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**Meeting:** EXECUTIVE

Portfolio Area: Housing, Health & Older people



**Date:** 13 MARCH 2018

## HERTFORDSHIRE HOME IMPROVEMENT AGENCY (HHIA)

### KEY DECISION

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### 1. PURPOSE

1.1 To consider whether to join the Hertfordshire Home Improvement Agency (HHIA).

### 2. RECOMMENDATIONS

- 2.1 That Stevenage Borough Council joins the Hertfordshire Home Improvement Agency in April 2018.
- 2.2 That SBC delegates to Hertfordshire County Council its functions under the Housing Grants, Construction and Regeneration Act 1996 and any other functions relating to the delivery of the services provided by the Hertfordshire Home Improvement Agency.
- 2.3 That the Strategic Director (MP) be authorised to execute all documents required for the Council to join the Hertfordshire Home Improvement Agency.
- 2.4 That the Assistant Director (Planning & Regulation) be nominated, and in his absence his nominated deputy, as the Council's representative on the Board of the Hertfordshire Home Improvement Agency with authority to take appropriate decisions on behalf of the Council
- 2.5 That SBC reviews the performance of the HHIA 12 months post joining to determine whether the Council should remain a member authority and consider the potential for the Repairs & Voids team to bid for HHIA.

### 3. BACKGROUND

3.1 On 18 October 2016, the Council's Executive agreed that:

- Stevenage Borough Council join the shared home improvement agency, in principle, in April 2018
  - A further report be brought back to the Executive with detailed proposals
- 3.2 The Housing Grants, Construction and Regeneration Act 1996 requires Local Housing Authorities (LHAs) to provide financial assistance to people with disabilities who require adaptations to their home to enable them to live independently. This assistance is provided by way of a Disabled Facilities Grant (DFG).
- 3.3 Delivery of the grant in Stevenage has not changed since the Act came into force. Upon receipt of a request from a resident, the County Council's occupational therapist carries out an assessment and recommends the adaptations that the client requires. The housing authority receives the referral, undertakes a means test to determine whether the client is required to make a contribution, approves the grant and makes payment on satisfactory completion of the works. Currently, only around 40% of enquiries progress to approval of a Disabled Facilities Grant.
- 3.4 In 2013, capital grant contribution from central Government became part of the Better Care Fund, a pooled funding stream that supports the integration of health and social care services; with the aim of improving services for residents and also to promote the more efficient use of collective State resources. In Hertfordshire, the Better Care Fund is administered by Hertfordshire County Council. The Government has significantly increased funding to LHAs, via the Better Care Fund, to support home adaptations and other services to support independent living.
- 3.5 In 2014, the Care Act was enacted, which sought to further change the way care and support is delivered for vulnerable people. The Act sought to radically modernise how care and support is delivered by promoting individual wellbeing, focussing on prevention and wellbeing with the aim that people should be enabled to live in their own homes as long as they are able, retaining their independence and control over their own lives as far as possible. All authorities have a duty to co-operate, for example by promoting the integration of care and support with health services, in order to improve services to residents.
- 3.6 Beyond the introduction of the Care Act's duty to cooperate, there are a number of significant drivers for the fundamental reform of LHA home adaptations services in Hertfordshire, outlined as follows:
- 3.6.1 The County has an ageing population; residents have an overwhelming wish to live as independently as possible in their own homes. Their support needs are multi-faceted and are not necessarily reliant on financial support – many just want guidance on how best they can maintain their independence in their own particular circumstances.
- 3.6.2 Demand for DFGs in Stevenage is reliant on the number of referrals received from the County Council. Whilst this has remained fairly constant, Government funding, through the Better Care fund has increased significantly (from £305,000 in 2015/16 to £634,000 in 2017/18). Without the ability to influence demand and, therefore expenditure, it has not been possible to fully utilise this funding. Indeed, in December 2017, the DCLG offered additional funding of £65,000 which SBC was unable to accept.

- 3.6.3 From the applicant's point of view, the DFG process is complex and this, together with the current two-tier working arrangements, with multiple points of access and professional involvement, inevitably leads to confusion, inconsistency and delays. By integration, the services can become more efficient in two ways:
- the processing of applications can become more streamlined, involving only one agency, thereby reducing costs and the likelihood of error or inconsistency, and
  - communication regarding the existence of DFGs (and allied services such as housing advice) can be improved - this will expedite the provision of services to those in need and help overcome the current need for them to navigate complex administrative systems.
- 3.6.4 Feedback indicates that customers find poor communication between parts of the service (even where individual professionals are seen as being helpful), a lack of understanding of the whole household's needs, unreasonable delays, and an adversarial approach to agreeing what is able to be done. They also feel that they are not sufficiently advised of what they are eligible for, there is a lack of choice and involvement during the process, and that the application process itself is not clear. The new service has been designed to establish a new way of working, designed to address these concerns. Evidence from other areas of the country, which have adopted an integrated approach, report considerable improvement in customer feedback.
- 3.6.5 Many LHAs have found it difficult to provide DFGs services consistently as their scale of operation make them vulnerable to staff absences and dependent on niche skill sets. A combined service is more resilient to these challenges and would provide an opportunity for career progression, informed staff succession management, skill refinement, and dependable workflow management. This is particularly important in the light of the significant increases in capital investment signalled by the Government and demographic pressures in Hertfordshire.
- 3.6.6 There is a growing evidence base that confirms the value of DFGs, in reducing the incidence of hospital admissions and, where they have been provided, in the sustainability of patient discharge. A county-wide integrated service that provides timely and targeted support to residents so that they can stay safely in their homes is therefore an investment opportunity for the Clinical Commissioning Groups operating in Hertfordshire. The previous arrangement of 11 providers with different service standards is less likely to attract such investment.
- 3.6.7 The role of housing in the promotion of health and wellbeing has not always been well recognised either nationally or locally. Collaboration, through a shared H.I.A., could go some way to rebalance this, illustrating that public health and the wellbeing of Hertfordshire residents is not the exclusive function of the NHS or Hertfordshire County Council, but also a collective ambition of Hertfordshire District and Borough councils too.

### **Development of the Hertfordshire Home Improvement Agency**

- 3.7 In response to the changing legislative and financial climate and to address service delivery issues across the County, a partnership review was undertaken between the District and Borough Councils and the County Council. The review looked at the current delivery of services across all authorities, considered examples of alternative delivery models in other parts of the country and the future needs of residents across the County.

- 3.8 The outcome of the review was the proposal for a shared home improvement agency service. The vision for the proposal was to establish a cost effective service that would not only deliver statutory services such as disabled facilities grants, but would also be able to provide a service to those who are not, currently, eligible for grant assistance. The service also aims to promote independent living more generally by offering residents housing related services, such as a handyman service and home improvements.
- 3.9 The proposal was for a shared service rather than an outsourced service, hosted by the County Council. Case officers would act as a single point of contact for the client with other professionals such as the occupational therapists and technical staff drawn in as required. This will reduce stress and multiple handoffs, where mistakes and misunderstandings can occur. Having occupational therapists and technical staff in the same team will significantly shorten the process of commissioning adaptation works compared to the current arrangements.
- 3.10 Four Authorities (Broxbourne, East Herts, North Herts and Watford), together with the County Council, agreed to establish and participate in a shared service for the purposes of providing home adaptations and associated services, including the discharge of duties relating to the provision and administration of Disabled Facilities Grants under the 1996 Act, the Care Act 2014 and the Better Care Fund. The service, known as the Hertfordshire Home Improvement Agency, went live in October 2017.
- 3.11 The Partnership Agreement (Appendix 1) details the arrangements for the discharge of functions, duration of agreement etc. Strategic direction and governance of the H.I.A. will be undertaken by a group (the H.I.A. Board) made up of a nominated representative from each authority. The Assistant Director (Planning & Regulation) will represent Stevenage Borough Council on the Board.
- 3.12 Appendices 2 – 7 detail the operational arrangements, including structure, policy and process maps.

#### **4. REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS**

- 4.1 The H.I.A. provides the following advantages and opportunities over the current delivery mechanism:
- 4.1.1 **A better service for the client by:**
- Making the service available to all, not just those eligible for a Disabled Facilities Grant (the client would pay a fee for the service)
  - Offer much greater assistance throughout the complex DFG application process e.g. with:
    - Completion of application forms
    - Obtaining estimates on behalf of clients
    - Supervision of work
    - Dispute resolution
  - Offering a single point of contact (clients will no longer be passed from County to District or vice versa)

- 4.1.2 **Improved publicity and communication** with the public leading to greater awareness of the availability of DFGs and enhanced take-up of funding
- 4.1.3 **Procurement opportunities** – the H.I.A. intends to have a contractor framework in place by 1<sup>st</sup> April for the most common adaptations (stairlifts, level access and over bath showers, modular ramping and door widening). This is expected to bring about a saving as well as speeding up the process.
- 4.1.4 **Greater resilience** in the workforce across the five authorities.
- 4.1.5 **The ability to charge fee income** which will, in part, cover the cost of the service. It is important to note that the fee charged to the client is eligible for grant assistance.
- 4.1.6 **Improved service and links with RSLs.** Currently a number of RSLs have substantial delays in delivering adaptations and it is envisaged that the agency will be able to deliver some adaptations on behalf of RSLs
- 4.1.7 **Improved integration with the occupational therapists.** The H.I.A. is already able to provide a 'one stop shop,' through its trusted assessors for stairlifts, overbath showers and level access showers where there is no ongoing medical or social care need. This takes the client through the whole process from initial assessment through the design, grant application and contractor procurement to delivery of the adaptation. This helps to eliminate delays and bottlenecks experienced by clients with the two-tier County/District approach. The H.I.A. is co-located with the occupational therapists thereby allowing for the development of close working relationships, again helping to reduce delays. Going forward, it is the intention that the occupational therapists will be incorporated into the H.I.A. itself.
- 4.1.8 Whilst the initial focus of the H.I.A. is on the efficient delivery of DFGs, it is intended that, as it develops, the scope of the service will be expanded to include, for example, some or all of the following:
- A handyperson scheme
  - Fast-tracked services for specific groups or those with specific conditions
  - An agency service for home owners undertaking improvement works
  - Access to subsidised assistive technology e.g. Telecare
- 4.2 Due to the caveat given by districts that the shared service would only be a feasible option if costs were maintained at current levels, it is necessary to charge an agency fee to clients. The fee, which has been set, initially, at 15%, is eligible for grant assistance. Applicants for DFGs are, however, free to use their own agent or apply direct to the H.I.A. themselves.
- 4.3 The Council would need to continue to include an annual capital contribution of £350,000 in the capital programme for provision of disabled facilities grants to residents in the district. The Council will continue to deal with house renovation grants although there may be an opportunity to deliver them through the Agency in the future.
- 4.4 It is also believed that the proposed service has the potential to generate income by offering other housing services, for example to people wanting adaptations who do not qualify for a disabled facilities grant, because of the expertise that the service will have in this area. It is intended that the service will contribute to other health and

social care integration projects, perhaps by being able to arrange certain adaptations that improve hospital discharges, thus reducing costs in other areas.

- 4.5 Although still in its infancy, the H.I.A. has been operational for over 4 months and is already starting to deliver on its objectives.
- 4.6 To avoid any delay and/or confusion to current clients, officers would, if a decision is taken to join the H.I.A., continue to process existing enquiries and applications to completion of works. These works would be funded from existing, unallocated, grant funding.

#### **4. Other Options**

- 4.7.1 The Council could continue to deliver DFGs through existing arrangements. The current service works well and continuing to provide the service in-house would retain control over delivery and quality of service. However, residents would not benefit from the quicker and more efficient service that the Agency is expected to provide. Furthermore, the opportunity to improve resilience, reduce costs and provide additional services would also be lost.
- 4.7.2 The decision on joining could be deferred for a further period of time to allow the H.I.A. to continue to develop. This would enable the new arrangements to settle and ensure that the expected beneficial outcomes are being delivered. This would, however, mean that SBC would lose the opportunity to shape the agency as it develops and would result in additional costs to the Council should it decide to join in the future.

### **5. IMPLICATIONS**

#### **5.1 Financial Implications**

- 5.1.1 The business case assumes that the Council will continue to pay an annual contribution of £350,000 per year for Disabled Aids and Adaptations which is the budget included within the Capital Strategy. However, DFG grant is ring fenced for that purpose and the Council could make a contribution up to the amount of grant funding available.
- 5.1.2 In addition the business case assumes that the Council will make a revenue contribution no more than the current cashable revenue costs spent on providing the service in-house, including 0.8FTE of a staff post. These costs total £39,250, however there is budgeted, within the establishment, vacancies equivalent to 0.8 FTE and, therefore, there will be no staff TUPE required.
- 5.1.3 The business case is cost neutral to the Council but does require clients to be charged an admin fee of 15% of the cost of the works. This fee is eligible for grant assistance.
- 5.1.4 For applications already received before April 2018, SBC will continue with these applications using previous years underspent funding.

#### **5.2 Legal Implications**

- 5.2.1 The Council has statutory functions under the Housing Grants, Construction and Regeneration Act 1996 ("the 1996 Act") to provide financial assistance by

way of Disabled Facilities Grants to people with disabilities who require adaptations to their home to enable them to live independently.

5.2.2 Under the Partnership Agreement establishing the Hertfordshire Home Improvement Agency, Hertfordshire County Council is responsible for the delivery of the Shared Service. This requires it to exercise the functions under the 1996 Act and any other functions relating to the delivery of the services provided by the Hertfordshire Home Improvement Agency.

5.2.3 In order for Hertfordshire County Council to exercise these functions on behalf of the Council, and for the Council to become a Partner in the Hertfordshire Home Improvement Agency, the Council must delegate the functions referred to in 5.2.2 to Hertfordshire County Council. It is permitted to do so under the Local Government 2000 and the Local Authorities (Arrangements for the Discharge of Functions)(England) Regulations 2012.

### **5.3 Equalities and Diversity Implications**

5.3.1 The proposed Home Improvement Agency will provide an improved service to vulnerable and elderly residents.

### **5.3 Staffing Implications**

5.3.1 Disabled Facilities Grants are currently administered by the Environmental Health Unit's Residential Team. As DFGs do not form a significant part of any individual officer's role, there are no TUPE implications from the proposal.

## **BACKGROUND DOCUMENTS**

BD1 - Housing Grants, Construction & Regeneration Act 1996

<http://www.legislation.gov.uk/ukpga/1996/53/contents>

BD2 - The Care Act 2014

<http://www.legislation.gov.uk/ukpga/2014/23/contents/enacted>

BD3 - Integration & Better Care Fund Policy Framework 2017-19 (DoH, DCLG)

<https://www.gov.uk/government/publications/integration-and-better-care-fund-policy-framework-2017-to-2019>

## **APPENDICES**

Appendix 1	Partnership agreement
Appendix 2	Policy
Appendix 3	HHIA Budget -
Appendix 4	Current HHIA Board Members
Appendix 5	Current (interim) structure chart
Appendix 6	Process maps
Appendix 7	Key Performance Indicators

