

CABINET

17 December 2003

HOME IMPROVEMENT AGENCY

REPORT OF THE DIRECTOR OF HEALTH AND HOUSING

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RECENT REFERENCES:

CAB 666 - Private Sector Housing Renewal Strategy. 30 June 2003

Private Sector House Conditions and Energy Efficiency Survey 2001

HH69 - Health and Housing Policy Review Committee. 16 January 2002

HO17 - Housing Performance Improvement Committee. 27 October 2003

EXECUTIVE SUMMARY:

This report describes the proposal and progress to set up a joint local authority Home Improvement Agency with East Hampshire District Council and Test Valley Borough Council in conjunction with Hampshire County Council's Supporting Peoples objective.

The Members and Officers Stock Conditions Working Group completed a review of the Council's Private Sector Housing Strategy and the Council adopted a revised Strategy on 18 July 2003. A key feature of the adopted Strategy is for the setting up of joint local authority Home Improvement Agency.

RECOMMENDATIONS:

1. That Cabinet notes the progress to set up a joint Home Improvement Agency for the Council and the arrangements for the submission of funding to the Office of the Deputy Prime Minister through the Hampshire County Council's Supporting People programme.
2. That Cabinet endorses the objective of operating a joint Home Improvement Agency as recommended in the Private Sector House Conditions Survey 2001 and following detailed consideration and support by the Members and Officers Stock Conditions Working Group, but notes that progress will be subject to the success of a Revenue Budget growth bid as part of the 2004/05 Budget process.
3. That the Director of Health and Housing, in consultation with the Portfolio Holder for Housing, be authorised to agree the evaluation criteria for the service tender.

CABINET17 December 2003HOME IMPROVEMENT AGENCYREPORT OF DIRECTOR OF HEALTH AND HOUSINGDETAIL:1 Introduction

- 1.1 One of the key recommendations made in the Council's Private Sector House Conditions and Energy Efficiency Survey 2001 states:

To explore the potential for introducing a Home Improvement Agency (HIA) through the opportunities for joint commissioning and joint funding with Social Services and possibly a partner local authority, arising from "Supporting People" strategies.

- 1.2 The Minutes of the Members and Officers Stock Conditions Working Group of 18 February 2003 state:

The Group agreed in principal to the exploration of partnership arrangements for a joint Home Improvement Agency in order to expand and improve upon those services provided by the Council and to provide a safety net for those clients unable to be assisted by statutory or means tested services currently provided by the Council.

- 1.3 The Council's revised 'Private Sector Housing Strategy' adopted on 18 July 2003 includes the following commitment:

It is the Council's intention to provide a Home Improvement Agency, which should become operative in 2004/05. This service will be considered where householders are ineligible for the Council's discretionary grant aid scheme and clearly need assistance and support to undertake essential home improvements and repairs.

- 1.4 Housing Performance Improvement Committee Report HO7, 27 October 2003, paragraph 3.4 states:

Home Improvement Agency - The Council is currently working in partnership with neighbouring authorities to consider establishing a Home Improvement Agency. The demand for such an Agency was highlighted in the Council's Private Sector Renewal Strategy approved in July and it would form a key role in delivering the overall Housing Strategy. It is estimated that the Council's contribution to the management of such an agency would be approximately £15,000 (with a provisional £30,000 capital contribution from the existing Housing Grants budget if successfully established).

2 BACKGROUND

- 2.1 The Government enacted the Regulatory Reform (Housing Assistance) Order in July 2002 which introduced a number of changes in private sector renewal funding arrangements to give local authorities greater flexibility and discretion over the kinds of assistance they can offer. Local authorities will have the power to deliver these initiatives directly and or, through third party organisations such as a Home Improvement Agency.
- 2.2 Home Improvement Agencies (HIAs) are comprised of established organisations, which can be external providers or in-house arrangements with the specific purpose of providing assistance, support, guidance and advice to those in most need of help with essential home improvements, repairs and adaptations. The objective is to help elderly, disabled or vulnerable people to remain in their own home for much longer and enjoy a better quality of life in doing so. Core functions of an HIA are described in Appendix B.
- 2.3 At the present time, Winchester and Test Valley Borough Council do not have a Home Improvement Agency (HIA) operating in their respective districts whereas all other district councils and unitary authorities in the County operate joint Agency arrangements. The former situation does not accord with Government policy for expanding the role of Agencies or with the County Council's objectives of a county wide Agency service within the Supporting Peoples objectives.
- 2.4 The purpose and value of Agency services is well established in providing essential and additional support to local authorities to deliver targeted services to elderly and disabled occupants and to vulnerable households. These services form a vital part of Housing Strategies to ensure that a responsive organisation is in place to give high quality support to the increasing numbers of households in need of help with repairs and home improvements. Agencies, whilst meeting specification and contract requirements demonstrate flexibility and independence and provide customer focused services which extends to financial advice and assistance with asset release and loan provision where established forms of grant aid are unavailable.
- 2.5 The Office of the Deputy Prime Minister (ODPM) following the publication of a consultation paper 'Home Improvement Agencies - Development and Reform' in September 2002 has since announced the provision of government funding for the expansion and restructuring of HIAs. This will be made available through the Supporting Peoples programme under the stewardship of the County Council in promoting a rationalisation of HIA services in the County.
- 2.6 A significant proviso for any funding bids is that these will only be considered for joint local authority HIAs and will not be available to individual, stand-alone proposals. Therefore, joint co-operation with adjoining local authorities is seen as the only way forward to secure and optimise ODPM funding for the benefit of the elderly, disabled and vulnerable residents in the district.
- 2.7 In addition to the joint district councils funding commitment, the Social Services Department will also make a similar contribution along with the ODPMs allocation. Collectively this will determine the overall total annual funding available to set up and operate a joint HIA. An estimated breakdown of the base costings is shown in Appendix C.

3. PROPOSAL: JOINT LOCAL AUTHORITY HOME IMPROVEMENT AGENCY
- 3.1 As described in paragraphs 1.1 to 1.4 above, the potential and possibilities for setting up a Home Improvement Agency, through an external provider for the Council, have been carefully considered and the proposal to do so has been incorporated in the revised Private Sector Housing Renewal Strategy.
- 3.2 The Members and Officers Stock Condition Working Group commended the respective recommendation in the Private Sector House Conditions and Energy Efficiency Survey and were instrumental in making preliminary contact with both East Hampshire District Council and Test Valley Borough Council. Initial discussions with the former authority indicated a clear willingness to work with the Council for a joint HIA. They have operated an Agency service quite successfully over a number of years and the future of their service would depend on a successful expansion in conjunction with another authority, such as Winchester. A similar approach was made to Test Valley Borough Council and they too are now committed to join in with a bid to set up an HIA to service all three districts.
- 3.3 To progress this proposal an Officers Working group have been meeting to draft the specification, contract management details and performance targets and to report to a specially convened Members/Officers group representing the three authorities. In addition, the Officers group has had discussions with key representatives from the County Council's Supporting Peoples team and with the Social Services Department.
- 3.4 The purpose of the latter meetings was to examine the ODPM criteria for funding bids to set up expanded/joint Agencies services. Criteria details are shown in Appendix B. The intention is to prepare and agree a joint bid with the Social Services Department to be submitted through the Supporting Peoples programme before 31 January 2004. At the same time 'expressions of interest' will be circulated to the existing HIAs (service providers) in the County so that tender submissions can be made for evaluation. Depending on the outcome of the funding bid, expected by March 2004 and the tender submissions/selection, a contract to provide a joint HIA could be let in April 2004.
- 3.5 Further reports will be presented when subsequent key stages are reached and further substantial progress is achieved. It should be noted that implementation of a Home Improvement Agency service is dependant on obtaining sufficient joint funding from the Social Services Department and the ODPM together with committed funding from the partner authorities.
- 3.6 It is intended that the tendering and contract arrangements will be organised through Hampshire County Council on behalf of the partner district councils, who would then enter into a joint agreement with the selected service provider. Progress on this aspect will be reported as indicated in paragraph 3.5 above.

4. OTHER CONSIDERATIONS

4.1 Corporate Strategy and Resource Implications

Key Priorities for 2004 2007:

To promote a healthier, safer and more caring community. The Council will work with partners to ensure that services are provided in ways that best meet the needs of residents, both now and in the future.

Health and Housing Department Business Plan 2004/2004

Private Sector Housing Team: Service Improvements/Targets.

To examine the possibilities for setting up a joint Home Improvement Agency for April 2004.

4.2 Resource implications

The major impact will be the capital contribution required for setting up a joint HIA and the ongoing management requirements to ensure that the specification and performance targets are being met. It has been considered and agreed that a capital contribution of up to £30,000 be made available from the Council's discretionary grant aid allocation for 2004/05 towards the first year setting up costs. Report HO17 above recommends that a £15,000 revenue contribution be made towards the management costs of operating an HIA for 2004/05.

5. BACKGROUND DOCUMENTS

Winchester City Council: Private Sector House Conditions and Energy Efficiency Survey 2001

Office of the Deputy Prime Minister "Home Improvement Agencies - Development and Reform" consultation paper September 2002.

Members and Officers Stock Conditions Working Group: Home Improvement Agencies briefing paper (18 February 2003) and Minutes of meetings: 18 February, 19 March, 15 April and 24 June 2003

Private Sector Housing Renewal Strategy

5. APPENDICES:

Appendix A: Criteria for setting up a Home Improvement Agency

Appendix B: Core Services provided by a Home Improvement Agency

Appendix C: Estimated cost break down: Joint Home Improvement Agency

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APPENDIX AHOME IMPROVEMENT AGENCIES - CRITERIA

Criteria for bids for funding to the Office of the Deputy Prime Minister (ODPM).

Reference: ODPM Letter to Local Authorities, 29 August 2003: Appendix 1

"Bids will be considered for additional grant under the following criteria:"

1. The bid has been submitted by Supporting People Administering Authorities on behalf of the SP Commissioning Body.
2. The Bid is for expansion and/or restructuring of HIA services in 2004/05 and 2005/06.
3. All new and or restructured services must meet the minimum requirements described in Service Description for Commissioners (Note: refer to Appendix B to report CAB 750)
4. The bid does not include proposals for a new HIA covering a single District in two tier authorities except where the service is managed by a current service provider in that county as a part of reorganisation of existing HIA service provision in that county; provisions for a new HIA covering two or more Districts is acceptable.
5. There is committed funding in place which, which exceeds the level of funding support from additional grant.
6. The amount of any offer of grant will be subject to availability of resources. The additional grant offered will be paid at that level in 2004/05 and 2005/06 but with an inflationary uplift. The ODPM intends to maintain these additional grant contributions at their 2005/06 level beyond April 2006.
7. Where the bid is for contributions towards HIA services in a LA area where the ODPM have not previously funded HIA services, "new money committed from local funding sources" should contain a contribution by the local housing authority.
8. The use of the grant will be determined by the appropriate Supporting People Programme Grant conditions from 2005-2005.
9. Additional funding will be used to establish robust, well funded, efficient and well managed/restructured HIA services that have extended geographical coverage over Supporting People territories. That offer a wide range of services, remain client focussed, independent, contribute to partners agendas and offer value for money.
10.
 - a. does the bid propose that HIA services will be established in areas where they are not currently available;
 - b. does the bid include proposals for significant restructuring of existing HIA services.

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APPENDIX BHOME IMPROVEMENT AGENCIES**CORE (MINIMUM) SERVICES**

(Ref: 'Home Improvement Agencies - Development and Reform' Sept 2003)
Office of the Deputy Prime Minister)

The core functions of Agencies - that is, those functions which relate to the improvement of the fabric of a dwelling and are therefore eligible for ODPM grant are:

- To help older, disabled and vulnerable people to remain independent in their own homes by identifying necessary repairs and improvements, finding suitable contractors and ensuring the work is properly carried out.
- To help people access public resources, including disabled facilities grants, where available; and
- To help people make use of other sources of funding through information on loans, insurance and equity release.

SERVICES TO INDIVIDUAL CLIENTS

(Ref: ODPM Letter to Local Authorities, 29 August 2003: Appendix 3)

1. General Advice

To assess the client's needs HIA staff will visit, usually in their own home, and offer appropriate information and advice on:

- Problems relating to the property
- All their housing options
- Completion of necessary forms
- Legal entitlements
- Other available support services

2. Finance

Clients will also be given information about various financial options including their implications and practical assistance in raising funds. This will include:

- Availability of grants from statutory bodies
- Releasing equity and accessing loans
- Accessing charitable funding
- Benefit entitlement - and the effect certain options may
- Insurance claims
- Savings

3. Technical

Reliable technical information will be available which will include:

- Home visit and inspection
- Advice on scale and cost of necessary works
- Help with choosing a reputable and reliable builder
- Monitoring the builder's performance
- Appropriate contracts and documentation

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APPENDIX C

HOME IMPROVEMENT AGENCY

Estimated costings breakdown

(Ref: Information and Notes from Hampshire County Council - Supporting People)

The following table gives the base numbers:

H.I.A. PROVIDER	DISTRICT COUNCIL	Total	Supp Peopl	BUDGET Local Auth	Social S	Fee Inc	Primary Care
EXISTING	East Hampshire	99,884	42,600	29,410	16,120	11,754	
PROPOSED	Test Valley	68,004	24,458	16,471	13,117	12,968	
Rounded nos.		70,000	24,500	16,500	13,500	13,000	
EXPANSION	Winchester	79,220	28,492	19,188	15,280	15,107	
Rounded nos.		80,000	28,500	19,500	15,500	15,500	
	TOTAL	247,108	95,550	65,069	44,517	39,829	0
Rounded nos.	TOTAL	249,884	95,600	65,410	45,120	40,254	0

Outline notes/comments:

The following assumptions are made in working up the grant numbers:

1. The East Hampshire numbers exist and therefore we have that money.
2. The calculation of the expansion is based on the average values (Costs and Revenue generation) for Hampshire, I have to use this basis as it is the only way to support the estimated figure.
3. Estimated that the fee generation for the expansion in the first year will be only £10k (not the £28k), Foundations accept this as reasonable for an introductory service. This approach allows us to ask for more funding.
4. If you take the ratio's from the base numbers, the £40k for districts should be split Test Valley £18.5 and Winchester £21.5K (Total £40k). Social Service split would be Test Valley £14k and Winchester £16k, (Total £30k).
5. We would be looking at an overall contract in the region of £250k for a new joint HIA between all partners in the start up year.