

Title: HEART Shared Service Partnership
Lead Officer: Lisa Barker
Portfolio Holders: Councillor Matecki
Wards of the District directly affected: All

Summary

This report summarises the evaluation of the Home Environment Assessment and Response Teams (HEART) delivery of Disabled Facilities Grants and related services and proposes that Warwick District Council remain a partner for the period 2023–28 by renewing its membership of the partnership for a further five years.

Recommendations

- (1) That the progress to provide one consistent service to deliver Disabled Facilities Grants and a Home Improvement Agency Service for the whole County be noted; and**
 - (2) That Warwick District Council renew membership of HEART from April 2023 for a period of five years.**
 - (3) That once a new legal agreement for a five-year Partnership is complete, delegated authority be provided to the Head of Housing, in consultation with the Portfolio Holder for Housing and Assets, to agree the revised HEART Partnership Agreement.**
 - (4) That delegated authority be provided to the Head of Housing, in consultation with the Portfolio Holder for Housing and Assets, to agree the revised HEART Private Sector Housing Assistance Policy.**
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1 Background/Information

- 1.1 Since 2017 the five District and Borough Councils in Warwickshire and the County Council have delivered equipment and adaptations funded by Disabled Facilities Grants (DFG's), addressed housing conditions, and provided associated financial support through the HEART. HEART is a shared service hosted by Nuneaton and Bedworth Borough Council (NBBC) and leadership and oversight is secured through the HEART Board, whose membership is formed from all of the Warwickshire District and Boroughs and Warwickshire County Council.
 - 1.1.1 The key function of the HEART Service is to deliver DFG's to fund adaptations and deliver aligned funding and support to enable people to live independently in their own homes. These are typically property adaptations, including stair lifts, level access showers and similar, that enable older or disabled individuals to live in their own homes and avoid admittance to hospital or care facilities as a result of frailty or accident.
 - 1.1.2 The initial HEART Shared Service agreement was set to expire in early 2022,

however for a variety of reasons including the disruptions experienced because of the COVID-19 pandemic and the general view of partners being that disbanding the shared service at this time would present considerable risks and have significant implications for partner's delivery and its customers, a 12-month extension was agreed by all authorities. This would enable some reflection on the delivery of the service by HEART and enable the Board to deliver some of the improvements required following the service reviews.

- 1.1.3 The 12-month extension has afforded the opportunity to consider in detail, the two external reviews and enabled progress against the priorities within the HEART Board Strategic Development Plan. There are clear partner expectations and the benefit of improved understanding of the 2021 White Paper for Social Care. The partnership has benefited from specialist input from Foundations (the national body for Disabled Facilities Grants and Home Improvement Agencies) to ensure that decisions surrounding the future of this important provision are strategic, well informed and focused on the best interests of residents.
- 1.1.4 The temporary extension expires on 31st March 2023 and therefore each partner is deciding on their part of the shared service thereafter. Any partner wishing to leave the service is obliged to provide 12 months' notice. This period would be essential for the leaving organisation to establish a new service and for the continuing shared service to revise the operation.
- 1.1.5 There is a risk that if partners do leave the shared service, that the County will take back its employees and with them the substantial additional grant that it provides to support the operation.
- 1.1.6 The HEART service has benefitted from significant scrutiny since its establishment. The most recent report received by Cabinet (and OSC through call in) earlier this year concluded that the Council should work with the HEART Board, the host, and Foundations to deliver the Strategic Development Plan recommendations and return to the question of whether to remain in the Partnership when there was a clearer direction of travel in respect of both the plan and performance.
- 1.1.7 This time is now upon us and therefore the remainder of the report summarises the current position, in order for a decision to be made on this important question. A revised Business Case has been produced which is at Appendix one.

1.2 ***Evaluation of the HEART service***

- 1.2.1 The approach to measuring HEART performance focuses on measures that have been recorded historically and which reflect the number of DFG's completed and the time it takes for the adaptation to be completed. Together with the waiting list and budget approvals, these measures are felt to be reflective in broad terms of the efficiency of the service in delivering adaptations and mirror national measures.
- 1.2.2 The Improvement Plan is a key area of focus, particularly as it has been developed in response to two service reviews.
- 1.2.3 For the purposes of this review a further measure has been included, relating to the following:
 - Grant spend – Grant Allocation v's Expenditure Financed by Grant (by year)This measure is an important addition as performance is to a degree dictated by the budget available, as spend cannot exceed budget and reserve.
- 1.2.4 The service has been assessed against the national performance guidance standards.

1.3 **Service/Performance and Strategic Development Plan Evaluation**

1.3.1 Performance trends are shown at Appendix two. Delivery of DFG's is broadly consistent with a dip in 2019/20 as a consequence of being unable to undertake works during the lockdown periods of the pandemic. End to end times are shown from enquiry to case close down and are reported in calendar days. Figures at 1.3.4 report on the same measure but for comparative purposes show from application to completion of works and are shown in working days.

1.3.2 The Improvement Plan

Alongside pure performance data, the ability of the HEART Board to deliver the priorities derived from the Strategic Development Plan are considered an important facet of the evaluation of progress. These Strategic Development Plan priorities were summarised in the 20th April 2022 report to Cabinet as follows, commentary is provided in brackets on current position. The full plan is available at Appendix three:

- Refresh the Business Plan to ensure it reflects current intent and purpose - (Business Plan refreshed and signed off by HEART Board).
- Ensure the service delivery model reflects the Business Plan objectives and meets all partners requirements - (Work in progress).
- Update the staff structure to provide for sufficient capacity to meet the needs of the service and act to develop HR policies which support the team to be effective and efficient - (Work with HR leads underway and Warwick DC contributing, Joint Protocol for HR Management likely to be agreed by end of 2022).
- Complete the installation of the case management and reporting software - (Core Configuration Complete, Go Live planned for March 2023 now seen as the date for full implementation).
- Refresh the Partnership Agreement and governance arrangements. Considerations include appointing an independent Chair to the Board - (Independent Chair Paul Smith the Director of Foundations appointed).
- Consider options for reporting customer satisfaction to the Board and key partners - (Customer satisfaction and revised performance reporting framework in operation).
- Update the Housing Assistance Policy when the Business Plan and service delivery model are signed off - (Revisions to the Housing Assistance Policy underway, options paper received by HEART Board, next steps to refine this and progress through partner governance arrangements with a view to this being live from 1 April 2023.)

1.3.3 Grant spend - Grant Allocation v's Expenditure Financed by Grant (by year).

Grant Allocation v's Expenditure Financed by Grant

Year	Grant Allocation	Expenditure financed by Grant (£)	Variance (£)	Narrative
2018/19	816,286	612,636	203,650	

2019/20	880,821	650,339	230,482	
2020/21	880,821	454,610	426,211	Covid
2021/22	999,427	527,917	471,510	Covid
2022/23 YTD	999,427	378,087		

The performance detailed above shows an increased annual spend until the onset of the Covid Pandemic with expenditure beginning to revert to anticipated levels. Spend to September 2022 aggregated up would produce an annual spend of £756,174.

1.3.4 Warwick performance against National guidelines – end to end times

All figures are in working days. There were two cases that skewed the performance figures in 2022/23 these are described below and for this reason, there are two figures shown for the 'application to approval' stage which is also reflected in the total box. The first figure relates to end-to-end times including the two complex cases and the second figure without those cases. Guidance would suggest that the outliers should not be included within calculations.

	National Guidelines	WDC performance 2021/22	WDC performance 2022/23
Application to Approval	130 days/6 months	59	138/67
Approval to completion	260 days/12 months	53	68
Totals	390 days/18 months	112	206/135

There two cases that skewed the performance figures in 2022/23 are as follows:

Issue: Children's Case - Customer decided to use his own Architect due to costs. Architect had to draft new plans as customer wanted to make changes to accommodate additional work which would be paid for privately. Customer delayed works as thought HEART contractor was expensive. Customer also wanted additional works not covered under the DFG, which he wanted quoting by his own builder.

Issue: Delays with Freeholder granting permissions for adaptation. Case place on hold at the request of the customer due to health issues.

It is clear that the performance of HEART falls well within national recommended guide times.

1.3.5 It is the HEART Board's view that significant progress has been made since the last report in April, however some of the priorities are lengthy and complex projects e.g., installation of the case management and reporting software, and whilst these remain incomplete, they are progressing well.

1.3.6 On balance, the view is that the direction of travel is positive and that considered together, the continuing delivery of this work will ultimately enable the service to improve throughput volumes, end to end times and customer experience.

1.4 **Options Appraisal Future Delivery Model of HEART**

1.4.1 In broad terms the options for the future of HEART remain identical to those outlined in the 20th April 2022 report. The HEART Board continues to remain unanimously of the view that the option offering the most for residents is to retain the HEART Partnership as is, with the existing host and continue to drive performance improvement.

1.4.2 The question for the Council is a simple one of whether, given the above, it wishes to remain part of this improving Partnership or establish a new team to deliver DFGs for just Warwick District.

1.5 **National Context and Future Contribution of DFG Interventions**

1.5.1 Much of the national context is unchanged since the last report and revolves around the role for adaptation in the recent Social Care White Paper 2021. The White Paper makes it clear that there will be a growing role for the DFG process and minor repairs/changes within people's homes in maintaining independence as they age. This aspiration is likely to be supported by increased funding (additional £570m cited). It remains the HEART Boards' and Foundations' view that the growing contribution of DFGs is best facilitated through a countywide delivery mechanism.

1.5.2 The DFG is funded by the Department of Health and Social Care as part of the Better Care Fund this is in recognition of the importance of ensuring adaptations are part of an integrated approach to housing, health, and social care locally, and to help promote joined up person-centred approaches to supporting communities. Funding must be spent in accordance with Better Care Fund plans which are agreed between local government and local health commissioners and owned by the Health and Wellbeing Board.

1.5.3 Funding for DFGs has grown slightly faster than inflation over the past decade with all Warwickshire authorities receiving approximately 45% higher allocations in 2021/22 than they received in 2016/17. This represented an increase from £3.5m (2016/17) to £5.1m (2022/23).

1.5.4 In March 2022, Government published a new guidance document for Local Authorities in England which stresses the importance of working together to deliver DFG and allied services to those in such need.

2. **Options for HEART**

2.1 There are two options as outlined below:

2.2 Option 1 – To support the recommendations of the HEART Board and subject to the development of a satisfactory revised Partnership Agreement, become a party to this new legal agreement for a 5-year Partnership from April 2023. This is the preferred option for all the reasons articulated above.

2.3 Option 2 – To serve an appropriate notice and leave the HEART Partnership and create a new platform for the delivery of DFGs and aligned services. This is not the preferred option for all the reasons detailed in the Risk Assessment section below.

3 **Consultation and Member's comments**

3.1 The Portfolio Holder states although the figures are well under national guidelines, the average time taken from application to completion is still taking longer than we would like. However, the service is improving as new systems and practices are introduced, with lead times continuing to fall. The current

arrangement also provides this Council with good value for money for the service.

4 Implications of the proposal

4.1 Legal/Human Rights Implications

- 4.1.1 DFG is a mandatory grant and local authorities are legally required to provide help to those who meet the eligibility criteria, regardless of whether the authority has sufficient budgets to meet the requests. The Housing Grants, Construction & Regeneration Act 1996 sets out the purposes for which a DFG can be provided, and this is summarised as the works being necessary and appropriate to meet the needs of the individual, whilst being reasonable and practicable given the age and condition of the property.
- 4.1.2 The Regulatory Reform Order 2002 added flexibility to the above as it gave local authorities the power to determine their own policy and use their DFG 'allocation' to provide other forms of assistance to support people in their homes.
- 4.1.3 There are no immediate legal implications arising from this report. However, further legal advice may be required in relation to future proposals and the form they take. This may include the governance arrangements; wider consideration of powers and it is also important that equalities implications under the Equalities Act 2010 are carefully considered (and demonstrably so).

4.2 Financial

- 4.2.1 There is a permanent established post dedicated to this role at Grade E1 which is currently filled. There is a revenue budget of £41,816 including pension and on-costs to meet the annual costs of the partnership
- 4.2.2 The 2021 Social Care White Paper confirmed the Government's commitment to a national allocation of £570m until 2024-25. In 2021-22 Warwickshire authorities combined DFG allocation was £5,124,786. Nonetheless whilst the Government has committed to consulting on the current allocation formula at the current time there is no guarantee that the Warwickshire authorities' allocations will remain at the same level for the entire award period.
- 4.2.3 The HEART project has been established as a countywide shared service and has its own revenue budgets. The capital funding provided to Warwick District Council from central government to provide DFG's in passed directly to the HEART service for the same purpose.
- 4.2.4 Whilst HEART undertakes the assessment for adaptations in all tenures, DFG's fund private sector adaptations with the Housing Revenue Account covering the costs of adaptations for council tenants.

4.3 External impacts of the proposal

People - Health, Homes, Communities

The provision of a holistic and speedy DFG installation is critical to the dignity and independence of those needing this type of adaptation to their home. A good example would be the benefits in terms of reductions in falls by the provision of a stair lift. The DFG programme is considered to be a contributor to improved health and wellbeing as a result of this and the faster an appropriate adaptation is delivered the better in terms of the health and wellbeing of the recipient and their family/carers.

Services- Green, Clean, Safe

DFG works enable people to maintain independence and remain safely in their homes.

Money- Infrastructure, Enterprise, Employment

The work around DFG's supports local contractors to retain businesses and their workforce.

6.4 Internal impacts of the proposal

People - Effective Staff, Services

DFG's are a mandatory service required of Local Housing Authorities.

Maintain or Improve Services

The proposals in this report will enable DFG services to be maintained and improved.

Money - Firm Financial Footing over the Longer Term

Remaining in the shared service is the most economic option for the Council.

6.5 Environmental/Climate Change Implications

- 6.5.1 There are limited environmental considerations, although the work around housing standards and general health and wellbeing does have regard for a warm and safe home which could include measures such as efficient central heating and appropriate insulation.

6.6 Analysis of the effects on Equality

There are no equality implications to be considered as part of this report although the provision of DFG's enables the quality of life of vulnerable and disabled people to be improved.

6.7 Data Protection

There are no data protection implications associated with the proposals in this report although the subject will be considered in any future extension to the Partnership Agreement that governs the shared service arrangements.

6.8 Health and Wellbeing

The provision of a holistic and speedy DFG installation is critical to the dignity and independence of those needing this type of adaptation to their home. A good example would be the benefits in terms of reductions in falls by the provision of a stair lift. The DFG programme is considered to be a contributor to improved health and wellbeing as a result of this and the faster an appropriate adaptation is delivered the better in terms of the health and wellbeing of the recipient and their family/carers.

7 Risk Assessment

- 7.1 The the two options remaining from those originally presented to the HEART Board are:
- Option 1 - become a party to this new legal agreement for a 5-year Partnership from April 2023; and
 - Option 2 - serve an appropriate notice and leave the HEART Partnership and create a new platform for the delivery of DFG's and aligned services. There are risks associated with both of these they are explored below.
- 1.6 Option 1 (Pro's) – These include greater resilience, greater service 'reach',

economies of scale in procurement and management, well developed service infrastructure, established hosting arrangements and an improved HEART Board level leadership and accountability.

- 1.7 Option 1 (Con's) – The most significant weakness within this arrangement is the arm's length nature of partnerships / shared services and consequent distance from operational management that have caused some frustrations around addressing performance issues.
- 1.8 Option 2 (Pro's) – This option has the benefit of giving total control of the Home Improvement Agency elements of this role, but not the Occupational Therapy input. This will provide reassurances around responsibility and accountability and should enable performance concerns to be addressed swiftly.
- 1.9 Option 2 (Con's) – This option places the responsibility for establishing a complex service back on the Council, it will undoubtedly be more costly than the existing arrangements as we benefit from the economies of scale created in the Partnership. It will take a significant amount of time to deliver new IT, policies and procedures, relationships with contractors, and this will require ongoing management and oversight.
- 1.10 Alongside all the above there are four other Warwickshire authorities and Warwickshire County Council within the HEART Partnership. The Partnership is seen as an improving element of the public sector effort to address the needs of an aging population, is aligned to the White Paper and our withdrawal will potentially jeopardise this partnership and cause reputational damage to the District Council.

9 Conclusion

- 9.1 It is considered that given the limited and risky alternatives, current financial challenges within the public sector, continuing signs of improving HEART performance, strong progress in delivery of the Strategic Development Plan, and the service resilience and breadth of the HEART offer, that remaining within the HEART Partnership is a more viable option with greater merits and fewer risks than the District Council establishing a new service, separate to HEART to deliver an identical provision.

Supporting documents:

Appendix 1: HEART Business Case 2022

Appendix 2: HEART Performance comparisons

Appendix 3: Heart Strategic Development Plan

Report Information Sheet

Please complete and submit to Democratic Services with draft report

Committee/Date	7 th December 2022
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Title of report	HEART Shared Service Partnership	
Consultations undertaken		
Consultee *required	Date	Details of consultation /comments received
Ward Member(s)		
Portfolio Holder WDC	10.11.22	Cllr Jan Matecki
Financial Services *	9.11.22	Victoria Bamber
Legal Services *		
Other Services		
Chief Executive(s)	9.11.22	Chris Elliott
Head of Service(s)	8.11.22	Lisa Barker/Steve Partner
Section 151 Officer	8.11.22	Andrew Rollins
Monitoring Officer	9.11.22	Andrew Jones
SLT		
Leadership Co-ordination Group (WDC)	21.11.22	
Other organisations		
Final decision by this Committee or rec to another Ctte/Council?		Final decision
Contrary to Policy/Budget framework		No
Does this report contain exempt info/Confidential? If so, which paragraph(s)?		No
Does this report relate to a key decision (referred to in the Cabinet Forward Plan)?		Yes, Forward Plan item
Accessibility Checked?		File/Info/Inspect Document/Check Accessibility