



Foundations

THE NATIONAL BODY FOR HOME IMPROVEMENT AGENCY
AND HANDYPERSON SERVICES

Handyperson Services Financial Benefits Toolkit

Easy-read Guidance

2013



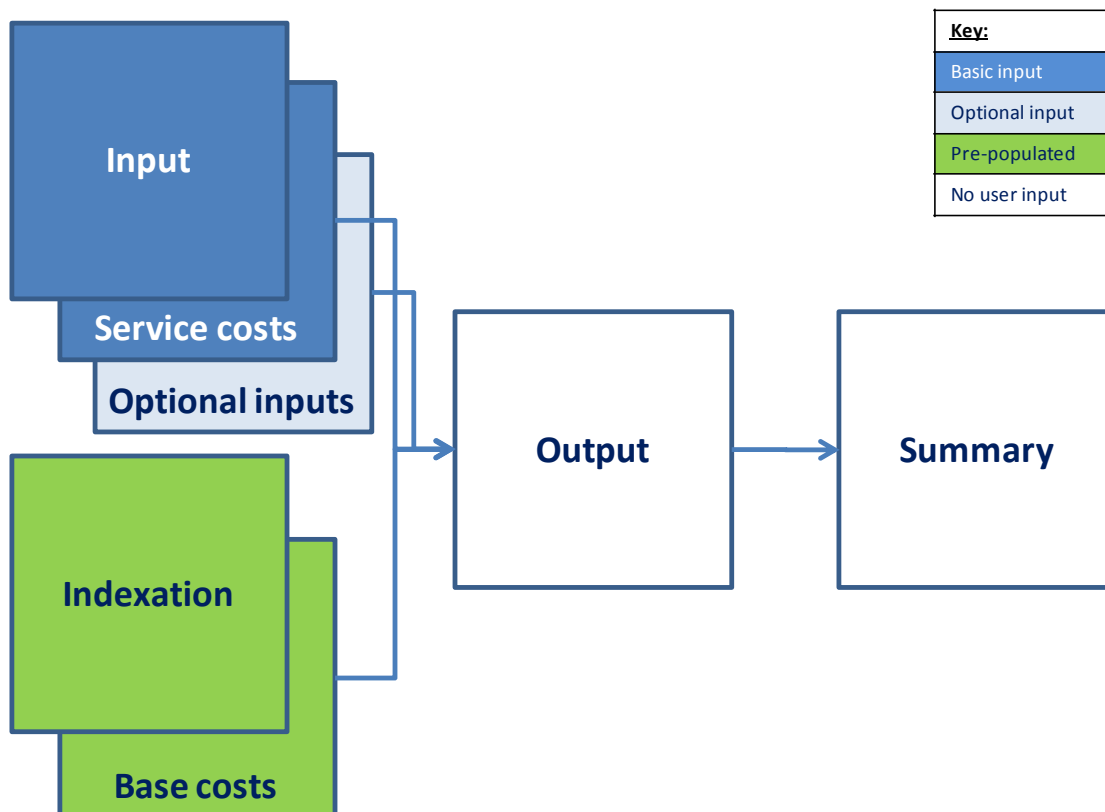
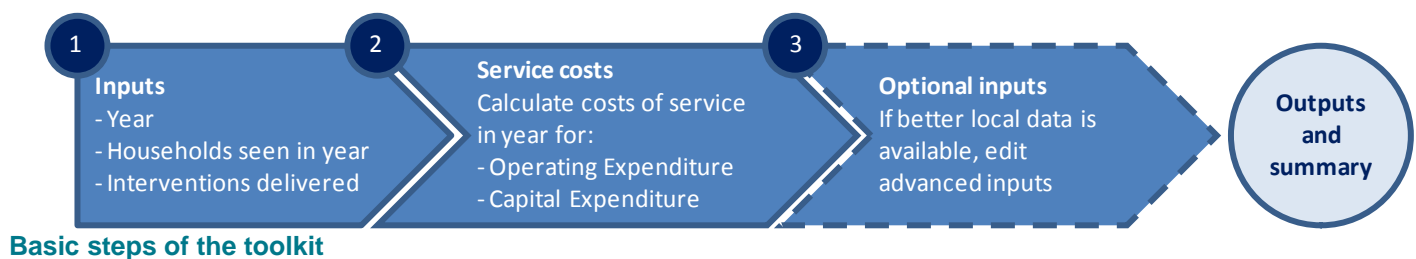
Introduction

The Handyperson Financial Benefits Toolkit uses evidence on the aims, objectives, outcomes and benefits of handyperson services and similar interventions to help put together a case for the future funding of handyperson services locally. It uses an approach to estimating the benefits of social policy interventions.

This guidance is provided as an aid for using the tool for developing a business case for handyperson services. Handyperson services are complex in nature, varying across local authority areas and in the nature of services interventions delivered.

OPERATING THE HANDYPERSONS FINANCIAL BENEFITS TOOL

The figure below illustrates the 3 steps needed for the tool to calculate the benefits of the handyperson service:



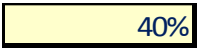
How the worksheets link together


Toolkit Preview - What the different sections do

- **Input tab:** Inputs here include: for which year the benefits should be calculated; how many households the handyperson service attends; and what types of interventions are delivered.
- **Service costs tab:** All **in year** costs for the handyperson service must be included here, manually inputted by the user.
- **Optional inputs tab:** This, along with the 'output' tab, forms the engine of the tool. Here all the benefits from each intervention delivered are clearly laid out, as well as the expected benefit each type of intervention is likely to have.
- **Indexation tab:** Based on which year has been selected for calculation in the 'input' tab, these are the figures used to uplift costs as necessary.
- **Base costs tab:** These are the costs for each expected financial benefit, uplifted for April 2013 figures.
- **Output tab:** In the same format as the 'adv inputs' tab, here the impact figures for each type of intervention are calculated.
- **Summary tab:** This tab shows the types of interventions delivered in year by the handyperson service; the financial and non-financial benefits accrued; the budgets which these accrue to; and a 'break-even' point sensitivity check.

HOW TO FILL IN THE TOOL

Key:

Basic Input: any cell formatted  is a basic input cell and data must be entered.

Advanced Input: any cell formatted  is an advanced input cell and data may be entered in required.

Input tabs

There are three sections which need to be completed in the 'input' tab.

- 1) **Year** – from the drop down-list, select which year you wish to use the toolkit for
- 2) **Households seen in year** – input the number of households your handypersons service sees in a year, as opposed to the number of visits it makes. The number of total visits made in year is calculated by multiplying the 'average number of visits per household in year' (a figure derived from national data, pre-populated in the toolkit) by the 'number of households seen in year'. This results in the 'total number of visits in year' figure.

You may have local data on the average number of visits per household in a year. The tool can be amended to reflect your local data. Please ensure that your local data is robust and meaningful; it would be unwise to 'inflate' the benefits of your scheme by using poor data.

3) Interventions delivered

- a) Using the check boxes, select which interventions your service delivers.
- b) Make sure that if your handyperson- service delivers interventions which are not listed are you select the 'None of the above' intervention, and enter what proportion of your services delivered are not covered in the lists above. If you do not do this the tool will incorrectly inflate the benefits delivered by your service.
- c) Select to use either the 'default intervention activity split' (which is based on national data), or 'custom list'. If you select not to use the 'default intervention activity split', you must then manually input for each intervention type what the percentage of all visits are of each intervention. These percentages must equal 100 per cent. The tool will not calculate if this is not the case, and an error sign will be displayed informing you of the current total.

Service Costs

The service costs tab must be filled in so that the toolkit can calculate the difference between the annual cost of running a handyperson service, and the annual financial benefits derived from it. There are two columns to fill in,

- 1) **Capital Expenditure (CAPEX) costs** – under 'description' input the description of the in year cost, and under 'cost', the relevant in year cost. CAPEX costs include fixed and physical assets such as equipment, properties, or buildings.
- 2) **Operating Expenditure (OPEX) costs** – under 'description' input the description of the in year cost, and under 'cost', the relevant in year cost. OPEX costs include day-to-day expenses such as sales and administration – these are generally the running costs of a business.

The totals of both these sets of figures are then added together, and appear in the 'Input' tab as 'Total costs'.

Optional inputs

The 'optional inputs' tab could be used by those handyperson services which have robust local data regarding the incidence and impact figures of their services, and would rather use local data than the pre-populated data in the model.

There are five different sections in the 'optional inputs' tab, however only one section can be edited, as illustrated below:

- 1) **What is the intervention?** – this details what the intervention is; the benefits associated with it; and how many visits there are dedicated to each intervention, based on the figures inputted in the toolkit.
- 2) **What are the benefits of the intervention?** – based on the evidence base compiled in the User Guide, this details the benefits resulting from an intervention.
- 3) **What are the incidence rates, with and without an intervention?** – this is the only section of the tab which can be edited. The first column relates to annual expected incidence figures for (for example) falls if no intervention was performed. The second column relates to the expected impact that the intervention will have on reducing the aforementioned incident (in this case, a fall). If you choose to edit these figures, a pop-up will remind you that you must have robust local evidence to replace them with.
- 4) **What is the cost per year without an intervention?** - again based on the evidence base, and uplifted when necessary by the GDP inflators in the 'Indexation' tab, this details the cost per year of the incident in question.
- 5) **Which budget does the cost accrue to?** – this splits out by budget, where the costs for the incident accrue. We would recommend that you read Section 2 on benefits accrual later on in this guidance.

Indexation

This tab provides the GDP inflator figures used to uplift the incident costs used in the tool. These can be updated following the link provided in the tab. The tool uses a GDP inflator for a financial year (April to March) and not a calendar year.

Base costs

The 'base costs' tab explains the values and costs used in the tool to calculate the financial benefits accrued by a handypersons service. These cannot be edited.

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## OUTPUTS

### Output

The 'output' tab is setup in much the same way as the 'optional inputs' tab, with the difference that here all figures have been calculated, and nothing can be edited. This tab provides three important outputs, as illustrated below:

- 1) For each benefit, the number of incidents reduced as a results of the intervention
- 2) For each benefit, the total financial benefit (if this is a non-financial benefit, this section is blanked out)
- 3) For each financial benefit, the split of the benefits by each budget

### Summary

As outlined below, the summary sheet provides a number of outputs:

- 1) **Households seen and interventions delivered** – this provides details on the total number of households seen; the number of interventions delivered (as calculated in the tool) by type of intervention; and the total number of interventions delivered in year.
- 2) **Financial benefits** – this lists the benefits derived from the service; the number of each benefit; the financial benefit; and the benefit as split by budget.
- 3) **Non-financial benefits** – this lists the non-financial benefits that can be obtained from the handypersons service, and whether the interventions delivered have resulted in them. The number of households receiving interventions can be seen on the 'input' tab.
- 4) **Sensitivity check** – this provides details of the 'break-even point' of your handypersons service. For instance, if your service costs £30,000, and your estimated financial benefits are £40,000, the margin of error for your service would be 33 per cent. If this figure was negative, it would mean that the service costs more than the total financial benefits. The sensitivity check also provides the cost: gross benefit ratio. Thereby giving you information on for every £1 your service puts in, what £X benefit is returned.