

REPORT TO: Scrutiny & Overview Committee
Cabinet

13 June 2019

1 July 2019

**LEAD CABINET
MEMBER** Councillor Hazel Smith

LEAD OFFICER: Heather Wood – Interim Assistant Director Housing

Renewal of the Shared Service Agreement for The Cambridgeshire Home Improvement Agency

Purpose

1. The purpose of this report is to note the progress of the Cambridgeshire Home Improvement Agency (CHIA) and to agree to the renewal of the shared service agreement for a further three years up to 31st March 2022.
2. This is a key decision because it is significant in terms of its effects on communities living or working in an area comprising two or more wards or electoral divisions in the area of the relevant local authority; and it was first published in the May 2019 of the Forward Plan.

Recommendations

3. It is recommended that Cabinet approves the renewal of the Cambridgeshire Home Improvement Agency shared service agreement for a further three years up to 31st March 2022 (Appendix A).

Reasons for Recommendations

4. The Cambridgeshire Home Improvement Agency is achieving the objectives of the shared Home Improvement Agency (see point 10 below), whilst continuing on a journey of improvement. Without the shared Home Improvement Agency, the Council would offer a lesser service providing grants but applicants would have to submit their own applications, appoint contractors and oversee works themselves. The one-to-one support provided by the Agency in terms of signposting to relevant organisations, providing advice, project managing adaptations/repairs and working with health and social care partners would also be lost.
5. The Cambridgeshire Home Improvement Agency is a key organisation strategically placed to help deliver on the Better Care Fund objectives.

Background

6. The Cambridgeshire Home Improvement Agency (CHIA) was established on 1st April 2012, as a partnership between South Cambridgeshire, Huntingdonshire and Cambridge City. This shared service was set up as an Agency long before the Council entered into the 3C shared services arrangements and has been operating for seven years.

7. The CHIA was the first original shared service for the local authority and from the outset established governance arrangements through a dedicated specialist Housing Management Board, consisting of one senior representative from each of the local authorities. For South Cambridgeshire District Council, this is currently the Head of Housing Strategy following the departure of the Housing Director. The Management Board meets quarterly to monitor operational issues, performance and spend and to give strategic direction.
8. As the CHIA is operating successfully within its own dedicated governance Board and has clear objectives in terms of helping to meet the Better Care Fund, it was agreed when the governance arrangements were set up for the 3c Shared Services that it was not appropriate to include the CHIA as part of the wider overall 3c governance arrangements.
9. In 2015, a report was taken to Cabinet to approve the continuation of the shared service for a further three years up to 2018/19. At that time it was noted that savings to the General Fund of approximately £40,000 a year had been achieved.
10. The reasons for setting up the shared service were:
 - To achieve cost savings and delivery of value for money
 - To improve the resilience of the service
 - To provide a platform for improving the overall service
 - To provide a platform for extending the service in the future.

The shared service was supported by the County Council Supporting People team who wanted to reduce and rationalise the number of contracts they managed. This was at a time when funding came from the Supporting People Programme.

11. The purpose of the Agency is to support disabled and vulnerable people of all ages to improve their living conditions and quality of life by enabling them to remain living independently and safely in their home. The Agency works with people of all ages, who may be living with complex conditions or are terminally ill. It also works with people living in housing conditions in need of maintenance, repair or improvement and also offers a wide range of information. CHIA work on individual, bespoke projects, mainly with people who own or privately rent their homes.
12. The CHIA consists of a Manager and ten staff.
13. The shared service arrangement is that Cambridge City Council host the Agency, the ICT is supported via Huntingdonshire and the accommodation is provided by South Cambridgeshire DC. All costs associated with the CHIA are recharged by the local authorities to the Agency; for South Cambridgeshire District Council this includes a rental charge of £10,000 per annum for the accommodation and any recharges for stationery, postage based on usage. The three local authorities do not directly contribute to the revenue funding of the Agency.
14. The operation of the Agency is funded mainly through fees, currently charged at 15% of works, with the remaining funding (£37,600 in 2018/19) provided by the County Council through the DFG capital allocation being top sliced for other capital spend and the County Council instead transferring revenue funding. The funding for the

disabled facility grants comes direct from the Better Care Fund through the DFG capital allocation.

15. It is normal practice for Home Improvement Agencies to charge a fee for works (which will generally be funded through the grant award). The 15% fee charged is lower than in East Cambs (20%) and Fenland (27%) meaning the DFG budget can go further.

Considerations

16. An independent review of the CHIA was commissioned by the CHIA Board in 2017. The review identified that costs of other HIAs were broadly in line with the Agency. For 2018/19, it is anticipated that there will be a small surplus to the operating costs which will be reinvested into the development/improvement of the Agency.
17. The review also outlined a series of recommendations which the Board and CHIA are working to address. Since that time, there have been significant improvements following a new manager being appointed and implementation of an improvement plan (see Appendix B). The time taken to complete a Disabled Facilities Grant (DFG) has reduced considerably meaning that people are now receiving the support they need much sooner. The average time taken between the date of referral to practical completion for works costing less than £10,000 has reduced significantly from over 40 weeks in 2017/18 to 18 weeks in 2018/19. For larger works costing more than £10,000 the average time taken has also reduced from 57 weeks in 2017/18 to 36 weeks 2018/19. A lean review, new contracts and new pathway trials are all helping to further improve the efficiency of the service.
18. In April 2019, the three local authorities have adopted a county-wide Housing Adaptations and Repairs Policy which will give greater scope to the Agency to use the capital grant allocation from the Better Care Fund more flexibly. Cabinet approved the new Housing Adaptations and Repairs Policy and noted the existing budget arrangements at their meeting in April 2019.
19. Whilst the CHIA continues on an improvement journey, it is achieving the objectives set out at point 10 above. It is considered that the CHIA is performing well and is a valued service by customers. The percentage of customers who state that they are satisfied with the service provided is consistently in the 90%.
20. Should at any time a local authority wish to terminate its participation in the Agreement, at least six months notice should be given. Should the CHIA end, each local authority will pay an equal amount of any costs that relate to the ending of the Agency. This shall include but will not be limited to any redundancy costs of any of the CHIA Team should this occur.
21. The City Council has already approved the recommendation to renew the shared service agreement, with the same approvals being sought from Huntingdonshire District Council.

Options

22. **Option A:** To approve the renewal of the Cambridgeshire Home Improvement Agency shared service agreement for a further three years up to 31st March 2022 (Appendix A).

Reasons for Approval –The shared service arrangement is achieving the objectives of the CHIA (see point 10 above) and continues to improve its service to residents. At the same time the General Fund no longer subsidises the revenue cost of the service.

23. **Option B:** To reject the renewal of the CHIA shared service agreement.

Reasons for Refusal – All of the benefits of the shared service would be lost if the service were to be brought back in house. Whilst the performance of the shared service continues to improve there is no rationale for seeking to outsource the work.

Implications

24. In the writing of this report, taking into account financial, legal, staffing, risk management, equality and diversity, climate change, community safety and any other key issues, the following implications have been considered: -

Financial

25. There is currently no cost to the Council in terms of operating the CHIA shared service. However, if the Council decides that it does not wish to participate in the CHIA shared service, there will need to be a full analysis of the likely increased costs in terms of terminating the agreement and setting up an in-house service.

Legal

26. No legal implications have been identified. The shared service agreement has been reviewed by 3C Shared Legal Service.

Staffing

27. No staffing implications have been identified. However, if the Council decides that it does not wish to participate in the CHIA shared service, there may be implications in terms of redundancy within the shared service staff and capacity issues within the existing staffing structure of the Council.

Risk Management

28. No risks have been identified. However, if the Council decides that it does not wish to participate in the CHIA shared service, a full risk assessment will need to be undertaken as part of the termination of the agreement.

Equality and Diversity

29. The CHIA offers an enhanced service for residents who are disabled and/or vulnerable and therefore has positive outcomes, in particular to the protected characteristics:
- Age
 - Disability
 - Low income households

Climate Change

30. The CHIA offers help to vulnerable residents in terms of improving energy efficiency to help tackle fuel poverty as well as supporting the Climate Change Agenda.

Consultation responses

31. The draft CHIA shared service agreement has been reviewed by the CHIA Board, and advice sought on the GDPR implications.

Effect on Strategic Aims

- A modern and caring Council**
32. Providing a high quality service that supports residents to live healthy and independently.
- Housing that is truly affordable for everyone to live in**
33. Enabling residents to live healthy and independently in their own homes.
- Being green to our core**
34. Helping existing homes to be more energy efficient.

Background Papers

Where [the Local Authorities \(Executive Arrangements\) \(Meetings and Access to Information\) \(England\) Regulations 2012](#) require documents to be open to inspection by members of the public, they must be available for inspection: -

- (a) at all reasonable hours at the offices of South Cambridgeshire District Council;
- (b) on the Council's website; and
- (c) in the case of documents to be available for inspection pursuant to regulation 15, on payment of a reasonable fee required by the Council by the person seeking to inspect the documents at the offices of South Cambridgeshire District Council.

Report Author: Julie Fletcher – Head of Housing Strategy
Telephone: (01954) 713352