

APPENDIX C

Service / New Charge

Housing Services - Home Improvement Agency (HIA)

On the 31st March 2020 Lancashire County Council terminated the collaboration agreement with the city council to deliver Core HIA Services. This service had enabled the city council to provide discretionary HIA type services to vulnerable elderly and disabled residents, including a handyperson service. Most districts have handyperson services available to residents, the majority of which are delivered through HIA's. The Handyperson service in Lancaster is free of charge for the first two hours of labour. To be eligible, services users must be over 65, or disabled, with no member of the household in any form of paid employment.

In addition to the Handyperson service, the city councils HIA has an agreement in place with Lancashire County Council to install minor adaptations for residents, including rails and steps.

The HIA are looking to introduce charging for a limited number of new HIA type services. It is intended that the income generated through these new services will enable existing services to remain available free of charge for the most vulnerable residents. The proposed charged for services are as follows:

- An enhanced Handyperson Service to undertake works above the current two-hour threshold, subject to Handyperson capacity.
- Completion of Minor Adaptation work for residents that choose not to be assessed through Lancashire County Council or who have been assessed and do not qualify for assistance.
- To charge for the delivery of bolt on HIA services that help meet the needs of vulnerable residents and contribute towards the council's ambitions.

Charging Policy

The proposed charging will be on a cost recovery basis

Comparative Information

Several organisations provide HIA services within each of the Lancashire districts. Most districts have a Handyperson service with different arrangements for charging. Several of the HIA's are operated independently of the district councils and many still receive funding to enable them to continue to offer a subsidised service. The following HIA's have confirmed their charging policy:

In Hyndburn, the HIA is currently using reserves to provide a subsidised service for residents over 65 years of age. The charge for this service is £12 per hour inc vat.

For larger works or residents under 65, the charge increases to £24 per hour inc vat.

In Ribble Valley and Rossendale, the HIA charge residents £24 per hour for all handyperson work, with no free or subsidised service.

Wyre borough council provide a Handyperson service which is subsidised. Wyre receive funding from the CCG for the service. The CCG was recently approached for possible funding in Lancaster and were informed no funding was available.

Preston Care & Repair operate a HIA service in Preston, but also provide services throughout Chorley and West Lancs. The HIA receives funding from several district councils, this funding together with reserves has enabled the Handyperson to continue in these areas. For works up to two hours there is a charge of £18 per hour inc vat. For works above two hours the rate increases to £27.50 per hour plus vat.

Foundations the National Body for HIA's in England, funded by the MHCLG published a document last year titled 'Handyperson Services: Defining the added value'. The report was based on the findings from a survey sent to local authorities in England. The report highlights that 41% of councils operate a handyperson with no charge for labour and for those that do charge the hourly rate ranges from £15 to £37 per hour.

All other HIA providers in Lancashire deliver bolt on HIA services and allow residents to pay directly for the installation of minor adaptations. Lancashire County Council currently encourage residents to contact the HIA's direct to complete work privately if they do not qualify or prefer not to wait for an assessment.

| Financial | |
|---|---|
| Information Required | Description |
| Level of charge | The charge will be based on an hourly rate cost recovery basis plus vat where applicable. The hourly charge based on 20/21 cost would be £24.95 + vat. This will be updated annually. |
| Start date | 1 st April 2021 |
| Budgeted income | No income from this proposal has been budgeted for within the current financial year. The current budget assumes the service is to be funded through HIA reserves. |
| Surplus/deficit as a percentage of cost | n/a |
| | |

| | |
|---------------------------|-----|
| Surplus/deficit per usage | n/a |
|---------------------------|-----|

Impact Assessment

The introduction of these limited charges will contribute towards ensuring existing, HIA services for our most vulnerable residents remain available. The provision of the Handyperson and Minor Adaptations service contributes to a happy and healthy communities enabling residents to stay safe and secure in their own homes.

HIA services including Handyperson and Minor Adaptation prevent accidents, admissions to hospital and can help vulnerable residents remain independent, safe and warm in their own home. The introduction of the new charging will increase this support.

The current service is available to anyone over 65 or disabled where no member of the household is in paid employment. It is intended that these criteria will remain and be extended to cover the new services across all tenures. The minor adaptations will be available to anyone with a disability or long-term health condition.

Impact on Other Areas

There will be no impact on other council services because of these proposals.

Method of Collection

Income will be collected and accounted for in accordance with the Council's Financial Regulations.

Service users will be made aware of the charging structure at the time of enquiry. At the time of the visit to the property the technician will provide the service user with an accurate cost. On completion of the work an invoice will be raised and sent to the client.

Alternatives

The removal of funding by Lancashire County Council equates to a loss in income of circa £100K per annum. The actual reduction in income to the HIA in 20/21 will depend on the level of income generated from minor adaptations and DFG work completed inhouse. Without the introduction of these proposals any shortfall in the cost of delivering the service will be met from existing ring fenced HIA reserves. The alternative to introducing these limited charges are as follows:

- Continue to offer existing handyperson services free of charge using HIA reserves and then discontinue the services once reserves have been exhausted. The time taken for this to occur will depend on the income generated from other existing income generating services, such as the

minor adapt service, completion of DFG inhouse and donations from clients.

- Introduce charging for all HIA services on a cost recovery basis, including the first two hours labour currently provided for free. This will reduce the current offer to vulnerable residents
- Top slice the councils DFG allocation to provide funding to deliver core HIA services. In August 2019, the Chair of the Health & Wellbeing Board wrote to all Chief Officers approving the use of DFG allocations to support the delivery of the HIA services in their areas. The letter advised that this offer would only apply to the 19/20 year and that future years would be considered separately. No further letter has been received to date. However, we are aware that several districts are considering this option due to large underspends on their DFG allocations. The Regulatory Reform Order gives the district council the power to use DFG monies in this way, providing a policy has been published.

In Lancaster, the 2019/20 DFG was fully committed and demand remains high for DFG assistance. Top slicing the DFG allocation will reduce the number of adaptations that can be completed for vulnerable residents. It will also reduce the fee income to the council.

Consultation

Lancashire HIA providers throughout Lancashire have been consulted on the proposals through the Lancashire Agencies Forum.

Foundations National Coordinating Body for HIA's have been consulted on the proposal.

Lancashire County Council Adult Community Services have been consulted on the proposal.

Legal and Financial Services have been consulted and have confirmed that the city council have the power to charge for such services on a cost recovery basis.