

**Combined Financial Effect on Tenants of Sheltered and Area Schemes for Older People
of Increased Charges for Scheme Management and Careline Services**

2015/16 & 2016/17

(Corrected – Feb 2015)

	Current Cost (£)	2015/16		2016/17 (Forecast)	
		Increase (£)	Increase (%)	Increase (£)	Increase (%)
Sheltered Tenants (Scheme Management & Careline):					
Not on HB	£12.15 p/w	£0.71 p/w	5.8 %	£0.71 p/w	5.5 %
On HB	Nil	£1.53 p/w	N/A	£1.53 p/w	100.0 %
Area Tenants (Scheme Management & Careline):					
Not on HB	£5.54 p/w	£0.38 p/w	7.0 %	£0.38 p/w	6.6 %
On HB	Nil	£0.79 p/w	N/A	£0.79 p/w	100.0 %
Private Careline Users (Excluding VAT) <small>(See Note 2)</small>	£95.30 p/a	£14.02 p/a	14.7 %	£14 p/a	12.8 %
New Annual Cost		£109.32 p/a		£123.32 p/a	

Notes:

(1) A small number of tenants still receive “Housing Related Support (HRS) Protection” from when the Supporting People regime was introduced in 2003. They are tenants who have not been in receipt of any housing benefit since 2003. The HRS Protection means that they receive a credit against their HRS Charge. The level and amount of credit (and therefore the HRS Charge they have to pay) differs, depending on circumstances.

(2) The majority of private Careline users do not pay VAT on their Charge. However, depending on their support needs, some private users do have to pay VAT.

(3) The Careline cost for private users will still be the lowest in Essex in 2015/16 and is expected to be the second lowest in Essex in 2016/17 (current lowest = £120 p/a), based on current charges by other councils (i.e. before any annual increase they may apply). If Uttlesford DC (who currently make the lowest charge of £120 p/a) increase their charge by more than £1.30 p/a from April 2015 and/or April 2016, EFDC will continue to have the lowest private user charge in Essex.

Caveat

It is highly likely that Essex CC will need to make further cuts in HRS funding during 2015/16 or from April 2016 – which is not included in the above Forecast for 2016/17.

Therefore, in this event, further increases in charges will need to be made from April 2016, to those shown above, in accordance with the Council’s policy of recovering the reduced Essex CC funding from increased charges to users.