

# TONBRIDGE & MALLING BOROUGH COUNCIL

## STRATEGIC HOUSING ADVISORY BOARD

19 May 2008

### Joint Report of the Director of Health and Housing and Cabinet Member for Housing

#### Part 1- Public

#### Matters for Recommendation to Cabinet - Non-Key Decision (Decision may be taken by the Cabinet Member)

#### 1 HOME IMPROVEMENT AGENCY

##### Summary

This report updates Members on the review of the Home Improvement Agency and the negotiations with *in touch*. The report recommends that the service should be outsourced to *in touch* who will provide a much enhanced service at little or no extra cost to the Council.

#### 1.1 Background

1.1.1 A Scrutiny review of the Council's Home Improvement Agency (HIA) was carried out during 2007/08. The review recognised the hard work of the staff in the Agency but found that service delivery was limited by the small size and therefore capacity of the in-house team. The main limitations identified were:

- there is no scope within the existing staffing resource base to expand to offer a handyperson service (which although known as an ancillary service for agencies provides an extremely important resource to enable independent living for both elderly and disabled residents);
- there is limited cover available should team members be on leave/sick which can lead to delays in responding to clients needs; and
- there is no 'spare' capacity to take on additional work opportunities such as helping to spend Regional Housing Board funding for private sector renewal.

1.1.2 The review identified the provision of a 'handyperson' service as an essential component of HIA services. Typically handyperson services include help with small jobs such as minor repairs, odd jobs e.g. putting up shelves and curtain rails and falls/accident prevention work.

1.1.3 Members were advised that the minimum additional extra staff required to improve the in-house service would be a technical officer (SO grade), to improve throughput of Disabled Facilities Grants, Housing Assistance repairs and take on additional project work; and a technician (Scale six) to fulfil the handyperson role. These posts would represent an additional cost to the Council (including on costs) of approximately £78K per annum. Further costs would be associated with the purchase/leasing and ongoing running and maintenance of a handyperson van, considered to be in the order of £6K per annum, to leave a total net additional cost to the Council of at least £84K. The annual cost to the Council of running an enhanced in house HIA after deducting income would therefore be at least £161,364 (not including service overheads).

1.1.4 Because of the budgetary implications arising from enhancing the in-house Agency, Members endorsed exploring the potential to outsource the service to *in touch*, a subsidiary of Hyde Housing who operate HIA services across nine of the twelve local authorities in Kent.

1.1.5 Specifically, on 5 February 2008 Cabinet endorsed the following recommendations: to

- **AGREE** that the current Home Improvement Agency service and value for money it provides should be improved;
- **ENDORSE** the seeking of those improvements by exploring further the outsourcing of the Home Improvement Agency service;
- **AGREE** that outsourcing the service be exempted from tendering requirements by virtue of Contracts Procedure Rule 3.1 (g); and
- **INVITE** the Director of Health and Housing to enter into formal negotiations with *in touch* HIA, to outsource the Council's Home Improvement Agency service and this be implemented as soon as practicable.

## 1.2 *In touch* Tender Proposal

1.2.1 On 2 April 2008 *in touch* submitted their tender proposal to the Council. Under the Contracts Procedure Rules (rule 9) it is normal procedure to open in the presence of an appropriate Member of the Executive. As there was only one tenderer on this occasion, the monitoring officer advised that there was no prejudice to any other party in departing from the normal practise on the opening of tenders. This report therefore requests a retrospective exemption from the requirement to open the tenders in the presence of the relevant Member.

- 1.2.2 Further to receiving the tender proposal, a meeting was held with *in touch*. The costs submitted by *in touch* associated with providing an enhanced service through a south west Kent Agency (covering Tonbridge & Malling, Maidstone, Sevenoaks and Tunbridge Wells) are set out below.

<b>Summary</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Total</b>
Direct Staff Cost	505,978	523,687	542,016	1,571,680
Staff Related Cost	24,513	25,371	26,259	76,143
Office & Accommodation	45,784	46,929	48,102	140,814
Administration Cost	1,300	1,346	1,393	4,038
Set Up Cost	15,000	0	0	15,000
	<b>592,575</b>	<b>597,332</b>	<b>617,769</b>	<b>1,807,676</b>
Management Charge	88,886	89,600	92,665	271,151
<b>Total Cost</b>	<b>681,461</b>	<b>686,932</b>	<b>710,435</b>	<b>2,078,827</b>
Total Funds	633,740	646,414	659,343	1,939,496
<b>T &amp; M Contribution</b>	<b>47,721</b>	<b>40,518</b>	<b>51,092</b>	<b>139,331</b>

- 1.2.3 *In touch* have therefore tendered to provide an HIA service in Tonbridge & Malling at £46,444 per year of the three year period.
- 1.2.4 The tight financial position facing the Council was explained to *in touch* and after negotiation they agreed to reduce the T&M contribution to £45K for each year of the three year period.
- 1.2.5 An examination of the Home Improvement Agency budget would suggest that direct cost savings (net) of £32,000 would accrue on outsourcing the Agency. In addition, it has been estimated that there would be a further saving of £5,000 to £10,000 in respect of service departmental overheads. On this basis at a tender sum of £45,000 per year (fixed for three years) the outsourcing of the Home Improvement Agency would bring a much enhanced/improved service at little, or no, extra cost and in that regard represents good value for money. It is also possible that the Council's contribution is further off set through additional Supporting People grant that may be directed towards a new West Kent Agency.

1.2.6 *In touch* would contract to provide the following services for the Council:

- a continuation of the core service for an HIA of assisting elderly and/or disabled clients to repair and/or adapt their properties to enable them to remain at home. This is traditionally carried out through the Council's Disabled Facilities Grants and Housing Assistance programmes, use of clients own funds and charitable funding;
- a continuation of the HomeSafe scheme across Tonbridge & Malling which provides security and safety measures and minor adaptation works;
- introduction of a Handyperson scheme across Tonbridge & Malling which will help clients with minor repairs and odd jobs. It is proposed that clients will pay for the materials and a labour rate of £15 per hour, however where there are exceptional circumstances the project manager will have the ability to waive payment;
- access to a wider team of technical staff, caseworkers and administrative assistants which can cover for holidays, sickness etc. and respond to opportunities as they arise; and
- access to opportunities that arise as *in touch* develop new initiatives e.g. decorating and gardening services.

1.2.7 If the Council outsources the HIA service, *in touch* would seek to develop a south west Kent HIA (as per the costs outlined above). Their intention is to establish an office base covering the four West Kent local authority areas – i.e. Tonbridge and Malling, Tunbridge Wells BC, Sevenoaks DC and Maidstone BC. As they currently provide HIA services for the latter three councils, *in touch* feel for strategic reasons the proposed new office base would be best located in this Borough. Given the high level of grant activity in Tonbridge & Malling a West Kent HIA would also offer a larger human resource pool from which to draw on during peaks in workload in the Borough.

### **1.3 HIA Steering Group**

1.3.1 A steering group would be established to oversee the south west Kent HIA with membership open to local elected members. *In touch* state that they see the Advisory Group playing an important role within the Home Improvement Agency.

1.3.2 *In touch's* vision of the Advisory Group is that in the main, it should exist and work to support and steer the Home Improvement Agency. Membership of the Group should look to include a broad range of expertise and include, where possible, Elected Members, Health, Housing and Social Care professionals, Service Users and Volunteers.

- 1.3.3 Currently in the south-west Kent area, *in touch* operates two Advisory Groups. One Group operates across Sevenoaks and Tunbridge Wells and the other in Maidstone. The Tunbridge Wells/Sevenoaks Advisory Group is chaired by Cllr Carol Clark, who is the portfolio holder for Communities at Sevenoaks. From 2008, Chairmanship will move to the Tunbridge Wells Portfolio Holder for Communities, Cllr Catherine Mayhew. In Maidstone, the Group is chaired by the Head of Housing from Maidstone Borough Council.
- 1.3.4 It is envisaged that *in touch* would continue to manage the existing Advisory Group used by Tonbridge & Malling HIA at least for the time being. This is a pragmatic view which aims to take account of the fact that *in touch* will be a new service provider and Members may be keen to oversee the progress of the new provider and the existing Advisory Group will be a useful vehicle to monitor and evaluate *in touch*.
- 1.3.5 However, there is the aspiration that from April 2009 a single Advisory Group will be established that will help advise the new south-west Kent HIA which will be operating across Sevenoaks, Tunbridge Wells, Maidstone and Tonbridge & Malling. To enable this change *in touch* will undertake consultation during 2008 with new and existing funders and Advisory Group members to agree and implement any revised structure for an Advisory Group.
- 1.3.6 *In touch* has stated its wish to re-affirm it is committed to the principle of maintaining an Advisory Group and recognises that such a Group provides a valuable forum for sharing ideas, communicating with stakeholders, reviewing policy and procedure and engaging with service users.

#### 1.4 Performance Management

- 1.4.1 *In touch* ensure that at the end of each quarter a full management report is published and given to Advisory Group members and the stakeholders who fund the HIA.
- 1.4.2 The Management Report covers the following service outcomes:

CORE SERVICE	HANDYPERSON
Number of Enquiries	Number of Enquiries
Number of Completed Jobs	Number of Completed Jobs
Type of Work undertaken	Type of Work undertaken
Value of Work	Value of Work
Value of Fees	Value of Fees
Value and No. of aborted works	N/A
Speed of Service	Speed of Service
Client Satisfaction	Client Satisfaction

- 1.4.3 Management issues such as human resources, financial planning, business development, promotional activity and marketing, equal opportunities and diversity, risk assessment and accident reports, complaints and continuous improvement are also covered.
- 1.4.4 *In touch* Technical Officers produce and publish detailed case studies for each quarterly management report. The Management Report will also draw attention to other areas of business activity including: -
- The HomeSafe Service;
  - The West Kent Primary Care Trust;
  - domestic abuse; and
  - other developing business activities.
- 1.4.5 In addition to the management reports and statistical data (inc. reported accidents/complaints and diversity information) published for our Advisory Group and stakeholders *in touch* operate their own management reporting procedures which include the following:
- management reports are produced on a monthly basis and given to the Area Manager. After evaluation, this information is then forwarded to the Head of Service and the *in touch* Board;
  - quarterly statistical returns for KCC Supporting People team on behalf of each of the local authorities in which we work;
  - every two weeks Caseworkers and Technical Officers sit down together and review all their cases using an excel tracking form. This activity enables effective management of timescales and service use expectations;
  - all technical data is stored on the Foundation Electronic Management System, (FEMIS) which is used in conjunction with Microsoft Query to produce monthly and quarterly reports and individual performance;
  - regular one to one meetings are scheduled throughout the year between managers and staff to review progress and workloads;
  - annual Appraisals are held with all *in touch* staff in July;
  - much like the annual staff appraisal each business unit itself is subject to an annual performance review;
  - a formal complaints procedure is in operation and clients are made aware of this at the stage when an initial assessment takes place;

- the Advisory Group has an active role in the management and review of all appropriate Policies and Procedures used and adopted by *in touch*; and
- *in touch* is committed to the aims of the National Quality Mark and currently has multiple A grades across all our Kent & Medway HIA's.

## **1.5 Other considerations**

- 1.5.1 If Members endorse outsourcing the service it will also be necessary to request that Kent Supporting People team 'assign' the contract to *in touch*. Currently Supporting People along with KCC Occupational Therapy Bureau joint fund the in-house agency a total of £57,550 (2007/08).
- 1.5.2 Supporting People monies are now included in the Kent Local Agreement 2 (KLA2). We are advised that the current Supporting People funding commitment for *in touch* across the county runs until 2010/11. The Head of Supporting People has stated that contracts would be renewed without the need for tendering during the final year of the programme to March 2012.
- 1.5.3 While it is not anticipated funding would be withdrawn from this key service area, it is also not possible to guarantee the future of the Kent Supporting People team beyond this time and crucially, how resources may be allocated within KLA2.

## **1.6 Legal Implications**

- 1.6.1 The Council would enter in to its standard Core Conditions Contract for services with *in touch* for a three year period.
- 1.6.2 One member of staff is affected by this proposal who is being consulted over the potential to transfer. Her terms and conditions will receive protection under TUPE regulations.

## **1.7 Financial and Value for Money Considerations**

- 1.7.1 The review is focussed on ensuring that the HIA service offered by the Council meets the needs of elderly or disabled clients and provides value for money.

## **1.8 Risk Assessment**

- 1.8.1 The HIA service provides an essential service for vulnerable residents of the borough. If the service is outsourced it will be essential that a robust service level agreement is in place to closely define and monitor performance. Effective and regular monitoring and Steering Group meetings as detailed above will need to be established to oversee service performance and encourage continuous improvement.

## 1.9 Recommendations

**CABINET** is **RECOMMENDED** to:

- 1.9.1 **AGREE** a retrospective exemption from the requirement to open the tenders in the presence of the relevant Member (rule 9 in the Contracts Procedure Rules); and
- 1.9.2 **ACKNOWLEDGE** the significant amount of hard work and dedication that has been given to the Agency over the past years by the staff particularly the HIA Manager, Lesley Wheal; and
- 1.9.3 **ENDORSE** the Kent Supporting People team being approached to assign the contract with the Council's HIA to *in touch*; and
- 1.9.4 **AGREE** that the Home Improvement Agency is outsourced to *in touch* on terms as set out in this report and as soon as is practicably reasonable.

The Director of Health and Housing confirms that the proposals contained in the recommendation(s), if approved, will fall within the Council's Budget and Policy Framework.

Background papers:

contact: Linda Hibbs

Nil

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Director of Health and Housing

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Cabinet Member for Housing