lost rent and service charge income.

Again, this is probably because high service charges deter potential residents.

#### **Comparison of vacant properties and lost income between sheltered housing and Sheltered Plus**

	No. of units	As %	No. of voids	As %	No. of days void	As%	Average days to relet	Total loss of rent & service charge	As %
<b>Sheltered</b>	458	78%	90	72%	10672	64%	119	£179,709	64%
<b>Sheltered Plus</b>	127	22%	35	28%	5909	36%	169	£99,100	36%
<b>Total</b>	<b>585</b>	<b>100%</b>	<b>125</b>	<b>100%</b>	<b>16581</b>	<b>100%</b>	<b>133</b>	<b>£278,808</b>	<b>100%</b>

## **17. The cost to the HRA**

The council is required to have an HRA by the Local Government and Housing Act 1989 as a ring-fenced account for income and expenditure relating to the provision of council housing.

The HRA cannot be funded from or make contributions to the General Fund. The council is not permitted to set a deficit budget for the HRA and a realistic and robust HRA budget must be agreed to enable the council to fulfil its legal obligations as a landlord.

Government guidance on the Operation of the Housing Revenue Account ring-fence, published 10 November 2020 <https://www.gov.uk/government/publications/operation-of-the-housing-revenue-account-ring-fence/operation-of-the-housing-revenue-account-ring-fence> permits the HRA to fund “core plus services”, such as the council’s Independent Living Managers (ILMs).

The Ministry of Housing, Communities and Local Government considers it inappropriate to assume that “non-core services”, such as personal care services (night reassurance cover or laundry service) will be wholly charged to the HRA.

The Housing (Welfare Services) Order 1994 stipulates that welfare services are not to be charged to the HRA except in very limited circumstances and these must not be the dominant

function of the housing staff concerned.

In conclusion, the night reassurance and laundry services in Sheltered Plus are not eligible for HB because they are personal support rather than housing costs and the HRA is not the appropriate vehicle to subsidise Sheltered Plus services.

The General Fund is also under severe financial pressure and cannot absorb a subsidy of this magnitude.

The HRA is being squeezed by:

Unfunded night reassurance and laundry services in 2024/25 of £218,255

Plus undercharging for staff in sheltered schemes in 2024/25 of £79,659

Plus lost income on vacant properties in 2023/24 and 2024/25 of £278,808

Total = £576,722

which is completely unsustainable and may put the future of the HRA at risk.

## **18. Housing need**

The older population of the district is projected to increase substantially by 2040.

However, that does not necessarily mean an automatic increase in demand for the council's sheltered accommodation because other factors are important when people choose a home, such as aspirations, locality, availability, tenure and ability to pay.

The council's sheltered housing portfolio is part of a mixed economy of accommodation for older people.

Approximately seven other registered providers manage 380 rented sheltered housing properties in the district on social rents.

Furthermore, there are at least 20 private sheltered schemes in the district aimed at the over 55s or over 60s, covering a wide range of price points, either leasehold or market rent, with services that include scheme manager, alarm and communal lounge.

Service charges are similar to the council's sheltered schemes and lower than Sheltered Plus.

£ Market values from £80,000 to £420,000

£ Most priced below £200,000

£ Rental alternative was £975 per month

£ Ground rent £200 to £400 per year

£ Service charge £2,000 to £2,800 per year

This accommodation is probably beyond the financial reach of many applying for council accommodation.

Also, changes in society and people's self-perception means that many people are still working and do not consider themselves elderly at the age of 60.

Therefore, they have a different lifestyle and aspirations, which is reflected in a diminishing number of applications to the Housing Needs Register for sheltered housing and the length of time it takes to relet vacant properties.

### **Housing Needs Register data**

	<b>1 December 2021</b>		<b>4 April 2025</b>	
	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>

No. of households on Housing Needs Register	2961	100%	1356	100%
No. of households on HNR that qualify only for general needs housing	2438	83%	934	69%
No. of households on HNR that qualify for older persons housing	513	17%	422	31%
No. of households on HNR waiting for sheltered or Sheltered Plus	291	10%	165	12%

Meanwhile, many younger households who are not eligible for these properties are in desperate need of a home and some are obliged to live in council-sourced temporary accommodation outside the district at great expense.

Some less popular sheltered accommodation could potentially be repurposed to meet these housing needs.

Although the popularity of sheltered housing seems to be diminishing among eligible applicants on the Housing Needs Register, feedback from the tenant satisfaction survey and the focus group in Section 10 reveals that it is valued by existing residents and some applicants who prefer a quieter lifestyle among people of a similar age.

Therefore, the council will continue to provide some accommodation designated for residents over 60 years of age.

Canterbury Housing Needs Assessment of September 2021, which was prepared for the draft Local Plan, forecasts that Canterbury's population aged 65+ will increase by 14,000–16,850 people by 2040.

#### **Forecast need for accommodation for older people**

	Provision in 2021	Forecast additional need to 2040
Care home bedspaces	1,159	2,010
Nursing home bedspaces	346	299
Sheltered housing & Extra Care	1,883	1,732
Independent living for 55+	163	739

Source: Canterbury Housing Needs Assessment September 2021

It is anticipated that more rental properties will be required to reflect the growth of the private rented sector, and, for Extra Care Housing, an improved balance between rental and owner-occupied units is needed.

The Housing Needs Assessment found the housing needs of people seeking designated older persons' accommodation, enhanced care housing or sheltered housing can be met within the current stock, assuming sufficient vacancy levels/turnover.

It recommends increasing the provision of smaller bungalows within the overall mix of housing in the Local Plan, as evidence suggests there is high demand for these properties in the 65+ age groups. To maintain current levels of occupancy, over the course of the plan period, the number of bungalows would need to increase by between 2,440 and 2,950. However, bungalows are very low-density accommodation and because development land is very expensive, they are rarely financially viable as a source of new affordable housing, especially at social rents.

The Canterbury Housing Needs Assessment does not take account of the [Kent Adult Social Care and Health Accommodation Strategy](#) which has been prepared by KCC.

It aims to improve the quality of care home bedspaces in the district, provide more accommodation for people with dementia and make better use of technology to enable people to live independently.

It seeks the development of new Extra Care accommodation in Canterbury with a minimum of 60 to 70 self-contained properties for rent, shared ownership or sale on a single site to ensure financial viability.

If a single large site is not available, then a cluster of smaller, geographically close schemes may be an alternative. Discussions between the council and KCC are ongoing.

## **19. The future for sheltered schemes**

The evidence in this report demonstrates that some of the council's sheltered housing is popular and performs well. However, several schemes have accommodation that is small, dated, unpopular with prospective residents and needs substantial capital investment.

The council wants to improve choice, opportunity and quality of life by providing attractive, well-designed homes to the highest modern standards of comfort, convenience, practicality and energy efficiency in desirable, welcoming, sustainable neighbourhoods at a price that local people can afford.

Therefore, there must be a strategic assessment of every sheltered housing site to ensure that it meets a current housing need, makes a positive contribution to the HRA and the district, with the aim of:

- ⌘ Increasing the number of council homes for rent.
- ⌘ Improving the condition, quality and energy efficiency of the council's housing stock.
- ⌘ Replacing properties that cannot be brought to a modern standard cost-effectively.
- ⌘ Managing and rationalising the portfolio of homes and reinvest the capital receipts.
- ⌘ Maximising the impact of the council's limited capacity and resources.
- ⌘ Helping to address the local need for affordable housing.
- ⌘ Reducing reliance on temporary accommodation.
- ⌘ Finding the right balance between quality, quantity and financial viability.
- ⌘ Supporting delivery of the Corporate Plan 2024 to 2028, Adopted Local Plan | Canterbury City Council, New Local Plan | Canterbury City Council and the Housing, Homelessness and Rough Sleeping Strategy 2018 - 2023.

It will be guided by the following principles:

- ⌘ To provide quality homes.
- ⌘ To support the development of sustainable communities.
- ⌘ The modernisation and development programme is not for profit.
- ⌘ The programme is financially self-sustaining.
- ⌘ The programme will not put other services at financial risk.
- ⌘ Existing council tenants will not be expected to help pay for the modernisation or redevelopment or services of homes they do not live in.
- ⌘ No outward differentiation between new council homes and other tenures.

## **20. Key findings and conclusions**

The working group has completed a deep and wide-ranging review of sheltered housing services, which has led to clear conclusions and recommendations.

There is a compelling case for change at Canterbury City Council's Sheltered Plus housing schemes to save it and its tenants money and to improve the quality of people's homes.

Sheltered Plus is unique and found nowhere else in Kent. The service was designed through consultation with tenants and their families after KCC withdrew Supporting People Grant in March 2018.

It was put in place with a large financial subsidy from the HRA and a guarantee that it would remain unaltered for two years. The HRA is the dedicated account used to pay for council housing and which tenants pay their rent into.

The council has honoured that commitment and more. Six years later the environment in which the council's housing operates has changed dramatically and the current arrangement is not financially sustainable.

The buildings are ageing and require significant capital investment for repairs, maintenance and modernisation of £8.74 million over the next 10 years. In addition, there is an immediate need to spend approximately £2 million on a new roof and recladding of 12-storey Windsor House.

Many sheltered schemes are over 40 years old feel dated. 65% of properties do not meet internal space standards and 21% are small, unpopular studios. There is no Wi-Fi or electric vehicle charging points.

Society has changed dramatically since the schemes were designed and they no longer meet the needs or aspirations of many of today's over-60s, which is reflected in limited demand. Only 38% of eligible housing applicants for older persons' accommodation want sheltered housing, and it seems particularly unappealing to a younger age group, with only 25% of residents in their 60s.

Vacant properties stand empty for long periods of time. In 2023/24 and 2024/25, 125 properties became vacant in 25 schemes and were empty for 16,581 days, an average relet time of 133 days or 19 weeks. This resulted in a loss of rent and service charge income of £278,808.

The 4 Sheltered Plus schemes are among the worst performers in terms of the time it takes to relet vacant properties, and the amount of rent and service charges lost as a result.

The relet times are unacceptable and raise questions about the effectiveness and efficiency of current processes.

Housing need in general is increasing, and the council must make the best use of its scarce supply of affordable housing for the benefit of local households of all ages who desperately need a home and consider repurposing, remodelling or redeveloping some of the less popular sheltered accommodation to address this unmet need.

However, sheltered housing is valued by existing residents and some applicants, so there remains a place for it within the council's housing stock, although the number of age-restricted homes may reduce over time to reflect changing demand.

The full cost of the Sheltered Plus service is unaffordable to many because key elements of the service, such as night reassurance cover and the laundry service do not qualify for Housing Benefit, as they are personal care and not related to the provision of accommodation.

The unfunded costs have been met by the HRA, which is not what it is intended for and, with the other financial pressures on the HRA, the situation is untenable.

If the council is to survive as a social landlord, this hole in the finances must be addressed and services must adapt to ensure they remain relevant for current and future generations.

The case for change is powerful and logical, but change can be worrying. So, the council will arrange personal conversations with every affected tenant to discuss the implications, identify how they might be supported to minimise the impact and make the transition as smooth as possible.

## **21. Recommendations**

The working group has based their recommendations on the best data available and aims to:

- £ Provide better value for money
- £ Reduce costs for tenants
- £ Make no material difference to levels of service
- £ Align with the benefits system
- £ Bring the council into line with all other landlords in Kent
- £ Comply with statute & regulation
- £ Provide better quality, modern accommodation

The recommendations fall into two phases:

- £ **Phase 1 – service redesign.** The evidence is clear that the Phase 1 recommendations need to be implemented as soon as reasonably possible.
- £ **Phase 2 – stock renewal.** A medium- to long-term programme to appraise the options for each site based on the principles in this report.

### **Phase 1 recommendations – service redesign**

- A) Recover the full cost of services through service charges, which are illustrated in Appendix E using services charges for 2025/26. These are likely to alter slightly in 2026/27.
- B) Standardise the service in sheltered housing and Sheltered Plus to provide a consistent service across all schemes, modelled on that currently operating in sheltered housing. The likely reductions for residents' service charges are illustrated in Appendix E.
- C) There will need to be a restructure of the Independent Living Manager service to reflect the change proposed in B), to ensure consistency with the sheltered housing service.
- D) Replace the subsidised night reassurance cover and:
  - D1) Improve the support provided by the Lifeline service.
  - D2) Take advantage of the digitisation of telephone lines and advances in technology to find opportunities to improve site management.
  - D3) Expand provision, including telecare and telehealth.
  - D4) Install modern CCTV equipment, monitored by Central Control, to provide reassurance, to improve safety and security, to provide smoother access for residents' families and carers and respond to concerns raised by the residents' focus group.

The implications of recommendation D) are:

- £ 127 households in the four Sheltered Plus schemes will be directly affected by this recommendation.
- £ Tenants will benefit from a service charge reduction. Some ongoing services, such as telephone alarm systems, are not eligible for Housing Benefit, but the charge is relatively modest at £3.08 per week: considerably less than the current night reassurance service. Lifeline charges may increase in the future if new or improved services are provided.

- ⊄ The night reassurance service provides a service that is very similar to that provided by the Lifeline service, but at much greater cost. Appendix F shows that Central Control deals with a disproportionate number of pull cord activations and access via the door entry system at the four Sheltered Plus schemes despite the presence of the night reassurance service. Therefore, the proposed change to the night reassurance service is likely to have a relatively modest impact on residents.
  - ⊄ Tenants will lose the comfort of staff on site during the night, which will bring them into line with sheltered housing. At present, all emergencies for all schemes, including Sheltered Plus with night reassurance cover, are referred to Central Control.
  - ⊄ The duty officer will continue to attend night-time emergencies, such as fire alarm incidents.
  - ⊄ Welfare call rounds for Sheltered Plus will reduce from two daily calls to one, like sheltered housing, or an additional call can be made by Central Control via Lifeline for the most vulnerable residents during the transition period.
  - ⊄ Additional health and safety checks and surface cleans that take place at night and weekends will cease. They are desirable rather than essential activities, and this will be consistent with sheltered housing schemes.
- E) Replace the subsidised laundry service and:
- E1) Encourage residents who can use the laundry facilities to self-serve.
  - E2) Enable carers to use the laundry for their clients, which already happens in some instances.
  - E3) Install more familiar, domestic washing machines in laundries where space permits.
  - E4) Facilitate access to off-site commercial laundry services that will collect and deliver laundry to the tenant's door at commercial rates.

The implications of recommendation E) are:

- ⊄ All tenants will benefit from a service charge reduction, of particular value to those who already do some or all their laundry themselves.
  - ⊄ Half of tenants use the in-house laundry service, so either need an alternative provider or self-serve.
  - ⊄ Some tenants who are too frail to operate the commercial machines will have to pay an alternative provider such as Age UK. Some private commercial laundries have offered to provide an offsite service with regular collection and delivery service.
- F) The working group understands that change can be worrying and wants to ensure that the views of affected residents are at the forefront of the decision-making process. Therefore, the council will arrange personal meetings with every affected tenant to discuss their situation.
- G) Prepare a personalised support plan for each affected tenant to mitigate the impact of the transition.
- H) Review the tenancy agreement and supporting documentation to explain the nature and standard of services that are provided in sheltered housing to safeguard the rights and duties of the residents and the council.
- I) Focus on housing need rather than age to access accommodation, enabling disabled people below 60 years of age to apply for accessible ground floor accommodation in sheltered schemes.



- J) Ensure that the number of sheltered housing schemes is a better match to housing need and demand, reducing over-provision where appropriate.
- K) Provide fewer housing schemes that are age-restricted to enable the council to respond more flexibly to housing needs across the district and better meet the aspirations and lifestyle of modern older people.
- L) Although the number of age restricted homes may reduce over time to reflect diminishing demand, sheltered housing is valued by existing residents and some applicants, so there will continue to be a need for sheltered housing within the council's housing stock.
- M) Seek opportunities to work in partnership with providers of specialist housing and support for older people with complex vulnerabilities. The council is a social landlord and may facilitate such a project by providing suitable premises or land but does not have the expertise or capacity to deliver these specialist services.
- N) Streamline processes for maintaining and reletting vacant properties to reduce relet times and losses of rent and service charges.

### **Phase 2 recommendations – stock renewal**

To ensure that sheltered housing is good quality, popular, attractive, energy efficient and cost effective, there should be a strategic assessment of each scheme.

Schemes will be assessed using the principles contained in this report, including annual surplus/deficit, vacant property relet times, future planned maintenance costs, compliance costs, the cost of achieving EPC C rating, the number of Housing Health & Safety Rating System hazards and the number of properties that fail to meet internal space standards. The results will be collated into a scorecard for each scheme and prioritised accordingly.

All proposals will be subject to a full financial viability assessment.

Residents will be fully consulted if any proposals emerge in due course that might affect the future of their homes or the services they receive.

Recommended principles include:

- A) Successful, popular, warm, comfortable, cost-efficient homes will require no action.
- B) Creating attractive new homes to enable residents of schemes that require renewal to choose good quality alternative accommodation. This will facilitate:
- C) Adding additional homes to existing schemes, if possible.
- D) Renewal or remodelling.
- E) Repurposing for use by other client groups.
- F) Demolishing and rebuilding with better quality homes that better meet housing needs now and in the future.
- G) Consider selling some poorly performing sites to reinvest the proceeds in improving the quality of sheltered housing.

### **22. Approach to engagement, consultation and communication**

It is estimated that the residents of 127 Sheltered Plus properties in four schemes will be affected. The working group understands that change can be worrying and wants to ensure that the views of affected residents are at the forefront of the decision-making process. Therefore, the council will arrange personal meetings with every affected tenant to discuss their situation, to identify how they might be supported to minimise the impact and make the transition as smooth as possible.

- ⌘ Consultation planning began in April with focus on methodology, survey, ensuring accessibility.
- ⌘ Early engagement will take place in May and early June to mitigate consultation running over school summer holidays.
- ⌘ Formal consultation with affected residents of Sheltered Plus will begin on 23 May if the Joint Chief Executives are asked by the Working Group to use their delegated authority under the council's constitution following Overview Committee on 22 May.
- ⌘ If this report is approved for consultation, prior to formal adoption by the council, affected staff will be consulted informally and can give their views.
- ⌘ If the report is adopted by the council at the end of the governance process, formal consultation with affected staff will commence in accordance with council policy and relevant employment law. Posts that may be affected are nine Night Service Assistants, four Laundry Assistants and two Independent Living Managers. If redeployment cannot be found, there will be a risk of redundancy. The cost will be a one-off and will not be determined until the consultation and governance process is complete.

### **Early engagement approach**

- ⌘ The council has made opportunities for tenants & others to have their views taken into account during the process, including the Independent Living Forum, the Resident Engagement Panel, a resident focus group and a staff workshop.
- ⌘ High-level interactive sessions with voluntary groups and key stakeholders on the future of sheltered housing and to work cooperatively to help shaping messaging.
- ⌘ The council tenants' Resident Engagement Panel and the Independent Living Forum will be informed of the contents of the report and its recommendations and be given the opportunity to comment.
- ⌘ Officers and operational staff will be briefed to ensure they are aware of measures to mitigate the impact of proposed changes to residents, support plans and individual residents' needs.
- ⌘ Individual meetings will be arranged with Sheltered Plus residents and their families or advocates during late May and early June.

### **Communication principles**

- ⌘ Accessibility – mindful of older persons' needs, ensuring paper-based options.
- ⌘ Clarity and transparency – clear messaging on what's being consulted on.
- ⌘ Proactive approach – reaching stakeholders early to ensure meaningful input.
- ⌘ Positive message – focus on the benefits for residents.
- ⌘ Prepare for challenging questions.