



<b>Report to:</b>	Cabinet	22 March 2022
<b>Lead Cabinet Member:</b>	Councillor John Batchelor – Lead Cabinet Member for Housing	
<b>Lead Officer:</b>	Peter Campbell – Head of Housing	

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## Renewal of the Cambridgeshire Home Improvement Agency Service Level Agreement

### Executive Summary

1. The purpose of this report is to note the progress of the Cambridgeshire Home Improvement Agency (CHIA) and to agree the renewal of the shared service level agreement for a further three years up to 31<sup>st</sup> March 2025.
2. The Home Improvement Agency is a shared service between South Cambridgeshire, Huntingdonshire and Cambridge City and has been operating since April 2012 and is well established.

### Key Decision

3. Yes

(b) 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.

The key decision was first published in the January 2022 Forward Plan.

### Recommendations

4. It is recommended that Cabinet approves the renewal of the Cambridgeshire Home Improvement Agency shared service level agreement for a further three years up to 31<sup>st</sup> March 2025 (Appendix A) and the continuation of the current funding arrangements with the County Council.

## Reasons for Recommendations

5. The continuation of the Cambridgeshire Home Improvement Agency is a positive benefit to the Council. The Agency has provided support for many residents over the years to enable them to live healthy, independent and safe in their own homes through the provision of disabled adaptations and repairs. The Council benefits hugely from this service and often links in with other projects, such as making homes more energy efficient and providing Trusted Assessors to help speed up the process in terms of referrals from Occupational Health.
6. Without the Cambridgeshire Home Improvement Agency, the Council would offer a lesser service that would only administer grants without providing the support and project management that the CHIA provides. This would mean that applicants, who are often vulnerable, would have to submit their own applications, appoint contractors and oversee works themselves. The one-to-one support provided by the CHIA in terms of signposting to relevant organisations, providing advice, project managing adaptations/repairs and working with health and social partners would be lost.
7. The CHIA is a key organisation strategically placed to help deliver on the Better Care Fund objectives.

## Details

8. 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.
9. The CHIA was established on 1<sup>st</sup> 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 ten years.
10. 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 Services Manager – Housing Strategy, who also oversees the role of the Grants Validation Officer. The Management Board meets quarterly to monitor operational issues, performance and spend and to give strategic direction.
11. The CHIA consists of a Manager and ten staff.
12. 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 (although this was reduced during the pandemic) and any recharges for stationery, postage based on usage.

## Funding Arrangements

13. The three local authorities do not directly contribute to the revenue funding of the CHIA, unless the HIA was to make a trading loss.
14. The operation of the Agency is funded mainly through fees, currently charged at 15% of works, with the remaining funding 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 and therefore no cost to the applicant). The 15% fee charged is competitive compared with other local authorities in the area.

**Table 1: Better Care Fund DFG Allocations paid direct to South Cambs**

Year	Amount
2019/20	£663,550
2020/21	£787,473*
2021/22	£729,973

\*Increased amount received in-year due to the pandemic.

**Table 2: Revenue funding through County Council top-slice**

Year	Amount
2019/20	£63,671*
2020/21	£95,171**
2021/22	£95,171**

\*Additional revenue funding of £26,000 for pilot scheme for an in-house Occupational Therapist (pilot scheme not yet run due to inability to recruit)

\*\*Increased revenue funding from the County due to reduced fee income following the ability to undertake works in residents' homes during the pandemic.

**Table 3: CHIA Operational Costs and Income**

	2019/2020	2020/2021	2021/2022
CHIA Operating Costs	£554,326	£494,299	£505,051
Revenue Funding from County Council	£177,990	£225,990	£265,990
Fee Income	£423,838	£275,526	£287,454
Surplus	£47,502	£7,217	£48,393

16. It should be noted that whilst there is a healthy surplus in years 2019/20 and 2021/2022 this is primarily as a result of staff vacancies not being filled. In years 2020/2021 and 2021/2022 there has been a considerable decrease in the fees achieved due to the pandemic. Without the capital to revenue conversion agreed with the County Council, it is likely that the CHIA would not be sustainable in the long-term without each District Council putting in additional revenue funding or increasing the fees.

## Performance of the CHIA

17. Since the introduction of the Cambridgeshire Adaptations & Repairs Policy in April 2019, the Council has seen an increase in applications for repair works to vulnerable residents following the flexibility allowed within the new Policy through the Special Purposes Assistance (SPA) grant. Since April 2019, for South Cambridgeshire the CHIA has completed 143 Disabled Facility Grants (DFG) and grant funded just over £1.5 million. In terms of Special Purposes Assistance, 52 grants have been completed, totalling just over £281,000.

**Table 4: Number of grants completed**

<b>Type of grant</b>	<b>2019/2020</b>	<b>2020/2021</b>	<b>2021 – to date</b>
Number of DFG completed	67	48	28
Total funded through a DFG	£540,115	£569,679	£404,121
Number of Special Purposes Assistance grants completed	16	24	12
Total grant funding through the SPA	£79,147	£121,669	£80,489
Relocation Grants completed	0	3	2
Total funding for Relocation Grants	0	£12,468	£6,836
<b>Total no. of grants</b>	<b>83</b>	<b>75</b>	<b>42</b>
<b>Total Spend</b>	<b>£619,262</b>	<b>£703,816</b>	<b>£491,446</b>

18. Following a review of the CHIA in 2017 and the appointment of a new Manager, the performance of the service has continually shown improvement up to the pandemic. The time taken to complete a Disabled Facilities Grant had reduced considerably, from 40 weeks in 2017/18 to 16 weeks in 2019/2020 for grants less than £10,000. For larger works costing more than £10,000 the average time taken had also reduced from 57 weeks in 2017/18 to 20 in 2019/20. It is difficult to provide useful benchmarking due to the different set up of agencies, in-house services, staffing levels and those that sit within a unitary authority. However, performance indicators for other similar local authorities in the area identifies that waiting times were much lower for South Cambridgeshire District, with other agencies ranging from 29 weeks to 41 weeks for works under £10,000 and around 51 weeks for works over £10,000.
19. The past two years have been challenging for the CHIA. First with the lockdown and inability to undertake works within residents' homes and then following on from the easing of restrictions, the availability of contractors to carry out works

and the lack of supply of materials. This has resulted in some jobs being handed back by contractors and others being significantly delayed. Waiting times for works have therefore increased to an average of 22 weeks for works up to £10,000, and 38 weeks for larger works. This situation is reflected nationally, with many agencies facing similar challenges. On a positive note, the CHIA has recently appointed 17 new contractors since November 2021 which will help with the backlog and reduce waiting times back to pre-covid levels. This situation will be monitored on a quarterly basis by the CHIA Board as part of its performance monitoring.

20. Previous to the issues associated with the pandemic, which are outside of the control of the CHIA, the performance of the Agency was going from strength to strength and they have won both team awards for Cambridge City and South Cambridgeshire District Council. Frances Swann, the CHIA Manager, has also been recognised as a National Inspirational Leader by Foundations (the leading resource for Disabled Facilities Grants and Home Improvement Agencies in England). The Agency also received Audit Assurance in 2021.

21. Further information on the performance of the CHIA can be found on their [website](#).

## Options

22. **Option A:** To approve the renewal of the Cambridgeshire Home Improvement Agency shared service level agreement for a further three years up to 31<sup>st</sup> March 2025 (Appendix A) and the continuation of the current funding arrangements with the County Council.

23. Reasons for Approval: The shared service level agreement provides a valuable service to residents to enable them to live independently in a safe and accessible environment.

24. **Option B:** To reject the renewal of the CHIA shared service level agreement and funding arrangements in place.

25. Reasons for Refusal: All of the benefits of the shared service would be lost if the service were to be brought back in-house. The Council does not directly subsidise the revenue cost of the service, and there is no rationale for terminating this agreement.

## Implications

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

## **Financial**

27. 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**

28. No legal implications have been identified.

## **Staffing**

29. 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.

## **Risks/Opportunities**

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

## **Equality and Diversity**

31. 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**

32. 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. Since 2019, 25 new energy efficient heating systems have been installed within South Cambridgeshire through the Special Purposes Assistance Grant.

## **Health & Wellbeing**

33. The health and wellbeing of residents is at the core of the CHIA objectives.  
Ensuring residents can live independent lives through special adaptations and/or repairs and that homes are accessible and support good health.

## **Consultation responses**

34. The draft CHIA shared service agreement has been reviewed by the CHIA Board, with no further changes being made from the previous agreement approved.

## **Alignment with Council Priority Areas**

### **Growing local businesses and economies**

35. Through contract works for local businesses.

### **Housing that is truly affordable for everyone to live in**

36. Signposting residents to support with benefits and other funding sources.

### **Being green to our core**

37. Helping existing homes to be more energy efficient.

### **A modern and caring Council**

38. Providing a high quality service that supports residents to live healthy and independently.

## **Background Papers**

None.

## **Appendices**

Appendix A: CHIA Shared Service Agreement

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