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**REVIEW OF HOME IMPROVEMENT SERVICE**

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**Responsible Cabinet Member -  
Councillor Veronica Copeland,  
Adult Social Care and Housing Portfolio**

**Responsible Directors -  
Richard Alty, Director of Place  
Murray Rose, Director of People**

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**SUMMARY REPORT**

**Purpose of the Report**

1. The current Home Improvement contract ended in March 2013 with an option to extend for a further year. Initially the contract was extended for 6 months to September 2013 to allow time for a comprehensive review to take place and this report considers the future options available.

**Summary**

2. The Home Improvement Service known as Care and Repair is currently delivered by Three Rivers Housing Association and covers four elements of which some are statutory and other are non-statutory as follows:
  - (a) Disabled Facilities Grants (DFG's) – Statutory
  - (b) General Advice and Information (includes Statutory Category 1 Safety checks)
  - (c) Financial Assistance Loans – Non-Statutory
  - (d) Handyperson Service – Non Statutory.
3. The key outcome of the review is to retain all statutory functions including advice, information and financial assistance as these support the DFG statutory function. The Financial Assistance Loans are not currently available due to lack of funding. However a replacement scheme financed by Bonds and any residual funding remaining from the former Regional Loans Scheme is being developed regionally. Should this be successful there is an expectation that local Home Improvement Agencies will be the local delivery partner.

4. It is proposed that due to financial constraints the Handyperson Service is de-commissioned. In addition the current contract arrangements are output based and it has been recognised this needs to move to outcome based reporting to reflect the change in emphasis of the service in delivering more health based outcomes. Currently the focus is on quantitative indicators around volume and speed of processing. A new outcome focused contract would require improvements to the way individuals are supported to live independently in their homes and deliver health and wellbeing related benefits such as, reduced hospital admissions and early discharges.

### **Recommendation**

5. It is recommended that Scrutiny recommend to Cabinet/Council that:-
  - (a) The existing contract is further extended for the period 1 October to 31 March 2014.
  - (b) Re-tender the Home Improvement Service to include the provision of:
    - (i) DFGs.
    - (ii) General Advice and Information.
    - (iii) Financial Assistance Loans.
  - (c) Decommission the Handyperson Service at the end of March 2014 or earlier if possible.
  - (d) This procurement be designated as a strategic procurement by Cabinet.

### **Reasons**

6. The recommendations are supported by the following reasons :-
  - (a) The current arrangements with the existing service provider requires the authority to give 3 months' notice and the retendering and development of a new service model is likely to take a further 3 month period
  - (b) Budget constraints require us to reduce services to the statutory minimum unless there are sound business reasons for not doing so.

**Richard Alty, Director of Place &  
Murray Rose, Director of People**

### **Background Papers**

No Background papers were used in the preparation of this report

PMitchell: 2505/  
Cheryl Simmons 2969

S17 Crime and Disorder	There are no implications for crime and disorder.
Health and Well Being	Good quality housing, adapted to the needs of the individual plays a key role in the Health and Wellbeing agenda and in supporting people to live independently in their own homes.
Carbon Impact	There are no carbon impact implications in this report
Diversity	An equality impact assessment has been undertaken to inform decision makers about the potential impacts of the proposals in terms of the Equality Act 2010
Wards Affected	All wards
Groups Affected	Households with someone with a disability and over 55 year old people eligible for the Handypersons Service
Budget and Policy Framework	The decision does not represent a change to the budget and policy framework
Key Decision	This is a key decision
Urgent Decision	This is not an urgent decision
One Darlington: Perfectly Placed	Home Improvement Agencies contribute the Health and Well Being agenda and help create sustainable communities
Efficiency	The decision will reduce expenditure and provide a more cost efficient use of DFG's

## MAIN REPORT

### Information and Analysis

7. The existing Home Improvement Service consists of four key elements:
  - (a) Disabled Facilities Grants (DFG's)
  - (b) General Advice and Information
  - (c) Financial Assistance Loans
  - (d) Handypersons Service
  
8. Funding is currently provided for DFG's from the Department of Communities and Local Government (DCLG) but is ring-fenced for adaptation work in private sector homes and Registered Social Landlord properties. Adaptations for the Council's housing stock are financed from the Housing Revenue Account. Match Funding also came previously from Government Office North East but since it ceased to exist the shortfall has been made up from Adult Social Care Grant on the understanding that it would be ring-fenced for re-ablement adaptation work in non-Council-owned properties.

9. The Revenue funding for the Care and Repair Service is set out in Table 1 below.

**Table 1: Revenue funding of Care and Repair 2013/14**

<b>Funding Source</b>	<b>£'000's</b>
Housing General Fund (GF)	<b>22</b>
Adult Social Care (GF)	<b>15</b>
Supporting People (GF)	<b>30</b>
Clinical Commissioning Group (CCG)	<b>15</b>
<b>Total</b>	<b>82</b>

10. In future all Council budget expenditure, currently £67k of the above £82k, will be combined into one funding stream and assurance is being sought from the CCG regarding support for the service from 2014/15 onwards. Care and Repair also levy a charge of 10% on any DFG work undertaken. It is estimated that around £64k will be available from fees in 2013/14.
11. The Capital Funding for DFG's is set out in Table 2 below:

**Table2: Capital Funding for DFG's 2013/14**

<b>Funding Source</b>	<b>£000's</b>
DCLG	348
Adult Social Care Grant (ASCG)	300
<b>Total</b>	<b>648</b>

12. Capital Grant paid to an authority by the DCLG may be used only for capital work in accordance with regulations made under Section 11 of the Local Government Act 2003. This means it cannot be used to fund the revenue costs of the service but an appropriate fee on all completed jobs can be used to part fund the revenue costs.
13. The Social Care and Re-ablement Funding Outline Terms of Agreement indicate that wherever possible funding will be transferred to local authorities under the terms of section 256. It will be used for purposes that promote seamless care and which improve the health and wellbeing of the population. Wherever possible, social care funding will be used to promote a shift towards preventative interventions as described in Putting People First. Whilst all of the ASCG has been transferred to the local authority for 2013/14 the CCG have to approve where the funding is spent. Any reduction in funding for DFG's would result in waiting lists growing increasingly longer. There will also be increased cost to the Adult Social Care budgets as the Council will be responsible for meeting any assessed needs and Occupational Therapist recommendations by other temporary measures such as home bathing. Costs to the Health Service will increase, particularly in relation to unnecessary hospital admissions and delayed discharges.

14. In addition a discretionary Handypersons service is provided at a cost of £70,000 which is funded from Adult Social Care Grant. This is supplemented by fee income of £10 per visit for a maximum of 3 hours, plus materials. However, it is a means tested service and income for 2012/13 was only £1,800. Management and administrative support is provided from the overall Care and Repair Service as shown at Table 3.
15. The report of the Joint Committee on the Draft Care and Support Bill was published on 19 March recognising the contribution housing makes in delivering health and social care. In particular recognising:
  - (a) That housing is a key partner of adult care and support in market shaping and safeguarding matters.
  - (b) The importance of the availability of safe and settled accommodation to the health and well-being of individuals.

### **Current Delivery Model**

16. DFG's are means-tested for all applicants other than children and provide a statutory service of financial assistance for disabled people who require adaptations to their home to enable them to live independently. Where applicants are not eligible for financial assistance, alternative funding such as charitable donations can be explored, but a small number of applicants are required to pay a contribution towards the overall cost of the adaptation work. The DFG's have a maximum grant value of £30k which includes the service provider fee of 10%.
17. General Advice and Information is provided to DFG clients as part of the overall service and include:
  - (a) General advice and support to customers about the most serious disrepair or hazard issues within their home.
  - (b) Seek charitable funding to support DFG applications.
  - (c) Signpost clients to other available support services
18. This area of work is intrinsically linked to the DFG process and it is not proposed that it would be identified in any future tendering exercise as a separate function.
19. The Care and Repair Service previously administered home improvement grants and loans but no funding has been available for this for some time. Opportunities are currently being explored for new Financial Assistance Loans through a Regional Bond Scheme and if successful Home Improvement Agencies are considered to represent the best market to deliver the works locally. It is expected that the Bond Scheme will be available at some point in the contract period and will need to be reflected as part of any future contract procurement exercise but is a non-statutory service.
20. The Handyperson Service provides low level repairs and maintenance work, routine safety checks and referrals to other services. The key objectives of Handyperson Services are to:

- (a) Reduce the risks to Independent Living from housing maintenance and home security.
  - (b) Re-able independent living, where housing maintenance or adaptations assist users to achieve independence.
21. The service is available to owner occupiers and tenants who are 55 and over, disabled, at risk of falling or vulnerable in other ways. Whilst it delivers positive outcomes and savings to Health and Adult Social Care on a preventative basis, In its current format it does not necessarily offer value for money and is a desirable rather than essential service.

## Proposal

22. It is proposed that in view of the time required to develop a new detailed service specification, go through a tendering exercise, and work with the successful tender in establishing a new service and wind down the old service, that the new contract would commence on 1 April, 2014. Meanwhile the current contract would be extended for a further 6 month period (which is within the existing procured contract term) to reflect the funding already available for 2013/14.
23. Discussions are on-going with the CCG regarding the future funding for the Handypersons Service. The funding has been transferred to the Council but the scope of the work to be covered is yet to be finalised. One option therefore would be to cease the Handyperson element of the Care and Repair Service at the end of September 2013.
24. Uncertainty around funding availability in subsequent years is clearly an issue and this would need to be reflected in the wording of any documentation relating to the new contact.

## Legal Implications

25. Current staffing arrangements with the provider to support the existing Care and Repair services are shown in table 3 below, and the TUPE Implications for these staff at table 4. It should be noted however that Three Rivers Housing Association are currently undergoing an internal restructure which will reduce these costs and updated information will be sought during the contract tendering process.

**Table 3: Current Provider Staffing Arrangements**

Role	% Duties split across the 3 provider elements		
	Disabled Facilities Grant	Advice, information and financial assistance	Handyperson
Project Co-ordinator	57%	29%	14%
Administration Officer	51%	20%	29%
Technical Officer	100%		
Handyperson			100%
<b>Total</b>	<b>96,820</b>		

**Table 4: TUPE Implications / Costs**

<b>Position</b>		<b>Pension</b>	<b>Other Benefits</b>
Project Co-ordinator		LGPS	Ess Car
Administration Officer		SHPS 1/60 Final Salary	N/A
Technical Officer		SHPS 1/60 Final Salary	Ess Car
<b>Total DFG Related Services</b>	<b>76,516.74</b>	TBC	TBC
Handyperson	20,302.94	N/A	N/A
<b>Total Handyperson Services</b>	<b>20,302.94</b>		

26. The previous procurement process allowed for an extension of the existing service for up to 12 months.
27. If there is a lack of interest from providers, an in-house model would cost in excess of £100k due to TUPE Implications. A revised service model therefore needs to be attractive to potential providers whilst being cost-effective to the Council. The best model to achieve these objectives is to allow a move away from the current locally based model with a Darlington Office base to a regionally based office where front line staff undertake local home visits. Joint procurement with other local authorities has also been explored but unfortunately this has not been possible and has generally been perceived to be too onerous in the timescales available.

### **Equalities Impact Assessment**

28. An Equalities Impact Assessment in respect of the proposed options is underway.

### **Strategic Procurement**

29. A report was brought before Cabinet on 13 April 2013 which invited members to designate this tender as a non strategic procurement based on an annual expenditure of £175,000 per annum.
30. As set out more fully in this report the annual expenditure and the fact of external funding require a re-evaluation of the assessment as to whether this tender should be deemed to be strategic.
31. Members are invited to agree the revised assessment based on the figures set out in this report.