

## SHARED HOME IMPROVEMENT AGENCY SERVICES

### (Report by the Head of Housing Services)

#### 1.0 PURPOSE OF THE REPORT

- 1.1 To seek Cabinet's 'in principle' approval to establish a shared Home Improvement Agency (HIA) service with Cambridge City and South Cambridgeshire District Council.
- 1.2 To seek delegated authority to be given to the Managing Director (Communities, Partnerships and Projects), following consultation with the executive councillor for Resources and Customer Services and the Managing Director (Resources) to approve the establishment of the shared service.

#### 2.0 Background

- 2.1 The HIA oversees the provision of aids and adaptations to the homes of those with disabilities. This is for both private and housing association homes. The service is provided in-house by the Council. The HDC Agency has five staff. It is a holistic service that pro-actively assists clients through all stages, from enquiry, through grant eligibility, scheme design and specification, obtaining prices and overseeing the works.
- 2.2 The total cost of the service (2010/11) for HDC was £261,108; for Cambridge City £219,990; and South Cambs £213,374. These costs were funded as follows:

	City	South Cambs	Hunts
Fee Income from capital projects	67,520	75,000	110,000
Supporting People	37,460	34,880	31,510
Adult Care (County)	30,000	30,000	30,000
PCT	16,800	16,000	16,000
District Authority	68,210	57,494	73,598
<b>Total Costs</b>	<b>219,990</b>	<b>213,374</b>	<b>261,108</b>

- 2.3 The Cambridgeshire Supporting People Commissioning Body carried out a Review of the HIA service in 2008. The review recommended that joint commissioning be considered to ensure future funding certainty and the commissioning of the service over a broader geographical area to provide better value for money and consistency in service delivery.
- 2.4 Procurement rules require County and health colleagues to consider tendering the services. Procurement advice has indicated that it will not be necessary to tender the HIA services for the City, South Cambs and HDC (because they are delivered in-house) if the partner authorities agree to implement a joint service.
- 2.5 At the Supporting People Commissioning Body meeting on 28th April 2010 it was decided that there was sufficient interest to continue the development of a shared service model.

### **3. The Proposal**

- 3.1 Following discussion between the respective Heads of Service and Accountants from the councils a preferred staff structure has emerged that would reduce the number of Managers from three to one and would reduce the number of administrators in the team by one. The number of frontline caseworkers and surveyors would be retained.
- 3.2 It is proposed that the new shared service be managed by Cambridge City with the head office for the shared service located at South Cambs District Council at Cambourne. Touch-down bases will be provided at HDC and City Council to minimise travelling for the staff, and home working will be explored.
- 3.3 Various cost sharing mechanisms have been considered and it is proposed that the mechanism that would be most fair and equitable would be one partly based on the annual level of capital investment made by each district in adaptations carried out by the service. The level of capital investment is, in effect, a proxy for the level of activity supported by each district in its area.
- 3.4 On the current assumptions, using a cost sharing mechanism based partly on capital investment the saving from a shared service will be circa £75,000 per annum with HDC saving circa £30,000 per annum.
- 3.5 There will be various 'start up' costs associated with moving to a shared service, notably, the potential cost of staff redundancies when the staff structure is reviewed. It has been agreed in principle that should any of three Managers be made redundant, the redundancy costs that result will be met by the current employer. This agreement has been reached in view of the long service of each and the relatively high cost of any redundancy and the difficulty of managing this within the cost sharing mechanism. All other redundancies, if needed, together with other start up costs, and can be managed within a cost

sharing mechanism. Bearing in mind the initial start up costs, which are still being determined, of the new service is not expected to realise any savings, for HDC, in its first two years of operation.

- 3.6 At a time of reducing budgets, a major reason for joining forces with City and SCDC is the opportunity to sustain a level of operation that would otherwise become increasingly fragile. In addition, as the team at each authority is relatively small a combined service offers more resilience for staff absences.

#### **4. Ongoing Considerations**

- 4.1 There are various work streams, some of which are mentioned below, that are ongoing and some which will commence if Cabinet give in-principle agreement to the shared service.

- staff consultation (commenced)
- IT solutions
- Business Process examination and modelling
- the development of a legal protocol to govern the shared service
- the development of an agreed cost/risk sharing mechanism between the authorities.
- The treatment of residual overheads

#### **5. Conclusions/Summary**

- 5.1 This report is about setting up a shared Home Improvement Agency with South Cambridgeshire District Council, Cambridge City Council and Huntingdonshire District Council. The shared service is proposed as it will offer the best opportunity to sustain the current levels of service across the districts at a time of reducing budgets. In addition, as the team at each authority is relatively small a combined service offers more resilience for staff absences.
- 5.2 The model proposed is for a single staff team to be primarily based at the SCDC's offices in Cambourne administered and line managed by the City Council. This proposal will save HDC circa £30,000 per annum. The target date to establish of the shared service is April 2012.

#### **6. Recommendation**

**It is recommended that Cabinet:**

- a) agree in principle that a shared Home Improvement Agency Service be established with Cambridge City and South Cambs District Councils;

- b) that delegated authority to be given to the Managing Director (Communities, Partnerships and Projects), following consultation with the executive councillor for Resources and Customer Services and the Managing Director (Resources) to approve the establishment of the shared service; and
- c) that any comments received from Scrutiny Panel (Social Well-Being) at its meeting to be held on 5<sup>th</sup> July 2011 be considered by the executive councillor for Resources and Customer Services.

**BACKGROUND INFORMATION**

Cambridgeshire Supporting People Review of Home Improvement Agency Services, 2008.

Cabinet Report - 26 June 2008, Consultation on the Supporting People Review of Home Improvement Agencies.

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