

Report to the Cabinet

Report reference: C-030-2013/14

Date of meeting: 9 Sept 2013



**Epping Forest
District Council**

Portfolio: Housing

Subject: Introduction of Charges for C.A.R.E.'s Handyperson Service

Responsible Officer: Lyndsay Swan (01992-564146)

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Recommendations/Decisions Required:

- (1) That charges are introduced for the Handyperson Service from 1 October 2013 on the following basis:**
 - (a) Service users who are on means-tested benefits be charged a fee of a maximum of £30 each time they use the service, with the exception of falls prevention and home security work which will be free of charge;**
 - (b) Service users who are not on means-tested benefits be charged a fee of a maximum of £50 for Handyperson Service work and £25 each time they use the service for falls prevention and home security work; and**
 - (c) Where the work costs less than these limits, service users will only pay what the work costs.**
- (2) That, for the purposes of eligibility for the Handyperson Service, the definition of 'older person' means someone who is over 60 years of age and retired, or a couple where both are over 60 years of age and retired;**
- (3) That a request be made for a Continuing Services Budget Growth Item of an additional £5,000 per annum from April 2014 to supplement the budget for the Handyperson Service's work; and**
- (4) That use of the Handyperson Service be denied to previous service users that had failed to pay their contributions for the use of the service.**

Executive Summary:

The Handyperson Service has been operating within its existing budget of about £10,000 per annum for a number of years. It is now considered timely to increase the budget through increased contributions by service users and a request for a Continuing Services Budget (CSB) growth item of £5,000 per annum. This would enable C.A.R.E. to extend the scheme to older people who, although not on means-tested benefits, are more likely to be on low income and, therefore, vulnerable to 'cowboy builders'.

As well as revising the budget, the eligibility criteria need clarifying to bring them in line with the current state retirement age. It is therefore considered timely to clarify the requirements for eligibility at the same time as the contributions scheme is introduced.

Reasons for Proposed Decision:

For a number of years C.A.R.E.'s Advisory Panel has wanted the Handyperson Service to offer more practical and financial support to people who are not on means-tested benefits but, by virtue of being older people and retired, may be less able to organise and pay for smaller repair jobs. Without additional, ongoing funding the only way of achieving this would be by introducing fees for the service.

Although the introduction of charging will subsidise the cost of work for additional customers, it could not compensate for it entirely so an additional source of funding will be required. On the other hand, as a result of the introduction of repayable housing assistance, there is likely to be a reduced need for capital budget provision for private sector discretionary grants from April 2014. It is proposed, therefore, to increase the funding from the Council's General Fund by an additional £5,000 per annum from April 2014, by seeking a Continuing Services Budget (CSB) Growth Item, to help fund the Handyperson Service.

The eligibility criterion, that the service should be available to 'older people', has remained unchanged for many years. When it was introduced, the widely used definition of 'older' was 60 years of age in line with the age at which women could receive their state pension. The state retirement age has increased and it is considered reasonable that the definition of 'older' for the purposes of the eligibility criteria is amended accordingly.

Other Options for Action:

The option of not extending the scheme to people who are not on means tested benefits has been discounted as, for a number of years, the C.A.R.E. Advisory Panel has expressed a wish that this should happen.

There is an option to vary the charges proposed but this has been discounted. Although it would make it less necessary to make a bid for a CSB Growth Item if the charges were increased, it is considered that the scheme would be unaffordable to many older people. If the charges were reduced, the income generated would not prove a worthwhile subsidy to the Handyperson Service budget, particularly taking into account the cost of collecting the charges.

The intention behind defining 'older person/people' as being 60 or above in the Handyperson Service eligibility criteria was to provide a service to the residents in the private sector who were most likely to fall prey to unscrupulous tradesmen by virtue of being less able to maintain their own homes or afford to pay others to do this for them. Since that time the age at which people can receive their state retirement pension has changed and continues to do so. Although they would have to contribute towards the cost, under the existing eligibility criteria people of 60 and over who were still working could use the service. As this is not within the spirit of the scheme, the option of not clarifying the definition has been discounted.

Report:

1. Caring and Repairing in Epping Forest (C.A.R.E.), the Council's in-house Home Improvement Agency provides help and support to older and otherwise vulnerable home owners and private tenants to maintain independent living in the community. As part of its function C.A.R.E. provides a Handyperson Service through which small, low cost jobs, such as minor plumbing and electrical jobs, remedial carpentry and falls prevention work are carried out for vulnerable people in the private sector. The service is not to be confused with handyperson services provided for Council tenants, which is funded from the Housing Revenue Account.

2. C.A.R.E. is currently funded through the Council's General Fund, Housing Related Support (formerly Supporting People) at Essex County Council (ECC), occasional grants from other outside organisations and fees from the private sector housing grants it helps access for service users. The Council will be providing £10,250 towards Handyperson work in 2013/14 and has contributed around £10,000 per annum for a number of years.

3. In addition to its usual annual allocation, in 2009/10 and 2010/11, ECC made additional grants available to the Handyperson Service so that C.A.R.E. could set up schemes to 'promote independence' for vulnerable people in the private sector. C.A.R.E. used some of this extra funding to carry out work for older people living on mobile homes sites and, as some of the additional funding was not used up in the years in which it was given, with ECC's agreement the surpluses were brought forward into 2013/14 when they will be fully spent.

4. Under existing eligibility criteria the service is available to older and, in some cases, disabled people. People who are on means-tested benefits can use the service free of charge but those who are not on means-tested benefits (referred to as 'Able to Pay' clients) may use the service but have to pay the full cost of the work. These service users are provided with a reputable builder to carry out the work but mostly have to make their own arrangements for the work to be carried out.

5. Individual applicants may use the Service up to a maximum of 3 times a year with applications being at least 3 months apart. Each job can cost up to a maximum of £250 for any application but no more than £400 in any one year. The work is carried out by small local firms of contractors who have been vetted for their suitability to carry out Handyperson-type jobs. Generally about 50 jobs are carried a year with each job costing from £25 to £250. The average cost is about £150.

6. In addition to the basic Handyperson Service described above, C.A.R.E. provides a 'Handyperson Plus' service under which service users can have a core set of security devices, such as door and window locks, fitted free of charge. The average cost of an intervention (each time the service is used) is £120. The Service also carries out falls prevention work, supplying and fitting measures such as grab-rails, handrails and ramps under the same eligibility criteria as the Handyperson Service. Job costs range from about £40 to £250 with the average being approximately £180.

7. C.A.R.E. receives policy direction from the C.A.R.E. Advisory Panel which is chaired and supported by Council Officers but includes a service user representative, representatives of ECC, Voluntary Action Epping Forest (VAEF), the CAB, the NHS and three EFDC councillors. For a number of years the Advisory Panel has wanted the Handyperson Service to offer more practical and financial support to people who are not on means-tested benefits but, by virtue of being older people and retired, may be less able to organise and pay for smaller repair jobs. A particular concern was that, without this support, vulnerable people in the private sector could fall prey to 'cowboy builders'.

8. Without additional, ongoing funding the only way of achieving this would be by introducing fees for the service. On 28 June 2012 the Panel received a report on proposals to introduce charges for the Handyperson Service. The Panel was in agreement with this and was also of the view that the eligibility criteria should be revised so that a subsidised Handyperson Service could be offered to older people that are not on means-tested benefits.

9. Charging for Handyperson Services is current practice for the other Home Improvement Agencies in Essex where one provider charges people who are on means-tested benefits £11 per hour, while those who are not on means tested benefits pay £18 an hour. Another provider charges £13 per hour and £20 per hour respectively. In both cases the cost of any materials is added to any labour rate and clients pay the contractor on completion. Both providers have

employed staff to carry out the eligible works and provided them with vehicles.

10. Charging for labour and materials in this way would not be possible for C.A.R.E. as it uses external contractors rather than an EFDC-employed handyperson. Under these arrangements, in order to calculate the cost to the service user, the contractor carrying out the work would need to provide an itemised estimate for every job, bearing in mind that some jobs are very small. It would not be cost effective for the contractor to prepare an estimate for each customer and then revisit to carry out the work after C.A.R.E. had told the service user how much they would have to pay.

11. Although some of the practical difficulties associated with charging for the service would be removed if C.A.R.E. did have its own handyperson, a cost/benefit analysis of this approach has demonstrated that it would not be viable. It is felt that a better option to attract funds to the service would be by levying a set charge of a maximum contribution each time someone used the Handyperson Service. Under this approach, the Council would pay the Handyperson contractor's invoice but would recover the charge from the service user. It is felt that maximum charges of £30 per job for people on means-tested benefits and £50 per job for those who are not would be appropriate and affordable. Service users would pay the full cost of the work if it was less than these amounts, but £30 and £50 respectively if the work cost more.

12. While it has long been the wish of the Advisory Panel to introduce a charging scheme for the Handyperson Service, previous attempts to find an agreeable charging scheme have proved unsuccessful. The Advisory Panel and C.A.R.E.'s Service User's Forum have both been consulted on the introduction of a charging scheme and both are in favour of the proposals outlined and, in particular, that people who are on means-tested benefits should not be required to pay for falls prevention or security measures. For the purposes of the calculations, therefore, these have been considered to be free of charge for people on means-tested benefits. Service users who are not on means-tested benefits would be required to pay up to £25 towards falls prevention or security measures.

13. Calculations have been carried out based on the number of jobs undertaken in 2012/13 when sixty jobs were carried out at a total cost of £9,325. Although data is not currently collected on work carried out for service users who are not on means-tested benefits, it has been estimated that this is likely to be half as many service users as currently receive the service free of charge. On this basis, it is estimated that the annual cost of the work carried out would be about £14,000, with customer contributions being about £2,500, a net cost to the Council of £11,500. This exceeds the current budget by £1,250 per annum. It should also be pointed out that the budget and the unit cost of jobs do vary from year to year. Owing to a change in C.A.R.E.'s staffing arrangements in 2012/13, slightly fewer jobs were carried out than might usually be the case, so the actual budget shortfall might be expected to be more than this.

14. If service users were to pay their contribution on the completion of work there is a risk that they may refuse to pay. For this reason it is advised that, where possible, the charge is made before the work is carried out, however, it is not always certain how much a particular job will cost before it is carried out (where there is unexpected or unforeseen work, for example). In a few instances, therefore, when the charge is more than the cost of the work being carried out, the service user may pay more than the work will cost. In these cases, which will be relatively few in number, it is proposed that the service user is reimbursed for the over-payment.

15. There will also be instances, however, where the work is urgent (such as leaking pipework), when it would be unreasonable to expect the service user to wait while their payment is processed before the work can be carried out. In these circumstances the service user will be charged on the completion of the work. If they refused to pay it is hoped that writing to them would hopefully encourage most to settle the debt as, given the relatively small sum involved, it

might not be cost effective to pursue the debt through the usual channels. It needs to be recognised, therefore, taking into account the size of the individual debt, that after all reasonable measures have been exhausted to collect it, the debt may have to be written off. However, in these circumstances it is recommended that no further work should be carried out for clients until all previous invoices have been paid.

16. Consideration also needs to be given to the additional work resulting from the implementation of the new arrangements. From the estimations above, collecting the charges would equate to the administration associated with about 75 invoices a year, less than two a week, which should be within the capacity of the Directorate to administer.

17. There is also a risk that providing a subsidised service for people who are not on means-tested benefits will result in the budget being spent before the end of the financial year. It is considered that additional funding from ECC and other agencies in 2013/14 is likely to be sufficient to cover any shortfall in funding in 2013/14. However, additional funding would be required from 2014/15 onwards and it is recommended that a request is made for a CSB Growth Item of £5,000 per annum from April 2014. Expenditure on the Handyperson Service budget is, and will continue to be, reviewed on an ongoing basis. As a result, indications of a potential funding shortfall can be picked up quickly and appropriate measures taken to address this, such as adjusting the levels of contributions and putting a hold on carrying out any more work until further funds are available.

18. Although under a different budget heading within the General Fund, the budget increase is likely to be compensated for from funds within the allocation for private sector housing discretionary assistance. The introduction of 'repayable assistance' in July 2012, which was intended to have the effect of recycling the available budget, has started to take effect. It is anticipated that in the review of capital budgets in September 2013 it may be possible to reduce the capital allocation for 2014/15 and make even further reductions in future years.

19. The aim of the Handyperson Service is to provide help to carry out maintenance and repairs for C.A.R.E. clients who are older (i.e. over 60 and retired) and/or disabled. Age and disability are considered to be 'protected characteristics' under the Equality Act 2010 and the Council is required under its general equality duty to remove or minimise the disadvantages experienced by groups that share protected characteristics and to take steps to meet their needs. It is considered that the proposals in this report will contribute to fulfilling this duty.

20. The Handyperson Service was set up in the 1990's, with an aim to help 'older people in the private sector', although no definition was ever provided of what 'older' meant. Since that time the age at which women can receive their state retirement pension has been converging towards the male retirement age of 65 years and has now been further increased for both men and women born after a certain date. It now seems timely to provide a definition of 'older person' and it is recommended that this should be people of at least 60 years of age who are no longer working and are in receipt of their state retirement or, where a couple, both are over 60 years of age, no longer working and in receipt of their state retirement pension.

21. The Council's contribution towards the Handyperson Service has remained relatively unchanged for a number of years. In recent years, however, C.A.R.E. has been able to supplement this by attracting additional grants, often from ECC. There is no certainty that additional funds will be available in future, particularly in the light of cuts in ECC's Housing Related Support budget. It seems reasonable, therefore, for the Council to now increase the Handyperson Service budget from £10,250 to £15,250 in order to continue providing this highly valued service. In addition, in order to be able to offer the service to more vulnerable people in private sector housing, it seems reasonable to expect service users to make a financial contribution towards the service as suggested above.

Resource Implications:

No additional funding in 2013/14 owing to the carry forward from previous years of under-spent funding from ECC and other grant sources. As additional sources of funding may not be available from April 2014, however, it is recommended that additional funding of £5,000 per annum is made available from April 2014/15, by way of a CSB Growth Item, for the Handyperson Service. A review will be carried out of the private sector housing discretionary assistance budget towards the end of the year in the expectation that it will be possible to reduce the capital budget for 2014/15 under this heading and since the introduction of repayable grants in 2012, it may be possible to make further reductions in future years.

Legal and Governance Implications:

Local Government Act 2000; Regulatory Reform Order 2002;

Safer, Cleaner and Greener Implications:

The proposal is aimed at making the most of available funding to help older people in the private sector have homes that are reasonably adapted for their needs and are safe and warm to live in.

Consultation Undertaken:

The C.A.R.E. Advisory Panel and C.A.R.E. Service Users Forum have been consulted on the proposals.

Impact Assessments:

Risk Management

There is a risk that providing a subsidised service for older people who are not on means-tested benefits will result in the budget being spent before the end of the financial year. It is considered that additional funding from ECC and other agencies in 2013/14 is likely to be sufficient to cover any shortfall in funding in 2013/14. However, it is recommended that a CSB Growth Item of £5,000 is made available from April 2014/15 for the Handyperson Service. A review will be carried out of the Private Sector Housing Discretionary Assistance budget in September 2013 in the expectation that it will be possible to reduce the Capital budget under this heading and since the introduction of repayable grants in 2012, it may be possible to make even further reductions in future years.

There is also a risk that service users might not be able to pay their contribution and the Council might ultimately have to write off the debt. It is considered that this will not be a frequent occurrence and that sending out of reminder letters to service users for late or non-payment will often resolve the matter. It is also recommended that service users who fail to pay their contribution are denied access to the service in future. However, given the small amounts concerned, and the cost of pursuing the debts, the most cost-effective option in some cases will be to write the debt off. The number of debts that arise in this way will be monitored and, if this becomes a more than occasional occurrence, consideration will be given to implementing additional measures to resolve the issue.

Equality and Diversity

Did the initial assessment of the proposals contained in this report for relevance to the Council's general equality duties, reveal any potentially adverse equality implications?

Yes. There may be difficulty in accessing the C.A.R.E. service for people with certain disabilities and/or do not speak English as their first language. As C.A.R.E. is predominantly a service for older and disabled people, a number of measures are already in place to improve accessibility, such as making documents available in other formats and through regular publicity

to special interest groups (such as the Alzheimer's Society). Home visits are carried out wherever possible so that people do not have to overcome the practical difficulties in travelling to the Civic Offices.

Where equality implications were identified through the initial assessment process, has a formal Equality Impact Assessment been undertaken?

Yes. The Housing Directorate carried out Customer Impact Assessments (CIAs) of Private Sector Housing functions, which includes C.A.R.E., in 2010.

What equality implications were identified through the Equality Impact Assessment process?

The Private Sector Housing CIAs identified some possible adverse equality implications such as difficulties accessing services for people who don't speak English as their first language. However, the Action Plans in the CIAs include actions to overcome any potential problems and these measures have been put in place.