



PART B:	RECOMMENDATIONS TO COUNCIL
REPORT TO:	POLICY AND RESOURCES
DATE:	23 MARCH 2017
REPORT OF THE:	FRONT LINE SERVICE DELIVERY LEAD BECKIE BENNETT
TITLE OF REPORT:	CHANGES TO DISABLED FACILITIES GRANT POLICY
WARDS AFFECTED:	ALL

EXECUTIVE SUMMARY

1.0 PURPOSE OF REPORT

- 1.1 To inform Members of changes to the Better Care Funding allocation and to seek approval for the consequential changes to the Disabled Facilities Grant (DFG) Policy and increase in the fees applied for capital works.

2.0 RECOMMENDATIONS

- 2.1 That Council agrees the following changes to the DFG Policy:
- a) The removal of means test contributions from clients for all applications where the value of works is less than £5000
 - b) The use of private occupational health therapists where NYCC in their role as social service authority are unable to respond to requests for assistance and undertake assessments within a reasonable period.
- 2.2 That Council also agrees to an increase of fees levied for capital works undertaken by the White Rose Home Improvement Agency (WRHIA) from 12.5% to 15%

3.0 REASON FOR RECOMMENDATIONS

- 3.1 The Government has made a national commitment to increase levels of capital funding to help Local Authorities (LAs) enable disabled and elderly and vulnerable people to live independently. At the national level £394M has been allocated for this purpose as compared to £220M in the previous year. As part of that commitment LAs are being given additional flexibilities as to how that money can be spent, with an expectation that funds shall be used strategically to meet local health, social care and housing priorities.
- 3.2 Scarborough Borough Council (SBC) have already made changes to their policy and are managing two different policies at present. Therefore it is practical to streamline RDCs policy to incorporate the recommended changes.

4.0 SIGNIFICANT RISKS

4.1 There are no significant risks associated with this report.

5.0 POLICY CONTEXT AND CONSULTATION

5.1 The Government have released the extra funding in tandem with the publication of the Local Government Ombudsman's (LGO) Report, *Making a House a Home: Local Authorities and Disabled Adaptations 2016*. That report sets out a range of national issues associated with the poor delivery of DFGs by many Councils' such as long waiting times for assistance.

5.2 In response to the LGO report and the additional funds awarded a number of changes to the Councils DFG policy are proposed. These include the removal of a means test for applicants under certain circumstances. These ideas in partnership with the Scarborough and Ryedale CCG, Local Occupational Health Managers and Foundations (who have been appointed by Government to help support good practice in relation to DFG provision nationally). In addition in amending this policy officers have also had regard to *Home Adaptations for Disabled People: A detailed guide to related legislation, guidance and good practice: DCLG/Home Adaptations Consortium: 2013*

5.3 To ensure that the WRHIA has sufficient resources to undertake this work without requiring growth in the Council's budgets, it is also recommended that the current fee levied against the cost of managing DFG works is increased from 12.5% to 15% to ensure all costs are satisfactorily covered.

6.0 BACKGROUND

6.1 On 25 February 16 the Department of Health wrote to all Directors of Social Services to confirm levels of funding to be allocated to Local Housing Authorities within their overall Better Care Fund for the financial year 2016/17.

6.2 RDCs allocation from this fund for 2016/17 was £452,569. This is an increase of £208,000 compared to the allocation for 2015/16. We are still waiting for the allocation for 2017/18. SBC received an allocation of £1,145,100 in 2016/17 compared to £685,399 in 2015/16.

6.3 Overall these increases represent an approximate £667,000 increase in the value of capital works undertaken by the WRHIA in 2016/17. Existing levels of staffing within WRHIA are not sufficient to meet this additional workload. Additional Technical Support is needed and it is proposed that these costs will be met via fee income levied at a rate of 15% against the cost of capital works.

7.0 REPORT DETAILS

7.1 As a Housing Authority the Council has a statutory duty to provide Disabled Facilities Grants (DFGs) to eligible households. These grants cover a range of works, most typically level floor showers, lifts and extensions. These grants and adaptations are administered on the Council's behalf by the WRHIA who also provide the same service for SBC as set out in a joint partnership agreement.

7.2 Funding is provided from Government towards the cost of DFGs with a further contribution from RDC on an annual basis. These funds are included within the Better Care Fund administered by NYCC on behalf of the Health and Well Being Board. This Better Care Fund is used by health and social care to commission a range of

joint preventative initiatives. Within that fund *minimum amounts* to be allocated by the Health and Well Being Boards to the local Housing Authorities to pay for DFGs are highlighted separately and remain determined by Government.

- 7.3 The Government appears to be very much committed toward the continued provision of DFGs and associated capital works as part of its national prevention strategy to reduce health and social care costs. Nationally the budget to pay for DFGs increased to £394M for 16/17 from £220M the previous year.
- 7.4 At the local level the Council's funding allocation has increased from £208K in 2015/16 to £452,569 for 2016/17. The Government recognises that this additional funding provides flexibilities for LAs to think more strategically in terms of how these funds can be used to meet a range of joint priorities for housing, social care and health providers.
- 7.5 The Council also continues to support the programme through capital resources in order to meet the need. In 2017/18 this was £125K. This contribution has been agreed as part of the Council's financial plan.
- 7.6 The release of this funding to the Council from NYCC (in their role as the administrator of the wider Better Care Fund) had been delayed. NYCC have sought to use the additional funding in the DFG allocations to help offset wider budgetary pressures. Negotiations around the release of these funds have been lengthy and agreement has been reached. For 2016/17 an allocation of £44K from the fund has been allocated to NYCC.
- 7.7 From 2017/18 no additional funding for NYCC has been agreed. However from 1 April 2018, due to budgetary cuts for NYCC they will be decommissioning the funding of the Handypersons services across the County. For Ryedale the cost of this can be covered through the growth in the Better Care Funding allocation, if this remains at the same level and as such will not affect services.
- 7.8 Given levels of demand locally it is not recommended that for 2017/18 that any request from County to use such funds is agreed. Spend to date in 2016/17 is £305K, outstanding approvals of £92K, in addition there are current works in the pipeline not yet approved for Ryedale totalling £257K. Also NYCC have confirmed that there are approximately 50 cases for RDC on the waiting list, with a value of £175K.
- 7.9 A range of changes are proposed to the Council's current DFG policy. These changes are intended to speed up the process by reducing administration relating to means tests and to ensure the services can be provided to as many of those that need them as possible.
- 7.10 **Removal of Means Test**
- 7.10.1 In accordance with the legislative framework, the Council currently requires that all applications for a DFG undergo a test of resources/ means test. Essentially within this test disabled households in receipt of certain benefits are not required to make any financial contribution to the cost of a DFG. However other households who have savings or an income over a certain level are required to make a contribution.
- 7.10.2 The administration of this means test is resource heavy for the WRHIA. It estimated that in terms of hours the administration of this test accounts for around 0.5 of a FTE. More importantly it forms a key and very time consuming part of the application and

given its complexity and the need to obtain various proofs of income which on average take between 2- 3 weeks to process.

7.10.3 Income received by the Council generated from contributions from households required to pay towards the cost of works is very low. In 2015/16 £5,769 in contributions was received and for 16/17 this has been £55.00.

7.10.4 Given the limited income received from this source when considered against the time taken to administer this as a process it is therefore recommended that this means test is scrapped for all proposed works that have a value of less than £5000. This £5000 limit will capture the vast majority of DFGs provided and will significantly speed up the time taken to process DFG applications for the benefit of customer (by around 2-3 weeks). In addition this will free up capacity within the WRHIA to more effectively deal with the increased volume of work anticipated following the growth in levels of funding being awarded.

7.10.5 RDC has the flexibility to introduce this change within its policy and this approach is being promoted as good practice. Annex A provides further details assessing the removal of the means test for information.

7.10.6 In addition to the removal of the means test for works of a value of less than £5000 it is also recommended that certain 'emergency' works are fast-tracked through the system without applying a means test.

7.10.7 This approach would be taken where it is confirmed by a health or social care professional that the adaptations are required as an emergency, for example where they:

- a) Allow the applicant to be discharged from hospital, or;
- b) The applicant is terminally ill, or
- c) The applicant cannot access essential hospital appointments, dialysis or day care without adaptations.
- d) The current situation is placing the service user and their Carers at considerable risk of injury e.g. from unsafe moving or handling

7.11 The Use of Private Occupational health Therapists

7.11.1 RDCs current DFG policy allows for the use of private Occupational Therapists (OTs) under certain circumstances, for example when an alternative or second opinion is required.

7.11.2 The amended policy however extends this to include the need to use private OTs in circumstances where NYCC are unable to provide the necessary response as to whether works are 'necessary and appropriate' within required statutory timescales.

7.11.3 As highlighted, NYCC social services currently have backlogs of disabled households awaiting social care assessments. This presents a risk in that the Council has a legal duty to determine an application for a DFG within 6 months of receipt. As part of that determination, the Council must consult with NYCC to help determine whether proposed works are necessary and appropriate. Following the recent LGO report it is clear that this leaves the Council vulnerable to censure. The Council cannot allow for DFG applications to be delayed because of NYCCs own processes.

7.11.4 To assist with this it is recommended in certain circumstances, e.g. where RDC receives an application for a DFG directly from a client and where NYCC are unable

to provide a response as to whether works are necessary and appropriate within a reasonable timescale, that an opinion is sought from a suitably qualified private OT.

7.11.5 It is anticipated that the use of private OTs will be low (less than £5000 pa). The vast majority of referrals for DFGs come after a social care assessment has been made. However additional flexibility is now needed to flip this process where required in order to ensure statutory timescales are met.

7.12 Proposed Fee Increase

7.12.1 Given that future levels of funding are likely to be based on both historical spend and levels of local need, it is important that the benefits of this additional funding are maximised and that funds are spent. Sufficient staffing capacity is required within the WRHIA to administer the additional work and RDC needs to ensure that this increased workload does not impact on the budget.

7.12.2 Currently RDC levies a 12.5% fee against the cost of all capital works undertaken by the WRHIA. In 2015/16 this fee generated around £40K in revenue funding to help cover the cost of administering these works. This is expected to be similar for 2016/17. In future due to the increase in fee this will generate £60K to £70K for 17/18, this is based on current likely DFG adaptations.. The amount payable to SBC will increase from £92K in 16/17 to £105K in 17/18, which is 33% of the cost of running the service as agreed as part of the partnership arrangements. The increase is due to staffing and pension increases.

7.12.3 It is recognised however that the current level of fee being levied only partially contributes to the cost to the Council of administering DFGs and that overall the Council subsidises this activity through its budgets.

7.12.4 The increased fee income will generate additional monies that can be used to help offset additional costs. A 15% fee reflects actual costs and mirrors the typical level of fee charged against the management of other capital programmes.

7.12.5 In real terms this increase will have a minimal impact on clients themselves because of the removal of client contributions in most instances. Ultimately this does mean that whilst the Council seeks to recover its own costs, fewer adaptations may be undertaken, however within the context of the overall grant increase the impact of this is extremely low. In Ryedale we do not have a waiting list for DFGs.

8.0 IMPLICATIONS

8.1 The following implications have been identified:

a) Financial

There are no financial implications on the Councils budget as the recommended fee increase seeks to recover costs incurred.

b) Legal

The proposals as set out in this report have been developed within the context of the:

- Housing Grants, Construction and Regeneration Act 1996

This act lays out the requirements in respect of the provision of DFGs

- Regulatory Reform (Housing Assistance (England and Wales) Order 2002.

This order specifies that LAs may provide, directly or indirectly, assistance to any person for various purposes including those of enabling them to adapt or improve or repair living accommodation.

c) Equalities

The provision of both statutory and non-statutory assistance to enable the elderly, the disabled or other vulnerable groups to live independently and to improve their living conditions has a positive impact in terms of equality and diversity issues.

d) Staffing

The additional grant funding being made available to RDC and SBC has staffing implications for the WRHIA, however the recommended increase in administration fees from 12.5% to 15% against works undertaken is proposed to cover this.

e) Planning, Environmental, Health and Safety, Sustainability, Crime and Disorder
No Implications

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Background Papers:

Local Government Ombudsman - *Making a House a Home: Local Authorities and Disabled Adaptations 2016*

https://www.google.co.uk/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&ved=0ahUKEwj3q4LA8czSAhUEIcAKHQmQC0YQFggcMAA&url=http%3A%2F%2Fwww.lgo.org.uk%2Fassets%2Fattach%2F2815%2FFR%2520-%2520DFG%2520March%25202016.pdf&usg=AFQjCNGk_iibgevBi66rEsZo9uKKBs24AA&cad=rja

Annex A - Assessing the removal of the means test for works costing less than £5000

Background Papers are available for inspection at:

www.ryedale.gov.uk