



EAST STAFFORDSHIRE BOROUGH COUNCIL

REPORT COVER SHEET

Title of Report:	4 th Annual Disabled Facilities Grant Scheme Review	To be marked with an 'X' by Democratic Services after report has been presented
Meeting of:	Corporate Management Team 16 November 2022	X
	Leader and Deputy Leaders 22 November 2022	X
	Leader's / Leader of the Opposition's Advisory Group / Independent Alliance Advisory Group 31 November 2022 / 1 December 2022	X
	Cabinet 13 December 2022	
	Scrutiny Audit and Value for Money Council Services Committee [DATE] / Scrutiny Community Regeneration, Environment and Health and Well Being Committee [DATE]	



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

Essential Signatories:

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

Monitoring Officer: **John Teasdale**

Date Signature

Chief Finance Officer: **Sal Khan**

Date Signature

EAST STAFFORDSHIRE BOROUGH COUNCIL

Report to Cabinet

Date: 13 December 2022

REPORT TITLE: 4th Annual Disabled Facilities Grant Review

PORTFOLIO: Communities and Housing Standards

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.
- 1.2. It is also recommended to extend the temporary 1 FTE Housing Adaptations Officer to 31 March 2025 and amend the 1 FTE support officer post to a permanent post funded using the Disabled Facilities Grant received.

2. Executive Summary

- 2.1. The current in-house Disabled Facilities Grant Service began on 1st 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, and constantly reviewed to reduce delays. This has resulted in a significant reduction in DFG process timescales from 362 days for cases handled by the previous provider in 2017/18 to 250 days for cases handled by the in-house DFG team in 2021/22.
- 2.4. Since the initial setup of the in-house DFG service a number of significant challenges were encountered which impacted significantly on processing DFGs. These include a significant increase of workload due to changes in Social Care and Health; difficulties in gaining landlord permission for Trent and Dove properties; challenges associated with a contractor; 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 have been continually addressed through improvements and amendments to the DFG process. As a result the timescales associated with the delivery of DFGs has significantly reduced, despite a slight increase due to Covid in 2020/21 and the number of DFGs being granted and completed has risen (see 5.2).
- 2.6. This report provides an updated review of the Disabled Facilities Grant Service, seeks approval for amendments to the Disabled Facilities Grants and Assistance Policy and recommends amendments for the staffing profile of the service.

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 registered social landlord tenants to enable adaptations to be carried out in their own home to meet disability needs. This service is available for adults and children. 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 Home Improvement Agency (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 31st 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 HIA, Revival.
- 3.6. The team consists of one Support Officer, three Adaptations Officers and a Housing Technical Officer. The Support Officer and one Adaptations Officer post are temporary posts that were added in 2021 in response to the identified need. 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.

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. Since bringing the DFG service in-house in 2018, the number of approvals and completions have continued to increase, despite Covid being a significant barrier. DFG spend has also increased significantly and is now more aligned to the annual spend prior to 2018.

Table 1- DFG Approvals, Completions & Spend

	Number of DFGs Approved	Number of DFGs Completed	Total DFG Spend
21/22	67	65	£973K
20/21	59	49	£741K
19/20	44	35	£581K
18/19	16	32	£253K
17/18	88	77	£782K

- 5.3. One of the key aims of the service is to reduce the timescales associated with the delivery of a DFG. To achieve this the delivery of DFGs is monitored against a range of prescribed statutory and best practice performance indicators. In March 2022 updated guidance was released for local authorities on the delivery of DFGs which has recommended revised best practice targets; historically the guidance related to non-urgent and urgent adaptations, however they now consider whether the works are complex or simple. These are detailed below in table 2 and have been incorporated in the Disabled Facilities and Assistance Policy in Appendix 1. The previous performance indicators are provided in table 2 below as a comparison.

Type of Adaptation	Stage 1	Stage 2	Stage 3	Stage 4	Total
Urgent					
Simple & Urgent	5	25	5	20	55
Complex & Urgent	20	45	5	60	130
<i>Previous Urgent PI</i>	<i>N/A</i>	<i>N/A</i>	3	20	55
Non-urgent					
Simple & Non-urgent	20	50	20	40	130
Complex & Non-urgent	35	55	20	80	180
<i>Previous Non-urgent PI</i>	<i>N/A</i>	<i>N/A</i>	20	80	150

Table 2- Best Practice Timescales (working days)

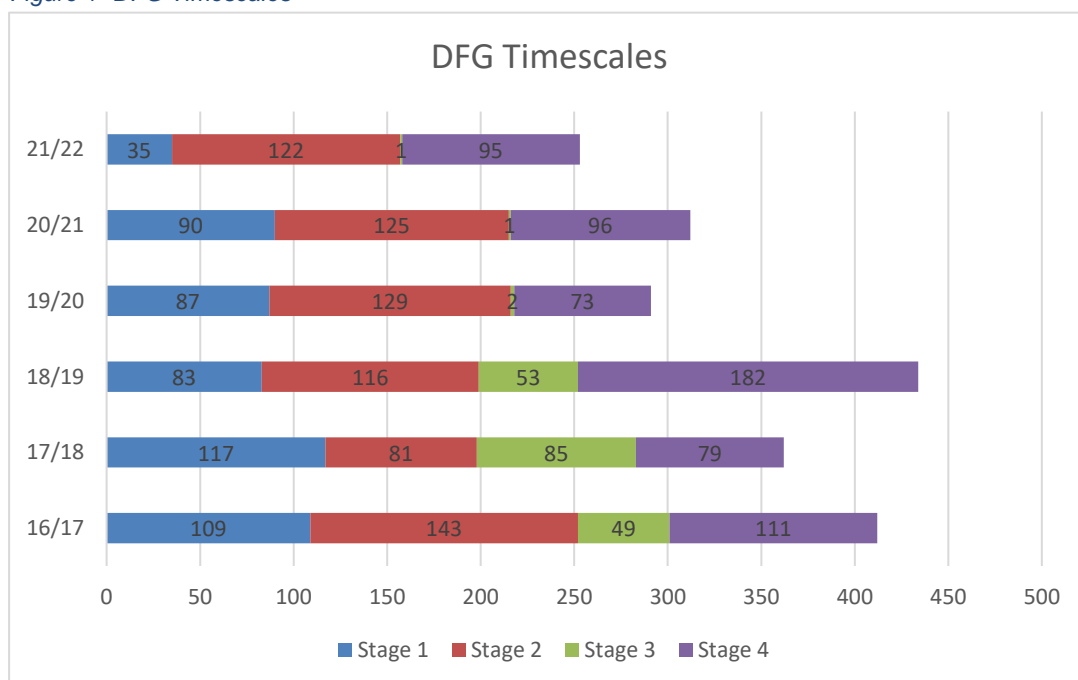
- 5.4. Throughout the process of delivery the dates of the following key stages are used to measure performance as detailed in Table 3:

Stage	Description
Stage 0- Initial Enquiry	Initial notification requesting a DFG. If 1 care need then client directed to the ESBC contracted OT. If a child's case or a Trent and Dove resident then the client is directed to Staffordshire County Council or Trent and Dove.
Stage 1- Referral	Referral received detailing the full adaptation that is required to meet the client's needs.
Stage 2- Application	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.
Stage 3- Approval	A full and valid application is considered by the Head of Service for approval. Once approved the works can commence.
Stage 4- 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.

Table 3- 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 6 years. Compared to 20/21 the timescales for 21/22 have reduced from 309 to 250, a reduction of 19%.
- 5.6. The graph also demonstrates an ongoing reduction in timescales since bringing the DFG service in house, despite a slight increase in 2020/21 due to Covid and significant delays associated Trent and Dove and Children's OT cases.

Figure 1- DFG Timescales



5.7. Whilst the average timescales in figure 1 have reduced, key stages within the overall DFG process remain in excess of the best practice guidance which are shown in figure 2 below for 21/22.

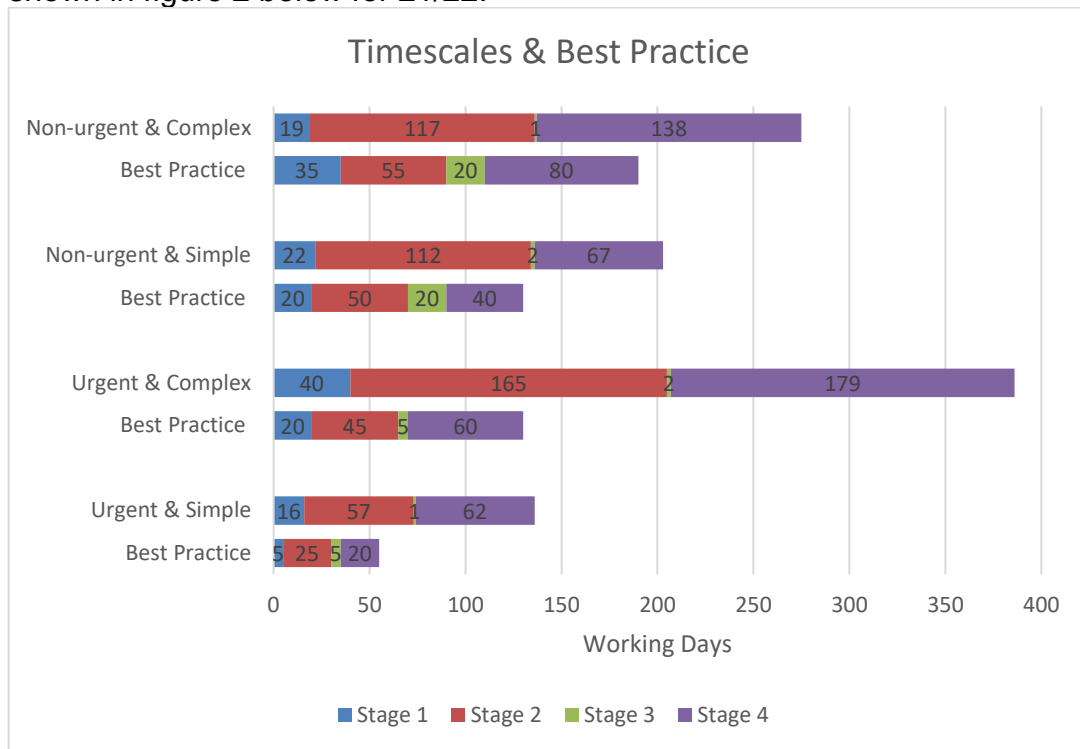


Figure 2- Timescales and Best Practice

5.8. Previous reviews have highlighted a number of challenges causing delays within the DFG process, and whilst these have been addressed, the data for 21/22 contains some older cases that will have these historic delays within the timescale. It is important to note that the data relates to all DFGs that have completed in 21/22, however approximately 50% of cases were first received prior to 2020 and therefore these historical delays will be skewing the data as detailed below:

5.8.1. Stage 1: The overall average timescales for enquiry to referral have significantly reduced from 90 days to 35 and are within the best practice guidelines for non-urgent and complex cases. Historically we have experienced delays with OT referrals via the registered social housing OT and children’s OTs and these have reduced by signposting registered social housing occupants to the in-house OT service and revising the enquiry date that is used by children’s OTs to ensure that they are correct and representative. Whilst the timescales for the current year has reduced, there remains some historic cases with OT delays with an average of wait of 273 days between enquiry and referral, which is skewing the overall timescale.

5.8.2. Stage 2: The timescales for this stage are in excess of the best practice timescales. Client delays and landlord delays are the main factors that create delays in this stage of the process. We have worked closely with Trent and Dove to reduce the time taken for landlord approval to be granted and this had reduced from 11 to 7 days in 22/23. Client delays are unfortunately an issue that we have limited ability to reduce, with preferred

works being a regular delay that impacts on timescales. In 21/22 4 cases have demonstrated average process timescales of 353 working days, with one in excess of 500 working days which has significantly skewed the data for this stage of the DFG process.

5.8.3. Stage 3: The timescales for application to approval remain low and are within the best practice guidelines.

5.8.4. Stage 4: The new guidelines have taken into account that complex works take longer to complete than simple adaptations, however the timescales for this stage of works are in excess of the best practice guidelines, especially for complex and urgent works. It is important to note that client delays have a significant impact on this stage of the works through delays associated with client contributions and Covid (clients isolating or issues with obtaining parts/building materials). 10 cases had timescales over 150 working days for stage 4, of which 7 were due to Covid or client delays. The new best practice guidelines have recently been incorporated to the contract for the DFG contractors and will be monitored quarterly.

5.9. In 2021, the discretionary assistance was increased to reduce delays associated with works that exceed £30,000. In 2021/22 7 discretionary assistance grants were awarded.

5.10. 118 Cancellations were received in 2021/22 which have an element of lost resource, both in staffing time and the cost of the OT report. This is an increase from 87 in 2020/21. The cost of OT reports for cancelled cases is £3472. The reasons for cancellations are detailed below:

Cancellation Reason	Total Cases
Adaption not reasonable/necessary	3
Client Deceased	5
Client refuses work	14
Landlord Refused	5
Means Test - High Contribution	19
No Response	64
Relocated	8

Table 4- Cancellation Reasons

Neighbouring Authorities

5.11. A comparison of DFG spend and underspend between neighbouring authorities is provided in figure 3 below. East Staffordshire Borough Council has the 4th highest percentage expenditure of in year grant (the green column) in 21/22. All Councils excluding Tamworth have an underspend; East Staffordshire has the 3rd highest cumulative underspend of available resource over the last 5 years, which is largely due to a significant underspend in 2018/19 and 2019/20 when the service was bought in-house (see paragraph 6.3 for further detail).

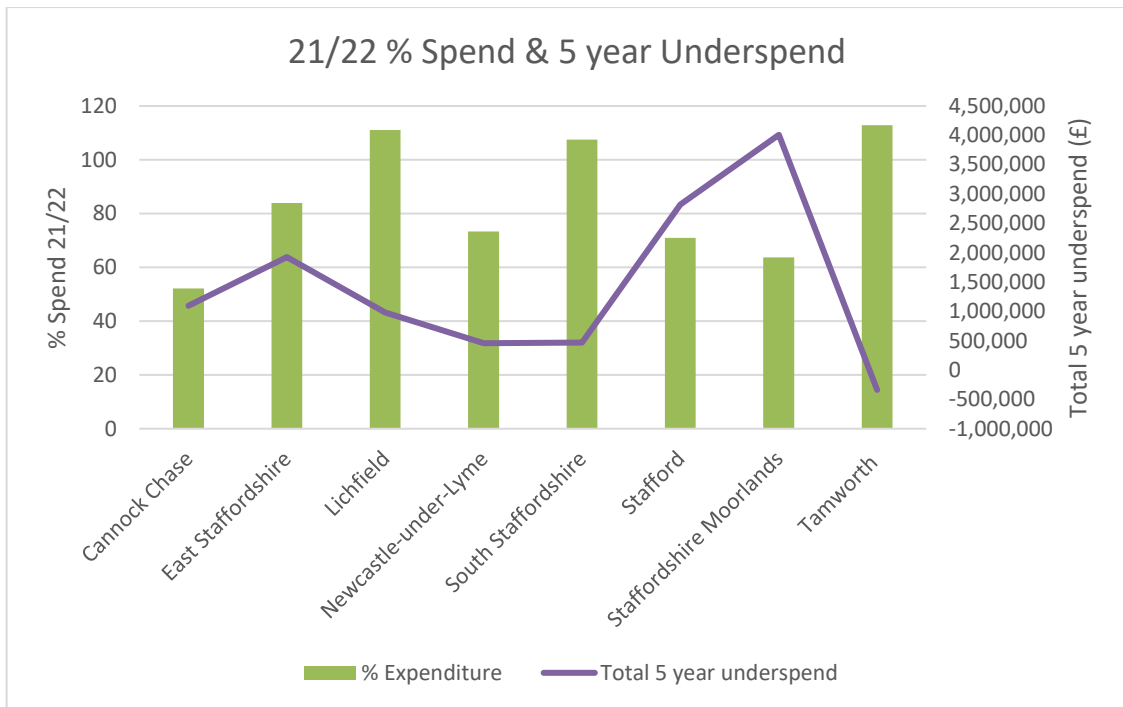


Figure 3 Spend & Underspend

5.12. From figure 4 below, it can be seen that the level of actual expenditure has risen significantly from 2018/19 and is now up to 84% of in year grant received. This is not sufficient to significantly expend the outstanding budget but steady progress has been achieved.

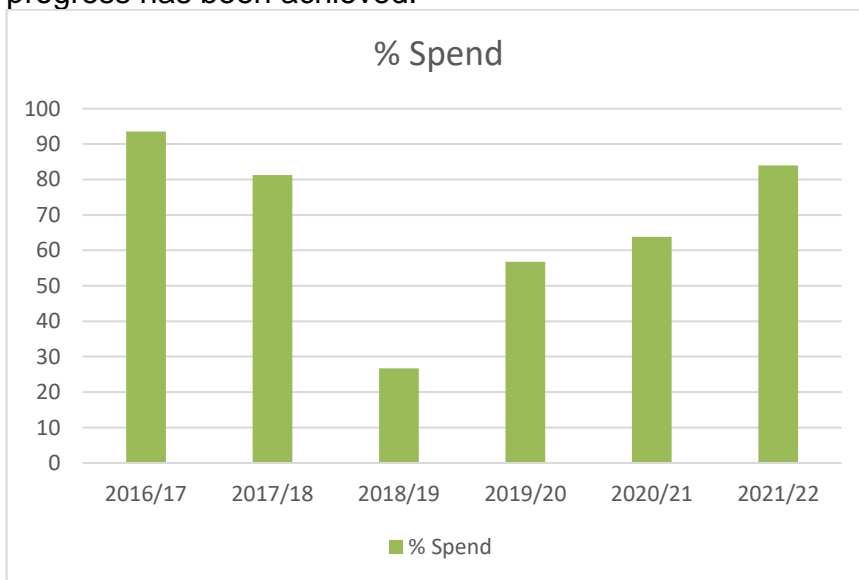


Figure 4 ESBC % Expenditure to In Year Grant Received

Demand for DFGs

5.13. Table 5 shows the current demand for DFGs with the number of cases currently at each stage of the DFG process as at September 2022. The total cost of these works is estimated at £1,962,362 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.

DFG Stage	Number of Cases	Cost
Enquiry	66	£462,000 (estimate)
Referral	35	£473,500 (estimate)
Application	10	£147,000 (estimate)
Approval	37	£533,825 (actual)
Completion	20	£346,037 (actual)
Total	168	£1,962,362
Cancellations	97	£6502
Expenditure to date on Caseload in Progress above		£ 446,069
Estimated Outstanding Financial Commitment on Grant		£1,516,293

Table 5- Current DFG demand by caseload

- 5.14. Despite some historical delays having an effect on timescales, these have reduced by 19% in 2021/22 and the number of DFGs approved and completed have increased. The amount of expenditure has also risen significantly and has now exceeded previous figures. This is largely due to an increase in resources whereby an additional caseworker and support officer were brought in to the team in April 2022. These posts were two year temporary posts, however it is recommended that the caseworker post be extended for an additional two years, ending on 31 March 2025 and the support officer role be made permanent.
- 5.15. These roles will continue to be financed directly from the DFG capital grant (as a top slice) as per the other DFG officer posts, as the services provided are within those specified in the Housing Renewal Grants (Services and Charges) Order 1996.

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 6 shows the expenditure for DFGs for the previous 6 years. The DFG grant provided to the Council has stabilised for the previous 3 years and expenditure has exceeded previous levels, although it is not sufficient to make up the shortfall. Any unused funding has been carried over to the following financial year to ensure that funding remains available to meet the demand detailed in paragraph 5.10.
- 6.3. There is a significant time lag between cases that are in progress and expenditure 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 6- DFG Expenditure

	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	1,330,328	1,160,392	0	2,490,720	740,582	1,750,138
2021/22	1,750,138	1,160,392	0	2,910,530	973,981	1,936,549
2022/23 as at 30 September 2022	1,936,549	1,160,392	0	3,096,941	369,448	N/A

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

6.4. The annual cost of the 2 FTE posts of caseworker and support worker is estimated at £64,755 for 2023/24. This means that the estimated total cost of the service now consisting of 5 FTE will be £189,446 in the full year 2023/24. Both costs are based on 2022/23 salary scales uplifted for estimates re future pay award plus NI and Superannuation. These costs are met in full by the DFG as the services provided are within those specified in the Housing Renewal Grants (Services and Charges) Order 1996.

6.5 Using the estimate of £189,446 per year, the service would achieve a return of 12% (or less) if total DFG grant expenditure were to rise to £1,578,717 per annum (or more). This level of expenditure is sustainable on the basis of the continued availability of existing DFG funding streams until 31 March 2025 at least.

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. Increased number of adaptations delivered to clients resulting in reduced social care and health costs, a reduction of accidents in the home and increasing the number of people that are able to remain in their own home.
 - 7.2.4. Ability to provide a service that is responsive to local needs of the borough residents.
 - 7.2.5. The provision and use of a Council approved contractor procured through a tender process providing consistent approach to adaptations.
 - 7.2.6. 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 2020/21 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.
 - 7.3.5. Additional demands on the service due to the effects of long Covid on clients that may need to access the service (unknown impact)
- 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:
John Teasdale*

- 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 The Disabled Facilities Grants (Maximum Amounts and Additional Purposes) (England) Order 2008 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 which is 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 1 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. An equality and health impact assessment is not required.

10. Data Protection Implications – Data Protection Impact Assessment (DPIA)

- 10.1. A DPIA must be completed where there are plans to:
 - use systematic and extensive profiling with significant effects;
 - process special category or criminal offence data on a large scale; or
 - systematically monitor publicly accessible places on a large scale
 - use new technologies;

- use profiling or special category data to decide on access to services;
- profile individuals on a large scale;
- process biometric data;
- process genetic data;
- match data or combine datasets from different sources;
- collect personal data from a source other than the individual without providing them with a privacy notice ('invisible processing');
- track individuals' location or behaviour;
- profile children or target marketing or online services at them; or
- process data that might endanger the individual's physical health or safety in the event of a security breach

10.2 Following consideration of the above, there are no Data Protection implications arising from this report which would require a DPIA.

11. **Human Rights**

11.1. There are no Human Rights issues arising from this Report.

12. **Sustainability** (including climate change and change adaptation measures)

12.1. Does the proposal result in an overall positive effect in terms of sustainability (including climate change and change adaptation measures) N/A

13. **Recommendation(s)**

13.1. To extend the temporary 1 FTE Housing Adaptations Officer to 31 March 2025 and amend the 1 FTE support officer post to a permanent post funded using the Disabled Facilities Grant received.

13.2. To approve the amendments to the Disabled Facilities Grants and Adaptations Policy providing updated best practice guidelines for the delivery of DFGs.

13.3. To note the contents of the report.

14. **Appendices**

14.1. Appendix 1- Disabled Facilities Grants and Adaptations Policy 2018