

Report of Robert Curtis, Programme Officer, Sustainable Energy & Climate Change Team

Report to the Director of Resources and Housing

Date: 7th September 2017

Subject: The future of the Warm Homes Service and Green Doctor Scheme in Relation to Public Health and Leeds Adults and Health.

Are specific electoral wards affected? If yes, name(s) of ward(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, access to information procedure rule number: Appendix number:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Summary of main issues

1. Currently, different council departments fund four services operated by Care & Repair Leeds and Groundwork Leeds that have broadly similar clients:
 - 1.1 Warm Homes Service managed by Care & Repair receive £20,000 pa from the Sustainable Energy and Climate Change (SECC) Team (Resources and Housing)
 - 1.2 Green Doctor managed by Groundwork receive £40,000 pa from the SECC Team (Resources and Housing)
 - 1.3 Warmth for Wellbeing service managed by a consortium of Groundwork and Care & Repair receive £100,000 pa from Public Health Leeds (Adults and Health)
 - 1.4 Home Independence services managed by Care & Repair receive £465,000 pa from Resources and Housing and Public Health Leeds (Adults and Health)
2. To seek operational efficiencies and improve services, officers have considered merging these services into a single integrated service via the planned retendering of the Home Independence service.
3. The Public Health Programme Board has indicated that this is its preferred option.
4. This report seeks approval from the Director of Resources and Housing to delegate authority to the Director of Public Health to take all decisions related to this procurement.

Recommendations

- That the Director of Resources and Housing notes the content of this report and agrees to jointly procure a combined Home Independence and affordable warmth service in partnership with Adults and Health.
- That the Director of Resources and Housing agrees to delegate authority to the Director of Public Health, with authority to sub-delegate, to take all decisions related to the procurement of the Green doctor and Warmth for Wellbeing schemes as part of the new service from 1st October 2018 to 31st September 2021, in consultation with the Director of Resources and Housing.

1. Purpose of this report

- 1.1 To decide the future procurement and management arrangements of the Green Doctor scheme and Warm Homes Service in conjunction with the procurement of the Warm Homes and Home Independence services as funded by Leeds Public Health and the Adults and Health Department.

2. Background information

- 2.1 For several years, the Sustainable Energy and Climate Change Team of Resources and Housing has grant funded the Warm Homes Service, managed by Care & Repair Leeds and the Green Doctor service, managed by Groundwork Leeds, to provide energy efficiency and fuel bill advice, and heating grant support to residents across Leeds. This amounts to a commitment of £60,000 of funding a year from the Sustainable Energy and Climate Change Team budget.
- 2.2 In 2015 a consortium of Groundwork Leeds and Care & Repair Leeds won the tender to provide Public Health Leeds' Warmth for Wellbeing service.
- 2.3 Since October 2015, the Sustainable Energy and Climate Change Team and Public Health Leeds have jointly managed all three schemes under the Warmth for Wellbeing banner. This has enabled us to provide a single referral point for vulnerable residents requiring assistance with affordable warmth and fuel poverty issues, as well as enabling joint promotion and publicity of the schemes.
- 2.4 The Adults and Health Department has undertaken a review of the provision of Home Independence services currently provided by Care & Repair Leeds which will culminate in the re-tendering of the service in 2017/18.
- 2.5 The Public Health Programme Board asked officers to undertake an options appraisal into whether the Warmth for Wellbeing Service and the Home Independence Service, funded by Resources and Housing and Public Health Leeds (Adults and Health) should be procured and managed under a joint contract. This options appraisal also investigated the potential benefits and disbenefits of including the affordable warmth schemes funded by Resources and Housing as part of the wider warmth for Wellbeing/Home Independence contract, with the assistance of officers from the Sustainable Energy and Climate Change Team.

3. Main issues

- 3.1 In August 2017 the Public Health Programme Board decided that the Warmth for Wellbeing and Home Independence services should be jointly procured. They also recommended that the Affordable Warmth schemes funded by Leeds Resources and Housing should also be included as part of the joint procurement, dependant on the agreement of Leeds Resources and Housing.
- 3.2 Major benefits have already been achieved through the joint management and publicity of the Affordable Warmth Services under the "Warmth for Wellbeing" banner. These include better coordination of resources to promote affordable warmth, a single point of referral for residents and referrers seeking assistance with affordable warmth issues, efficiency gains in the day to day management of the affordable warmth services and a greater ability to draw in contributions from third party organisations.

- 3.3 Together, the affordable warmth services which are managed and promoted under the “Warmth for Wellbeing” name enable Leeds City Council to provide front line assistance to residents with affordable warmth issues. These services have also facilitated projects providing additional resources to residents such as the Governments Central Heating Fund and the Warm Well Homes project, which is partly funded by the local growth fund.
- 3.4 We believe that jointly procuring and managing all the affordable warmth services alongside the Home Independence service under one contract, will provide an opportunity for the further promotion of affordable warmth within the Adults and Health Directorate, increased cross-referrals between home independence and affordable warmth services and present greater opportunities to attract funding from third parties such as the Clinical Commissioning Groups.
- 3.5 We believe that there would be considerable disbenefits in the management and promotion of affordable warmth services, were the Public Health funded Warmth for Wellbeing service and the Warm Homes Service and Green Doctor schemes funded by the Sustainable Energy and Climate Change Team no longer to be jointly managed and promoted.
- 3.6 The procurement process and tender documentation will be designed to ensure that any winning organisation must be experienced, highly competent and well suited to run affordable warmth services, independent of their suitability to manage the Home Independence service.
- 3.7 Officers from the Sustainable Energy and Climate Change Team will be included in all stages of the procurement process and will continue to take part in the day to day contract management of the service alongside officers from Adults and Health.
- 3.8 As part of the procurement process we will undertake a market sounding exercise to test whether there are likely to be any participants who are willing and able to tender for the new scheme.
- 3.9 If the market testing exercise is successful, we aim to undertake a full procurement of the service with a view to the contract commencing from 1st October 2018. Our intended timelines are broadly as follows:
 - 3.9.1 October/November 2017, authority to procure;
 - 3.9.2 October 2017 – December 2017, pre-procurement planning, options appraisal and development of tender documentation;
 - 3.9.3 January 2018 – June 2018, procurement of commissioned services – tender to contract award.
 - 3.9.4 July 2018 – September 2018, contract mobilisation;
 - 3.9.5 October 2018, contract commences.
- 3.10 We therefore propose that the Director of Resources and Housing should delegate procurement decisions to the Director of Public Health, with progress updates reported to the public health programme board and the environment programme board. These will include:
 - 3.10.1 Authority to procure the new service in place of the existing Green Doctor and Warm Homes Service grants;
 - 3.10.2 Authority to award a contract to the new service provider in place of the existing Green Doctor and Warm Homes Service grant agreements;

3.10.3 Authority to spend the £60,000 per annum Resources and Housing funding over the duration of the new contract.

4. Corporate considerations

4.1 Consultation and engagement

4.1.1 The Public Health Programme Board has been consulted as part of the options appraisal process and the joint procurement of the affordable warmth and home independence services is its preferred option.

4.1.2 The Leeds Affordable Warmth Partnership has been consulted about the options appraisal process and the preferred outcome, and has been given an opportunity to express its views. Whilst some concern was expressed that tendering the services in one go would lead to an increased risk for the existing service providers, it was acknowledged that the procurement exercise would be designed to take into account the unique requirements of all parts of the new service, rather than solely concentrating on price.

4.2 Equality and diversity / cohesion and integration

4.2.1 The newly contracted service will continue to target the same households who are vulnerable to fuel poverty and cold related ill health, so there will be no adverse effects on equality and diversity or cohesion and integration.

4.2.2 Bringing the services together should improve customer service as they will be automatically assessed for home improvement and affordable warmth needs on referral, rather than having to rely on being referred twice.

4.3 Council policies and best council plan

4.3.1 The jointly procured service will help Leeds to achieve the objectives of the Best Council Plan 2015 – 2020 to support communities and tackle fuel poverty and cut carbon in Leeds. In addition it will:

4.3.1.1 continue to help Leeds to deliver the cutting carbon in Leeds breakthrough project by helping to reduce fuel bills for all residents by promoting energy efficiency

4.3.1.2 continue to help Leeds to deliver the aims and objectives of the Leeds Affordable Warmth Strategy, 2017 – 2030

4.3.1.3 continue to contribute directly towards the indicators within the Leeds Health and Wellbeing Strategy 2016-2021 by helping vulnerable people to live full, active and independent lives and to be involved in decisions made about them

4.3.1.4 continue to help Leeds to provide a single point of contact health and housing referral service, as recommended by the NICE guidance on Excess Winter Deaths and Illness and the Health Risks Associated with Cold Homes.

4.4 Resources and value for money

4.4.1 The £60,000 pa provided by Resources and Housing already represents excellent value for money in terms of enabling us to provide affordable warmth assistance to

vulnerable residents in Leeds. As well as including match funding from Public Health Leeds, the Warmth for Wellbeing scheme has:

- 4.4.1.1 brought in £130,000 of funding from Leeds North and South East CCG's for 2016/17;
- 4.4.1.2 helped to facilitate the draw-down of £390,000 worth of funding from the Central Heating Fund in 2015/16 and associated gas connection grants, and;
- 4.4.1.3 was integral to our bid for £280,000 of Local Growth funding for the Warm Well Homes project.
- 4.4.2 It is likely that by combining the management of the programmes with the Home Independence project this will create a more holistic service which will be more attractive to external funders.
- 4.4.3 Although we have already achieved some efficiency savings in terms of staff time through the joint contract management and promotion of the affordable warmth schemes under the "Warmth for Wellbeing" banner, we expect that further efficiencies can be achieved through the proposed integrated service.
- 4.4.4 Leeds' latest stock condition survey, '*A quantitative Health Impact Assessment: The cost of private sector housing interventions in Leeds City Council*' estimates that there are approximately 13,645 private sector properties in Leeds with excess cold hazards which cost the NHS £2.2m and wider society £5.7m each and every year. The new combined service will continue to alleviate these costs.

4.5 Legal implications, access to information, and call-in

- 4.5.1 The decision is not eligible for call-in.
- 4.5.2 As the total value of the grant funding for the Green Doctor and Warm homes Service is £60,000 per annum, the decision to delegate procurement to the Director of Public Health is not a key decision. However, as the delegation of function from the Director of Houses and Resourcing to the Director of Public Health is a departure from the Director's published sub-delegation scheme, this decision will be treated as a significant operational decision and published accordingly.

4.6 Risk management

- 4.6.1 As the total affordable warmth element is less than the funding for the Home Improvement part of the future contract, there is a risk that the procurement could be skewed towards Home Improvement. To mitigate against this risk, officers from the Sustainable Energy and Climate Change Team and Leeds Public Health will ensure that the procurement is designed in such a way that the contract cannot be won by a bid which is inadequate in terms of affordable warmth.
- 4.6.2 There is a risk that in the day to day management of such a large contract, less attention could be paid to the affordable warmth aspects of the work. To mitigate this risk, officers from the Sustainable Energy and Climate Change team and Leeds Public Health will take part in all aspects of the day to day management of the contract to ensure that affordable warmth work is not neglected.

5. Conclusions

- 5.1 Following an options appraisal, the Leeds Public Health Programme Board has concluded that the best option is to bring Warmth for Wellbeing, Home Independence, Green Doctor and Warm Homes Services together to form one contract.
- 5.2 The council is therefore developing procurement documents that aim to appoint a single contractor/consortium to run this combined service from 1st October 2018.
- 5.3 In order to make the decision making less complex, this report seeks approval from the Director of Resources and Housing to delegate authority to the Director of Public Health to take all decisions related to this procurement.

6. Recommendations

- That the Director of Resources and Housing notes the content of this report and agrees to jointly procure a combined Home Independence and affordable warmth service in partnership with Adults and Health.
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7. Background documents¹

- 7.1 None

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.