

CABINET

**Performance Reward Grant
23rd April 2013**

Report of the Head of Health and Housing

PURPOSE OF REPORT				
To seek approval of members for the allocation of the remaining Performance Reward Grant (PRG) funding previously allocated towards the Warm Homes Scheme				
Key Decision	X	Non-Key Decision	Referral from Cabinet Member	
Date of notice of forthcoming key decision	19 th March 2013			
This report is public				

RECOMMENDATIONS OF COUNCILLOR EILEEN BLAMIRE

- (1) That the Affordable Warmth Improvement Programme receives the outstanding £48,260.50 of Performance Reward Grant funding identified in the Cabinet report of the 9th October 2012 for use during the 2013-14 financial year.

1.0 Introduction

1.1 On 9th October 2012, Cabinet considered a report to seek approval of members for amendments to the allocation of the Performance Reward Grant (PRG) capital funding previously allocated towards the Warm Homes Scheme. Cabinet made a number of resolutions:

- 1) That half of the £96,521.00 of the Performance Reward Grant Funding be allocated at this time with a report back to Cabinet later in the municipal year to determine how the remainder of the grant be utilised.
- 2) That any PRG funds allocated to the Affordable Warmth Improvement Programme are specifically used to support measures to reduce the level of excess deaths and avoid hospital admissions that are due to vulnerable people living in cold housing conditions.
- 3) That subject to Cabinet's support for the Affordable Warmth Improvement Programme, the Home Improvement Agency (HIA) within Health and Housing be the delivery agent.
- 4) That the authority to approve any further amendments specific to the Affordable Warmth Improvement Programme is delegated to the Leader of the council, ensuring that the council's responsibilities for PRG are met.

- 5) That the General Fund Capital Programme be updated accordingly.
- 6) That the Head of Health and Housing be authorised to apply for any suitable external funding to support the delivery of affordable warmth related activities, subject to a fit with corporate priorities and Resources confirming that there be no additional call on the City Council.

1.2 In accordance with Resolution 1, this report provides an update on the Affordable Warmth Improvement Programme to inform how the remainder of the PRG is utilised.

2.0 Affordable Warmth Improvement Programme

a) Delivery

2.1 The HIA commenced delivery of the Affordable Warmth Improvement Programme from October 2012. The Programme is one of the streams of funding managed through the HIA and has been used as an invaluable last resort form of funding for vulnerable clients in receipt of a means tested benefit, to ensure they remain safe and warm in their homes, where no other form of assistance is available. Many of the clients who have received PRG funding have also received match funding from other sources through the HIA, including the Primary care Trust, the Department of Health and other charitable sources to enable the works to be undertaken. The PRG has proved to be an invaluable resource to enable the HIA to lever in the match funding from these sources and has helped 13 clients receive additional support amounting to £10,441.65.

2.2 To enable the provision of this report within the current municipal year in line with Cabinet resolutions, information on the performance of the Affordable Warmth Improvement Programme is only available up to 18th March 2013. The Programme has a number of cases at different stages of completion but for simplicity, cases are defined as being at one of the following stages of completion:

- Ongoing - Case is currently ongoing and an approximate approval amount has been identified pending receipt of appropriate estimates of costs;
- Approved - PRG funds have been committed following receipt of estimates and works are underway;
- Completed – Works have been completed and paid.

To date, the total PRG expenditure under the three categories is as follows:

- Ongoing - £20,900
- Approved - £14,179.58
- Completed - £12,881.87

The total PRG expenditure is therefore £47,961.45 meaning that from the original allocation of £48,260.50 there is currently £299.05 unallocated. However, as with the distributions above, this is likely to change prior and the final figures can be confirmed during the Cabinet meeting.

2.3 Typical measures which have been undertaken through the PRG funding include: improvements or replacement of heating systems, property improvements to make homes warmer and easier to heat, and upgrading of heating timers and programmes.

2.4 All clients are sent a satisfaction questionnaire on completion of the service with a freepost envelope. The questionnaire covers all aspects of the Warm Homes service including the ability for clients to provide additional feedback on their experience of the service. Since the commencement of the service,

questionnaires received from clients benefiting from PRG funding have shown a 100% satisfaction with the service.

Appendix 1 details some of the case studies which have been completed through the PRG funding.

b) Evidence for the scheme

- 2.5 The health effects of living in cold homes have been highlighted by many recent reports. Cold homes lead to excess winter deaths, cardiovascular, respiratory and mental health problems [Marmot Review, 2011]. The excess winter mortality index figure (the measure of winter deaths compared with non-winter deaths) is high in Lancaster district; 19.3 compared to national average of 17 [North Lancs PCT, 2009 most recent figures available]. In addition, the Lancashire Mental Health & Wellbeing Report [Joint Strategic Needs Assessment, 2011] identified that fuel poverty is increasing inequality in the county. Wellbeing of older residents is particularly affected and the report recognises that services need to be improved to 'make fuel bills less pressing'.
- 2.6 Recent figures produced by Department of Energy and Climate Change (2010) demonstrate that 24% of homes (approximately 14,300 households) in the Lancaster district are in fuel poverty, having to spend more than 10% of their income on fuel bills. Surrounding areas have even higher rates – 28% of households in Pendle (15th highest in UK). Rising fuel prices are the No1 concern for people in Britain today [Which? June 2011] and financial worries have an impact on wellbeing. 48% of people in Morecambe and Heysham, (low incomes wards), said their homes are too costly to heat [LCC Housing Needs Survey 2011].
- 2.7 In their report "How to reduce the risk of seasonal excess deaths systematically in vulnerable older people to impact at population level" (2012), the Department of Health have stated that seasonal excess deaths can be reduced by "offer[ing] and encourage[ing] uptake of a number of interventions that are likely to improve vulnerable people's resilience during spells of cold or hot weather" (p7).
- 2.8 The property improvements provided through the Affordable Warmth Improvement Programme have helped to address all of the above concerns.

3.0 Details of Consultation

- 3.1 The delivery of the Affordable Warmth Improvement Programme has been discussed at meetings of the Lancaster District Affordable Warmth Group. The partners in the group are supportive of the need to continue working with vulnerable people in the district to understand current needs and develop potential solutions.

4.0 Options and Options Analysis (including risk assessment)

	Option 1: The council directs the remaining PRG funding to the HIA to continue delivery of the Affordable Warmth Improvement Programme	Option 2: Allocate the funds to address other priorities within the capital programme
Advantages	<ul style="list-style-type: none"> Provides tangible benefits for vulnerable people Contributes to the achievement of one of the Council's Corporate Priorities Funds could be delivered as part of a capital programme through the HIA utilising their existing technical staff The HIA have many years of experience delivering similar home improvement type grants utilising our directly employed handypersons and local approved contractors to carry improvements for vulnerable residents 	<ul style="list-style-type: none"> Enables the funds to be used to support other capital programme needs Releases funding to assist the council in addressing current financial challenges PRG funding could enable a re-appraisal of prospective capital projects given that some previous decisions may have been made before the PRG funding was available
Disadvantages	<ul style="list-style-type: none"> Some officer time required to administer funds and monitor progress Fund will be unavailable to support other initiatives 	<ul style="list-style-type: none"> The council will have lost an opportunity to reduce mortality and help vulnerable groups increase their resilience to periods of cold weather Council will have reduced capacity to achieve Health and Wellbeing success measures
Risks	<ul style="list-style-type: none"> Project outcomes not delivered - low risk but could occur due to failure to reach relevant client groups. However, current management arrangements take account of this risk Current levels of demand would suggest available funding will be insufficient 	<ul style="list-style-type: none"> Dependent on the alternative use of the funds The PRG funding has been provided to support a range of partnership initiatives. Partners in the district have been engaged in the process of identifying priorities and will have expectations for the use of the funds The PRG funding has enabled the HIA to deliver increased services and, without additional funding, a number of vulnerable people already identified would remain without assistance.

5.0 Officer Preferred Option (and comments)

- 5.1 The officer preferred option is Option 1 as this delivers the original objectives of the funding and supports Health and Wellbeing Outcomes and Success Measures in the council's Corporate Plan.

6.0 Conclusion

- 6.1 Through the Affordable Warmth Improvement Programme, the HIA have been able to deliver valuable assistance to a range of vulnerable clients which would not otherwise have been available. The award of further PRG funding will enable the HIA to continue to build on the work completed over 2012/13 enabling us to protect more vulnerable residents over the 13/14 Winter period.

RELATIONSHIP TO POLICY FRAMEWORK

Health and Wellbeing is one of the key priorities within the Corporate Plan 2012-15 including “continuing work to improve the quality and availability of housing”. In particular, two of the Plan’s outcomes are to “enhanced quality of life of local residents through access to good quality housing” and “health and wellbeing improved and mortality rates reduced for vulnerable people in the district”. Furthermore, the Corporate Plan includes a success measure of the “number of vulnerable individuals benefiting from Warm Homes initiatives”. The provision of a Affordable Warmth Improvement Programme will allow Lancaster City Council to achieve these outcomes and deliver the success measure.

Affordable Warmth is also being considered as a priority in the emerging county wide Health and well being strategy being developed by the Shadow Health and well being Board and is also being targeted for intervention by our local clinical commissioning group.

CONCLUSION OF IMPACT ASSESSMENT

(including Health & Safety, Equality & Diversity, Human Rights, Community Safety, HR, Sustainability and Rural Proofing)

The funding available will support the needs of the most vulnerable, improving services across the district including in rural areas.

LEGAL IMPLICATIONS

There are no direct legal implications arising as a result of this report other than in relation to the requirement associated with managing external funds. These requirements are fully addressed by the council’s agreed arrangements.

FINANCIAL IMPLICATIONS

The proposal is to use the remaining £48,260.50 PRG grant to fund an affordable warmth improvement project. As stated in the report dated 9th October 2012, these funds are currently unallocated having previously been awarded to fund the warm homes initiative which has now ceased.

As the funding was provided for capital purposes it cannot be used to cover any revenue costs, therefore these will have to be met from existing resources. It is anticipated that there will only be some staff time required to administer the scheme, which will be met from existing service budgets.

The actual scheme itself can only cover improvement works in order to qualify as capital expenditure, therefore any basic repairs will be ineligible.

Should Cabinet approve this option, controls will be put in place to ensure appropriate accounting treatment.

Alternatively, Cabinet could approve option 2 and this would allow the funds to be used to progress other new or existing capital investment needs. Cabinet is aware that various schemes are on hold pending funding becoming available and it is in this context that they

are advised to consider the proposal – it is a question of what is the highest priority. As far as possible, a general update on the Council's capital financing position will be provided at the meeting.

OTHER RESOURCE IMPLICATIONS

Human Resources:

There are no direct implications arising as a result of this report other than some use of officer time to progress and manage the project

Information Services:

There are no direct implications arising as a result of this report

Property:

There are no direct implications arising as a result of this report

Open Spaces:

There are no direct implications arising as a result of this report

SECTION 151 OFFICER'S COMMENTS

The Section 151 Officer has been consulted and has no further comments.

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been consulted and has no further comments

BACKGROUND PAPERS

none

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