

## **Report to Cabinet**

**Report reference: C-001-2021-22**

**Date of meeting: 21 June 2021**



**Portfolio: Housing Services - Councillor H Whitbread**

**Subject: Refurbishment Scheme (Older Persons Sheltered Housing Schemes)**

**Officer contact for further information: Deborah Fenton – Director HRA Functions**

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Appendix 1- Examples of newly furnished older persons housing schemes

Appendix 2- Example of Leasing Plan

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### **Recommendations/Decisions Required:**

- 1. That Cabinet approves the proposed renewal and remodelling of the communal areas of the Council's sheltered housing schemes using Buckingham Interiors. As a pilot in the first instance at Frank Bretton Court; and**
- 2. That Cabinet note the method of funding will be based on a costed options appraisal using either leasing or borrowing against the HRA. This is currently being carried out by Arlingclose Noting that the full cost of the scheme will be covered via a service charge which is eligible for Housing Benefit subsidy.**

### **Executive Summary**

Following our recent review from ARK, and the Covid outbreak we have reviewed what is important to residents. One of the areas is the value of the communal lounges. As such we have developed a programme to renew the 'look' of our communal areas, taking an interior design approach. During our thinking stage, it was important that we undertake this in a cost-efficient manner and where residents could have input. As such, officers have researched the options to refurbish the communal areas of our sheltered housing stock to include the upgrade of fixtures, fittings, and redecoration. Officers have started work with an organisation called Buckingham Interiors. Buckingham Interiors is part of FRC Group which has been supplying contract furniture and associated services to the social housing sector for more than 30 years. Operating from three national distribution sites, and with a team of over 120 staff, FRC Group holds contracts for furniture supply, ranging from specialist services such as dementia friendly schemes to housing for people with support needs. In addition, they work with temporary housing and homelessness services, local welfare response services and furnished tenancies. Their customers include Birmingham City Council, Manchester City Council and the AGMA group of local authorities, Places for People Group, Optivo, Torus, North Tyneside Council, Thirteen, Citizen, Orbit, Network Homes, EMH Group, Cheltenham Borough Homes, Nottingham City Homes, Stroud District Council and many others.

Officers recognise the impact Covid has had on residents, particularly around those who have not been able to go out for many months. The remodelling of the lounge will provide a renewed feel to the scheme and will have many social benefits. Officers also plan to approach partners with the aim of making our sheltered housing schemes a hub so that older people living in the local community can access activities held at the scheme.

## **Reason for decision:**

Members are being asked to approve the renewal of fixtures and fittings at our schemes beginning with a pilot at Frank Bretton House, this is important as it fits with our social recovery work and a report has already been to overview and security(O&S) for review

## **Options considered and rejected:**

Officers considered whether to carry out a smaller scale upgrade, however this was rejected due the importance of providing a communal area which is bright and flexible. Especially given covid and the need for our vulnerable tenants to meet and socialise indoors.

## **Report:**

### **1. Background**

Epping Forest District Council invited ARK to undertake a review of its sheltered housing. The principal focus of this assignment was to review the performance and sustainability of the Councils sheltered housing schemes. This involved several carefully sequenced steps including:

- a) A 'document review' to understand the context of each sheltered scheme and the dynamics within its local housing market and neighbourhood.
- b) A review of competing provision.
- c) A review of stock information including costs, repairs history and void times.
- d) A staff workshop to assess the quality and performance of the sheltered schemes.
- e) Undertaking on-site inspections of each sheltered scheme; and
- f) Carrying out an option appraisal.

### **2. Proposal – Furnishing Older Persons Housing**

FRC Group is a registered social enterprise and charity which reinvests it's surpluses to support people living in furniture poverty and to create meaningful training, and employment programmes for people to gain work in the logistics and warehousing industry.

They have won several awards and are continually looking for new ways to create practical solutions to get furniture to those in need and create sustainable livelihoods and futures for people. Following the appointment of Buckingham Interiors, they would provide an interior design service which would consist of mood boards. The mood boards contain samples of fabric, curtaining, carpet etc. and this would be used to form the basis of extensive consultation with residents. EFDC will be funding the decoration of each scheme based on the specification of colours provided by Buckingham Interiors design team. Examples of the work undertaken by Buckingham interiors and the look we will achieve for our sheltered schemes can be found in **appendix 1**.

### **3. Leasing Scheme**

As stated in the recommendations there are 2 ways of financing the upgrading of schemes. EFDC could lease the furniture from Buckingham Interiors over a period of 5 years. After which we can take ownership of the furniture or opt to refurbish the scheme again. This leasing scheme has been undertaken by other local councils and housing providers and it would allow EFDC to provide an interior design within its sheltered housing schemes which is to a high standard without a capital outlay. Lease finance is arranged according to customers' requirements for the value and term of the finance. The typical is a 5-year lease term, with an interest rate which is currently around 5%. In simple terms, the lease finance allows housing

providers to invest in full refurbishment projects and then align the repayment of those costs over a period in which they are also receiving service charge income from the tenants. Ownership of the goods is retained by the leasing company until the end of the lease term. At that time, the customer can choose to make one final payment (equal to previous monthly payments) to take ownership; or they can return the goods at the end of the lease term.

A new component would be added to the service charge to cover the cost of leasing the furniture plus an administration fee and 10% for replacement furniture (damage or breakages). There will be no financial detriment to current tenants in Frank Bretton Court as a result of the scheme. This is because the leasing of furniture is subject to housing benefit subsidy, therefore, those tenants on housing benefit would have the cost covered by their benefit entitlement. All residents at Frank Bretton House are claiming Housing Benefit. Further information on the leasing option can be found in Appendix 2.

#### **4. Borrowing**

With borrowing money at an all-time low this may be the best option for both the Council and the residents. Like the leasing scheme it will allow EFDC to provide an interior design within its sheltered housing schemes which is to a high standard without a capital outlay. A low rate of interest which is currently around 1% is paid back over a 5-year period and would mean a lower charge for residents.

As with the leasing scheme a new component would be added to the service charge to cover the cost of the furniture plus an administration fee and 10% for replacement furniture (damage or breakages). There will be no financial detriment to current tenants in Frank Bretton House as a result of the scheme. This is because borrowing money is also subject to housing benefit subsidy, therefore, those tenants on housing benefit would have the cost covered by their benefit entitlement. All residents at Frank Bretton House are claiming Housing Benefit.

Borrowing is the preferred option of the Council's Finance team as the accounting is much easier than leasing. This option will also enable us to purchase the furniture outright.

With leasing or borrowing, it is important we get the best possible interest rate because if the pilot at Frank Bretton House is a success EFDC may wish to progress the refurbishment of other schemes, there is a possibility some of these residents may not be on Housing Benefit and will have to pay the service charge for the refurbishment of their scheme.

#### **5. Examples of Costings**

The costs of the refurbishment will be determined by the footprint of the scheme for flooring, the number of windows to be dressed and both the number of rooms to be furnished and the level of furnishings / artwork etc to be provided. A very broad ballpark figures for an 'average' scheme scope. A total of £82,000 ex VAT, roughly broken down to:

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|---|----------------|
| • Non slip flooring / contract standard carpets           | £45,000 ex VAT |
| • FR window coverings                                     | £9,000 ex VAT  |
| • Furniture to lounge, entrance/ corridor breakout spaces | £16,000 ex VAT |
| • Safety framed artwork throughout                        | £7,000 ex VAT  |
| • Internal Direction and Safety Signage                   | £5,000 ex VAT  |

In terms of the service charge costs, it is likely to be in the region of £8-£17 per week depending of the size of the scheme

#### **4. Procurement**

To ensure EFDC achieves value for money, officers have consulted 2 frameworks which are used for the purpose of refurbishing schemes and providing furniture. As such Buckingham interiors are the sole provider on the Procurement Hub framework which is suitable for circumstances where customers wish to use leasing or borrowing as their finance option. This framework has just been relaunched for a new four-year term.

Buckingham Interiors are also sole provider on the Consortium Procurement framework, top ranked provider on Procurement for Housing framework and a ranked provider on ESPO, NEPO and G15 which are suitable for circumstances where customers wish to purchase items outright. Customers can also buy outright through the Procurement Hub framework

The scope of works includes interior design, which includes paint colours, flooring finishes, window coverings, furniture, artwork etc. This is suited to communal spaces for older people's housing, is fresh and modern, is compliant with fire regulations and compliant with the specification of fit for purpose products e.g. non slip flooring surfaces, safety glazed artwork, furniture styles which aid mobility, antimicrobial fabrics, medium risk settings fire compliant fabrics and upholstery foams (i.e. higher level of fire retardancy than required in domestic settings), and aids safe use of spaces by people who may be experiencing visual impairment and early stages of dementia.

Projects will be led by a Business Development Manager who will coordinate all elements of the work and be on hand to work with the EFDC team throughout the planning, implementation and review processes. Installation work is all carried out by specialist installers, coordinated by a dedicated Project Manager. There is also a full aftercare service which includes advice on care, cleaning, maintenance and registration of warranties.

#### **Consultation undertaken:**

Buckingham interiors will be supporting our officers to consult with the residents on colours and styles. Residents may also (subject to covid restrictions) be able to try out the chairs and furniture being considered for their scheme. A paper was submitted to O & S for review.

#### **Resource implications:**

It is proposed that 2 sheltered housing schemes are renovated each year. The cost to the Council would be the internal decorations of the sheltered schemes for which there is existing budget provision.

#### **Legal and Governance Implications:**

Buckingham Interiors are on a number of frameworks and officers have consulted with the procurement team to ensure the policy requirements are met.

#### **Safer, Cleaner, Greener Implications:**

The furniture provided by Buckingham Interiors is manufactured in the UK. In addition, support would be given to help us put to good use, our old furniture, either by donating it to local good causes such as the re-use scheme or recycling it through FRC Groups recycling scheme.

#### **Background Papers:**

NA

#### **Impact Assessments:**

Attached

***Risk Management:***

Should the project not go ahead there is a risk that the schemes will become more difficult to let resulting in rent loss.

## Examples of schemes refurbished by Buckingham interiors – Appendix 1

### Overview

In the initial meeting between Buckingham Interiors and Plus Dane, 4 mood boards were selected alongside a Plus Dane Furniture range that was chosen by the Buckingham Interiors and Plus Dane's senior staff. These were later presented to residents at each scheme by our in house experts.

Our resident consultations involved taking samples of the furniture and the mood boards to each scheme. We then ran through the various options with the residents. This allowed the residents to be fully involved in the whole process of refurbishing their schemes. There was a complete buy in from the residents throughout the three schemes, who interestingly voted unanimously in favour of one mood board at each scheme. For example, all residents at Vienna Court chose the New England mood board to base the interior design off.







## Brief

B3 Living have nine dedicated schemes for older people in Hertfordshire. The schemes are not difficult to let but B3 Living wanted to refurbish the properties to provide better homes for their residents. B3 Living had a full budget available to modernise and upgrade the structure of the properties and they were looking for innovative ways to fund new fixtures and fittings, and to provide better homes. The client needed a full interior design service and new fixtures and fittings with new furniture for the communal living and dining areas, and the reception.



## Overview

We delivered a full resident and staff consultation with a detailed interior design service. We designed a complete scheme, including wall and floor coverings, and suggested structural changes to divide communal rooms to meet the residents' needs. We liaised with contractors and gave them the paint and flooring schedules. We provided furniture for the communal lounge, dining area, games area and bistro / computer area and all corridors. This included tub chairs, bistro and dining tables, easy chairs and sofas, plus sideboards and artwork.



## Feedback

Deborah Fenton, B3's Head of Support and Rehousing said:  
**"We were delighted to find out that Buckingham Interiors design service was not only cost effective, but also created a beautiful scheme. By leasing the furniture, we are now looking at the option of developing further schemes with Buckingham."**

Maureen Preedy Independent Living Team Leader at B3 said:  
**"Buckingham Interiors completed the brief on time and on budget, and we're really pleased with it."**