

**REPORT TO:** Executive Board

**DATE:** 5 June 2008

**REPORTING OFFICER:** Strategic Director – Health & Community

**SUBJECT:** Partnership Agreement with Registered Social Landlords – Housing Adaptations for Disabled People

**WARD(S)** Borough-wide

**1.0 PURPOSE OF THE REPORT**

1.1 To seek approval to a joint funding agreement between Halton Borough Council and the Registered Social Landlords operating within Halton for the provision of housing adaptations in the homes of disabled people.

**2.0 RECOMMENDATION:**

**In respect of the provision of housing adaptations in the homes of disabled people in Halton the Executive Board approve the :**

- i) proposed joint agreement.**
- ii) system for the allocation of funding to the Registered Social Landlords.**
- iii) Approve the authorisation of the Strategic Director, Health & Community in conjunction with the Portfolio Holder to enter into the first joint agreement for the period from the first day of April 2008 until thirty first of March 2009 and that in light of the exceptional circumstances, mainly the unique match funding arrangements applying to RSLs and in accordance with Procurement Standing Order 8.6 the tendering requirements of those Standing Orders the waive on this occasion in view of the fact that match funding is only available where the Council enters into joint agreements with RSLs.**
- iv) Authorisation of the Strategic Director, Health & Community in conjunction with the Portfolio Holder to enter into further joint agreements with the RSLs after the expiry of the first joint agreement and to take such other action as may be necessary to give effect to the above recommendations.**

### 3.0 **SUPPORTING INFORMATION**

3.1 In February 2008 the Board agreed in principle to the development of a joint funding agreement between Halton Borough Council and the Registered Social Landlords for the provision of housing adaptations. This was in recognition of :

- The inequitable access to Disabled Facilities Grants (DFG) funding by Registered Social Landlord tenants due to the inadequate level of funding for this area of work, leading the Council for many years, to focus its resources on private sector applicants.
- The backlog of adaptation work in Registered Social Landlord properties currently estimated at a value of £1.5 million.
- A reduction in the funding available to RSLs for adaptation work. The recent Government review of the DFG framework acknowledged the inconsistent approach to adaptation work amongst local authorities and RSLs and as a consequence rolled the small Housing Corporation fund, previous available to RSLs for adaptations, into the national DFG budget that is distributed annually to local authorities.
- The work underway to improve the adaptation service to owner-occupiers and private rented sector tenants.
- The recommendation in the recent DFG review that local authorities and RSLs establish partnership agreements and pool funding for adaptations.

3.2 The Board also agreed that up to £295,000 unspent Disabled Facilities Grant resources for 2007/2008 be used to support Registered Social Landlords to deal with the backlog of housing adaptations.

3.3 In the Capital allocations for 2008 a further £200,000 was agreed by the Council for partnership working with the Registered Social Landlords. The actual underspend on Disabled Facilities Grants in 2007/2008 was £ 267,000 providing a total of £ 467,000 to fund partnership working with the Registered Social Landlords.

3.4 Currently the outstanding adaptation work for the Registered Social Landlord's properties is valued at an estimated £1.5m. The Council's investment, when matched equally under this agreement by the Registered Social Landlords, will represent a total investment of £934,000 and should make a significant impact on the backlog of outstanding work. In the interim RSLs will continue to invest in adaptations work and Halton Housing Trust are committed to investing the same amount of funding as agreed in the transfer document.

3.5 An alternative to the development of a partnership agreement would

have been to expand the housing adaptation service provided by HBC to manage the backlog of outstanding RSL adaptation work. This option would not, however, have the advantage of the RSLs providing match funding for the work to be undertaken.

3.6 Work carried out will improve the value of RSL housing stock and therefore improve housing provision for RSL tenants.

3.7 There are a number of options for the allocation of this partnership funding between the Registered Social Landlords :

**Option 1** – allocate funding in proportion of outstanding adaptations recorded for the Registered Social Landlord. This option would be seen to penalise the Registered Social Landlords who have invested generously in adaptation work in the past.

**Option 2** - allocate funding in proportion to the vulnerability of tenants and the number of recommendations for adaptations made by the Council to the individual Registered Social Landlord in recent years. This type of information would be difficult to collate and past experience may not necessarily be a predictor of future demand. Also high levels of previous recommendations would suggest high levels of already adapted properties.

**Option 3** - allocate funding in proportion to the level of stock of the individual Registered Social Landlords.

3.8 Option 3 is the preferred option. On the basis of this option funding would be allocated as follows :

<b>RSL</b>	<b>STOCK NOs</b>	<b>% OF TOTAL STOCK</b>	<b>ALLOCATION OF FUNDING</b>
Arena	712	5.2	24,308
CDS	728	5.3	24,775
Cosmopolitan	419	3.0	14,024
HHT	6189	44.7	208,956
LHT	2392	17.3	89,871
Riverside	2344	17.0	79,469
William Sutton	444	3.2	14,959
Others	592	4.3	20,100
<b>TOTALS</b>	<b>13820</b>	<b>100</b>	<b>467,462</b>

3.9 Since February 2008 work has been undertaken to develop an Agreement in partnership with a small number of the Registered Social

Landlords who own the majority of the RSL housing stock in Halton. A separate agreement will be established with each individual RSL. A draft copy of the Agreement is at Appendix 1.

3.10 Once Partnership funding has been allocated to the Registered Social Landlords the Agreement requires the RSL's to matchfund all adaptation work on a 50/50 basis. Furthermore, the Agreement includes :

- Underlying principles for adaptation work;
- Criteria for adaptations;
- A process for the use of the Partnership funding including details of roles and responsibilities, monitoring and decision making arrangements;
- Expenditure monitoring arrangements that will be subject to HBC auditing processes;
- A statement of expectation once the allocation of funding has been committed that RSLs continue to invest in adaptations;
- Service user feedback requirements;
- A complaints/arbitration process;
- An expectation that Registered Social Landlords encourage their tenants to use the Partnership route for the completion of adaptation work.

3.11 The Partnership Agreement has been prepared in compliance with the Council's partnership toolkit. Most aspects of the toolkit have been incorporated and the remainder will be incorporated as the Partnership is implemented. The final document will be concluded in consultation with the Council's Solicitor.

3.12 Once the partnership agreement has been concluded it will be formally launched by HBC and the RSLs and HBC residents will be informed of this development.

#### **4.0 BUSINESS CASE – WAIVER TENDERING STANDING ORDER**

4.1 The justification for waiver of Standing Orders in terms of Value for Money and competition rests on the unique match funding arrangements with the RSLs. The Council and the community will not be able to draw down match funding from the RSLs unless it enters into the proposed joint arrangement. Transparency will be achieved through this report and through the monitoring arrangements set out in the Flow Chart. Transparent, propriety and security will be delivered through each joint agreement and through the independent audit arrangements of the Council and the RSLs. Accountability will rest with the Council as the "front end" of the Housing Adaptation process and with the RSL through the billing system. The Public Contracts Regulations 2006 will not apply to these arrangements.

#### **5.0 POLICY IMPLICATIONS**

- 5.1 Demand for adaptations will continue due to demographic changes and Government and Council policy to encourage people to continue to live independently at home. Once a partnership agreement and process have been established there will therefore be a need to consider the level of investment required in subsequent years. However, once the purpose of the partnership agreement has been fulfilled and the backlog cleared, the agreement will discontinue.
- 5.2 A number of other initiatives will also contribute to the efficient use of resources to adapt properties including :
- The Adapted Housing Register – this project began in September in 2007 and 5 number of matches have been made between users and properties. It is estimated that so far the Register has secured savings of £110,000 in additional adaptation work. This initiative will be reviewed in September and future funding by the Registered Social Landlords will be negotiated.
  - Stairlift Contract – a contract for the provision of stairlifts has been in place since April 2008. This has removed stairlifts from the Disabled Facilities Grant process for owner occupiers and private rented tenants and Registered Social Landlord tenants where there are palliative care needs. The contract will be reviewed in September and some RSLs may wish to participate in this arrangement in the future.
  - Central Government Strategy – A recent Strategy “Lifetime Homes, Lifetime Neighbourhoods : A National Strategy for Housing in an Ageing Society” sets out plans to promote and regulate Lifetime Home Standards for all new build properties. This development will improve accessibility and the potential for adaptation of all new build properties. A Government review of the take up of this Standard has been brought forward to 2010.

## 6.0 FINANCIAL IMPLICATIONS

- 6.1 These are contained within the body of the report.

## 7.0 IMPLICATIONS FOR THE COUNCIL’S PRIORITIES

### 7.1 Children & Young People in Halton

Disabled children in Registered Social Landlord properties are amongst those who would potentially benefit from the Partnership Agreement, through quicker delivery of housing adaptations.

### 7.2 Employment, Learning & Skills in Halton

None identified.

### 7.3 **A Healthy Halton**

More timely provision of housing adaptations will help to maintain disabled people in their own home and minimise the risk of unnecessary admission to hospital or residential care.

### 7.4 **A Safer Halton**

The provision of housing adaptations may reduce the incidence of falls experienced by disabled people.

### 7.5 **Halton's Urban Renewal**

None identified.

## 8.0 **RISK ANALYSIS**

8.1 A Risk Assessment has been undertaken and the following risks identified :

- Failure to establish a Partnership Agreement could lead to increasing number of RSLs tenants applying for DFG funding. In the absence of any cost sharing agreement the Council would bear the full cost.
- Some RSLs may choose not to participate in the Partnership Agreement and may continue or start to encourage their tenants to apply for DFGs.
- Once a Partnership Agreement has been established with the Registered Social Landlords there will be a need to consider the levels of future funding required in subsequent years.

## 9.0 **EQUALITY AND DIVERSITY ISSUES**

9.1 The recommended approach will be more equitable for disabled Registered Social Landlord tenants who have been disadvantaged by lack of resources in the past.

## 10.0 **LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

<b>Document</b>	<b>Place of Inspection</b>	<b>Contact Officer</b>
Executive Board Report 21/02/08 "Housing Adaptations – Joint Working With Registered Social	Municipal Building	Dwayne Johnson, Strategic Director, Health & Community

Landlords”		
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