

Report to Business & Transformation Scrutiny Panel

Agenda
Item:
A.4

Meeting Date: 22nd March 2018
Portfolio: Communities, Health and Wellbeing
Key Decision: Yes: Recorded in the Notice Ref: KD 35/17
Within Policy and Budget Framework NO
Public / Private Public

Title: Action Plan – Disabled Facilities Grant – 2017 to 2019
Report of: The Director of Governance and Regulatory Services
Report Number: GD 18/18

Purpose / Summary:

A report proposing a spending plan for the City Council's Disabled Facilities Grant (DFG) allocations. The two-year spending plan proposes grants for aids and adaptations and officer posts to better integrate DFG activities within the wider health and social care agenda.

Recommendations:

To consider and approve the proposed Disabled Facilities Grant Action Plan 2017-2019 in Appendix.1.

Tracking

Executive:	17 th January 2018
Scrutiny:	22 nd March 2018
Council:	

1. BACKGROUND

- 1.1** The City Council is under a mandatory obligation to provide a Disabled Facilities Grant (DFG) to assist with adaptations to disabled persons homes under the Housing, Grants, Construction and Regeneration Act 1996, as amended by the Regulatory Reform (Housing Assistance) Order 2002. DFG mandatory assistance is available to eligible applicants for certain works, subject to a test of the applicant's resources. Historically the amount of money required for mandatory DFGs within the district exceeded the Government grants and contributions from the City Council. The City Council did not have the budget to take advantage of the discretionary opportunities to extend the use of the DFGs as permitted by the Regulatory Reform (Housing Assistance) Order 2002. However, in 2016/17 the City Council's Government Grant was significantly increased and the Council was able to take advantage of the increased funding to extend the scope of DFG assistance by adopting new discretionary grants through the Housing Renewal Assistance Policy 2017.

2. DFGs AND THE BETTER CARE FUND

- 2.1** Since 2016 DFG funding is allocated through the Better Care Fund. The 2017 -19 Integration and Better Care Fund Policy Framework (March 2017) and the Integration and Better Care Fund – planning requirements for 2017- provide the guidance on how DFGs should operate within the Better Care Fund. National Condition 1 in the Policy Framework encourages engagement between the tiers of local government to support integration ambitions.
- 2.2** National Condition 1 states “DFG funding allocated by central government should be passed down by the county to the districts (in full, unless jointly agreed to do otherwise) to enable them to continue to meet their statutory duty to provide adaptations and in line with these plans. During these discussions, it will be important to continue to meet local needs for aids and adaptations, whilst also considering how adaptation delivery systems can help meet wider objectives around integration. For both single tier and two-tier authorities, areas are required to set out in their plans how the DFG funding will be used over the two years.”

3. ACTION PLAN – DISABLED FACILITIES GRANT – 2017 TO 2019

- 3.1** Appendix 1 proposes a plan for how the City Council's DFG allocations will be spent over the next two years. The Action Plan proposes mandatory and discretionary expenditure directly through the City Council and (by using the authority to jointly agree as provided in National Condition 1) proposing that some of the City Council's

grant is passed to the County Council for mutually beneficial purposes such as additional occupational therapy support and Care Act contributions to support mandatory DFG grants.

- 3.2** The 4-year Occupational Therapy (OT) support is very likely to directly help the City Council in increasing spending on mandatory and discretionary DFGs. It is agreed with the County that a new OT post will sit within the Civic Centre thereby both streamlining the consultation between the County and the City and also assisting the County in gaining a greater understanding of how the DFGs can be better integrated into other assistance schemes available. This arrangement will, of course, be properly documented between the parties.
- 3.3** A capital grant is also proposed to be passed to the County Council to assist with their Care Act 2014 responsibilities. There are occasions where mandatory and discretionary grants from the City Council are still insufficient to progress necessary improvements. The Chronically Sick and Disabled Persons Act 1970, and the Children Act 1989, place duties on the County Council Social Services and the NHS to also arrange assistance. It can prove challenging identifying the budgets for this additional assistance which can cause delays and uncertainty in the DFG process.
- 3.4** A 4-year dementia post and additional budget has been included into 2018/19. This project is still being worked on. Middlesbrough has a dementia post, providing assistance and home aids and adaptations so that people suffering from dementia can live safely at home, and we believe it is beneficial to progress a similar post for Carlisle.
- 3.5** Following the adoption of the Housing Renewal Assistance Policy in 2017 spending on DFGs has increased significantly – the spend on mandatory DFGs on the 22nd February 2018 was £620,702 compared to £490,368 for all of 2016/17. However, it is the additional discretionary DFGs spending of £295,771 which is very pleasing, this includes £227,491 from the Safe and Warm Grants which provides heating and repairs to vulnerable households. The Housing Renewal Assistance Policy will be revised in 2018.
- 3.6** The projected spending within the Action Plan shows the carry forward of budgets necessary for 2017/18 and 2018/2019, but by 2019/ 2020 the performance within the mandatory and discretionary grants are projected to account for the available funds.
- 3.7** Some flexibility has been left in the plan to ensure we are able to take advantage of project opportunities with partners so the Executive on the 17th January 2018 agreed

that the Plan can be varied with the agreement of the Director of Governance and Regulatory Services and the Portfolio holder for Communities Health and Wellbeing.

4. PROPOSALS

- 4.1** Consider and approve the proposed Disabled Facilities Grant Action Plan 2017-2019 in Appendix.1.

5. CONSULTATION

- 5.1** The Executive considered the Plan at its meeting on the 17th January 2018.
- 5.2** The Action Plan and proposed projects have been agreed with the representatives from the County Council's Health Care and Communities Directorate and the Occupational Therapists.
- 5.3** The Action Plan has been sent to the North Cumbria CCG but there has not been any representation made in response.

6. CONCLUSION AND REASONS FOR RECOMMENDATIONS

- 6.1** The proposed Action Plan in Appendix.1. details spending of the DFG allocation over the next two years. The spending supports our statutory duties as the Housing Authority for Carlisle to deliver grant aid and develops discretionary opportunities to keep vulnerable people safe and living independently in their homes. The Action Plan also creates posts and involves other organisations to relieve pressures and encourage a greater understanding amongst partner organisations of the assistance available for independent living.

7. CONTRIBUTION TO CORPORATE AIMS

- 7.1** Address current and future housing needs to protect and improve residents' quality of life.

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Appendices attached to report:

Appendix 1 Action Plan - Disabled Facilities Grants (DFG) 2017 - 2019

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers:

- **None**

CORPORATE IMPLICATIONS/RISKS:

Governance and Regulatory - Mandatory DFGs are available from local authorities under the Housing Grants, Construction and Regeneration Act 1996. DFGs are subject to a means test and are available for essential adaptations to provide disabled people with better freedom of movement into and around their homes, and improved access to essential facilities with the home. Funding for DFGs is channelled through the Better Care Fund (BCF) which consists of pooled resources from a number of sources including NHS England. One of the aims of the BCF is to achieve improved integration of health and care and support services. The required for a delivery plan is set out within the body of the Report.

Economic Development – N/A

Community Support – N/A

Corporate Support and Resources – The Council has received substantial increases in DFG funding through the Better Care Fund over the past couple of years. The current budget allocation in 2017/18 (including amounts carried forward from previous years) stands at £2,594,700. In order to progress the utilisation of this increased level of funding, the proposals in the report and appendix have been made. Disabled Facilities Grant has always been a capital grant allocated by the government to be incurred on providing capital enhancement works to those properties that require it, indeed the DCLG's Grant determination states that it is to provide support towards capital expenditure lawfully incurred by the authority. The proposals in this report aim to utilise this funding in innovative ways in order to achieve the same end goal of improving prospects for people to remain in their own home. The Council is able to charge an administration fee that is income to the revenue budget which can then be used to support the administration (staffing) costs of providing the service. However, there are proposals in this report that will directly fund revenue costs, e.g. salaries from the capital grant. Further clarity on the accounting treatment of this proposal is still required to ensure the Council does not expose itself to any risk of revenue expenditure being deemed unlawfully incurred in line with the requirements of the Capital Grant funding. Similar schemes are however operating elsewhere which gives some

comfort that the expenditure can be deemed a suitable use of the capital grant, and given it will increase the ability to deliver home improvements and capital works should be deemed eligible expenditure.

Carlisle City Council

Action Plan - Disabled Facilities Grants (DFG) 2017 - 2019

Introduction

People need Housing, Health and Social Care and other public services to work together to deliver better quality care. More joined up services help improve the health and care of local populations and may make more efficient use of available resources.

National Condition 1 (2017-19 Integration and Better Care Fund) requires that Carlisle City Council sets out in a plan how the DFG funding will be used over the next two years. Decisions around the use of the DFG funding should be made with the direct involvement of Housing, Health and Social Care working together across the two tier authorities to support integrated ambitions.

Legislation

The City Council is under a mandatory obligation to provide a grant to assist with adaptations to disabled persons homes under the Housing, Grants, Construction and Regeneration Act 1996, as amended by the Regulatory Reform (Housing Assistance) Order 2002. DFG **mandatory assistance** is available to eligible applicants for certain works, subject to a test of the applicant's resources.

Adaptations and eligible work

The purposes for which a mandatory DFG may be given are set out in the legislation and include:

- Facilitating access to and from the dwelling
- Provision of a room usable for sleeping
- Provision of a bathroom
- Making a dwelling safe
- Access to a principal family room
- Movement around the dwelling
- Facilitating preparation and cooking of food

Funding

Since 2016 DFG funding is allocated through the Better Care Fund. The **2017 -19 Integration and Better Care Fund Policy Framework (March 2017)** and the **Integration and Better Care Fund – planning requirements for 2017-2019** should be referenced when considering the place of the DFGs in the Better Care Fund. National Condition 1 in the Policy Framework encourages engagement between the tiers of local government to support integration ambitions.

Allocations are based upon previous and predicted needs and are specific to each district.

In considering mandatory DFG applications the districts should consult with the County's Health and Social Care Department (usually the Occupational Therapists) to see if the works are "necessary and appropriate". The districts have to determine if the works are "reasonable and practicable". For mandatory grants each applicant completes a test of resources, or a "means test" which is undertaken in accordance with the legislation. Currently families of disabled children under 19 years are free from means testing.

The maximum amount of mandatory grant permissible is set in legislation at £30,000; however, the City Council's increased funding in 2016/17 permitted use of the **discretionary** powers under the Regulatory Reform Order to increase potential funding and broaden the scope of DFG's. Carlisle's Housing Renewal Assistance Policy 2017 allows DFG funding to be used for grants to:

- assist the elderly, disabled or other vulnerable groups to live independently,
- improve their living conditions and well-being, and
- Delay transfer into care.

New discretionary grants were introduced in 2017; the Minor Measures Grants, the Safe and Warm Grants, relocation grants and renovation grants.

The discretionary use of the DFG funds can help improve delivery and reduce the bureaucracy involved in the DFG application process. The City Council could use an alternative means test, increase the maximum grant amount, or offer a service which rapidly deals with inaccessible housing and the need for quick discharge of people from hospital. Within the wider Better Care Fund Plan consideration should also be made of the contribution that can be made by the City Council and its Homelife Home Improvement Agency to the provision of information and advice, particularly around housing issues.

Demand for Service

The number of homes adapted in recent years is shown in the table below. The rate of spend and throughput of grants is dependent on a number of factors, predominately the rate of referrals from the Occupational Therapists within Adult Social Care. It is difficult to predict the exact spend in advance as demand fluctuates, and on average it takes 16 weeks to progress a referral through specification, tender, approval and build.

	2012 - 2013	2013 - 2014	2014-2015	2015-2016	2016-2017	2017-2018 (Period 6)
Number of mandatory adaptation completed	131	113	98	78	83	72
Total amount of grant approved	£679,177.02	£870,433.31	£794,979.66	£668,080.05	758,229.57	
Total spend on mandatory adaptations	£934,008.37	£739,133	£581,515.70	£487,147.18	£490,368.54	£360,238
Number of discretionary adaptation completed	0	0	0	0	0	44
Total spend on discretionary adaptations	0	0	£7,850	£21,106.40	£15,687.82	£147,642
Council Contribution	£200,000 3 FTE	£200,000 1.6 FTE	£200,000 1.6 FTE	1.6 FTE	1.2 FTE	3.0 FTE
Government Grant	£663,000	£667,000	£667,700	£777,764	£1,467,316	£1,613,994 £166,443 Total £1,780,437

Within the first quarter of 2017/18 there were **53** completed and paid for DFGs compared to a total of **83** in 2016/17. The first quarter spend on DFGs in 2016/17 was £76,973, in 2017/18 this rose to £205,000. The introduction of the Discretionary Grant and other changes made to the Housing Renewal Assistance Policy have allowed an increase in activity of both new DFG applications and the reassessment of older applications which can now benefit from an increase in support.

On the 21st December 2017 our actual spend on DFGs was £728,056 compared to £520,936 for the whole of 2016/17. The new Discretionary Grants account for nearly one third of this expenditure.

Based on current throughput of referrals from Cumbria County Council and the Private Occupation Health service for 17/18, the number of referrals processed for Disabled Facility Grants would reach 114 for the next financial year.

Foundations are the national body for Home Improvement Agencies and from 2015 its remit also includes working with the Department of Communities and Local Government

to promote better use of the DFG fund. A 2016 Foundations Audit of the City Council's DFG process and Draft Housing Renewal and Assistance Policy in 2016 concluded that the City Council's proposals under the Housing Renewal and Assistance Policy were excellent but also made the following comments:

AUDIT COMMENTS	INVESTIGATION	ACTIONS
The Council needs to investigate the drop in DFG referrals over the last 5 years.	<p>A review of the DFG process has identified:</p> <ul style="list-style-type: none"> - Blockages within OT referrals - Gatekeeping by the OTs limiting the referrals made - Lack of knowledge about the DFG process at the County level with incorrect information being distributed and people not applying who would be eligible. - Capacity issues within the City Council – especially the Flood Grant working preventing proactive work on DFGs and essential staff reallocated. - A lack of confidence in what discretionary DFGs can be used for. - Test of resources based on 2008 data which limits applicants. 	<ul style="list-style-type: none"> - February 2017 – Adopted Housing Renewal Assistance Policy allowing discretionary DFGs - April 17 meeting with OT and agreement over use of private OT and referral process. No gatekeeping now by OTs. - Principal Health and Housing Officer and Homelife Team Leader to attend SPA meetings. - DFG Grant information and Renewal Policy circulated to ICC Leads in Carlisle; OTs; Healthy Cities.
The Council should implement a plan for the DFG regime. The plan should include analysis of numbers failing the means test or don't progress an application and examine what happens to them.	Flood Grant work taking up Officer time which would otherwise be available for proactive DFG activity.	<ul style="list-style-type: none"> - February 2017 – Adopted Housing Renewal Assistance Policy - New performance indicators within Service Plan - Still to create officer time to be more proactive in DFG work.

		- Tasked in plan below.
There appears to be an issue of co-ordinating OT involvement.	- Meeting with OT. They feel confident they can meet demand but we have agreed a role for a private OT to assist in processing applications.	Renewal Policy permits the use of private OTs. Case Worker post within Homelife to have Trusted Assessor as a desirable qualification.
The Renewal Policy could consider Loans and non means testing for certain discretionary grants.	Loans have been considered previously but can prove costly to administer and do not have a good take up. The Loan option will again be considered during the review of the Renewal Policy in 2018. The discretionary Safe and Warm Grant is worded to allow some discretion over non means testing for grants up to £7,500.	On renewal of the Housing Renewal Assistance Policy the discretionary grants will be extended to include clear reference to non means tested assistance.

DFG ACTION PLAN FOR 2017 TO 2019

2017/18			
REQUIREMENT	ACTION	DATE	COMMITMENT
Liaise with local providers to develop plan – NHS trusts; social care providers, voluntary and community service partners.	Healthy Cities Presentation. Emails to CCG lead Meetings with County Council	28 th July 2017	
Publicise Options for existing discretionary grants.	New Homelife Leaflet Carlisle Focus In Carlisle Winter 17/18	By Sept 2017	

Appendix.1.

	Homelife presentations		
Monitor success of Private Occupational Therapy Service	On-going referrals to service and contract management	Expires Jan 19	
Continue progress with County Occupational Therapists (OT) and SPA regarding improving the referral process.			
Increase County Council OT support to coordinate DFG activity in Carlisle	4 year post Cost to include any redundancy Based at the Civic Centre Carlisle City Council	August 2017	£200,000
Cumbria Joint Procurement or projects for consideration	Stairlifts Handyperson Minor Measures aids and adoptions		£99,000 £40,000
Mandatory Grant Delivery		Period 8 spend = £500,000	£900,000
Review previous mandatory grants which had a contribution that can now be further assisted under the Housing Renewal Assistance Policy.	Review file history after officer resource released Flood Grant work finished	January 2018	
Discretionary Grants	Relocation Grants	Estimated 5 annually	£25,000
Discretionary Grants	Renovation Grants	Estimated additional works in 25% of DFG cases	£200,000
Discretionary Grant Delivery - Homelife	Safe and Warm Grants Minor Works Grants	Period 8 spend = £160,000	£200,000

Appendix.1.

County Council Care Act contributions to DFG grants	Grant		£250,000
		Total Allocated	£1,914,000
2018/19			
<ul style="list-style-type: none"> New grants Reduced means testing Reduce administration 	Revise Housing Renewal Assistance Policy and Grants Offered	Executive and Full Council timetable as Policy Framework	
Cumbria Joint Procurement/Project opportunities	Stairlifts Handyperson Minor measures aids and adaptations Affordable Warmth Project		£200,000
Mandatory DFG Grant Delivery			£1,300,000
Discretionary DFG Grant Delivery			£500,000
Aids and adaptations for Independent living and hospital discharge.			
4 year Dementia Post to assist independent living in Carlisle	Detail to be confirmed. Inclusive of all associated costs.		£200,000
		Total Allocated 18/19	£2,200,000
2019/20			
Mandatory Grant Delivery			£1,400,000
Discretionary Grant Delivery			£500,000

Expenditure Summary

	Balance	Expenditure	Carry forward
2016/2017	£1,467,316	£520,936	£946,380
2017/2018	£2,726,817	£1,914,000E	£812,817E
2018/2019	£2,426,811E	£2,200,000 E	£226,811E
2019/2020	£1,840,805E		

E = Estimated – and based on 2017/18 allocation.

Risk Register

Ref	Risk Description	Impact	Likelihood	Risk Score	Current Action Status / Control Strategy
1	Lack of engagement with local providers to develop Plan – NHS trusts; social care providers, voluntary and community service partners.	2	2	4	Engagement started with the County Council Opportunities still exist with ICC and CCG Action Plan consulted internally within the City Council and through the Healthy Cities Forum
2	Grant allocation not spent effectively in assisting people in Carlisle to live independently and delaying transfer into care.	2	1	2	Consultation. Experience within Housing and Pollution and Homelife. Flexibility requested within the Action Plan.
3	Unable to spend the allocated Grants	3	1	3	Action Plan identifies spending. Consultation. Increase in Mandatory Grants issued in 2017/18 and previous levels of these Grants. Success of new discretionary grants in 2017/18.

Appendix.1.

					Projects within the Action likely to further increase activity.
4					

KEY: **Impact** – What is the impact if the risk should happen? 1 Negligible: 2 Marginal: 3 High: 4 Critical

How **likely** is it to happen: 4 Very High: 3 High: 2 Moderate: 1 Low

Acceptable risk. The Action Plan can be used with the identified threats, but the threats must be monitored to continually understand changes that could increase the risk level.

Conclusion

The Action Plan details expenditure that will ensure the City Council's mandatory obligations are met whilst also providing further assistance to the elderly, disabled or other vulnerable groups so that they have opportunities to live safely and independently in their homes.

EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 17 JANUARY 2018

EX.05/18 ACTION PLAN – DISABLED FACILITIES GRANT 2017 TO 2019
(Key Decision – KD.35/17)

Portfolio Communities, Health and Wellbeing

Relevant Overview and Scrutiny Panel Health and Wellbeing

Subject Matter

The Communities, Health and Wellbeing Portfolio Holder reported (GD.0818) that the City Council was under a mandatory obligation to provide a Disabled Facilities Grant (DFG) to assist with adaptations to disabled persons' homes under the Housing, Grants, Construction and Regeneration Act 1996, as amended by the Regulatory Reform (Housing Assistance) Order 2002. DFG mandatory assistance was available to eligible applicants for certain works, subject to a test of the applicant's resources.

Historically the amount of money required for mandatory DFGs within the district exceeded the Government grants and contributions from the City Council. The City Council did not have the budget to take advantage of the discretionary opportunities to extend the use of the DFGs as permitted by the Regulatory Reform (Housing Assistance) Order 2002. However, in 2016/17 the City Council's Government Grant was significantly increased and the Council was able to take advantage of the increased funding to extend the scope of DFG assistance by adopting new discretionary grants through the Housing Renewal Assistance Policy 2017.

The Portfolio Holder explained that, since 2016, DFG funding was allocated through the Better Care Fund. Guidance on how DFGs should operate within the Better Care Fund was also provided.

Members' attention was drawn to Appendix 1 which proposed a plan for how the City Council's DFG allocations would be spent over the next two years. The Action Plan proposed mandatory and discretionary expenditure directly through the City Council and (by using the authority to jointly agree as provided in National Condition 1) proposing that some of the City Council's grant was passed to the County Council for mutually beneficial purposes such as additional occupational therapy support and Care Act contributions to support mandatory DFG grants.

The Portfolio Holder highlighted, in particular, the proposed new occupational therapist post and four year dementia post.

Some flexibility had been left in the Plan to ensure that the Council was able to take advantage of project opportunities with partners so requested that the Plan could be

varied with the agreement of the Corporate Director of Governance and Regulatory Services and the Portfolio holder for Communities, Health and Wellbeing.

The Communities, Health and Wellbeing Portfolio Holder concluded her presentation by commending Officers for the excellent work undertaken, and formally moving the recommendations.

It was with much pleasure that the Leader formally seconded the recommendation. He commented upon the excellence of this piece of work which linked with the Council's ambition to improve the health and wellbeing of the people of Carlisle. The posts alluded to formed a very important part of that ambition.

The Leader added that a great deal of work was ongoing, in conjunction with partners, the aim of which was to ensure that all could participate and retain independence for as long as was possible.

Summary of options rejected that the proposed Disabled Facilities Action Plan be not approved

DECISION

That the Executive:

1. Had considered and approved the proposed Disabled Facilities Grant Action Plan 2017-2019 at Appendix 1 to Report GD.08/18.
2. Delegated authority to the Corporate Director of Governance and Regulatory Services, following consultation with the Portfolio Holder for Communities, Health and Wellbeing, to vary the proposed Action Plan should opportunities arise which were conducive to improved service delivery.

Reasons for Decision

The proposed Action Plan detailed spending of the DFG allocation over the next two years. The spending supported the Council's statutory duties as the Housing Authority for Carlisle to deliver grant aid and developed discretionary opportunities to keep vulnerable people safe and living independently in their homes. The Action Plan also created posts and involved other organisations to relieve pressures and encourage a greater understanding amongst partner organisations of the assistance available for independent living