

APPENDIX 1

EXTENDING THE SHARED HOME IMPROVEMENT AGENCY SERVICE (CAMBS HIA)



BUSINESS CASE

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Owner: Cambs HIA Board

Client: HIA partnership (Cambridge City, S Cambridgeshire & Huntingdonshire plus East Cambridgeshire councils)

www.cambshia.org

Revision History:-

Version	Date	Status	Summary of Changes	Author
1	14 April 2015	draft	New	Pat Strachan
2	22 May 2015	draft	Finance update, fill gaps, HDC issues	Pat Strachan
3	26 May 2016	draft	CHIA performance info, feedback & checks	Pat Strachan

Distribution:-

Final draft of this document has been distributed to:

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* S = SIGN-OFF, R = REVIEW, I = Information

Extending the Shared HIA Service – Business Case

1. Business Rationale

1.1. Description and Objectives

Cambridgeshire Home Improvement Agency (Cambs HIA) was set up as a shared service in 2012.13.

The agency works with older people and others who need support to adapt and repair their homes. The main client group is people who own or privately rent their homes.

This Business Case confirms the partner council's commitment to a Home Improvement Agency service due to its contribution to wider strategic objectives for the local community and across Cambridgeshire. The proposal to extend the partnership to include East Cambridgeshire will consolidate and develop the service and its longer term effectiveness and financial viability.

Legislation and Strategy

The HIA service enables the council to meet statutory duties under the Housing Grants, Construction and Regeneration Act 1996 to award Disabled Facilities Grants (DFG) assisting vulnerable people carry out essential adaptations subject to qualifying conditions. The HIA service also assists people to maintain, repair and improve their homes to make them safe and suitable. Discretionary Repairs Assistance Grants or loans help owner occupiers and private tenants with repairing responsibility to carry out essential repairs to their homes.

The service contributes to the delivery of the Council's Housing Strategy and the local response to major national policy shifts to more closely integrate health, social care and housing services in the Care Act 2014 and Cambridgeshire's Better Care Fund priorities. This includes the Cambs H&WB Strategy, Cambs Older Persons Strategy and Cambs Social Care outcomes.

In Cambridgeshire, the number of older people is forecast to rise steadily until at least 2021. Most older people are in good health but the number of frail older people is increasing especially people aged 85 or over. The JSNA (Joint Strategic Needs Assessment) reports that almost half of all hospital care resources (45%) are used for people 65+ and especially those who fall. The number of people of all ages living with a disability is expected to increase including children, adults with a physical disability, learning disability, visual impairment, hearing impairment or a disability on the autistic spectrum.

Service objectives

Cambs HIA has a draft 3 year Business Plan (2015 to 2019), with the mission to: **“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.”**

Cambs HIA works with people of all ages, who may be living with complex conditions or are terminally ill. We also work with people living in housing conditions in need of maintenance, repair or improvement.

We also offer a wide range of information and have an extensive network of contacts about useful services. We work on individual, bespoke projects; mainly with people who own or privately rent their homes.

Adaptations to housing association homes in Huntingdonshire are generally done via Cambs HIA, we also do a small number of projects for housing associations in the rest of our area. Cambs HIA

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is not involved in works to council owned homes in Cambridge City and South Cambs, these are done directly by the relevant local authority.

The CHIA Business Plan has 5 themes and aims to deliver the following outcomes:

Information, advice and choices

Clear information and advice are essential aspects of good practice for a Home Improvement Agency service (1). Our aims are to:

- offer clear and holistic information and advice
- make the service accessible and promote wider awareness
- help people assess their own needs and make their own choices
- develop partnerships to give access to specialist services including financial services and housing options

Customer and wider stakeholder involvement

We ask customers of our service to feedback on their experience when works are complete and after six months. We follow up on the feedback we receive, report this to our Management Board and to our key partners. Survey templates are included in the appendices. However, we want to our service to be informed, influenced, quality checked and developed with wider involvement in future. To progress this we aim to:

- consult on our Business Plan and ideas about wide involvement
- seek to establish and develop a stakeholder reference group
- make it easy and improve the ways to give feedback and ideas about our service
- encourage and develop feedback from our key partners and other organisations in the field

Effective and efficient service

Since Cambs HIA was established we have actively looked at simplifying, standardising and improving how we work to become more effective and efficient. To progress this further our key tasks are:

- Monitoring our performance against agreed Key Performance Indicators (KPIs) and to develop these
- Further streamline and develop the effectiveness of Cambs HIAs internal procedures to improve the customer journey
- Improve the effectiveness of our work with contractors and standardise the arrangements for contracted works by undertaking a comprehensive re-procurement exercise
- Work with our local authority partners to review and develop local housing grant related policy. With local authority agreement, seek to more closely align these policies.

Better integration and partnership working

Our service is based on partnership and our success depends on how well we work with partner organisations, suppliers and other agencies. The Care Act 2014, promotes greater integration of health and social care and also recognises the critical role of housing in enabling people to live independently. Cambs HIA proposes to pro-actively taking this forward, if the necessary backing and agreements can be reached:

- extend the existing partnership agreement for a further 3 years and include East Cambridgeshire
- work with representatives from the health service, social care (county council) and all district councils to assist them to consider the options to establish a county wide service

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- work with key partners to streamline the customer journey and provide effective, timely solutions for people in most need
- extend our network of key partners and joint projects to improve key aspects of our customer service

An organisation fit for purpose

This is essential to maintain and develop Cambs HIA and to achieve the priorities agreed in our final approved Business Plan.

The key aspects of this are:

- entering into a new shared service agreement from April 2016
- planning for and securing the funding, equipment and facilities we need to achieve the ambitions in our Business Plan
(see the section on our funding below for further details)
- reviewing our organisational structure
- demonstrating our commitment to good practice and innovation by obtaining accreditation and opportunities to develop research based evidence.

1.2. Business Background

The shared service is currently operating in a partnership between Cambridge City, South Cambridgeshire & Huntingdonshire councils and was established in 2012. The reasons for setting up the shared service were summarised as:

- Establishment of a service structure and operation that is likely to be most sustainable into the medium term (3 to 5 years)
- Provides the best opportunity to develop new services in future
- The potential for cost savings and delivery of value for money

Cambs HIA has a ring fenced budget. Operating costs must be met from fee income, plus grants from the County Council (social care) and Health (Uniting Care Partnership), and contributions from customers towards part of all of the works (if they fail the financial means test) Fee income earning potential currently relies on council's housing grants & loans capital programme.

The tables below gives a summary of what Cambs HIA has delivered over the past three years.

Cambs HIA Summary of performance 2014/15

Description	City	S Cambs	Hunts	All	Comment
Enquiries	216	309	437	962	
DFG referrals	88	105	179	323	25% lower than 13/14 due to fewer Occupational Therapist referrals.
DFG complete	64	62	203	329	
Caseload	67	141	176	384	At year end
Av time referral to completion	34.81	48.78	34.03	37.37	
Av cost works < £10K	£5,567	£4,667	£4,176	£4,511	
Av cost works > £10K	£19,289	£20,187	£16,469	£17,352	
Discretionary grant applications	28	21	16	65	

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Approvals	28	21	15	64	
Completions	33	23	14	70	

Customer satisfaction Summary of performance 2014/15

Return rate: City 68% response (39 returns from 57), S Cambs 39% (33 returns from 84), Hunts 36% (75 from 208)

Rating: 1= lowest 5 = highest

Description	City % rate 4/5	City % rate 1/2	S Cambs % rate 4/5	S Cambs % rate 1/2	Hunts % rate 4/5	Hunts % rate 1/2
Caseworker advice	97	0	100	0	88	4
Surveyor advice/info	90	0	91	0	88	1
Comms with CHIA	90	0	97	0	87	3
Comms with contractor	85	3	85	6	88	4
Attitude of operatives	85	3	94	0	99	1
Tidiness of contractor	87	3	85	3	93	4
Time taken/inconvenience	80	8	85	3	80	7
Quality of work	87	3	85	9	92	4
How well kept informed	85	5	91	0	89	7

Description	City %	S Cambs %	Hunts%	Comments
Work met expectations	95	91	87	% fully met
Work represents value for money	95	91	89	% yes
Work helped health/wellbeing	100	97	99	% yes
Work reduced likelihood fall/accident	97	79	99	% yes
Work increased independence	97	85	97	% yes
Work reduced care package	97	42	48	% yes
Overall satisfaction	97	100	89	% yes

Cambs HIA Summary of performance over 3 years 2012/13-2014/15

Description	2012/13	2012/13 All	2013/14	2013/14 All	2014/15	2014/15 All
All enquiries	CC 195 SC 240 HD 434	869	CC 257 SC 289 HD 481	1027	CC 216 SC 309 HD 437	962
Completed DFG jobs	CC 68 SC 77 HD 189	334	CC 86 SC 75 HD 238	339	CC 64 SC 62 HD 203	329
% private tenure	CC 73 SC 90 HD 54	68%	CC 74 SC 86 HD 57	69%	CC 72 SC 85 HD 57	69%
DFG grant spend (nearest K)	CC 470K SC 507K HD 1,239K	£2,216K	CC 578K SC 663K HD 1,723K	£2,964K	CC 557K SC 641K HD 1,381K	£2,578K
Disc grants complete	CC 25 SC 29 HD 11	65	CC 34 SC 27 HD 18	79	CC 33 SC 23 HD 14	70
Disc grant spend (nearest K)	CC 103K SC 106K HD 54K	£ 263K	CC 81K SC 111K HD 113K	£ 305K	CC 238K SC 92K HD 89K	£ 418K

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For more information about Cambs HIA See Annual Reports 2012/13, 2013/14 & website www.cambshia.org

1.3. Cost/Benefit Analysis

Cost/ benefit of HIA services

There is a range of national evidence sources for the benefits of of HIA activities although a need for more quantifiable cost based evidence is recognised e.g. Time to Adapt-C&RE, LGN Research 2013. Minor adapts without delay-RCOT 2006, Revaluation of Home Accidents-ROSPA 2010, reduction in burglary initiative-Home Office 2001, Living Well at Home Inquiry-Hsg LIN 2011.

Cost/ benefit of extending the Cambs HIA partnership

The original case made to establish the shared service has even more relevance now. Extending the partnership is supported by key funding partners who make a significant funding contribution. This also fits closely with the national drive towards a more integrated and jointly funded operation. The key drivers are:

- Develop a service delivery model to meet increased need in a cost effective way
- Develop the inter-agency response to urgent cases (such as, hospital discharge and terminal illness), complex needs and people in poor housing.
- Improve HIA resilience and the case for wider funding support to enable CHIA to operate into the medium to longer term
- Deliver a more robust and effective organisational structure
- Develop the quality and scope of the HIA service including other partners for specialist advice (for example, we have joined a pilot project with Foundations - the National body for Home Improvement Agency & Handyperson services- with Step Change to refer people for financial advice). See the CHIA Business Plan for further details.

Project costs.

There are no direct project costs to current partner councils. However, staff time will be required to contribute to delivery of the project plan. This has been reported to the City Business Transformation Unit including further capacity to support the co-ordination of this project if it is approved.

Key aspects of this work will be undertaken by Cambridge City as the lead authority for the project including:

- Legal services lead to draft and finalise the extended shared service legal agreement following instructions agreed the CHIA Board
- HR services: including due diligence and TUPE transfer arrangements
- ICT set up and data transfer liaising with Hunts DC ICT service

The set up costs of up to £18,786 will be met by East Cambs District Council (ECDC). See appendix 2. This includes ICT equipment at the ECDC satellite office and at SCDC, plus office facilities and equipment for the extended operation (some of these costs can be reduced depending on ECDC decisions). Liability for costs related to staff who do not transfer to Cambs HIA are not included in this figure and would also be the responsibility fo ECDC.

The table below serves to demonstrate that Cambs HIA will be at no greater financial risk by extending the service across East Camb DC. Indeed, if East Cambs become a partner this will facilitate a restructure that would result in an improved financial position.

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BUDGET SUMMARIES 2015/16. See appendices for full details.

Scenario	Income total £	Expend Total £	(Surplus)/ Deficit £	Comment
CHIA -3 partners	543,930	534,910	(9,020)	2016/17 projected deficit £5,780 2017/18 projected deficit £21,010
CHIA – 4 partners on joining	688,000	679,036	(8,964)	2016/17 projected deficit £9,740 2017/18 projected deficit £28,950
CHIA – 4 partners with restructure	688,000	661,676	(26,324)	2016/17 projected surplus £8,110 2017/18 projected deficit £10,590

The figures in the table are based on the following assumptions:

- To be able to compare scenarios East Cambs DC became partners from April 2015.
- Local authority DFG and Repairs Assistance capital funding will continue at or close to current levels
- County Council Social Services and Health revenue funding will continue
- Private fee income and grants from other sources continue at 15/16 levels including ECDC

Note – Although the table above shows a deteriorating financial position under all scenarios this is based on the worst case assumptions. Clearly mitigating steps would be put in place around cost savings or income generation to avoid the service moving into deficit.

Opportunities and risks are summarised in the table below

OPPORTUNITIES	RISKS
Increase customer assessment, involvement and choice- including self help options	Need to operate within regulatory framework & explain boundaries that need to be jointly agreed and applied.
Development of a specialist service to meet growing need. Recognised expert provider for delivery of this service Increase awareness of the service.	Increase expectations and capacity to meet demand effectively Need to develop in a sustainable way and ensure service is resilient Growth in market of other providers
Continue and extend the HIA partnership model	Agreement from all partners required
Co-ordinated and integrated approach to capital and revenue funding with key funding partners	Reduction or withdrawal of funding from all key partners
More consistent, reliable service and scope for economies of scale	Loss of local focus and concern about quality of service. Variations between localities will continue to exist and can cause confusion and are more complex to administer.
National and local policy change	Rate of change and review makes future planning more challenging
Experience of shared service set up and small scale of extension proposed. Well co-ordinated and open project planning will inform and assist effective implementation	Concerns about loss of customer service and fall in productivity caused by implementing an extended service.

1.4. Contract Arrangements

Subject to Member approval from all partners, a new legal shared service agreement will be entered into for a three year period from April 2016-March 2019, by all partner councils.

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2.0 Solution Summary

2.1. Scope

Extend the existing shared service agreement and include East Cambridgeshire District Council, to continue to deliver Home Improvement Agency services.

2.2 Outline solution

Summary of outcomes if ECDC joins the partnership

- Maintain and develop customer service in East Cambs based on and as part of the CHIA model
- Service delivery in East Cambs becomes the responsibility of Cambs HIA. Experience from the set-up of CHIA will be used to plan implementation carefully, manage the change and seek to minimise or avoid negative impacts of change on users of the service and staff
- The East Cambs staff team will transfer (under TUPE regulations) to the City Council (as lead partner). The proposal is to transfer the team (currently a maximum of 3 people) and restructure within 6 months.
- Recruitment to fill essential staff capacity gaps will be undertaken e.g surveyor for technical services
- The current case records will be incorporated into the CHIA wholly electronic case recording and file management systems.
- ICT hardware and software from HDC will be supplied and used by the transferring staff and the East Cambs Grant Validation Officers
- A satellite CHIA office will operate at East Cambs District council (at nil cost to CHIA). CHIA has developed flexible working with staff operating in various locations including home working.
- East Cambs will become a partner member, join the CHIA Management Board and contribute to the planning, oversight and delivery of CHIA.
- East Cambs will have ongoing costs related to ICT technical support and software costs for Grant Validation Officers

Summary of Exclusions

1. Grant validation service: this proposal does not include shared arrangements for grant validation. This function is retained within all local authority partners, independently of each other.
2. Handyperson service: This was provided by East Cambs HIA until March 2014. This is outside the scope of Cambs HIA activities and is part of county-wide tendering proposals.

2.3. Other Options-all partners

Options	Advantages	Disadvantages
Continue existing shared service partnership only	<ul style="list-style-type: none"> • Time & capacity to manage further change not required • Focus on current service efficiencies and effectiveness 	<ul style="list-style-type: none"> • Future sustainability more at risk • Less scope to develop organisational structure • Economies of scale reduced • Future funding-revenue from partners & central government capital less certain after 2015/16
Local authorities deliver a grant administration service only	<ul style="list-style-type: none"> • Reduce scope of activity • Simplify workload Reduce take up. 	<ul style="list-style-type: none"> • Major reduction in service and support for vulnerable people when need is growing & more complex cases • Increase staff time on enquiries and assistance to self manage the

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		<p>process</p> <ul style="list-style-type: none"> Counter to joint working, current strategies and legislation e.g. Care Act
For ECDC by joining Cambs HIA Partnership	<ul style="list-style-type: none"> Customer service development and growth opportunities Improved service continuity & lower risks from staff change Improve future sustainability & influence due to scale CHIA experience and opportunity for detailed implementation planning Ongoing direct Influence on future plans & operations Staff know each other/local organisation Removes ongoing revenue funding by ECDC Fits with national policy shift & trends in other areas for HIAs to operate across a bigger area 	<ul style="list-style-type: none"> Loss of wholly local focus & concerns about customer service Further change and new set up costs (after transferring from an independent Agency service into the local authority) Time and capacity for implementation planning & consultations Time limited agreement. Influence but not control on future direction. Economies of scale & other cost saving measures may not be realised until year 2 onwards
Tender for HIA service	<ul style="list-style-type: none"> Wider market testing of providers Customer service and growth opportunities Economies of scale may be realised quickly Fits with national policy shift & trends in other areas for HIAs to operate across a bigger area 	<ul style="list-style-type: none"> TUPE transfer obligations impact heavily on attractiveness to the market Loss of wholly local focus Less able to influence overall organisational strategy & direction Risk of more fragmentation of the service Future revenue funding from partners uncertain Need to test for community benefit as well as VFM

3.Risks and Issues

3.1. Key Risks

TOPIC	SUMMARY	RISK MITIGATION
CHIA capacity	Impact on service delivery of extending the partnership	Careful implementation planning and preparation Early recruitment to fill key gaps
Project team or loss of members	Capacity of project team or loss of members	Ensuring capacity included in City council project plans
Agreement for extended partnership	Differences in view between different partner councils & members	Lead member involvement post May 2015 election
Major funding change	Major policy shift and funding withdrawal post election	Service review would be undertaken by existing partners
Unexpected	Impact on set up of of ICT	Preliminary work indicates this is unlikely.

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technical issues	equipment & data transfer. Impact of new partnership service	Implementation planning for extended partnership delayed
Office facilities inadequate	Negotiations for premises with SCDC are unsuccessful	Back up planning

4. Timescales

B10. Anticipated Approach and Timetable		
See Outline project plan		
Stage	Outcome / Deliverable	Date of Completion
Finalise Business case	CHIA partners finalise Business case in each locality	May/June 2015
Member views	Business case approved	June-July 2015
Extended partnership -implementation planning	Detailed implementation plan	tbc-subject to approval
Operational delivery	Go live of extended service	tbc-subject to approval

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Part C - Management Plan
<p>Project co-ordination for extended partnership: Pat Strachan (CHIA) & Liz Knox (ECDC). Additional project co-ordination support is being followed up (and subject to project approval)</p> <p>Regular progress reports to Alan Carter (Chair of CHIA Board).</p> <p>Project timetable revised following advice from project groups. Linked to City Buisness Transformation team.</p> <p>Update reports to CHIA Board.</p>

Appendices:

(1) Capital programme. See below

Also available on request

(2) Budgets

(2a) Projections for continuation with 3 partners

(2b) Projections for a 4th partner no restructure

(2c) Projections for a 4th partner with restructure

(3) Summary of ECDC set up costs

(4) Outline project plan as at April 2015. To be reviewed if project is approved.

Reference documents:

Cambs HIA Draft Business Plan April 2015

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Cambs HIA Annual reports 2012/13, 13/14

Cambs HIA KPIs adopted Oct 2014

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Appendix 1 – Business Case Financial Model

Capital programme

AREA	15/16 £K	16/17 £K *
City	745	745
S Cambs	760	760
Hunts	1,575	1,575
E Cambs	N/A	628
Total	3,080	3,708

* NOTE: assumes no change from 15/16