

**Report to the Cabinet Member for Adult and Community Services and
Cabinet Member for Health and Wellbeing**
**Report submitted by: Executive Director of Adult Services, Health and
Wellbeing**
Date: 11 November 2014

Part I

Electoral Divisions affected:
All

Commissioning of Integrated Home Improvement Services
(Appendices 'A' - 'C' refer)

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Executive Summary

This report seeks approval to re-commission a range of separately provided services as Integrated Home Improvement Services across the county. The aligning of services into a single specification will provide an integrated and enhanced service focussed on low level practical preventative measures and will also include the supply and installation of minor aids and adaptations.

Eligibility criteria for the new service is based on the 'Marmot' principles of proportionate universalism, that is services/interventions are universal but targeted at those who are most vulnerable or most disadvantaged in order to narrow the health inequalities gap. A budget allocation process has been used to allocate resources to those areas with the highest need.

The service will undertake home safety checks and will offer an enhanced assessment not only of the clients housing need but identification of any additional needs that can be addressed. Services will be provided in lots that cover the 12 districts of Lancashire. An outcomes framework has been developed to measure the impact the services have on the safety and wellbeing of the people who access them.

This is deemed to be a Key Decision and the provisions of Standing Order No 25 have been complied with.

Recommendation

The Cabinet Member for Adult and Community Services and the Cabinet Member for Health and Wellbeing are recommended to:

- (i) Note the outcomes of the public and stakeholder consultations as set out in the report;
- (ii) Approve the proposals for the future funding and delivery of Integrated Home Improvement Services as set out in the report.

1. Background and Advice

This report seeks approval to re-commission a range of separately provided services as Integrated Home Improvement Services across the county. The services are a resource to support the prevention agenda by assisting homeowners to maintain, repair and improve their properties. Appropriate housing is a key element to maintaining independent living, staying safe and living a healthy lifestyle. In addition Home Improvement Services can provide a role in adapting homes to meet citizen's needs, assessing and identifying risks and hazards and supporting economic wellbeing, therefore extending the length of time a citizen can remain at home.

Lancashire is made up of 12 districts each currently with its own Home Improvement Services delivered by a wide range of providers including Home Improvement Agencies, small building firms, equipment providers and handyperson services. Currently there is no consistent offer for people across Lancashire.

Availability of Home Improvement Services, including charges to people and delivery times, differ across the county. People who require a number of services will often receive multiple visits as services are provided from a range of different sources.

The county council faces the challenge of a reducing budget that will continue to decrease over the coming years. For this reason, it needs to make sure that it is making the best use of the resources that are available to maintain quality services which address the needs of communities.

Consultation has been carried out with the public, District Councils and stakeholders on the proposed changes to Home Improvement Services. A new funding model has been developed which aligns resources to the greatest need. With the support of nef (consulting) commissioners and stakeholders have developed an outcomes framework for the new services.

1.2 Current Home Improvement Agency Services and Funding

Within Lancashire there is HIA provision within each of the 12 districts, consisting of a core Home improvement Agency and a Handy Person Service. Traditionally funding for HIA's has been both short term and piecemeal, and has come from a range of individually negotiated sources. Since 2003 the Supporting People Programme in Lancashire has provided consistent HIA funding for both core and more latterly Handyperson services. The complex picture has led to a range of contracts being in place at any one time with little clarity for individual commissioners as to the totality of what is being delivered, the overall investment and whether the HIA services are efficient in their delivery or not.

The current services are available to anyone over the age of 65 regardless of need or ability to pay.

As outlined in the table below there are a number County Council of funding streams for current Home Improvement Agencies across the county, there are inequities in the funding for services as some services have had additional non recurrent funding.

The spend on home improvement services across the county in 2013/2014 was **£961,997**.

| 2013/2014 | Supporting People Programme | | Public Health | | | Total |
|-----------------|-----------------------------|----------------------|---------------|----------------------|--------------------------|-----------------|
| | Core Funding | Handy Person Funding | Core Funding | Handy Person Funding | Social Care Contribution | |
| Lancaster | £46,552 | £27,417 | 0 | £13,000 | £34,797 | £121,766 |
| Fylde | £27,405 | £27,417 | 0 | £16,400 | | £71,222 |
| Wyre | £27,405 | £27,417 | 0 | £16,400 | £27,417 | £98,639 |
| Preston | £42,353 | £27,417 | 0 | | | £69,770 |
| South Ribble | £48,516 | £27,417 | 0 | | | £75,933 |
| West Lancashire | £48,516 | £27,417 | 0 | | | £75,933 |
| Chorley | £28,495 | £27,417 | 0 | | | £55,912 |
| Burnley | £60,000 | £27,417 | 0 | | | £174,425 |
| Pendle | £60,086 | £27,417 | 0 | | | £174,511 |
| Rosendale | £52,122 | £27,417 | 0 | | | £166,547 |
| Hyndburn | £56,583 | £27,417 | 0 | | - | £120,751 |
| Ribble Valley | £26,926 | £27,417 | 0 | | | £91,094 |
| | | | | | | |
| Totals | £524,959 | £329,004 | 0 | £45,800 | £62,214 | £961,977 |

1.3 Current Minor Aids and Adaptations Contracts and Funding

The Provision of Minor Works building adaptations to residential premises to aid and assist older people and people with physical disabilities to remain in their own homes are a statutory duty of the Authority for works costing less than £1,000. The majority of the works consists of very minor builder's works or the installation of equipment, works are provided on the recommendation of an Occupational Therapist following assessment. Minor Adaptations are subject to Fair Access to Care Criteria (FACs) and are a non-chargeable service. These works are funded by Adult Services Health and Wellbeing. Minor adaptations contracts are provided by 2 Home Improvement agencies within East Lancashire at fixed costs per job but are spot purchased from a range of providers in North and Central with varying costs per job.

Work has been undertaken with Occupational Therapists and finance to analyse the current activity that Lancashire County Council funds in relation to minor Adaptations. New guidance has been issued to Occupational therapists which will reduce the number of job types to building adaptations only, people who require non-building work adaptations will be directed to the retail model for equipment.

The spend on minor adaptations across the county in 2013/2014 was **£892,458**.

2. Integrated Home Improvement Services, Service Model

2.1 Rationale

Many people who require a minor adaptation also require the services of home improvement agencies and access to small items of equipment. By bringing these services together, duplication will be reduced and customers will have access to a range of supports that aim to make their home 'Safe, Secure and Risk free'. Customers who are not eligible for any of the component parts of the IHIS will have the option to privately purchase these services. Home Improvement services work with a wide range of partners often drawing in additional funding from Clinical Commissioning Groups (CCG's) and initiatives such as warm homes funding. The approach ensures that those people who are most vulnerable are directed to a service that can offer a comprehensive assessment of their home environment and a range of solutions.

This model is also aligned to the current health and social care integration agenda, especially the Better Care Fund plans submitted by the County Council in partnership with the Clinical Commissioning Groups. The model recognises the interlink between the delivery of Disabled Facilities Grant (DFG) services by District Councils and the functions of home improvement services

The aligning of services into a single specification will provide an integrated and enhanced service focussed on low level practical preventative measures and will

offer stability and growth for IHIS providers. Their management focus will be on improvement, delivery and efficiency rather than short term fund finding. Commissioners will benefit from both savings in the cost of low level assessments, the delivery of aids and adaptations, targeted prevention of hospital /residential admissions and early discharges Earlier identification of care needs, maximising clients benefits and ensuring homes are safe and warm all add to the mix of maintaining vulnerable people in their own homes for as long as possible.

3. Eligibility

The eligibility criteria exists to enable a distinction between who the local authority funding services are targeted at and services that HIS may wish to provide for a charge to the wider population. Most organisations that work in this field will also offer private services that will enable people that do not meet the below criteria for County Council funding to fund the work privately. This report only lists the criteria that is needed to access County Council funding.

The Eligibility criteria is based on the 'Marmot' principles of proportionate universalism, that is services/interventions are universal but additional resources are targeted at those who are most vulnerable or most disadvantaged in order to narrow the health inequalities gap.

Services are aimed at people who live within the boundaries of the 12 Districts of Lancashire, are over the age of 18 and are targeted at those who:

- Have a registered disability and/or diagnosed long term health condition/s that directly affect their mobility or independence to stay safe in their own home.

Or

- When there is an imminent and/or major risk that will lead to the person having an unscheduled admission to hospital or residential care without intervention.

Or

- The service is needed to facilitate a discharge from hospital where it would not be deemed safe for them to return without intervention.

4. Key Elements of the Service

4.1 Core Service -The IHIS will provide a core service aimed at supporting vulnerable people whose home is becoming unsuitable for the person to occupy.

Services can include some or all of the following:

- Providing a list of reliable local builders and contractors
- Visiting a person at home to give advice about any problems with the condition of the home, including setting out housing options

- Checking whether if a person is entitled to any financial help (for example, disability benefits, or money to help repair or adapt the home)
- Helping with any work to be carried out on the home. For example, drawing up plans, getting estimates and liaising with others involved in the work, such as council grants officers and occupational therapists
- Helping to make a home more energy-efficient

4.2 Handy Person Service – The IHIS will provide a handyperson service which will undertake small tasks and repairs to support people to remain independent in their own homes. The approach will mean that those most at risk will actually get more help than they may have previously had access to and this will be done free of charge. For others there will still be a service that has been designed to help people stay safe and independent in their homes but this service will no longer be subsidised.

4.3 Minor Adaptations Service – The IHIS will provide this statutory service. Eligibility is through formal assessment from an Occupational Therapist or other professional and is for building works up to a set value from a defined list to an agreed technical specification, works include:

- Widening doorways
- Providing and fitting bannister rails
- Alterations to steps
- Installing ramps

The service is free to people who are eligible under the County Council's Fair Access to Care criteria and have an assessed need for the work to be carried out. The IHIS may offer this service to people who wish to pay privately for adaptations.

4.4 Healthy Homes Assessment - The Healthy Home Assessment (HHA) (Appendix 'B' refers) is a document that has been created in partnership with current providers, District Councils and Occupational Therapy. The approach has been piloted with customers. The IHIS provider will use this home based risk assessment when completing each visit. This will help identify any further services that could be provided to keep people safe in their own homes. Small items of equipment and small repairs will be provided for free without the need for further assessment, if these are identified during the home based risk assessment and can be carried out at the time of the original visit.

5. Commissioning Approach

In June 2014 the Council commissioned nef (consulting) to undertake activity to support the development of an outcomes framework for the IHIS. In order to understand whether the

outcomes of the new service have been achieved, it is important to ensure that measures used by and with providers are focused, timely and easy to understand. It is of equal importance in a time of diminishing resources to account for the value that has been achieved through the investment in preventative services. Robust outcome measure will enable the Council to carry out Social Return on Investment evaluations of the new service.

Social Return on Investment (SROI) is a framework for measuring and accounting for a much broader concept of value; it seeks to reduce inequality and environmental degradation and improve wellbeing by incorporating social, environmental and economic costs and benefits. SROI measures change in ways that are relevant to the people or organisations. It was developed from social accounting and cost-benefit analysis. Using SROI to inform public sector commissioning decisions is in line with HM Treasury guidance on value for money appraisals.

There are a number of approaches to undertaking commissioning with an outcomes focus. We present these in brief below.

5.1 Approaches to measuring outcomes

5.1.1 Definition of Outcomes

An outcome is the meaningful and valued impact or change that occurs as a result of a particular activity or set of activities. For example, peace of mind is an outcome and could be achieved through offering a clear assessment of a client's circumstances and action plan for support.

Outcomes differ to outputs in that an output is a way of knowing an activity has taken place. For example, an output could be completion of installation of support aids within the home. However, outputs do not tell us if a person has experienced a change, such as a reduced fear of falls, they just tell us that something has happened.

A series of stakeholder engagement sessions were held to develop the outcomes approach to be used for the new service, three possible models were explored:

Pure outcomes based commissioning: this approach uses an outcomes framework to set the intentions of the commissioning. Potential providers are asked to show how they will deliver these outcomes. There is no detailed specification, but a set of "Quality Characteristics" which presents the ways in which the service must be delivered. This approach maximises opportunities for innovation by the market and by providers that might take part in service delivery.

Developing a detailed specification mapped to an outcomes framework: in this approach a detailed specification is drawn up whereby specific activities are

expected to be delivered in order to achieve the outcomes. This reduces the opportunity for innovation and deep understanding about how different approaches can lead to sustained outcomes.

Development of a detailed specification and M&E framework: In this approach, outcomes are only used for the purposes of evaluating the service. They do not form part of the commissioning approach.

5.2 Recommended Approach

It is recommended that the second approach be adopted that is: setting the outcomes that are to be achieved and an expectation of the “type” of support that is being sought (the ways of delivering), within a specification but not writing a detailed description of activities. In the accompanying Outcomes Framework, many of the outcomes expressed by providers relate to feelings and wellbeing of clients. If these are the most important for all stakeholders then support the IHIS provides needs to be designed according to achievement of change for clients, not completion of tasks.

It is important to note that a detailed specification may end up delivering exactly the same activities as in the past, without the providers (or commissioners) questioning how and why they are delivering these activities. It may also reduce the chance of bringing in other forms of “support” which can enhance activities in the home (for example local community activities which keep people active).

6. Budget Allocation Model

The budget allocation model is based on a number of factors to calculate the percentage distribution by district council area. The rationale was to create a model that would allocate budget based on needs and eligibility.

The service will target adults, but those from older age groups are more likely to need the service. Therefore the number of people aged 65+ was apportioned for each district.

Lancashire includes some of the most deprived areas in England, which means there are significant health inequalities between the most and least deprived areas of the county. Deprivation correlates with many health outcomes and long-term conditions. For this reason the Index of Multiple Deprivation has been included in the calculation. District average lower-layer super output areas (LSOA) scores have been used to apportion IMD by district. The district average LSOA scores describe a local authority as a whole and take into account the full range of LSOA scores and are population weighted.

Risk of falls was chosen as an indicator of risks that can lead to unscheduled hospital admission or residential care without intervention. People aged 65 and over predicted to have a fall was used from POPPI (Projecting Older People Population Information System), which is modelled data applied to each district council area. Figures are taken from Health Survey for England (2005), volume 2, table 2.1: Prevalence and number of falls in last 12 months, by age and sex.

The prevalence rates have been applied to ONS population projections of the 65 and over population to give estimated numbers predicted to be have fallen at least once in the last 12 months. The number of older people predicted to have a fall was allocated by district.

A number of other factors were considered for the model, but after testing, they appeared to add little to the model, or duplicated the factors already included. For this reason, they were excluded.

All factors do not necessarily carry an equal significance. Therefore, after agreement with the commissioners and district councils, a weighting factor was applied. Population was weighted to 50% of the model, with IMD and risk of falls both weighted to 25% of the overall allocation.

| District | Population aged 65+ (Mid-year estimates 2013) | % Population aged 65+ (Mid-year estimates 2013) | % IMD district score (population weighted average of LSOA scores) (2010) | % People with a likelihood of falling (POPPI) | Budget allocation % | Budget allocation £ | Budget allocation per capita | Current budget | Current budget % | New budget with 10% preventative payment | Difference |
|-----------------|---|---|--|---|---------------------|---------------------|------------------------------|----------------|------------------|--|-----------------|
| Burnley | 15,122 | 6.7 | 14.0 | 6.7 | 8.5 | 68,147 | 4.51 | 87,417 | 8.9 | 74,961 | -12,456 |
| Chorley | 20,140 | 8.9 | 6.7 | 8.6 | 8.3 | 66,112 | 3.28 | 55,912 | 5.7 | 72,724 | 16,812 |
| Fylde | 19,585 | 8.6 | 4.8 | 8.8 | 7.7 | 61,762 | 3.15 | 71,222 | 7.3 | 67,939 | -3,283 |
| Hyndburn | 13,809 | 6.1 | 11.5 | 6.0 | 7.4 | 59,227 | 4.29 | 84,000 | 8.6 | 65,150 | -18,850 |
| Lancaster | 26,880 | 11.8 | 8.2 | 12.0 | 11.0 | 87,737 | 3.26 | 121,766 | 12.4 | 96,511 | -25,255 |
| Pendle | 15,528 | 6.8 | 11.5 | 6.8 | 8.0 | 64,103 | 4.13 | 87,503 | 8.9 | 70,514 | -16,989 |
| Preston | 20,060 | 8.8 | 11.0 | 8.9 | 9.4 | 75,157 | 3.75 | 69,770 | 7.1 | 82,673 | 12,903 |
| Ribble Valley | 12,579 | 5.5 | 3.7 | 5.6 | 5.1 | 40,682 | 3.23 | 54,343 | 5.5 | 44,750 | -9,593 |
| Rossendale | 11,614 | 5.1 | 8.8 | 4.9 | 6.0 | 47,988 | 4.13 | 79,539 | 8.1 | 52,787 | -26,752 |
| South Ribble | 21,151 | 9.3 | 5.5 | 9.1 | 8.3 | 66,584 | 3.15 | 75,933 | 7.7 | 73,243 | -2,690 |
| West Lancashire | 22,659 | 10.0 | 7.6 | 9.8 | 9.3 | 74,584 | 3.29 | 75,933 | 7.7 | 82,043 | 6,110 |
| Wyre | 28,136 | 12.4 | 6.5 | 12.7 | 11.0 | 87,916 | 3.12 | 118,852 | 12.1 | 96,708 | -22,144 |
| Total | 227,263 | 100 | | | 100.0 | 800,000 | 3.52 | 982,190 | 100.0 | 880,000 | -102,190 |

7. Procurement Approach

The IHIS will provide services for people across all the districts of Lancashire. In order to make the services viable and ensure that the IHIS are aligned with partner agencies such as CCGs, the service has been split into 6 lots. The lots will be based on population and funding for the core service, handy person service and minor adaptations activity across each district.

Three of the district councils in Lancashire currently provide a home improvement service within their own district with Wyre also providing a service on behalf of Fylde. The remaining districts are covered by provision from third sector organisations.

7.1 Delivery model

As previously outlined four of the twelve district councils deliver the in-house home improvement services in conjunction with their DFG responsibilities; it is proposed that;

Where a District Council currently delivers the core home improvement service and the handyman service the funding for the delivery of the Integrated Home Improvement Service will be transferred to the district council if the district council agrees to deliver the new service within the parameters agreed between Lancashire County Council and the district council.

Where a district council currently delivers the core home improvement service and the handyman service on behalf of another district council and the two district councils enter into an agreement for a lead district council to deliver the services on behalf of both district councils. The funding for the delivery of the Integrated Home Improvement service will be transferred to the lead district council if the district council agrees to deliver the new service within the parameters agreed between Lancashire County Council and the district council.

Where the above does not apply, the contract for the delivery of the Integrated Home Improvement Service will be awarded through a competitive tendering process to agencies who are registered or will agree to register with 'Foundations' the national body for home improvement services. The contract will cover a defined geographical area. It is proposed that the contracts will be awarded for an initial three years with an option to extend for a further two years.

Consultations

A variety of methods were used in the development of the new services including consultation sessions, task and finish groups, trial of the Healthy Homes Assessment and public consultation. The reports provided with the item are;

- A report on the consultation undertaken by nef (consulting) with external and internal stakeholders in order to develop the outcomes framework. (Appendix 'A' refers)
- A report from the public consultation on the proposed changes to the services
- Healthy Homes Assessment (Appendix 'B' refers)

Implications:

This item has the following implications, as indicated:

Risk management

Where activity is currently provided under spot purchase arrangements the County Council's preferred option is to seek efficiencies by setting a price per 'job type' when awarding contracts for the integrated service. Where district councils are both a purchaser and provider of Home Improvement Services, these services are subsidised by the district councils. There is a risk to the sustainability of district council contributions if all the proposed lots are tendered.

Financial

Due to the duplication of existing services and the alignment of business currently outside the scope of some home improvement agencies it is anticipated that further cost savings can be made, whilst at the same time offering a more robust funding model for home improvement providers.

The cost of the minor adaptations contracts across the county 2013/14 was £892,458. By standardising the type of jobs that occupational therapists recommend and ensuring that costs are aligned to a standard specification, the expenditure for minor adaptations is forecast at £731,520 for 2015/2016 and for each subsequent year thereafter. This represents an anticipated saving of £160,938 and will be funded from the Adult Social Care third party budget.

The budget for the current home improvement services has previously included additional funding provided on an ad hoc basis to districts in the north of the county. The budget for 2014/15 was £982,190. The new budget for the core home improvement service has been determined using a budget allocation formula. The overall proposed budget across the county is £880,000. This includes a 10% preventative premium which will be used to target at risk groups who are not eligible for the service. This represents a budget saving of £102,109 for 2015/16 and will be funded from the Public Health Grant.

The overall budget for the Integrated Home Improvement Services in Lancashire is £1,611,520 which gives an overall saving of **£263,000**.

Social return on Investment analysis after year one will enable the County Council to understand where further investment should be made and where interventions have succeeded in reducing demand on more costly social care and health interventions.

Legal

There are no legal implications.

Procurement

A detailed procurement implementation plan will be developed to support the commissioning process.

Equality and Diversity

An Equality Analysis has been completed and is set out at Appendix 'C'.

List of Background Papers

| Paper | Date | Contact/Directorate/Tel |
|---|---------------------|---|
| Report to the Cabinet Member for Adult and Community Services, Report to the Cabinet Member for Health and Wellbeing, Report to the Deputy Leader of the County Council - 'Commissioning of Integrated Home Improvement Services' | 10/13 December 2013 | Dave Gorman, Office of the Chief Executive, (01772) 534261 |
| HM Treasury Green Book www.hm-treasury.gov.uk/data_greenbook_index.htm | 1 April 2003 | Ann Smith, Adult Services Health and Wellbeing Directorate, 07789618193 |

Reason for inclusion in Part II, if appropriate

N/A