

RESOURCES AND SERVICES OVERVIEW AND SCRUTINY COMMITTEE

9TH JULY 2020

REPORT OF ASSISTANT DIRECTOR – HOUSING & ENVIRONMENT

A.1 *Disabled Facilities Grants*

(Report prepared by Emma Blake & Tim Clarke)~

PURPOSE OF THE REPORT

To inform discussions around the following agenda item:

- (a) Private Sector Housing Financial Assistance Policy

The Committee will look specifically at Disabled Facilities Grants: the processes, the timescales, any obstacles to delivery and options for solutions (and whether those options have been pursued) and the relative advantages of pooling.

The report and the appendix to that report submitted to Cabinet at its meeting held on 26 June 2020 are attached to this agenda.

INVITEES

None

BACKGROUND

As set out in Purpose above.

DETAILED INFORMATION

The Process

Disabled facilities Grants (DFGs) are mandatory grants for those in owner occupied, private rented or housing association properties to provide disabled adaptations and are the only grant left from the Housing Grants, Construction and Regeneration Act 1996.

Funding for the DFG comes from the Better Care Fund.

Grant applicants are encouraged to make their own decisions about how the process will work best for them and the Council does not control who they employ to undertake the works.

DFGs involve a number of stages the first of which is an assessment by an occupational therapist (OT) from Essex County Council (ECC) which may follow on from a GP or a self referral. The OT will make a referral to the Council recommending certain *necessary and appropriate* adaptations. It is the Councils role to then inspect and decide whether those adaptations are *reasonable and practical* before offering funding towards them.

Once the Council has agreed that works are reasonable and practical a grant application has to be made by the person benefitting from the works or their family. All applications are means tested and this determines whether they should contribute anything towards the cost of the work.

Applicants can choose to make the application and find builders themselves or they can employ an agency, commonly known as a home improvement agency, to help them. The agencies fees can be included in the grant.

Once an application has been made along with submission of builder estimates the Council has a statutory six month period in which to approve it. Once a grant has been approved the applicant is formally notified and can go ahead and start the work.

On completion of the work the Council conducts a final inspection and if everything is satisfactory can release the grant money, often paying the contractor directly. At no point does the Council have any contractual relationship with any builders or an agency, that is all between the applicant and whoever they choose to employ.

In 2019/20 352 referrals were received from ECC with 270 of these resulting in formal recommendations for adaptations being sent to us. 175 grants were completed in 2019/20 totalling £1,558,797. A commitment of £751,000 was carried over into 2020/21 in unspent grants both approved and pre approval.

Unlike many authorities we have not had a waiting list since 2009 (apart from now during the Covid-19 outbreak but we are starting new cases again this month and aim to have caught up by mid-August).

Over the past 5 years we have made many changes to our processes and have been trying to continually improve the service we offer the residents of Tendring. Through the introduction of a grant co-ordinator post and hard work by the team to streamline the process and go electronic the time from receiving a valid application to formal approval has been reduced from 33 days to 7 (the statutory period is 6 months) and our average payment timescales are the lowest in Essex.

The average timescale for approval to certified completion (fully paid and closed case), although not fully in our control, has also reduced to 56 days from 122 with the assistance of contractors and the local agencies (the guidance target is 80 days). We are always looking to improve the works we will fund, think outside the box to achieve results, ensure longevity and deal with an increasing number of bariatric and dementia cases as well as work with other teams and outside agencies.

Expertise

The Council's DFG team is held in high regard within the DFG community. Foundations (the MCHLG appointed body overseeing Home Improvement Agencies and since 2015 providing advice to all authorities on the DFG whether they use a HIA or not) often pass our details to other authorities looking for guidance. During the Covid-19 outbreak we have been contacted by several London Authorities to request advice about changes we are making to continue providing grants.

Ferret Information Systems are the leading specialist firm with regards the legislation and means testing – providing training and software. They have regularly over the years confirmed we are processing cases correctly and providing the grants in the proper way. Again, we are often offered as contact points for those authorities requiring advice.

Home Improvement Agencies

Since ECC discontinued their countywide funded Home Improvement Agency contract we have had several agents working in our area. Currently we have an MOU with DG Accessible Designs Ltd (who provide a full grant service for those who need help) and another MOU with Townsend Bowen (who provide a more tailored option for those who may only need plans drawn or surveyor help). We have actively tried to find further agents or architect services to over clients over the last few years, finding Townsend Bowen, and have discussed the option of an in-house agency with our Building Control department.

Several Essex Authorities have internal agencies either because of the ECC decision to remove the contract or because they have had one in place for many years. An agent (internal or

otherwise) can charge fees for the services they provide (funded from the grant) while we cannot take fees for providing the mandatory function of administering the grant.

Issues with the DFG

A recent government funded review in 2018 found that the main issues were:-

- The grant maximum of £30,000
 - This has been the grant maximum since 2008 and back then it was possible to provide a bedroom and specialist shower extension including all fees within this amount. We regularly provided grant maximum funding for these large projects, especially for children, but as the cost of building works has increased while the maximum has not, we are doing fewer large schemes as families cannot afford the top-up required above the maximum grant figure. We have offered grants to move to suitable properties since 2010 as per government guidance but for some families this is still not a viable option. Our new policy aims to offer a top-up for extensions of this kind which now cost approximately £45,000 until such time as the grant maximum is increased. The DFG community is expecting the government to announce the increase in the grant maximum when it looks into implementing change recommended in the review but this was delayed first by Brexit and now further by Covid-19.
- The means test
 - The government prescribed means test uses allowances and premiums to assess what the disabled person (not applicable to children) and their partner can afford to contribute to the cost of the DFG funded works. This is based on what the government feels someone can afford to take out in a high street loan and does not take into account the actual outgoings of a person. If applicants are on an income related benefit they are passported through the grant. When Council Tax Benefit was removed and replaced by local schemes it was a loss to the grant system and many people who would have been passported are now means tested. Those who are working are unfairly treated in the prescribed test and often have high contributions. A full review of the means test has been requested and one option is to make it the same as the test for care provision. By removing the means test for simple stairlift installations in our new financial assistance policy and treating them as equipment, we feel far more people will be able to stay in their homes who would struggle to fund works themselves. An option we have been discussing would be the introduction of a case worker position who could assist applicants with income maximisation and benefit applications such as attendance allowance, as these go in the favour of those being means tested and would, therefore, help more people get through the means test process until such time as it gets reviewed again.
- Joining up the process
 - The review states that working more strategically with the CCG and other authorities would improve the uptake of the grant. We are an active member of the Essex Well Homes Group which consists of ECC, the other Essex Authorities including the Unitary Authorities & Foundations. The CCG have so far not been active members but are aware of the work in question through the Local Health and Well Being Boards. Over the last few years the group has not only supported one another but allowed us to formally agree the use of the Better Care Funding for discretionary works and allowed us to formulate our new policy.

What we feel are the local issues with the DFG –

- ECC – We are reliant on ECC as they have the legal responsibility to decide

what is “*necessary and appropriate*” for the person before we then take over the process. We work closely with the local OT teams but ECC has over the years restructured regularly and this leads to the loss of those with knowledge of the DFG process. They make changes to their processes without considering the Local Authorities and what we require. ECC used to have local teams who worked very closely with us, then they went to a model of independent workers and finally they seem to have settled into a system of both independent workers and local teams. When they changed their model in 2017 referrals dropped. Local ECC colleagues have worked with us to overcome obstacles and go around challenges and we thank them for this. These new teams have now recruited and we have had new OTs and social workers visit us over the past year to learn about the DFG, shadow us to see what we do and we have visited their team meetings and provided information sheets to them. We have also visited the discharge hub at Colchester Hospital many times to understand any barriers to discharge we can assist with and hope the new policy allows us to assist them further. Our plan is to carry out bi-annual DFG training events for OTs. We regularly assist OTs by getting involved at the start of their process, advising about suitable works and encourage early means testing in the process.

- Contractors – We do not employ the contractor and the applicant can employ whoever they wish. If people do not use the local agents to help them they often take longer through the grant process as they struggle to obtain quotes and many then end up deciding to use an agent as they are unable to get someone to price for them. The local agents have contractors that are vetted and used to doing the grant works and what the process entails – many local firms have done the work since the Tendring Home Improvement Agency back when ECC had the HIA contract. Unfortunately many of these local firms are retiring, sadly this last year we have lost several due to ill health themselves, and new contractors do not always succeed in staying on the agency lists. Any contractors found by us doing private grants are forwarded to the agents for applying to go onto their books but the uptake is not very high. We have altered our process with the agency to decrease the timescales for the client in getting their works on site and monitor with them to ensure that no company is pushing themselves too thinly. We are encouraging the agents to do a recruitment drive again this year.
- Our staff level – We currently have 6 full time members of staff within the team although these staff are not 100% DFG as we also do the energy efficiency work (arranging the ECO Flex declarations), discretionary repair works, approved assessor works (assessing and ordering minor equipment), agency advisory groups and also we have an officer who oversees the adaptations in our own stock. The Grant Co-Ordinator post and temporary increase from part time to full time for our admin support post has greatly improved the work flow within the team. Officers no longer need to undertake administration work or phone cover during absences and this has also allowed us to spend the time reviewing and improving our processes. We have looked at everything from the ground up for the first time in many years and managed to adjust our processes improving our timescales and simplifying where we can. We plan on undertaking a review with finance and audit to look at further simplification of our processes as we are “over audited” when it comes to parts of our system as well as further changes going electronic and using tablets for inspections. The addition of a case worker as mentioned above to help improve the means testing process we believe would increase the number of grant applicants progressing past preliminary means test stage and also reduce the number of people leaving the process at final means test stage before approval. Foundations conducted a research project in Dec 2019 into staffing levels and the DFG and found that it takes 5 FTE staff to spend £1.2M so as you can see as our spend is far higher than this and includes other discretionary work, that we are already achieving a higher

return than the average. Our spend is the highest in Essex despite having a lower average cost of works than the England average and comparing our teams we have less staff per £ spent than our closest comparable teams – Colchester and Basildon. We hope to spend even more over the next few years and will need to regularly review the new discretionary options we are adding to ensure that our staffing level does not cause delays. The plan for a pilot part time ECC Occupational Therapist to sit within Housing should bring additional benefits to the department as a whole, not just to the DFGs, and hopefully will prove the need for further OTs to sit in Housing.

Unfortunately most of the issues with the DFG itself are not within our control but despite this we believe our new policy should make things easier for residents and we are keen to begin providing these discretionary works. Hopefully the government review will address most of these issues as soon as possible.

Covid-19 has presented some challenges however, during the first week of lockdown, despite having a totally new way of working and a few hiccups, our team managed to pay £90,000 of grants in a single week to ensure contractors who needed the funds were paid for everything they could be and have continued to ensure that works are approved and paid throughout the lockdown.

RECOMMENDATION

That the Committee determines whether it has any comments or recommendations it wishes to put forward the relevant Portfolio Holder or Cabinet.