

# **APPENDIX Q**

## **WAVERLEY BOROUGH COUNCIL**

**EXECUTIVE – 7 JULY 2009**

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**Title:**

**DEVELOPING THE HOME IMPROVEMENT AGENCY**

[Portfolio Holder: Cllr Keith Webster]

[Wards Affected: All]

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**Summary and purpose:**

This report proposes the merger of the Waverley and Guildford Borough Councils' Home Improvement Agencies and the transfer of operations from Waverley to Guildford. Waverley's interests will be protected through an appropriate legal agreement and joint board to oversee the work of the new Home Improvement Agency.

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**How this report relates to the Council's Corporate Priorities:**

This report relates directly to the Corporate Priority of 'Improving Lives – Improving the quality of life for all, particularly the more vulnerable within our society.'

**Equality and Diversity Implications:**

There are no direct Equality and Diversity implications arising from this report. However, vulnerable people and those with disabilities who live in the private sector are most at risk in living in poor quality housing.

**Resource/Value for Money implications:**

By merging the two services, it is expected that economies of scale can be achieved. Although this will not release cash-savings, it will enable the service to be more responsive and deliver to more customers.

**Legal Implications:**

The service is being funded largely through a revenue grant from Surrey County Council, so the main contract will be between the County Council and Guildford Borough Council. Waverley Borough Council's interests will be protected through that contract and also by way of an appropriate form of agreement between Waverley and Guildford. Two staff will be subject to the Transfer of Undertakings Protection of Employment (TUPE) regulations.

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**The Council's Role in Private Sector Housing**

1. The Housing Acts place responsibilities on local housing authorities, such as Waverley, to have regard to housing conditions in the private sector. These include:
  - Producing a comprehensive Housing Strategy covering all tenures

- Reviewing Private Sector Stock Condition
  - Licensing Houses in Multiple Occupation
  - Bringing empty homes back into use
  - Reducing Fuel Poverty
  - Awarding Disabled Facilities Grants
  - Managing Waverley's Home Improvement Policy and related grants
  - Managing homes in disrepair, taking action and issuing Orders as appropriate.
2. Mandatory Disabled Facilities Grants (DFGs) are awarded to households for certain types of adaptations to homes for the benefit of residents with a disability. Similarly, Waverley's discretionary Home Improvement grants are awarded to qualifying households for improvements to their homes, for example rewiring, boiler replacement, removing hazards, insulation, home security, and general repairs.

### **What is a Home Improvement Agency**

3. Many of the households who apply for DFGs and Home Improvement Grants are not able to deal with the wide range of issues that face them e.g. filling in the application form; providing documentary evidence; specifying the work; getting plans drawn-up; making any necessary planning applications; putting the work out to tender; managing the building project; and signing the project off. HIAs undertake this work on behalf of applicants as appropriate. This work is consistent with the Council key corporate priority of 'Improving Lives – Improving the quality of life for all, particularly the more vulnerable within our society.'
4. Many local housing authorities, often with financial support from the Social Services Authority, set up 'Care and Repair' teams who provide a 'hands on' service for people who live in the private sector who need to access grants, but do not have the expertise, experience or confidence to see the project through from start-to-finish. These services also provide expert support to households who are able to finance repairs/renovations to their own home but, because of age, disability or infirmity, are unable to do so. HIAs also receive enquiries from the public, signpost people to appropriate services and will carry out benefit assessments to ensure people are receiving the benefits which they are entitled. More recently 'Care and Repair' services have become known as 'Home Improvement Agencies'.
5. Most HIAs also provide a 'Handyperson' service, which will undertake small scale repairs and improvements – such as grab rails, key safes, change light bulbs etc to assist vulnerable people. This contributes to helping people maintain their independence.
6. Home Improvement Agencies receive income from:
- Charges made to applicants eligible for grants which are recovered through the grant process;
  - Fee income made to private householders who are able to fund the service (though this tends to be modest);
  - Social Services Authorities;
  - County Council Supporting People Teams; and
  - Funding from the local authority General Fund revenue budget.

7. Across Surrey local authorities have adopted different approaches to delivering Home Improvement Agencies. In two boroughs there is no such service; some local authorities contract out the service to Anchor Housing Trust; some local authorities – such as Guildford and Waverley operate a Home Improvement Agency service directly.

### **Waverley and Guildford's Home Improvement Agencies**

8. Waverley's Home Improvement Agency is managed within the Community Services Department, under the Head of Environmental Health and Community Safety. The service has an establishment of a Manager (0.8FTE) and two surveyors (1.5 FTE). It is largely funded through Supporting People revenue grant (£32,150) and a grant from Surrey County Council (£32,020). The Agency also generates fee income (£32,000 budgeted for 2009/10).
9. Unlike other HIAs, Waverley does not directly manage a 'Handyperson' service itself. However, the Council does support Age Concern Waverley to provide such a service independently.
10. Guildford Borough Council has a larger operation comprising six members of staff. This includes a 'Handyperson' service, which operates in the Borough of Guildford.

### **Proposed Waverley and Guildford Partnership**

11. The main funders (Supporting People and Surrey County Council) of the Waverley HIA is keen to see larger HIAs covering a wider geographic area and also building-in more capacity and resilience to the service. They are also keen to deal with fewer but larger HIAs. Supporting People has recommended that Guildford and Waverley HIAs merge. This approach is consistent with both councils wish to identify opportunities to develop 'shared services'. The geography of the area and close working between the two authorities in a number of areas also contribute to the rationale for merging the two services. In fact, at present the Guildford agency has seconded a member of staff to Waverley to help provide additional capacity.
12. An options appraisal in respect of the future direction for the Waverley HIA was undertaken and is attached at Annexe 1. The preferred option is a transfer of the Waverley HIA service to Guildford Borough Council. This option meets the expectation of the main revenue funder.
13. The opportunity to bring the services together is enhanced by the fact that two HIA manager posts, one in each council, are currently vacant. The decision has been taken not to fill these posts in light of the possible merger. In Waverley, the HIA is part of the Environmental Health Team. The HIA Team comprises a part-time manager (0.8 FTE), full-time surveyor and a part time surveyor (0.5 FTE). Guildford's HIA is within the Private Sector Housing Team and comprises a manager, surveyor two caseworkers, handyperson and a handyperson coordinator. A staffing structure showing the pre and post merger status is attached at Annexe 2 and the outline budget at Annexe 3.
14. Given that Guildford has the larger HIA operation, it is proposed that it would contract with SP to provide the service over both areas and establish a service level agreement/memorandum of understanding with Waverley.

Waverley's expectations/targets in respect of the appropriate legal agreements (ie a Service Level Agreement or Memorandum of Understanding) are set out in Annexe 4.

15. The new HIA will have a management group, comprising of officers from both Guildford and Waverley, along with other relevant organisations such as Supporting People and Surrey County Council (the main funders) to oversee the work of the HIA and ensure there is a consistency of approach and service across the south-west Surrey patch.
16. It is proposed that staff should be transferred to Guildford' employment under the Transfer of Undertakings and Protection of Employment (TUPE) as this would provide more flexibility to manage staff and respond to varying workloads across each authority area. Waverley will continue to provide office accommodation and other support services such as IT to the two staff who will still be based at Waverley's offices.
17. The benefits of bringing both services together are set out below
  - Greater flexibility in responding to workloads across both areas and covering staff absences;
  - Potential for more skills to be offered. It is likely that staff will have a range of skills, knowledge and experience, which can be applied to meeting diverse service demands. In developing staff, individual training plans can enable the HIA to broaden its skills base with staff acquiring specialist areas of knowledge;
  - Consistency in the quality of services delivered
  - Savings in staff costs will result as a consequence of appointing a single manager
  - Greater scope to procure works at more favourable rates
  - Better opportunities to develop new services in response to service demands.
18. This new way of working will also release some time of one Waverley member of staff who has overseen the Waverley HIA. The capacity being released will be applied to dealing with licensing of Houses in Multiple Occupation and other private sector housing activity.

### **Resource and Legal Implications**

19. The proposed merger of the Waverley and Guildford HIAs into one organisation presents Waverley with the fewest risks and most cost effective option. Surrey County Council is the main revenue funder of HIAs and it wishes to see fewer providers and is proposing further changes in 2011/12.
20. The Council's interests in ensuring that an effective service is provided to Waverley's private sector residents will be protected through the contract with Surrey County Council and the Service Level Agreement/Memorandum of Understanding between Guildford and Waverley.
21. The two staff currently directly employed by Waverley will be transferred to Guildford's employ under the Transfer of Undertakings Protection of Employment (TUPE) regulations.

22. Annexe 3 sets out the budget for the new HIA and shows a broadly break-even position overall. In addition, there will be some staff allocations and other support costs and overheads, which will be charged to each authority's HIA budget representing their contributions to the HIA service.

### **Recommendations**

It is recommended that:

1. the proposal to merge the Waverley and Guildford Home Improvement Agencies be approved;
2. the activities of the new HIA be managed by Guildford Borough Council;
3. the two members of Waverley HIA staff should transfer to Guildford Borough Council's employ under the Transfer of Undertakings Protection of Employment regulations; and
4. officers be authorised to enter into an appropriate legal agreement with Guildford Borough Council in respect of the new HIA.

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### **Background Papers (SDCS)**

Supporting People HIA strategic review (a copy of which can be found on the Surrey SP web site:

[http://www.surreysp.org.uk/SupportingPeople%5Csupportingpeople.nsf/webSearch\\_RTF/Communications+&+Consultations?opendocument](http://www.surreysp.org.uk/SupportingPeople%5Csupportingpeople.nsf/webSearch_RTF/Communications+&+Consultations?opendocument))

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### **CONTACT OFFICER:**

**Name:** Simon Brisk

**Telephone:** 01483 523421

**E-mail:** [simon.brisk@waverley.gov.uk](mailto:simon.brisk@waverley.gov.uk)

Comms/exec/2009-10/049

# ANNEXE 1

## FUTURE OF THE HOME IMPROVEMENT AGENCY – OPTIONS APPRAISAL

### Background/Context

1. There are a number of factors, which are driving a need to develop HIAs further and change how they operate.
2. The ‘Foundations’ organization has been appointed by the Department for Communities and Local Government (DCGL) to co-ordinate the development of HIAs across the country. Their aim is to drive up standards, provide individual support to the HIA movement. The view of ‘Foundations’ is that HIAs need to change in order to better deliver wholistic services to vulnerable and disabled people.
3. There is a growing ageing population across England, Surrey and Waverley who will want to draw on the services of the HIA. See Table below:

Information from the Office for National Statistics (ONS) sub-national population projections by sex and quinary age groups is seen in the table below.

#### **Data for: Surrey**

#### **Population aged 65 and over, in five year age bands, projected to 2025**

	<b>2008</b>	<b>2010</b>	<b>2015</b>	<b>2020</b>	<b>2025</b>
People aged 65-69	47,100	50,600	60,900	53,500	57,200
People aged 70-74	42,000	42,400	46,100	55,800	49,300
People aged 75-79	36,300	36,300	37,800	41,400	50,400
People aged 80-84	27,400	28,000	29,900	31,900	35,500
People aged 85 and over	27,600	28,900	32,000	36,100	41,300
Total population 65 and over	180,400	186,200	206,700	218,700	233,700

Figures may not sum due to rounding.

4. Perhaps most importantly is that Surrey County Council which provides significant funding for the Waverley HIA (and other Surrey based HIAs) is aiming to reduce the number of HIAs across the county in order to:
  - ensure access to consistent, high quality HIA services by all eligible Surrey residents;
  - further support the policy agendas of national and local government, health and law enforcement partners. Specifically this includes policies on helping older people (and others) to receive help and to remain at home – Closer to Home, delayed discharge prevention, falls and accident prevention, improved Community Safety and achieving/maintaining decent homes standards.
  - consideration of whether SP funded HIA services are being provided in the most effective way and suggest improvements

- distribute funding across Surrey and make it more equitable where necessary to ensure this.
  - identify gaps in service provision and how best to commission services to meet these gaps
  - jointly commission and procure HIA services across Surrey in a streamlined way, achieving efficiencies for the funding agencies and demonstrating improved value for money.
5. Although Waverley provides a satisfactory HIA service, which is much appreciated by users, without additional resources and capacity it will struggle to meet expectations of customers, its funders, and will not be able to meet potential demand. It is therefore timely that consideration of different ways to deliver this service is given.

### **Options for the Future**

6. There are a number of options for the future, which are:

1. Do Nothing

Waverley could continue with the present working arrangements. The two main funders (Surrey Supporting People and Social Services) will increasingly expect their Service Specification to be fully met. However, with limited staff capacity and increased demand for this service it is likely that the service will find it difficult to continue with the status quo. At present, the Manager post is vacant, and this presents an opportunity to change and shape how the service is delivered into the future. Failure to improve performance runs the risk of the Supporting People contract (and associated Social Services funding) being terminated. When Supporting People undertook a review in 2008, they considered that Waverley's performance needed to improve. They also indicated that their preference for a way forward was a merger with Guildford. If Waverley adopts the 'do nothing' approach, the Council is likely to risk losing £65,000 of income from Supporting People and Surrey County Council. The Council would have to make-up this lost income from the General Fund revenue budget.

Given the pressures on the Council's General Fund revenue budget, a 'do nothing' approach is not a realistic option.

2. Cease to Provide the Service

Waverley could take the view that it no longer wishes to provide an HIA. This is a discretionary area of work and some local authorities choose not to provide this service, however HIA's assist local authorities in discharging their statutory duty to provide Disabled Facilities Grant. This would have service and staffing implications. However, the main funders (Supporting People and Surrey CC) who are keen to see such a service delivered would presumably commission it from elsewhere. There is an issue of reputational risk to Waverley.

### 3. Develop the existing service and provide it for neighbouring authorities

This approach is consistent with Surrey's wish to develop HIA clusters of which Guildford/Waverley is one. However, Waverley's current service is operated on a very lean basis and has capacity issues. It does not directly offer services, such as a 'Handyperson' service for example. Neighbouring local authorities, such as Mole Valley District Council, have already outsourced this service to Anchor. Guildford Borough Council is keen to operate an in-house HIA as at present. Discussions indicate that it is unlikely other local authorities would buy a service from Waverley. Furthermore, Surrey Supporting People is keen to commission HIA services on a cluster basis and without other organization to cluster with, this option is not viable.

### 4. Commission the Service from another provider

- 4.1.1 Under this option, it should be remembered that if Surrey Supporting People/Social Services funding is to be taken into account, regard needs to be taken to their commissioning intentions.
- 4.1.2 There are a number of potential providers in the market for example: Anchor Staying Put; and some housing associations.
- 4.1.3 If Waverley were to seek to work with a non-council partner, it would have to tender the service in the open market. Under this route, Waverley would be tendering a service without the support and revenue funding from Surrey Supporting People/Surrey County Council. The Council would therefore need to identify a revenue budget to apply to such an initiative.
- 4.1.4 Experience from other local authorities suggests that the costs of such a service is likely to be more than Waverley currently budgets for from within its own resources.
- 4.1.5 Additionally, this approach is not consistent with Surrey Supporting People's wish to develop HIA hubs of which Guildford/Waverley is one.

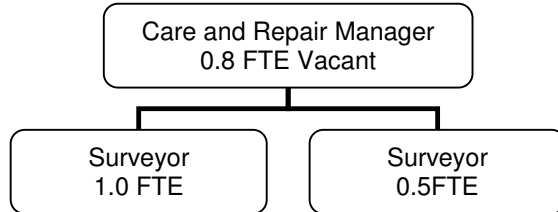
### 5. Merge the Waverley Service with another local authority

- 5.1.1 This approach is consistent with the growing trend of 'shared services' being developed by local authorities.
- 5.1.2 Guildford Borough Council has indicated that it is interested in developing its in-house HIA further and would be willing, in principle, to provide a service to cover the Waverley area.
- 5.1.3 This option is consistent with the direction of travel being signalled by the Foundations organization, and being promoted by Surrey County Council's commissioning intentions. The Supporting People Team is keen to promote this option and is prepared to continue to make funding available for should Waverley adopt this approach.



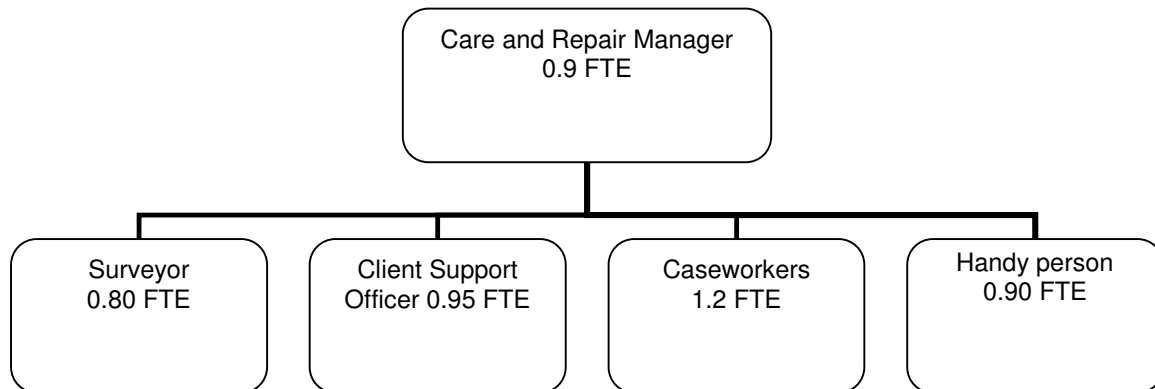
## STRUCTURE OF THE EXISTING AND NEW HIAs

### Waverley Existing Structure



FTE = 2.3

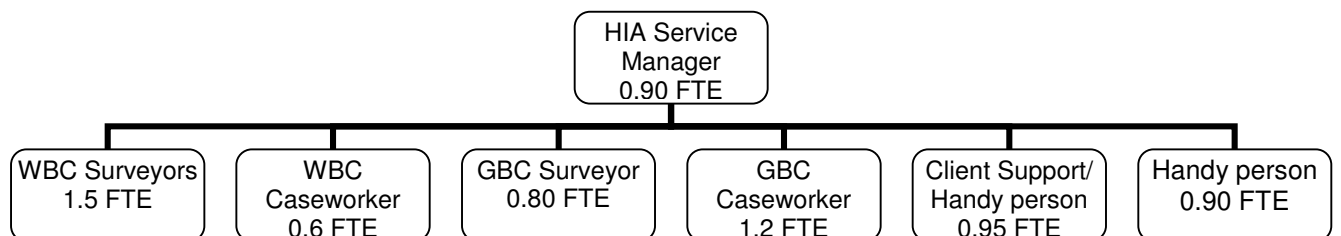
### Guildford Existing Structure



FTE = 4.75

### Proposed Guildford and Waverley Structure

FTE = 6.85



## Annexe 3

### Draft Revenue Budget for Direct Costs of New Home Improvement Agency

NB These figures are still subject to final agreement

	Existing Budget 2009/10 Guildford	Existing Budget 2009/10 Waverley	Total Cost
	£	£	£
N and H Mgt Salaries	1,090		1,090
Nand H Mgt NI	70		70
N and H Mgt Super	70		70
Comm Care Salaries	80,190	66,240	146,430
Comm Care NI	5,580	4,690	10,270
Comm Care Super	11,700	10,930	22,630
Emps Liab	930	640	1,570
Prof Subs	10	200	210
Private Medical Scheme	30		30
<b>Total Employee Related</b>	<b>99,670</b>	<b>82,700</b>	<b>182,370</b>
<b>Premises</b> - Proportion of Depot Exps	<b>650</b>		<b>650</b>
<b>Transport</b> Car Allowances : Officers	<b>3,500</b>	<b>4,650</b>	<b>8,150</b>
New Replace Equip Tools	100	150	250
Publicity:Minor Publications'	80	300	380
Printing Services Recharge	490	50	540
Stationery and Office Supplies	30		30
Telecomms Business Use	480	330	810
Mobile Phones	510	50	560
General Subscriptions	220		220
Miscellaneous Expenses	230	1,000	1,230
Contributions to IT Renewal Fund	160		160
<b>Total Supplies and Services</b>	<b>2,300</b>	<b>1,880</b>	<b>4,180</b>
<b>Total Direct Costs</b>	<b>106,120</b>	<b>90,820</b>	<b>196,940</b>
Supporting People Grant	(33,610)	(32,150)	(65,760)
SCC Grant	(31,630)	(32,020)	(63,650)
Estimated Fee Income	(33,280)	(32,000)	(65,280)
<b>Total Income</b>	<b>(98,520)</b>	<b>(96,170)</b>	<b>(194,690)</b>
<b>Net Expenditure (excluding all overhead and Support Costs)</b>	<b>7,600</b>	<b>(6,940)</b>	<b>660</b>
Additional Partnership Costs (Training)			1,590
<b>Total Net Expenditure (excluding all overhead and Support Costs)</b>			<b>2,250</b>

#### Note

The existing GBC employee related costs include a saving of £12,380 has already been incorporated in the 2009/10 estimates. These costs do not include the Handyperson Service run by Guildford Borough Council alongside the HIA.

# ANNEXE 4

## **Basis of Service Level Agreement/Memorandum of Understanding**

1. In order to protect the interests of Waverley Borough Council's residents, it is intended that the Council enter into an agreement with Guildford Borough Council's HIA, which, under these proposals, will be providing services across Waverley.
2. The Service Level Agreement (SLA) or Memorandum of Understanding could include targets for providing the service in Waverley such as:
  - Number of enquiries (annually): 660
  - Provide advice and signposting (annually): 594
  - Number of jobs completed (annually): 66
  - Time from first enquiry to first contact with customer: 2 working days
  - Time from first enquiry to first visit: 3 weeks
  - Time from enquiry to submission of completed grant application: 10 weeks
  - Time from first visit to completion of works (jobs costing less than £1,000): 20 weeks
  - Time from first visit to completion of works (jobs costing £1,000 or more): 35 weeks

(Supporting People's targets above)

  - Percentage of Waverley grant-related activity carried-out by the Home Improvement Agency: 75%
3. The agreement will also contain provisions relating to a range of other matters including TUPE and the practical arrangements to protect Waverley Borough Council's interests.

Comms/exec/2009-10/049