Frequently asked question for commissioners

1. **What is Homesharing?**

Homesharing tackles two key challenges to society assisting:

- An ageing population to remain independent in their own home for longer
- People to access affordable, quality accommodation at a time of record housing shortages and high rents

Homeshare is a way of helping people to help each other by exchanging their resources. It is not a new idea- we are part of a global movement of Homeshare organizations. In a Homeshare, someone who needs a small amount of help to live independently in their own home is matched with someone who has a housing need and can provide support and companionship. Homeshare arrangements are flexible and tailored to the unique needs and skills of participants.

There are three key ingredients for a Homeshare; a Homeshare coordinator, a Householder and a Homesharer.

- Homeshare coordinator: matches, monitors and supports compatible Householders and Homesharers.
- Householder: possesses a spare room and a support need.
- Homesharer: has a housing need and is happy to help around the house.

In return for ten hours a week of help around the home, a Householder provides a room and shared facilities rent free to a Homesharer. Homesharers do not provide personal care.

2. **How much does Homesharing cost for participants?**

There is no rent paid in a Homeshare however, household bills are split and a fee is paid to the scheme by both Householder and Homesharer to cover the running costs of a scheme including marketing and staffing expenses.

Scheme fees vary to reflect local economies however, on average Householders pay £140 per month to the scheme and Homesharers pay £160 per month to the scheme. In some schemes, there may also be some additional one off fees for registration and matching.

Table. Breakdown of scheme fees

	Average scheme fee
Householder	£140/month
Homesharer	£160/month
Registration fee	£
Matching fee	£

3. **How much are initial set up costs for a Homeshare scheme?**

The costs of Homeshare are those of advertising the programme and employing one or more co-ordinators and administrative support staff. Some programmes recoup some or all of their costs from charges made to participants. For a Homeshare programme to be established in an area, some investment in: awareness raising, advertising and recruiting participants is necessary. Unit costs are likely to be high initially but should reduce once the scheme has reached a 'critical mass' of participants to be able to make timely matches between compatible people.

Some of the most successful Homeshare programmes are embedded within established not for profit organisations working in the field of adult services or supported housing. A Homeshare programme is more likely to be successful if a number of partners are involved in establishing it and raising initial awareness:

- adult services, public health and community health services;
- large local employers and workforce development programmes;
- a local further or higher education establishment and student welfare groups;
- the local voluntary sector, particularly organisations for older people and carers;
- housing services;
- local politicians and others who can champion the service;
- the local academic community, in order to take an evidence-gathering approach.

4. What are the savings of Homesharing?

Though Homeshare is not a care service, there are some relevant cost comparisons. Domiciliary care costs average £15 an hour (Laing & Buisson, 2015) so for the same number of hours of help around the home (40 hours per month = £600), Homesharing offers savings of £460 per month. An average care home room costs more than £30,000 per year (Prestige Nursing & Care). For the same period, Homesharing would on average cost £1,680 for a Householder – a saving of £28,320 for the same period.

The savings afforded to Local Authorities by a Homeshare scheme are challenging to capture as they generally take the form of reducing pressure on existing local services. Currently, the evidence base for the role of Homeshare as a preventive and/or early intervention is lacking. However, there are studies which indicate the possible savings awarded as a consequence of: an additional presence in the home, regular social contact, well maintained surroundings, avoiding institutionalisation, reduced risk of trips and slips.

- Loneliness and social isolation are as damaging to health as smoking 15 cigarettes a day (Campaign to End Loneliness).
- Generations Apart. Age segregation has worsened in the past 25 years, both between cities and rural areas, and within cities themselves. Since 1991, the degree of separation between young adults and older people has virtually doubled.
- Ethnic, socio-economic and age segregation together cost the economy upwards of £6 billion a year. It increases unemployment by decreasing access to job opportunities, and incurs higher health and social care costs due to increasing isolation, loneliness and anxiety felt by those separated from wider society. (The Social Integration Commission, 2014 2nd Report).
- Age segregation weakens the social bonds between generations producing lack of understanding or empathy for other generations (Leach, 2011. The poor perception of young people in the UK: IGF).
- For those aged 65 and over, 80% would like to stay where they are and 85% plan to remain in their neighbourhoods for a number of years (Lloyd, 2015. Ageing Better).

- The cost to the NHS of people living in poor housing (Category 1 Housing Health and Safety Rating System) is estimated at £1.4 billion. https://www.bre.co.uk/filelibrary/pdf/87741-Cost-of-Poor-Housing-Briefing-Paper-v3.pdf
- Trips and falls cost the NHS over £2 billion each year with a 35 percent increase in acute care costs in the year following a fall.(Local action of health inequalities: understanding the economics of investments in the social determinants of health 2014).
- One in three people over 65yrs and one in two of those over 80yrs will suffer a fall each year with home the most common place for falls. (Department of Health (2009), Falls and fractures: effective interventions in health and social care)
- Over 75% of deaths due to falls occur at home (Health Promotion England (2001) Fact Sheet 2 sourced from DTI Home Accident Surveillance System)
- The combined cost of hospitalisation and social care for hip fractures (most of which are due to falls) is £2 billion a year or £6 million each day (The National Hip Fracture Database National Report 2011; British Orthopaedic Association, Information Centre and NHS)
- An extra 3.1 million people in the UK are in poverty after their housing costs have been paid. One million of these are in London, reflecting its high housing costs (The links between housing and poverty. Rebecca Tunstall, 2013)
- Real average working age household income has grown by £32 a week (7 per cent) between 2002-03 and 2015, while real housing costs have grown by £21 a week (32 per cent). As a result, two thirds (66 per cent) of the income gains over the period have been absorbed by rising housing costs. (The Housing Headwind, Resolution Foundation)
- Real average household income for those headed by someone aged 25-44 has grown by £12 a week (2 per cent) over the period while housing costs have grown by £25 a week (25 per cent). Consequently rising housing costs have absorbed the income gains of this group more than twice over.(The Housing Headwind, Resolution Foundation)
- Poor housing is associated with increased risk of cardiovascular diseases, respiratory diseases, depression and anxiety (Marmot Review, 2010).

5. Is Homeshare safe?

Yes! Homeshare is not a regulated service and there are no legal restrictions on which people or organisations could set up a programme. Our membership is open to organisations who facilitate Homeshare **and subscribe to Shared Lives Plus' Principles of Partnership**, but not to individuals who participate in Homeshare matches.

References are taken for both Householders and Homesharers and a DBS is taken for Homesharers.

Homeshare coordinators carefully match and monitor Homeshare arrangements through a schedule of regular contacts (a mix of face to face visits, calls or emails) to ensure the safety and satisfaction of all involved.

Shared Lives Plus' Homeshare network members are passionate about driving up standards of Homeshare. Consequently, practice and policy issues are a recurrent agenda item at our monthly network teleconferences. All network members are also encouraged to engage with the Homeshare UK Quality Assurance Framework and Self-Assessment Tool to demonstrate their continued commitment to raising the standard of Homeshare delivery.

6. Who benefits from Homesharing?

Homeshare can benefit people who own or rent a home such as:

- Older people who need low level support or are anxious or isolated
- Disabled people who need support to move towards or maintain independent living
- Family carers struggling isolation or who juggle work and caring
- Single parents balancing work with child care

Homeshare can benefit people who lack affordable housing such as;

- Students and key public service workers on modest budgets
- People saving towards a house or with debt problems
- People on council house waiting lists or living in foyer accommodation

Homeshare benefits communities by:

- Providing low level and preventative support at little cost
- Tackling housing shortages and making better use of existing housing stock
- Allowing key public service workers to live in expensive inner city areas
- Increasing community cohesion and intergenerational contact

Outcomes for the local economy, government and NHS include:

- Reduced use of services such as residential care
- Reduced risk of falls, better health and well-being for older people
- Reduced use of fire, police and ambulance services
- Increased affordability of higher education
- Reduced pressure on housing provision
- Easier recruitment to lower paid public service jobs

What support can Shared Lives Plus offer?

Shared Lives Plus' Homeshare team can provide access to resources, advice and guidance to support the set-up of a commissioning framework and a subsequent Homeshare scheme (subject to a fair usage policy).

How does Homesharing affect participants' tax and benefits?

Council Tax

Council tax regulations are interpreted by local authorities, whose interpretation, not just the wording in regulations, defines how regulations are applied, so Homesharers and Householders should check with the local authority whether they meet the relevant criteria.

People living alone may be able to claim a 'single person discount' on Council Tax. Homesharers who are youth trainees, apprentices, students or student nurses may be disregarded for the purposes of council tax and the householder would not in those circumstances lose their single person discount.

Householders with Homesharers who are not disregarded for the purposes of council tax will lose their single person discount. (Some local authorities still run a second adult rebate scheme (made discretionary in 2013), to which Homesharers who pay no rent may be entitled, but most schemes were abolished when Local Council Tax Support Schemes were introduced.).

People may be exempt from paying Council Tax altogether if they live alone and have a serious mental impairment or severe learning disability. In that situation if a Homesharer moved into the property council tax would need to be paid and this would normally be passed on to the Homesharer.

Benefits

Benefits rules change frequently and their application varies according to individual circumstances, so individual advice should be sought. Where the Homesharer or the Householder is in receipt of means-tested benefits, there is a risk that the Department of Work and Pensions (DWP) will treat accommodation provision or support services as notional income for the purpose of calculating benefit entitlements.

The position can depend on a number of variables, such as the benefits claimed by the Householder and/or the Homesharer and expert advice should always be sought. Some general points are:

Housing Benefit, Universal Credit and the under-occupancy penalty

Housing Benefit is being gradually replaced by universal credit. Some of the rules are different under Universal Credit.

If the Homesharer pays rent and receives Universal Credit, householders are able to keep income from lodgers. However, a room let in this way, is classed as a spare room and falls under the under-occupancy penalty or 'bedroom tax' and is subject to the applicable reduction in Housing Benefit and potentially other income related benefits.
Most Householders will not be eligible for Housing Benefit, therefore will be unaffected by the under-occupancy penalty (also known as the 'bedroom tax') which reduces the eligible rent in the calculation of Housing Benefit for those deemed to be under-occupying social housing. People who own their own home cannot claim Housing Benefit. In addition, people who have more than £16,000 in savings cannot claim Housing Benefit unless they are receiving Pension Credit. Furthermore, the under-occupancy penalty does not apply to those over the qualifying age for Pension Credit, which includes the vast majority of Householders.

However, if Housing Benefit is received and if it is deemed that there are too many bedrooms in a social rented dwelling for the number of occupants and the householder is not over Pension Credit age, then they may be subject to the "under-occupancy penalty" which reduces the eligible rent in their calculation of housing benefit by 14% for one extra room and by 25% for two or more extra bedrooms.

A room which is occupied under a license to occupy should be considered as occupied by the Department of Work and Pensions (DWP), if the arrangement is permanent or long term. This means that the room is not treated as a spare room. However definitive guidance from the DWP is not available and uncertainty remains around the definition of temporary or permanent arrangements which DWP will look at on a case by case basis.

If no rent is paid then the Homesharer is treated as a non-dependent. This will have an impact upon housing benefit entitlement for both the Householder and the Homesharer. The Homesharer can lose all or most of any previous Housing Benefit entitlement.

Where the Homeshare householder is in receipt of housing benefit, the prospective Householder will need specialist advice in order to consider:

- Is the spare bedroom subject to the under-occupancy penalty?

- Can the householder afford any reduction in Housing Benefit?

The Welfare Reform Act 2012 anticipates further changes to Housing Benefit to align it with other benefit credits, so from 2014 onwards, Homeshare co-ordinators should stay up to date with changes via the Government's website www.gov.uk/housing-benefit.

Income in kind and notional income

The provision of free accommodation is usually treated as 'income in kind' and disregarded for the purpose of means-tested benefits. The support provided by the Homesharer may be treated as 'notional income' to the Householder which would affect any means-tested benefits that they receive. Householders should declare the support they receive, which can usually accurately be described as informal and variable, due to the non-contractual nature of the Homeshare agreement.

Severe Disability Premium

If the Homesharer receives Severe Disability Premium (SDP), s/he could lose that entitlement when they move in to live with another person.

Local Council Tax Support

A Householder could be entitled to Council Tax Support if their assessed income (which may or may not be their total income, because some of it is disregarded for this purpose) is lower than his/her assessed needs figure. Previously this was prescribed by central government) but with the introduction of the Local Government Finance Act (2012) this changed, allowing local councils in England to design their own reduction schemes from April 2013.

Local arrangements must be checked with the appropriate local billing authority however those people who are classed as pensionable age and in receipt of pension credit are not generally affected by these changes and likely to continue to receive the same level of support on any new scheme as they did on the previous one.

7. Who commissions Homeshare?

As part of the Homeshare Partner Programme (funded by Lloyds Banking Foundation and Big Lottery) there are a number of schemes working in partnership with Local Authorities.

There are a number of local authorities who commission Homeshare currently including; Windsor and Maidenhead Council, West Sussex Council and Worcester County Council.

For more information on Homeshare, contact Deborah Fox on 07889 002 526 or deborah@sharedlivesplus.org.uk