



**SOUTH
KESTEVEN
DISTRICT
COUNCIL**

Housing Overview and Scrutiny Committee

Thursday, 5 February 2026

Report of Councillor Virginia Moran
Cabinet Member for Housing

Sheltered Housing Service Charge Review

Report Author

Alison Hall-Wright, Director of Housing and Projects (Deputy Monitoring Officer)

✉ Alison.Hall-Wright@southkesteven.gov.uk

Purpose of Report

To update the Committee on the recommendations identified in the independent review of service charges at the Sheltered Housing Schemes

Recommendations

The Committee is asked to:

- 1. Note the progress made to date on the review of service charges at the Sheltered Housing Schemes and review the actions proposed to progress the review.**

Decision Information

Does the report contain any exempt or confidential information not for publication?	N
What are the relevant corporate priorities?	Housing
Which wards are impacted?	(All Wards);

1. Implications

Taking into consideration implications relating to finance and procurement, legal and governance, risk and mitigation, health and safety, diversity and inclusion, safeguarding, staffing, community safety, mental health and wellbeing and the impact on the Council's declaration of a climate change emergency, the following implications have been identified:

Finance and Procurement

- 1.1 The draft budgets for 2026/27 and associate fees and charges for the Sheltered Housing Services have been based on the current fee levels. If there are any proposed changes once the review has been completed an updated financial projection will be provided as part of the report so the financial implications are clear.

Completed by: David Scott – Assistant Director of Finance and Deputy S151 Officer.

Legal and Governance

- 1.2 This is an update report for noting, so there are no major governance implications.

Completed by: James Welbourn, Democratic Services Manager

2. Background to the Report

- 2.1. The Council has 30 main sheltered housing schemes incorporating 872 sheltered properties and there are a further 157 sheltered properties at 23 locations across the district. Residents incur weekly service charges based on the facilities which are available to them. A review has been undertaken of these charges as they are payable by residents regardless of whether they use the facilities or not.
- 2.2. The Council also has 24 guest bedrooms across 20 of the sheltered schemes which can be rented by people visiting residents if they wish to stay overnight.
- 2.3. The service charges currently incurred by residents are as follows:
 - Communal Rooms
 - Laundry
 - Community Heating Schemes
 - Water and Sewerage

Communal Rooms

- 2.4. A weekly charge of £8.48 is payable by all sheltered housing tenants over 48 weeks regardless of how frequently they use the communal rooms. This generates £418k of income for the Housing Revenue Account (HRA). If eligible, tenants can claim Housing Benefit for the Communal Room Charge.
- 2.5. The Council does not have comprehensive usage data of the communal rooms by tenants, but the Sheltered Housing Team have local knowledge regarding the level of usage. The standard of facilities and the condition of the rooms vary across the scheme, some are modern as they have recently been refurbished whereas others require investment.
- 2.6. It is important to recognise that these rooms can be a valuable resource for sheltered housing tenants, enabling more social interaction, improving and maintaining their wellbeing which should not be undervalued. It is therefore recommended that a survey is undertaken with tenants to establish how frequently they use the rooms as this will support any decisions made regarding the future use of rooms and ongoing charges.
- 2.7. Due to the number of community rooms across the sheltered schemes it is proposed that a pilot review is undertaken as this will enable any potential outcomes to be reviewed in detail and informed decisions to be made. The learning can then be taken from the pilot and be applied to the other schemes. The following table provides details of the schemes which should be included in the pilot along with reasons:

Scheme	Reason
Riverside, Grantham	Large scheme which has a mixed use of sheltered and general needs tenants. Communal room is large but appears to have very low usage.
Tenter Court, Stamford	High standard community room which has very limited usage. Review whether there are alternative uses for the room.
Angel Court, Ancaster	Communal room is not used and is of poor quality. Review whether the room could be repurposed for accommodation.
Belton Avenue, Grantham	Good quality stand-alone community room which is mainly used through external hires.
Sherwood Rise, Caythorpe	Good quality building, isolated location with only one sheltered tenant.
St Martins, Stamford	Low usage of community room.

Communal Laundry

- 2.8. Laundry facilities are provided at 14 of the main sheltered housing schemes, tenants are charged £9.65 per week over 48 weeks. The charge is levied to 222 properties which generates £103k income to the HRA.
- 2.9. The laundry facilities include washing machines, tumble dryers and some schemes also have heated drying rooms. Access to laundry facilities is normally via the entrance to the communal rooms therefore all properties paying the communal room charge will have access but only those properties within the main block are charged.
- 2.10. There is no laundry facilities usage data so it is recommended that tenants are surveyed to establish whether they use the facility, how frequently they use it and why they use, for example, is it due to lack of space within their property for a washing machine.
- 2.11. Once this data has been collected a review will then be undertaken regarding whether there is a need for the facilities and the charges levied to tenants.

Communal Heating Charges

- 2.12. There are communal heating systems at 13 of the sheltered housing schemes which are increased annually by CPI. There have been dramatic increases in energy costs over the last few years so these charges need to be revisited to ensure the Council is recovering all of the costs it is incurring.

Guest Bedrooms

There are 24 guest bedrooms located at 20 of the main sheltered housing schemes, the occupancy rate in 2024 was 4% and to date in 2025 is 3%, the reason for the lack of use of the guest rooms is unknown. It is therefore recommended that a survey is undertaken with tenants at the schemes where the guest bedrooms are located to establish the reasons for the lack of demand for these rooms as this will support any decision made regarding the future of the rooms.

- 2.13. The outcomes of the review will be reported to a future Housing Overview and Scrutiny Committee.

3. Key Considerations

- 3.1. The report provides members with an update of the progress made to date on the review of the service charges at the sheltered housing schemes and provides details of the proposed next steps for the committee to review and comment on prior to these being progressed further.

4. Reasons for the Recommendations

- 4.1 To ensure members are kept updated regarding the progress of the Sheltered Housing Service Charge Review and are given the opportunity to review and comment on the proposed next steps.