



## EAST STAFFORDSHIRE BOROUGH COUNCIL

### REPORT COVER SHEET

<b>Title of Report:</b>	Disabled Facilities Grant Scheme Review 2020	To be marked with an 'X' by Democratic Services after report has been presented
<b>Meeting of:</b>	Corporate Management Team 17 November 2020	X
	Leader and Deputy Leaders 23 November 2020	X
	Leader's / Leader of the Opposition's Advisory Group / Independent Alliance Advisory Group 2 <sup>nd</sup> & 3 <sup>rd</sup> December 2020	X
	Cabinet 14 December 2020	
	Scrutiny Audit and Value for Money Council Services Committee [DATE] / Scrutiny Community Regeneration, Environment and Health and Well Being Committee [DATE]	



<b>Is this an Executive Decision:</b>	YES	<b>Is this a Key Decision:</b>	YES
<b>Is this in the Forward Plan:</b>	YES	<b>Is the Report Confidential: If so, please state relevant paragraph from Schedule 12A LGA 1972:</b>	NO [ ]

**Essential Signatories:**

**ALL REPORTS MUST BE IN THE NAME OF A HEAD OF SERVICE**

Monitoring Officer: **Angela Wakefield**

Date ..... Signature .....

Chief Finance Officer: **Sal Khan**

Date ..... Signature .....

**EAST STAFFORDSHIRE BOROUGH COUNCIL**

**Report to Cabinet**

**Date: 14 December 2020**

**REPORT TITLE:** **Disabled Facilities Grant Scheme Review 2020**

**PORTFOLIO:** **Regulatory Services**

**HEAD OF SERVICE:** **Mark Rizk**

**CONTACT OFFICER:** **Rachel Liddle**      **Ext. No. x1838**

**WARD(S) AFFECTED:** **All Wards**

**1. Purpose of the Report**

- 1.1. The purpose of this report is to provide an annual review of the Disabled Facilities Grant Service and seek approval for amendments to the Disabled Facilities Grants and Assistance Policy.

**2. Executive Summary**

- 2.1. The current in-house Disabled Facilities Grant Service began on 1<sup>st</sup> April 2018 which aimed to provide significant benefits for service users by reducing the time taken to undertake adaptations and the costs currently associated with administering Disabled Facilities Grants through the use of an approved contractor and reduced administrative costs.
- 2.2. The DFG service administers the full DFG process through the provision of support, information and advice; completion of application forms and the collation of supporting evidence; technical advice, preparation of schedules of works and drawings; application of planning permission and building regulations approval; advice on funding the adaptation if not fully met by the grant; obtaining contractor quotes; arrangement and agreement of work commencement dates; supervision of the relevant works and payment of contractors. A Disabled Facilities Grants and Assistance Policy was adopted providing discretionary assistance through top up grants and grants to assist clients to move to an adapted home.

- 2.3. Whilst the full DFG process is complex the in-house DFG service has been designed to be as simple as possible, ensuring that cases are actively progressed to reduce delays. This has reduced the DFG process timescales significantly from 362 days for cases handled by the previous provider in 2017/18 to 291 days for cases handled by the in-house DFG team in 2019/20.
- 2.4. Since the initial setup of the in-house DFG service a number of significant challenges were encountered including a significant increase of workload due to changes in Social Care and Health; delays associated with cases inherited from the previous provider; difficulties gaining landlord permission for Trent and Dove properties; challenges associated with the contractor tender resulting in the original contractor being cancelled and a second tender being undertaken; additional specialist officer resources required to assist in providing plans and schedules of works to assist complex works; and difficulties in sourcing funding for complex works that exceed the maximum £30,000 grant allowance.
- 2.5. These challenges were reported in the Disabled Facilities Grant Scheme Review in 2019, along with a number of changes and improvements identified to reduce the impact of these challenges. The performance of the DFG service has been continually monitored and corrective action taken for any challenges that have arisen and it is clear that the improvements and changes implemented as reported in the original review in 2019 are being reflected in the reduced DFG timescales.
- 2.6. This report provides an updated review of the Disabled Facilities Grant Service and seeks approval for amendments to the Disabled Facilities Grants and Assistance Policy to remove the land charge for discretionary assistance provided to properties owned by a Registered Social Landlord (RSL), subject to Head of Service approval and a recommendation for the temporary Housing Technical Officer post to be made permanent..

### **3. Background**

- 3.1. East Staffordshire Borough Council has a statutory duty under the Housing Grants, Construction and Regeneration Act 1996 to provide financial assistance to disabled people for a range of essential adaptations to their home through a Disabled Facilities Grant.
- 3.2. A Disabled Facilities Grant (DFG) is available to owner occupiers, private sector tenants and housing association tenants to enable adaptations to be carried out in their own home to meet disability needs. The purposes for which mandatory disabled facilities grants may be given are set out in section 23(1) of the 1996 Act. The primary purpose is to facilitate access and provision, this includes work to remove or help overcome any obstacles which prevent the disabled person from moving freely into and around the dwelling and enjoying the use of the dwelling and the facilities or amenities within it.

- 3.3. A DFG is a mandatory grant and in accordance with its statutory obligations the Council must either approve or, for defined reasons, refuse applications within six months of receipt and in any event without unreasonable delay.
- 3.4. In November 2013, East Staffordshire Borough Council agreed to enter a Participation Agreement with Staffordshire County Council for the procurement of a HIA Service across the County and within the Borough. The service provided assistance and support to households to enable them to remain living independently in their own homes and facilitated the delivery of DFGs. The successful tender was won by Revival and following a 1 year extension the contract ended on 31<sup>st</sup> March 2018.
- 3.5. A report reviewing options for the future delivery of DFGs in January 2018 recommended the provision of an in-house Disabled Facilities Grant service to provide significant benefits for service users and the Council by adopting a more personalised approach to service delivery, seeking to reduce delivery times and costs through smarter service provision and reduced administration.
- 3.5. The in-house DFG service began in April 2018 following a short transitional period for active cases that had initially been administered by the previous Home Improvement Agency (HIA), Revival.
- 3.6. The team consists of two Adaptations Officers which were in post from April 2018 and September 2018 and a Housing Technical Officer which joined the service in October 2019. An approved list of Occupational Therapists are used to identify the adaptation that is required for each client and two approved contractors undertake the required adaptations.
- 3.7. A Disabled Facilities Grants and Assistance Policy was adopted which encompasses:
  - Full delivery of an adaptation from initial enquiry through assessment to delivery
  - Delivery by an integrated team including Adaptations Officers, Technical Officer, an approved list of Occupational Therapists, and an approved Contractor.
  - Provision of support and advice that the current HIA service provides, whilst the Council remains fully accountable for performance in relation to expenditure, timeliness of adaptations and customer satisfaction.
  - Provision of discretionary assistance to provide top-up grants, fund unforeseen works or issues of disrepair or to assist relocation to a suitable property.
- 3.8. The policy identified key performance indicators for the approval of valid applications within 3 working days for urgent applications and 20 working days for all other cases to reduce the timescales associated with the delivery of a DFG. Performance indicators were set for Occupational Therapists and the Contractor which were identified within the tender documentation and subsequent contracts to reduce the timescales associated with the delivery of a DFG. The current process aims to complete all urgent adaptations within 55

working days from the date of initial enquiry and 150 working days for non-urgent applications.

#### **4. Contribution to Corporate Priorities**

- 4.1. Value for Money Council: The review of the disabled facilities grant service aims to secure improvements in the speed of delivery of disabled facilities grants and secure cost efficiencies through reduced service costs.
- 4.2. Environment and Health & Wellbeing: The provision of a disabled facilities grant is a key component in delivering the Government's objective of providing increased levels of care and support to disabled and vulnerable people to help them live independently and safely in their own homes.

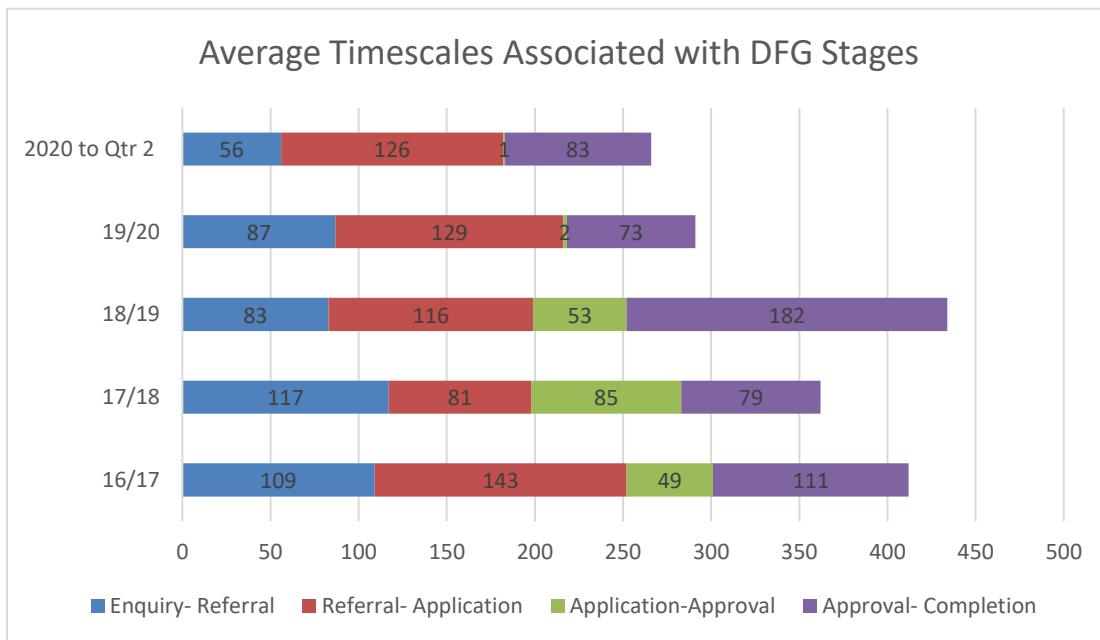
#### **5. Disabled Facilities Grant Service Review**

- 5.1. The DFG service aims to provide an effective and efficient service that makes best use of DFG funding using a personalised approach to service delivery, seeking to reduce delivery times and costs through smarter service provision and reduced administration.
- 5.2. Each year the DFG service is subject to an internal audit to review for the operation of the award and expenditure of DFGs allocation monies and the management of awards and payments by the council. The audit established operational processes and controls regarding the administration and management of Disabled Facilities Grants (DFG) awards and payments. No risk concerns were highlighted, but a significant underspend was identified which has been carried forward into 2020/21 to be spent in-year. The outcome of this audit is available in appendix 2.
- 5.3. One of the key aims of the service is to reduce the timescales associated with the delivery of a DFG. Throughout the process of delivery the dates of the following key stages are used to measure performance as detailed in table 1:

*Table 1- DFG Stages*

Stage	Description
Initial Enquiry	Depending on the needs of the client we receive notification of an initial enquiry from Staffordshire Cares if the client has 1 care need, Midlands Partnership Occupational Therapist team if the client has two or more care needs, Children's OT Team if the client is a child or Trent and Dove OT for some Trent and Dove tenants. The information provides a brief description of disability and what adaptation they feel they need.
Referral	The referral is provided by the Council's approved OT if the client is an adult (or Trent and Dove OT for some Trent and Dove tenants) or the Children's OT if the client is a child. This details the full adaptation that is required to meet the client's needs.
Application	Once a referral has been received the Adaptations Officers will process an application on behalf of the client. This involves obtaining ownership details of the property, tenant and/or owner permission certificates, financial checks or proof of benefits, drawing up plans and schedules of works, obtaining planning permission and/or building control approval if required, and contractor quotes.
Approval	Once a full and valid application has been submitted and approved by the Head of Service commencement dates will be identified between the client and contractor.
Completion	The adaptation has been completed and the works meet the requirements set by the OT. Certificates are obtained from the client, OT, building control (if required) along with any required certificates for electrical work etc and the contractor is paid.

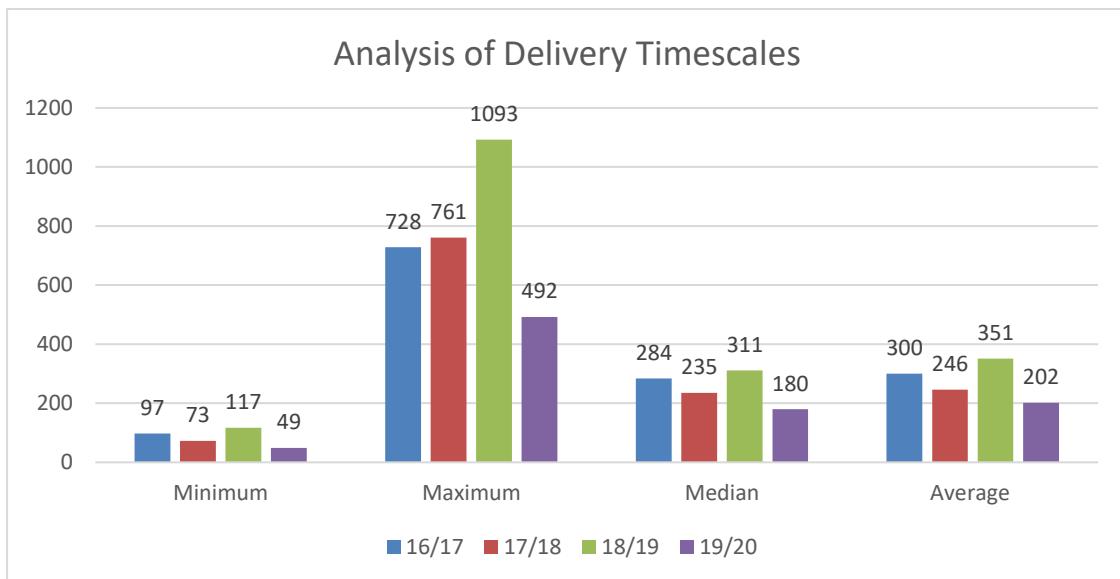
- 5.4. Legislation requires an application to be determined within 6 months and works to commence within 12 months of the date of approval. However additional performance indicators are recommended in the Housing Consortium's Good Practice Guide for Disabled Adaptations which have been incorporated into the DFG policy identifying performance indicators of 3 working days for the determination of urgent applications and 20 working days for all other cases. The current process aims to complete all urgent adaptations within 55 working days from the date of initial enquiry and 150 working days for non-urgent applications. Additional Performance Indicators have been identified for the approved contractors for works to be completed within 20 working days from approval for urgent cases and 80 days for non-urgent cases.



*Figure 1- Average Timescales Associated with DFG Stages*

- 5.5. The graph in figure 1 shows the timescales associated with the different stages of the entire DFG process for the previous 4 years along with the current financial year to quarter 2. The graph shows that the timescales have significantly reduced in 2019/20 compared to previous years, and this reduction is continuing for the current financial year, despite Covid-19 having a significant effect on service delivery.
- 5.6. Whilst the average timescales provide an overview of the number of working days associated with the DFG process, they do not recognise the effect of specific cases that have experienced unforeseen or unavoidable delays. The graph in figure 2 demonstrates the minimum, maximum, median and average timescales from Referral to Completion of the DFG. The figures for 2018/19 were reported to be attributable to the previous HIA, and it is clear that as these historical cases have been completed the figures for 2019/20 reflect a reduction in the minimum and maximum timescales, along with a reduced median and a reduced average DFG process timescale. This demonstrates a reduction of extreme delays, although it is clear that delays are still occurring in the process.

*Figure 2- Analysis of Delivery Timescales*



- 5.7. The DFG process is recognised as being bureaucratic and complex, requiring a wealth of required documentation in support of an application, however the current process has been designed to be as simple as possible where it is under the control of East Staffordshire Borough Council. However there are elements to the process that are outside our control. These are reflected in the referral-application stage of the grant process and include:
- 5.7.1. Client delays when providing the required documentation for financial checks or requesting revisions to plans or preferred works.
  - 5.7.2. Delays in gaining landlord permission.
  - 5.7.3. Complex works requiring additional consultation with OTs, building control and contractors.
- These delays have not been excluded from the process timescales in figures 1 and 2, however monthly monitoring of cases ensures that cases are being actively progressed and any causes of delay are noted in the relevant case file to enable effective performance monitoring against the performance indicators in Table 2.
- 5.8. Performance Indicators have been set for key parts of the DFG service which are detailed in para 5.4 and Table 2 below. This shows the timescales associated with urgent and non-urgent DFG cases to enable a comparison with the performance indicators. These performance indicators reflect the recommended standards provided by the Housing Consortium's Good Practice Guide for Disabled Adaptations to provide a benchmark for performance. Additional timescales are specified in the Legislation which require an application to be determined within 6 months and works to commence within 12 months of the date of approval.
- 5.9. Due to the delays detailed in 5.7, the figures in table 2 are based on cases that have been assessed using the in-house DFG service and for works that have been completed by our in-house approved contractor. This demonstrates achievement of the performance indicators for the determination of both urgent and non-urgent applications and the completion of non-urgent adaptations

within 80 days from the date of approval. However the timescales associated with urgent cases are exceeding the performance indicators for both approval-completion and enquiry-completion and non-urgent applications from enquiry-completion. These timescales have worsened in the current financial year due to Covid restrictions, which have significantly affected our ability to provide the service for clients that are isolating or shielding. Contractors also reporting difficulties obtaining supplies and building materials which has also impacted completion times for works.

*Table 2- Performance Indicators*

	<b>Performance Indicators</b>	2019/2020	2020- end Quarter 2
<b>Urgent Referrals</b>			
Determination	<b>3</b>	2	1
Approval – Completion	<b>20</b>	65	138
Enquiry- Completion	<b>55</b>	145	199
<b>Non Urgent Referrals</b>			
Determination	<b>20</b>	2	1
Approval – Completion	<b>80</b>	68	69
Enquiry- Completion	<b>150</b>	178	191

- 5.10. The implementation of the in-house DFG service in 2018 was significantly affected by a number challenges. These include significant changes to the Social Care and Health process resulting in an increased number of enquiries along with the provision of equipment and hoisting assessments previously provided by Staffordshire County Council; transition of cases from the previous HIA which required additional resources to rectify issues; delays in landlord approval for Trent and Dove owned properties due to policy changes; difficulties in gaining an approved contractor; lack of a specialist technical officer in the team; and rigid grant limitations as part of the mandatory grant limit.
- 5.11. Since the introduction of the in-house DFG service in March 2018 the performance has been continually monitored and corrective action taken for any challenges that have arisen. As a result of changes and improvements implemented in 2018/19 the timescales for the delivery of DFGs have significantly reduced, and are continuing to reduce in the current financial year.
- 5.12. The use of discretionary funding is a key aspect to enabling major adaptations to proceed, where the cost of works exceed £30,000. As a result of an increase to discretionary funding in 2019, the number of cases approved for discretionary funding has increased from 3 in 2018/19 to 5 in 2019/20. Whilst this has resulted in reduced delays for major adaptations, some delays still occur with properties owned by RSL's such as Trent and Dove as they are unable to permit a land charge to be placed on the property. It is therefore proposed that the Disabled Facilities Grants and Adaptations Policy is amended to enable Head of Service discretion to provide discretionary assistance for a property owned by an RSL without a land charge being placed on the property.

- 5.13. The level of DFG enquiries remains high, following changes to the Health and Social Care process, however in 2019/20 52%<sup>1</sup> of these enquiries cancelled prior to the DFG being delivered. 21% of these cancellations were due to relocation or due to the client passing away. It is becoming increasingly clear that clients have already reached crisis point when they enquire about a DFG, and either pass away or relocate before the DFG can be installed. To ensure that the DFG is providing long term benefits for a client's health and wellbeing we need to target people at risk and intervene before people get to crisis point. We will therefore focus on GP surgeries, community health providers, Fire Service home safety check teams and local voluntary groups to find people who have had falls or might be living in poor conditions. Many will not be known to health and care services, as most people have informal care or just struggle on for as long as they can and this will enable us to get engagement with the DFG process at an earlier stage.

## **6. Financial Considerations**

*This section has been approved by the following member of the Financial Management Unit: Anya Murray*

- 6.1. The main financial issues arising from this Report are as follows:
- 6.2. Table 3 shows the expenditure for DFGs for the previous 4 years and current year to quarter 2. The DFG grant provided to the Council has increased however the expenditure for 2018/19 was significantly lower than previous years. Any unused funding has been carried over to the following financial year to ensure that funding remains available to meet demand. Expenditure for the current financial year is greater than quarter 2 for 2019/20 (reported at £151,674), and it is anticipated that the overall expenditure will be greater. However, there is a significant time lag between works that are in progress and expenditure and therefore the financial information will not fully cover the works that have been undertaken on cases that have not been paid for in the current financial year.

*Table 3- DFG Expenditure*

Financial Year	B/F	Grant	SCC	Budget	Expenditure	C/F
	£	£	£	£	£	£
2016/17	28,582	795,155	72,000	751,737	743,847	7,890
2017/18	7,890	962,419	6,000	976,309	781,931	194,378
2018/19	194,378	947,755	0	1,142,133	253,450	888,683
2019/20	888,683	1,022,684	0	1,911,367	581,039	1,330,328
2020/21 Quarter 2	1,330,328	1,022,684	0	2,353,012	193,219	

<sup>1</sup> 147 enquiries received in 2019/20 of which 76 cancelled their enquiry prior to the DFG being completed

Notes-

2016/17 - SCC 'expenditure' was estimated at year end as no agreement had been reached.  
Additional monies relating to 2016/17 were paid over in 2017/18  
2017/18 - Grant received includes additional grant of £90,964 applied for during year

- 6.3. **Whilst the speed of delivery and grant expenditure continues to improve, Covid 19 has had a significant impact on cases due to the restrictions imposed earlier this year during lockdown and in relation to protecting our most vulnerable clients.** The team have worked hard in adapting how cases are assessed and progressed, using remote assessments and risk assessing each case prior to visiting and implementing key controls to ensure clients are not put at risk.
- 6.4. Table 4 shows the current demand for DFGs with the number of cases currently at each stage of the DFG process. On average 90 DFGs are completed per year as cases cross over into different financial years and cases fall out of the process for a variety of reasons such as high financial contributions. The total cost of these works is estimated as £2,022,953.24 which demonstrates the ongoing need to ensure that the grant funding is used as cost effectively as possible to reduce delays to the process for clients and to reduce any financial risks to the council should demand outweigh the funding that is available.

*Table 4- Current DFG Demand by Caseload*

DFG Stage	Number of Cases	Cost
Enquiry	65	£455,000 (estimate)
Referral	35	£703,000 (estimate)
Application	7	£90,000 (estimate)
Approval	33	£626,929.24 (actual)
Completion	12	£148,024 (actual)
Total	152	£2,022,953.24
Expenditure to date on Caseload in Progress		£367,510.05
Estimated Outstanding Financial Commitment		£1,655,443.19

- 6.5. Due to the increasing need for complex adaptations requiring specialist technical advice, surveys and plans, a temporary role for a Housing Technical Officer was created and filled in October 2019. This role has had a significant impact on reducing the delays with complex works and has reduced the workload of the Adaptation Officers to concentrate on simple cases that do not require technical input. This role is due to end in September 2021, however this role will be made permanent and as the services provided are within those specified in the Housing Renewal Grants (Services and Charges) Order 1996 with regard to Disabled Facility Grants, this will continue to be financed directly from the DFG capital grant (as a top slice).

## **7. Risk Assessment and Management**

- 7.1. The main risks to this Report and the Council achieving its objectives are as follows:
- 7.2. **Positive (Opportunities/Benefits):**

- 7.2.1. Reduced administrative costs through the provision of a cost effective in-house disabled facilities grant service.
- 7.2.2. Reduced timescales involved in the delivery of adaptations providing a reduction in delays.
- 7.2.3. Ability to provide a service that is responsive to local needs of the borough residents.
- 7.2.4. The provision and use of a Council approved contractor procured through a tender process providing consistent approach to adaptations.
- 7.2.5. Cost recovery of services permissible under the Housing Grants (Services and Charges) Order 1996.

7.3. **Negative (Threats):**

- 7.3.1. Covid 19 restrictions can delay or prevent visits and adaptations to properties- this has had a significant impact on delivery for 2019/20 and is a risk for future delivery. The use of remote assessments and case work is being used to negate this risk, along with improved reporting of restrictions for specific clients.
  - 7.3.2. Reduced or insufficient funding received from MHCLG and passporting of money from Staffordshire County Council reducing the ability to provide grants, resulting in additional delays to the current service.
  - 7.3.3. The council is unable to recover VAT on Disabled Facility Grant work and is reliant on the contractor ensuring the maximum number of invoices are zero rated as possible. This used to be the agency responsibility to arrange but will now be directly chargeable against the capital grant where incurred.
  - 7.3.4. Increasing the amount available as discretionary grant (top up monies) reduces the overall amount available for mandatory grants.
- 7.4. The risks do not need to be entered in the Risk Register. Any financial implications to mitigate against these risks are considered above.

8. **Legal Considerations**

*This section has been approved by the following member of the Legal Team:  
Angela Wakefield*

- 8.1. The main legal issues arising from this Report are as follows.
- 8.2. The principal legal provisions are contained in the Housing Grants, Construction and Regeneration Act 1996 and associated regulations. This Act explicitly covers mandatory DFGs offering assistance once the

recommendation has fulfilled the criteria of an adaptation being ‘necessary and appropriate’ and ‘reasonable and practical’. Applicants also have to satisfy a Test of Resources looking at their income and savings which determines whether they will have to contribute towards a grant.

- 8.3. The maximum amount of DFG is currently set by statute at £30,000 and has been at this level since 2008.
- 8.4. The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 provides freedom and opportunities for the Local Authority to address housing issues. This Order had important implications for local housing authorities because it repeals much of the existing prescriptive legislation governing the provision of renewal grants to homeowners and replaces it with a new wide-ranging power to provide assistance for housing renewal.
- 8.5. The provision of discretionary assistance is detailed within the Disabled Facilities Grants and Adaptations Policy. In accordance with The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 the Council will give public notice of the adoption of the amended policy. The policy will be available for inspection, free of charge, at the Town Hall, Burton Upon Trent at all reasonable times and copies of a document containing a summary of the policy may be obtained by post.
- 8.6. The provision of disabled facilities grants and discretionary assistance is subject to grant conditions which are detailed within Appendix 3 of the Disabled Facilities Grants and Adaptations Policy 2018.
- 8.7. The Provision of the discretionary assistance as a top up for works exceeding the £30,000 maximum disabled facilities grant facilitates the council in meeting its statutory duties, expedites the process and maximises the amount of the grant expended.

## **9. Equalities and Health**

- 9.1. **Equality impacts:** The subject of this Report is not a policy, strategy, function or service that is new or being revised. An equality and health impact assessment is not required.
- 9.2. **Health impacts:** The outcome of the health screening question does not require a full Health Impact Assessment to be completed.

## **10. Human Rights**

- 10.1. There are no Human Rights issues arising from this Report.

## **11. Sustainability (including climate change and change adaptation measures)**

- 11.1. Does the proposal result in an overall positive effect in terms of sustainability (including climate change and change adaptation measures) NA

**12. Recommendation(s)**

- 12.1. To approve the amendments to the Disabled Facilities Grants and Adaptations Policy for the removal of the land charge for discretionary assistance to RSL properties, subject to Head of Service approval.
- 12.2. To note the report and the use of discretionary funding using the Disabled Facilities Grant.

**13. Appendices**

- 13.1. Appendix 1: Disabled Facilities Grants and Adaptations Policy
- 13.2. Appendix 2: Internal Audit Report