

NORTH LANARKSHIRE COUNCIL

REPORT

To : SOCIAL WORK COMMITTEE HOUSING AND TECHNICAL SERVICES COMMITTEE		Subject : NORTH LANARKSHIRE CARE AND REPAIR APPOINTMENT OF MANAGING AGENT FOR 2004 - 2007
From : DIRECTOR OF SOCIAL WORK and DIRECTOR OF HOUSING & PROPERTY SERVICES		
Date: 18 December 2003	Ref: TMcK/IMcM/AMcS	

1. Introduction

- 1.1 The purpose of this report is to consider the appointment of a managing agent to operate the Care and Repair service for North Lanarkshire for the next three years.

2. Background

- 2.1 Care and Repair in North Lanarkshire was established in June, 1998, on the initiative of the Council and its partners, Scottish Homes and Lanarkshire Health Board. Following a selective tendering process, Clyde Valley Housing Association was appointed as managing agent to run the project on behalf of the partners. Revenue funding for the project was to be based on a 40:40:20 split between the Council, Scottish Homes and the Health Board respectively. The Council's contribution is divided equally between the Social Work and Housing and Property Services Departments.
- 2.2 Like Care and Repair projects elsewhere, the primary aim of the service is to assist elderly and disabled owner-occupiers and private sector tenants to have repairs and improvements organised which will help them to remain in the safety and comfort of their homes. Care and Repair in North Lanarkshire forms part of an integrated service that considers an individual's need for health and social care in addition to their housing repair needs.
- 2.3 While operational management of the project is undertaken by Clyde Valley Housing Association, overall strategic direction and monitoring is provided by the Care and Repair Advisory Committee, on which the Council is represented by an elected member, and officers from the Social Work and Housing and Property Services Departments.
- 2.4 Progress is reported to the Social Work (Planning and Administration) and Housing and Technical Services (Capital Programme and Repairs) Sub-Committees on a quarterly basis. The most recent report advised that the project had 1698 clients and 950 works cases complete or in preparation. 65% of the project's clients are aged over 70 years, and 87% have some degree of disability. The Advisory Committee has been consistently satisfied with the project's record. From an initial staff complement of 1.5 full time posts, it has grown to 5 full-time-equivalent posts and a Small Repairs Service was added in 2001

- 2.5 The appointment of Clyde Valley Housing Association as managing agent was for an initial three year period, which ended on 31 March 2001. Following an evaluation of the project, the Council and its partners re-appointed the Housing Association to manage the project for a further three-year period, which ends on 31 March 2004. The Association has now prepared proposals for continuing the service for the next three years, in a Business Plan, a copy of which is available for perusal in the Members Lounge. The Executive Summary of the Business Plan, and the proposed revenue budgets, are included in Appendix I to this report.
- 2.6 The evaluation of the second three years of Care and Repair's progress is detailed in the Housing Association's Business Plan, and includes the results from two surveys:
- a) Care and Repair in North Lanarkshire's own Customer Satisfaction Survey 2003, which had very favourable results;
 - b) The National Indicators 2002/2003, published by Communities Scotland, in which North Lanarkshire's Care and Repair project can be seen as at least comparable in efficiency and effectiveness to other projects elsewhere in Scotland.

3. Proposals

- 3.1 Clyde Valley Housing Association's proposals to take the project forward over the next three years are detailed in their Business Plan. The Advisory Committee has been fully involved in discussing and amending these proposals and has noted the successful co-operation in operational matters between the project and the Council over the past three years. Key features of the proposals are:
- a) focus on the national agenda for Care and Repair, in particular the move to provide a range of complementary services to elderly and disabled people,
 - b) expansion of the Small Repairs Service to better meet the huge potential demand.
- 3.2 The Community Care agenda takes account of the clear preference of the elderly for assistance and care in their homes, and there is a shift in emphasis towards provision of flexible support services at home for the increasing number of older people who own their own homes. Care and Repair, with its 'person centred' approach clearly has a potential role to play with regard to the improvement, repair or adaptation of these people's homes and with the provision of appropriate advice or referral. The project's activities need to meet the objectives it shares with its partners, for example Housing - dealing with serious disrepair, Social Work - facilitating adaptations for disabled owners unable to manage the process, and Health - providing advice on heating and insulation options.
- 3.3 The report of the Housing Improvement Task Force was published in March 2003, entitled "Stewardship and Responsibility", and confirms the Scottish Executive's view that responsibility for the upkeep of houses in the private sector rests primarily with the owners. The report recognises that some households face additional disadvantages in maintaining their homes and seeks to address the needs of "equalities groups". It acknowledges the role of Care and Repair in Scotland, stating that, "Our recommendations include ensuring that services like Care and Repair and other assistance for those with particular needs are available nationally for all who need them."
- 3.4 The Task Force recommends that the details of how the service would be delivered should be included in the outcome agreements associated with the provision of grant aid for investment in private housing to be provided through Communities Scotland. These agreements should also include a specification of the core Care and Repair services and reflect national standards for these services. It indicated the future of Care and Repair in Scotland with the following recommendations:

- Care & Repair should be developed in all local authority areas.
 - Current core levels of Care & Repair service in operation should be at least maintained.
 - Small Repairs and Handyperson services should operate in all local authority areas.
 - Private Sector Housing Grant will replace borrowing consent as a means of funding improvement/repair grant in the private sector.
 - Revenue funding of Care & Repair will become the responsibility of the local authority through private sector housing grant.
 - Outcome agreements between Communities Scotland and the local authority will determine the grant settlement.
 - Advice on loans with access to grants for arrangement fees should be provided.
 - Delivery of Care & Repair services should be by an organisation which is seen as independent from the local authority.
 - Services should be extended to those other vulnerable people who need them.
 - As part of the outcome agreement, a specification of core Care & Repair service should be agreed to reflect national standards.
- 3.5 The Executive's acceptance of this agenda is reflected its proposals for Private Sector Housing Grant. The consultation paper, circulated in July 2003, indicated that local authorities would be invited to put forward proposals that would fund initiatives to, inter alia, "Extend the area coverage and services provided by Care and Repair or equivalent." North Lanarkshire has full area coverage but the Business Plan includes proposals to significantly expand the Small Repairs Service.
- 3.6 Both the numbers of older people and the proportion of people living in the private sector are increasing faster in North Lanarkshire than the Scottish Average. The number of people aged 75 and over is projected to grow by 18% in North Lanarkshire between 2000 and 2011. These changes confirm that potential for the growth in demand for Care & Repair's services.
- 3.7 The very high demand and the growth of a waiting list for the general Care and Repair service was addressed by the appointment of an additional Care and Repair Officer in July 2003. However, the potential exists to utilise a significant increase in the scale of the Small Repairs Service, where a very high level of demand persists, even though the service is only promoted through informal networks and word of mouth. Expansion of the Small Repairs Service would complement the new North Lanarkshire-wide Handyperson Service, for which funding has already been approved by Social Work Committee. The two services meet different levels of need, the Small Repairs Service using qualified tradesmen but the Handyperson Service using volunteers to undertake minor household maintenance tasks such as changing light bulbs, wiring plugs or moving furniture before new floor coverings are laid etc. The service is run by Age Concern Scotland and is one of the services recommended by the Sutherland Report on long-term care for older people. It has developed links with other agencies such as Strathclyde Police, Strathclyde Fire Service and the Safer Homes Project. Protocols would be developed to cross-refer enquiries between the Small Repairs Service and the Handyperson service as appropriate, and to develop joint publicity and referral routes, as part of an accessible and flexible range of services to older people.
- 3.8 The Business Plan includes revenue budgets for the next three years – Option 1 based on the current staffing levels, and Option 2 allowing for the expansion of the Small Repairs Service. Negotiations with the Housing Association have resulted in savings being agreed in their proposed Option 1 budget, from £200,782 down to £195,553 for 2004/2005 with similar levels of savings in subsequent years.
- 3.9 We are satisfied that with the savings agreed, the proposed budget costs are realistic and reasonable.

- 3.10 On the basis of the evaluation of progress to date, and the proposals set out by Clyde Valley in their Business Plan, it is recommended that Clyde Valley Housing Association be re-appointed as managing agents for North Lanarkshire Care and Repair for the next three years 2004/2005 to 2006/2007. It is considered that there is no requirement to re-tender the management of the project or to seek any other managing agent. Given that the bulk of the revenue costs are salary-related, and that salaries are in line with national guidelines laid down by Employers in Voluntary Housing, there would not be much potential for cost savings by utilising another Housing Association or other body as managing agent. It is arguable whether the Council could provide equivalent services in-house, but this would run counter to the Task Force recommendation that the service be seen to be independent from the local authority, and could prejudice financial support from NHS Lanarkshire. Given the successful team, working practices and partnerships in place, the risks of changing to another managing agent would not be commensurate with any potential gains.
- 3.11 It is also recommended that the Option 2 budget be agreed for 2004/2005 (£300,574) and agreed in principle for 2005/2006 (£282,873) and 2006/2007 (£292,797), subject to annual review, at which point any further changes to the project can be considered.
- 3.12 When Care & Repair in North Lanarkshire was launched, it was agreed by the funding partners that its revenue support could be split on a 40:40:20 basis between the Council, Scottish Homes (now Communities Scotland) and Lanarkshire Health Board. When a further expansion of the project was agreed last financial year, the Health Board (now NHS Lanarkshire) was unable to approve an increase in its funding other than an inflationary rise over the previous year. It contributed £28,840.00 or 16.55% of the total budget of £174,255. Its position remains the same this year, in that NHS Lanarkshire officials have indicated that they anticipate securing approval for a further inflationary rise over their 2003/2004 contribution but not any increase to allow for expansion of the project. Additional costs would therefore be shared between the Council and Communities Scotland.
- 3.13 This would mean that the funding for the expanded project would be shared as follows:

	<u>2004/05</u>	<u>2005/06</u>	<u>2006/06</u>
Communities Scotland	£ 135,363	£ 125,989	£ 130,412
Non-HRA Housing	£ 67,681	£ 62,995	£ 65,205
Social Work	£ 67,681	£ 62,995	£ 65,205
NHS Lanarkshire	£ <u>29,849</u>	£ <u>30,894</u>	£ <u>31,975</u>
TOTAL	£300,574	£ 282,873	£ 292,797

- 3.14 In 2004/2005, the Council's Non-HRA Housing contribution would be funded as normal as part of the Composite Capital Programme, but most of the resources for Non-HRA Housing investment will come from the new Private Sector Housing Grant (PSHG) rather than borrowing consent. The Council's allocation of PSHG will not be known until around March 2004 but, as indicated in paragraph 3.5 above, local authorities will be invited to bid for grant towards new initiatives, one of which is extending the coverage of Care and Repair services. It is therefore anticipated that the Executive will provide additional grant towards the costs of expanding the Small Repairs Service. The proposed expenditure is greater than that in the current three-year Composite Capital Programme – the additional costs would be funded by virement from other headings within Non-HRA Housing.

3.15 In 2004/2005, Communities Scotland will continue to provide funding from their Development Funding budget for Lanarkshire (although it is intended that the Council will assume responsibility for North Lanarkshire's share of this under the Transfer of Development Funding proposals). For subsequent years, the Scottish Executive have intimated that the support for Care & Repair which would have been provided by Communities Scotland's Development Funding budget will be channelled, in the form of Private Sector Housing Grant, through local authorities' Non-HRA Housing capital accounts. Thus, the funding from Communities Scotland shown in paragraph 3.13 above will, in each year, flow through the Council, but will represent new resources and will not be a burden on the normal Non-HRA Housing Capital Programme.

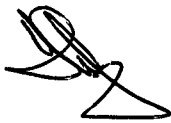
4. Recommendations


4.1 It is recommended that:

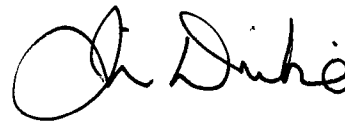
- a) Clyde Valley Housing Association to be re-appointed by the Council and its partners to manage Care and Repair in North Lanarkshire up to 31 March 2007.
- b) The Option 2 budget, as detailed in the Business Plan, be approved for 2004/2005 and agreed in principle for 2005/2006 and 2006/2007
- c) Funding continue as before, in that 25% of the costs after deduction of NHS Lanarkshire's contribution are met from the Non-HRA Housing Capital Budget and 25% from the Social Work Community Care Budget.

5. Background Information

5.1 Background information is available in the Housing & Property Services Department.



 **Thomas McKenzie**
Director of Housing & Property Services



J Dickie
Director of Social Work

Appendix 1

CLYDE VALLEY HOUSING ASSOCIATION

CARE & REPAIR IN NORTH LANARKSHIRE BUSINESS PLAN 2004/05 – 2006/07

EXECUTIVE SUMMARY

- Care & Repair in North Lanarkshire has been operational since August 1998.
- The primary aim of the service is to assist elderly and disabled owner occupiers and private sector tenants to have repairs, improvements and adaptations organised which will help them to remain in the safety and comfort of their homes.
- In addition, the small repairs service offers to help clients who either cannot afford the cost of a contractor or the work is too minor in nature to interest a contractor.
- Clyde Valley Housing Association has managed Care & Repair in North Lanarkshire since the project inception and the full time staff equivalent has grown to 6.
- Since 1998, Care & Repair has received 1698 enquiries to 30 September 2003, with 1596 visited and 102 awaiting visit. 677 building works cases have been completed with a works value of £1,998,000.
- Since 2001, the small repairs service has received 1037 enquiries to 30 September 2003, with 80 awaiting visit. The service has completed 957 small repairs.
- The service uses local contractors and suppliers where possible, assisting the local economy.
- The Client Satisfaction Survey completed in 2003 shows:

Care & Repair – 97.1% of clients were satisfied or very satisfied with the service; 98.1% would use the service again; and 67% of clients would not or don't know if they could have organised the work themselves.

Small Repairs – 99% of clients were satisfied or very satisfied with the service; 98.4% would use the service again; and the work has made a difference to the comfort of 92.9%.

- By helping to improve the local housing stock, the project has helped to reduce the pressure on other local housing agencies and health care organisations, with residents assisted to remain in their own homes and own communities.

OPTION 1 - Current Staff Structure

NORTH LANARKSHIRE COUNCIL - CARE & REPAIR BUDGET

	All Salary Costs increased by year on year	3.50 %
BUDGET - 2004 / 2005 - 2006 / 2007	All Other Costs increased by year on year	3 %

No Change to Staff Structure

STAFF COSTS	PROJECTED 2004 /2005	PROJECTED 2005 /2006	PROJECTED 2006 /2007
Manager (1)	29,501	30,243	30,986
Officer (1)	23,984	24,730	25,469
Officer (1)	23,241	23,984	24,730
Admin Assistant	18,357	18,988	19,615
Admin Assistant	16,474	17,101	17,727
Small Repairs	18,988	19,615	20,245
Additional Admin	-	-	-
Subsistence	350	362	375
Employers N.I. (12.8%)	13,780	14,213	14,645
Employers Pension (12.2%)	13,134	13,547	13,959
Training	3,000	3,090	3,183
Recruitment	-	-	-
Managing Agents	5,500	5,665	5,835
TOTAL PERSONNEL COST	166,308	171,539	176,770
OFFICE OVERHEADS			
Heat & Light (2)	1,260	1,298	1,337
Rent & Rates (2)	7,358	7,579	7,807
Travel (4)	5,200	5,356	5,517
Insurance (3)	2,046	2,107	2,171
Telephone (2)	2,520	2,596	2,673
Mobile Telephone (4)	250	258	265
Stationery (4)	1,000	1,030	1,061
Printing (4)	1,000	1,030	1,061
Publicity (4)	100	103	106
Postage (4)	1,500	1,545	1,591
Office Repairs (2)	336	346	356
Office Equipment Maintenance (3)	850	876	902
New Computers (4)	-	-	-
Annual Audit (3)	1,625	1,674	1,724
Small Repairs Equipment	-	-	-
Legal Fees (4)	250	258	265
Vehicle Charges	2,780	2,863	2,949
Storage Equipment	400	-	-
Health & Safety Clothing	500	-	500
Hardship Fund	250	258	265
TOTAL OFFICE COSTS	29,225	29,175	30,550
TOTAL COSTS	195,533	200,714	207,320
		-	-

Key

- (1) Includes Essential Car Users Allowance
- (2) Cost apportioned against no. of C&R staff against no. of CVHA staff in Old Monkland
- (3) Cost apportioned against no. of C&R staff against no. of CVHA staff through out the organisation
- (4) Estimated out - turn figure
- (5) Lanarkshire NHS Board Revenue Funding restricted to £28,840 (2003/2004) with a 3.5% annual uplift

OPTION 2 - Current Staff Structure plus 2 Small Repairs Officers plus 1 Cler

NORTH LANARKSHIRE COUNCIL - CARE & REPAIR BUDGET

BUDGET - 2004 / 2005 - 2006 / 2007

All Salary Costs increased by year on year 3.50 %
All Other Costs increased by year on year 3 %

STAFF COSTS	PROJECTED 2004 /2005	PROJECTED 2005 /2006	PROJECTED 2006 /2007
Manager (1)	30,986	31,730	32,470
Officer (1)	23,984	24,730	25,469
Officer (1)	23,241	23,984	24,730
Admin Assistant	18,357	18,988	19,615
Admin Assistant	17,101	17,727	18,357
Small Repairs	18,988	19,615	20,245
Small Repairs	17,101	17,727	18,357
Small Repairs	17,101	17,727	18,357
Clerical Assistant	12,754	13,355	13,959
Additional Admin	-	-	-
Subsistence	350	362	375
Employers N.I. (12.8%)	23,035	23,801	24,568
Employers Pension (12.2%)	21,956	22,686	23,416
Training	4,500	4,658	4,821
Recruitment	2,250	-	-
Managing Agent	5,500	5,693	5,892
TOTAL PERSONNEL COST	237,205	242,784	250,629
OFFICE OVERHEADS			
Heat & Light (2)	1,331	1,371	1,412
Rent & Rates (2)	7,773	8,006	8,246
Travel (4)	5,200	5,356	5,517
Insurance (3)	3,209	3,306	3,405
Telephone (2)	2,839	2,925	3,012
Mobile Telephone (4)	350	361	371
Stationery (4)	1,200	1,236	1,273
Printing (4)	1,250	1,288	1,326
Publicity (4)	500	515	530
Postage (4)	1,700	1,751	1,804
Office Repairs (2)	355	366	377
Office Equipment Maintenance (3)	1,000	1,030	1,061
New Computers (4)	3,000	-	-
Annual Audit (3)	2,549	2,625	2,704
Small Repairs Equipment	1,000	200	206
Legal Fees (4)	250	258	265
Vehicle Charges	28,340	9,240	9,517
Storage Equipment	400	-	-
Health & Safety Clothing	875	-	875
Hardship Fund	250	258	265
TOTAL OFFICE COSTS	63,372	40,089	42,167
TOTAL COSTS	300,577	282,873	292,797
		-	-

Key

- (1) Includes Essential Car Users Allowance
- (2) Cost apportioned against no. of C&R staff against no. of CVHA staff in Old Monkland
- (3) Cost apportioned against no. of C&R staff against no. of CVHA staff through out the organisation
- (4) Estimated out - turn figure
- (5) Lanarkshire NHS Board Revenue Funding restricted to £28,840 (2003/2004) with a 3.5% annual uplift