



POLICY AND RESOURCES SCRUTINY COMMITTEE – FOR INFORMATION

SUBJECT: CARE AND REPAIR MERGER

REPORT BY: INTERIM CHIEF EXECUTIVE

1. PURPOSE OF REPORT

- 1.1 To provide members of the Policy and Resources Scrutiny Committee with information on the recent merger of Care and Repair Caerphilly with Care and Repair Blaenau Gwent to form Blaenau Gwent and Caerphilly Care and Repair.

2. SUMMARY

- 2.1 Care and Repair provides advice and support to older and vulnerable people to remain independent in their own homes. Previously 22 Care and Repair Agencies operated across Wales, however, in 2014 the Welsh Government announced a significant reduction in funding for the agencies which necessitated a programme of mergers in a bid to reduce expenditure whilst continuing the successful provision of core services.
- 2.2 In Gwent the five former agencies, located in each of the local authority areas, merged into three, comprising Torfaen and Monmouthshire, Newport, and Blaenau Gwent and Caerphilly. The Blaenau Gwent and Caerphilly Agencies subsequently merged in January 2017 to form Blaenau Gwent and Caerphilly Care and Repair. They continue to provide a comprehensive package of advice and support to households across Caerphilly County Borough.

3. LINKS TO STRATEGY

3.1 The Caerphilly Delivers - Single Integrated Plan 2013-2017 priorities:

improve standards of housing and communities, giving appropriate access to services across the County Borough, and

ensure people are supported to live in their own homes and communities in safety.

3.2 The Strategy For Older People in Wales 2013-2023:

ensuring that older people in Wales have the resources they need to deal with the challenges and opportunities they face.

3.3 Improving Lives and Communities: Homes in Wales (Welsh Government, 2010):

sets out the national context on meeting housing need, homelessness, and housing-related support services.

- 3.4 This report would link most closely to the following Well-being Goals within the Well-being of Future Generations Act (Wales) 2015:
- A prosperous Wales
 - A resilient Wales
 - A more equal Wales
 - A Wales of cohesive communities
 - A globally responsible Wales.

4. THE REPORT

- 4.1 Care and Repair is a third sector organisation providing advice and support to older and vulnerable households to enable them to remain independent in their own homes for as long as possible. It provides a comprehensive casework and technical service. This includes advice and support in relation to welfare benefits, fuel poverty and housing grants as well as technical expertise involving scheduling services, monitoring the quality of building work and management of an approved list of contractors.
- 4.2 In 2014 Welsh Government confirmed that Care and Repair revenue budgets would be cut by 10% in the following year and highlighted to the 22 Care and Repair agencies across Wales the need for them to become more efficient. They tasked Care and Repair Cymru with leading discussions to develop proposals that would protect front line services from the effects of budget cuts, and made clear their expectation of mergers between agencies, with fewer chief officers, and reduced management, administrative and overhead costs.
- 4.3 At the time it was considered that the Williams Commission may provide a template for mergers but Welsh Government stressed that the agenda for Care and Repair mergers stood irrespective of the outcome of the Commission and the associated discussions on its implementation within Local Government and wider public services. Care and Repair therefore proceeded with its own 'merger map', using Williams as a starting point.
- 4.4 Key objectives of the Framework for Change included:
- The need to continue to provide core services in all communities in Wales ensuring, as far as possible, local delivery of services by core funded case workers and technical officers.
 - The need to guard against the loss of local funding from partners, including Local Authorities and Housing Associations, and to minimise the risk of weakening locally developed strong partnerships and social enterprises.
 - Growing relationships with the NHS around prevention and the delayed transfer of care agenda.
 - Developing more diverse and robust income generation streams to make agencies more resilient to national and local grant cuts in future years.
 - Review aims, requirements and efficient use of grant funding. Also, develop conditions that strengthen governance, raise service quality and consistency across wales, improve awareness and access to services, promote service sustainability and growth, and ensure best value for back office and shared functions.
- 4.5 Within Gwent consideration was given to either a two or three agency model. The three agency model was favoured by the Gwent agencies following consideration of detailed operational and financial information and financial cost modelling. Whilst Caerphilly Care and Repair would have preferred to remain independent, in light of the associated financial implications they were minded to merge with Blaenau Gwent.

- 4.6 The rationale behind the 3 agency model was that Torfaen and Monmouthshire Care and Repairs were located within Melin Homes and Newport Care and Repair was located within Seren Housing Group. The remaining two agencies were both Industrial and Provident Societies (IPS), now known as Community Benefit Societies, making merger less legally complex (2 merging as opposed to 3) and as two IPS merging, issues of possible pension debt crystallisation became less problematic.
- 4.7 As Welsh Government funding was only available for two Agencies in Gwent, Care and Repair Cymru advised the Gwent Agencies that the core cost of the additional manager, administration and overheads would need to be met by the two Housing Associations. The Boards of Melin and Seren subsequently confirmed that commitment.
- 4.8 A Shadow Board for Blaenau Gwent and Caerphilly Care and Repair was established in April 2015, consisting of representatives of the two Agencies. The Shadow Board appointed legal representation to support them through the merger process, and a third sector specialist to advise and guide them through the stages of the merger, including HR management and staff consultation.
- 4.9 In accordance with the legal advice provided the two Agencies subsequently merged in January 2017, changed their names to Blaenau Gwent and Caerphilly Care and Repair in June 2017 and converted to a charitable company limited by guarantee, registered with the Charity Commission, in November 2017. Services provided to households have not been directly affected by the merger.
- 4.10 The former Chief Executive Officer of Caerphilly Care and Repair has been appointed Chief Executive Officer of the new organisation, which is located in the offices of the former Blaenau Gwent Agency at Roseheyworth Business Park in Abertillery. There were no compulsory redundancies however a small number of staff opted to take voluntary redundancy.
- 4.11 Partnership working and collaboration remain at the heart of service delivery with the Agency's core service continuing to be funded by Welsh Government. In addition advice and financial support continues to be received from its partners, including Blaenau Gwent and Caerphilly County Borough Councils, Aneurin Bevan University Health Board, Public Health Wales, Gwent Police and South Wales Fire and Rescue Service.
- 4.12 As the Agency is a registered charity they now have Trustees rather than Board members. The Chair of the trustees is the former Chair of the Board of the Blaenau Gwent Agency. Both the Council's Cabinet Member for Homes and Places and the Interim Private Sector Housing Manager have recently been asked to become Personal Trustees of the Charity as they were previously members of the Board, nominated by Caerphilly County Borough Council.

5. WELL-BEING OF FUTURE GENERATIONS

- 5.1 This report contributes to the Well-being Goals as set out in Links to Strategy above. It is consistent with the five ways of working as defined within the sustainable development principle in the Act
- Long Term – Provides future sustainability of Care and Repair services within the County Borough.
 - Prevention - Supports older person households to remain safely and securely in their own homes. Reduces the likelihood of hospital and care home admissions.
 - Integration – Improved standards of housing and stable communities.
 - Collaboration – Facilitates partnerships and joined up working arrangements with a range of agencies to support older people in their communities.
 - Involvement – Engages support agencies and partners in relation to sustainment of communities

6. EQUALITIES IMPLICATIONS

- 6.1 This report is for information only so the Council's full Equalities Impact Assessment process does not need to be followed. Securing the future of Care and Repair within the County Borough will, however, benefit many older people within the community.

7. FINANCIAL IMPLICATIONS

- 7.1 This Authority has previously supported Care and Repair Caerphilly, most recently providing an element of imputed support in relation to accommodation and day to day office costs together with an annual cash contribution. At a meeting on 17th February 2016 Cabinet endorsed 2016/17 budget proposals prior to final determination at Council. The proposals referenced the proposed Agency merger and proposed the withdrawal by Housing of funding support for Care and Repair Caerphilly to generate savings of £10,000 in 2016/17 and a further saving of £5,000 in 2017/18. No funding has therefore been provided in 2017/18.
- 7.2 In addition to budgetary restrictions imposed on partner organisations providing financial support to Care and Repair, in 2014 Welsh Government confirmed that Care and Repair revenue budgets would be cut from £5.1m to £4.6m in 2014/15. They reiterated the need for Agencies to make savings by requiring the merger of Agencies across Wales to reduce overheads whilst minimising the impact on clients.

8. PERSONNEL IMPLICATIONS

- 8.1 There are no personnel implications associated with this report.

9. CONSULTATIONS

- 9.1 All responses from consultations have been incorporated in the report

10. RECOMMENDATIONS

- 10.1 This report is for information only.

11. REASONS FOR THE RECOMMENDATIONS

- 11.1 There is no recommendation; the report is to update members on the merger of Blaenau Gwent and Caerphilly Care and Repair.

12. STATUTORY POWER

- 12.1 No statutory powers.

Author: Fiona Wilkins, Public Sector Housing Manager - wilkife@caerphilly.gov.uk
Consultees: Christina HARRY, Interim Chief Executive
Shaun Couzens, Chief Housing Officer
Cllr Lisa Phipps, Cabinet Member for Homes and Places.
Todd Rawson, Solicitor
Claire Davies, Interim Private Sector Housing Manager
Mark Jennings, Housing Strategy Officer
Pat Jones, Chief Executive Officer, Blaenau Gwent and Caerphilly Care & Repair