

Agenda Item No: 9.13 **Report No:** 101/17

Report Title: Discretionary Disabled Facilities Grants

Report To: Cabinet **Date:** 26 June 2017

Cabinet Member: Councillor Maskell

Ward(s) Affected: All

Report By: Ian Fitzpatrick – Director of Service Delivery

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Purpose of Report:

1. To introduce discretionary assistance for Disabled Facilities Grants (DFG's) within the Private Sector Housing Financial Assistance Policy.

Officers Recommendations:

1. To approve the amended Lewes District Council Financial Assistance Policy 2017/18, set out in Appendix A.
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1 Reasons for Recommendations

Introducing discretionary elements will:

- Allow the fast track adaptations approach in line with the best practice from the National Audit Office, DCLG and Department of Health.
- Take account of the increase in labour and material costs
- Increase the incentive for residents to move to a more suitable property
- Provide a safety net for cases of genuine hardship
- Allow fees to be paid for feasibility studies
- Increase the availability of warranties for equipment

2 Information

It is a statutory requirement under the Housing Act 1985 that our private sector housing renewal strategy includes a Financial Assistance Policy in respect of grant aid and other forms of financial assistance.

Appendix A is the revised Financial Assistance Policy with amendments highlighted.

3 Background

In 2013 a main objective of the Government's spending round was to ensure better cooperation between local services. Following this the Chancellor of the Exchequer announced that in 2015-16 £3.8 billion would be pooled into a single budget for health and social care services to work more closely together – the Better Care Fund (BCF).

Following the announcement of the BCF in 2013 there were a number of changes affecting Disabled Facilities Grants:

- In 2014 the funding of DFG's moved from DCLG ownership to become part of the BCF fund. This was a fundamental shift of policy removing the previous 'ring fencing' of how DFG's could be spent. The introduction of the BCF came at the same time as the Care Act 2014 with legislation encouraging local authorities to 'collaborate, cooperate and integrate'. DCLG, however, retained the responsibility for setting DFG policy.
- In 2016-17 the Department of Health providing an extra £394m towards DFG's (compared with £220m in 15-16), an increase of c.80%.
- In Lewes this increased the DFG budget from £600,000 in 2015-16 to £887,000 in 2016-17 with an increase to 922k for 2017-18.
- **LDC's DFG spend in 2016-17 was 574k allowing for an approved 313k carry over giving an overall budget for DFG's in 2017-18 of £1.2 million.**
- DFG funding is set to increase nationally to £500m by 2020 so it is anticipated the above budget may rise again over the next two years.

For this reason it is recommended that Cabinet agree the amended private sector housing financial assistance policy appended to this report, reflecting how the increase in funding can be best spent to achieve improved outcomes for the most vulnerable people in the Lewes area.

4 Summary of Policy

4.1 With the removal of ring fencing there is a greater opportunity to make best use of surpluses within the DFG fund by 'top-slicing' an amount to use at the Council's discretion to improve the lives of our disabled residents. The essence of the policy is to prevent or relieve people from accessing acute or high cost care facilities by supporting them to stay as independent as practicable.

It is important to note that discretionary funding will only be available for eligible works, i.e. those meeting the mandatory DFG criteria. Recommended changes:

a) East Sussex County Council (ESCC) to manage the installation of straightforward equipment

This is a county wide proposal that ESCC takes over the installation of stairlifts and washer drier WCs, and that £70,000 is set aside from the 2017/18 Lewes DFG budget for this work (to be reviewed annually). We believe this arrangement would reduce the installation time by 60%.

These grants would not be means tested.

Reason

These proposals will reduce not only the risk of residents experiencing accidents and requiring acute care, but they will ensure that work can be carried promptly allowing people to return from hospital without unnecessary delays.

b) An increase in the maximum grant for disabled facilities

i) It is proposed that an additional £10,000 be made available as 'top up' from the DFG budget before recourse to funding from ESCC.

ii) For any work above £40k, the Council would match fund any top up offered by ESCC to a maximum of £20,000. For example if the cost of work was £50,000, the Council would fund £45,000 of the work and ESCC contribute £5k.

iii) There is no means test required for the mandatory DFG available for children. However for the discretionary 'top up' it is deemed appropriate to means test the parents/guardians for the amount of grant above £30,000. For example if the eligible works are £40k, the means test would be relevant to the portion above £30,000 i.e. £10k. If the parents/guardians were assessed as having a contribution of £2k then a grant would be awarded for £38k i.e. £30k mandatory + £8k discretionary.

Reason

The cost of building materials and labour has risen in the 9 years since the £30,000 limit was introduced but the mandatory maximums have remained the same. It has been found that if top up is not available the grant/adaptation work does not go ahead and presents a risk to the disabled person and will have onward implications to all aspects of health and social care.

Means testing of Children's cases would mirror ESCC policy for means testing all 'top up' funding.

c) Home Relocation

Lewes District Council currently offers a grant of up to £7,500 towards the cost of moving home to a property which is deemed suitable either for immediate use or for adaptation at reasonable cost. The expenses may include estate agent's fees, solicitor's fees, stamp duty, and/or removal costs.

This grant may be used towards the cost of purchasing a new home where the applicant owns their existing home or for moving to alternative rented accommodation for an existing tenant.

We propose to raise the current grant limit from £7,500 to £10,000 towards the purchase of a new home and provide a grant for rental applicants at a maximum of £1,000 towards moving costs.

Reason

In some cases, it is considered that moving home is more appropriate to meet the needs of a disabled occupant, and it is not reasonable or practicable to adapt the existing home.

d) Hardship DFG

There are a small number of cases each year where DFG applicants have a means tested contribution but have insufficient capital to meet that obligation. Currently they are guided to Parity Trust for a loan to cover their contribution. If Parity Trust are unable to approve a loan (i.e. the applicant will be left in unnecessary financial hardship by making loan repayments) the Council will provide discretionary funding to a maximum of £10,000.

Reason

The DFG means test solely considers income and does not take into account the applicant's outgoings. Families with high mortgages can be assessed as having a high contribution with no means of paying it.

e) Feasibility assistance

Fees for technical support are not payable until a grant is approved. It is proposed that a discretionary grant of up to £1,000 per household is available to fund feasibility studies for complex cases before the grant process commences.

Reason

Some cases fail before approval, for technical reasons, refusal of planning or building regulations permission, where a great deal of work has been carried out in the design. Providing funding for a feasibility study will save time and resources and prevent the applicant from funding such costs up front without guarantee of receiving a grant.

f) **Warranties for equipment**

Lewes District Council already allows for extended warranties for a number of large items of equipment, particularly where they are installed outdoors (e.g. step lifts).

We propose to add extended warranties for common way stairlifts (for the period of time before ESCC take over stairlift installation) and items of equipment that receive heavy use i.e. automatic doors, rise and fall baths and wash dry toilets.

g) **Local Land Charge**

It is proposed that any discretionary funding over £30,000 should be registered as a local land charge against the resident's (owner occupier's) property for 10 years following the completion of work. The land charge relating to mandatory grants is up to a maximum of £10,000 when the cost of work is over £5,000. The proposed land charge relating to discretionary grants would be applied to any funding over £30,000, resulting in a total maximum land charge of £30,000 (i.e. £10,000 for mandatory and £20,000 for discretionary.)

For the example given in b) above, if the cost of work was £60k, the Council would fund £50k of the work and ESCC would be asked to contribute £10k. A Local Land Charge would be placed on the property for £30,000 (£10,000k mandatory and £20,000k discretionary.)

Reason

This would give some protection to the budget in years to come when government funding may suddenly decrease.

h) **Appointment of a progress Chaser**

The above provisions will still leave approximately £400,000 of the budget unspent. There are parts of the process that have been identified as causing significant delays to the timely and efficient delivery of the adaptation work. It is proposed to allocate £32,642 of the budget to staff a progress chaser role. This role will be invaluable if the discretionary policy is implemented.

Reason

Progress chasing will strive to unblock the current delays experienced throughout the often complex process and ultimately achieve a higher grant spend

5 Financial Appraisal

We are seeking authority to release £220,000 of DFG budget for discretionary funding. Listed below are the estimated projected budgets for each key initiative.

- a) ESCC to provide stairlifts and specialist WCs – £70,000
(the budget implication for this initiative is actually £0 as the amount transferred would have been committed under the mandatory DFG budget.)
- b) Increase in maximum amount - £150,000
- c) Home relocation - £20,000
- d) Hardship - £20,000
- e) Feasibility fees - £4,000
- f) Warranties - £1,000
- g) Estimated amount of discretionary DFG to be recycled – £50,000
- h) Progress Chaser - £33,000

The Discretionary grant will include a caveat that, with the exception of the equipment transfer, these grants are dependent on the availability of funding.

6 Legal Implications

Under the Regulatory Reform (Housing Assistance) Order 2002, the Council may, for the purpose of improving living conditions in its area, provide assistance in any form to a person, to enable him to take the measures set out in paragraph 3(1) of the Order. These include:

- acquiring living accommodation (subject to certain conditions)
- adapting or improving living accommodation
- repairing living accommodation

Paragraph 6 of the Order enables the Council to take any form of security (including a charge) in respect of the whole or part of any assistance granted.

The Council may only offer the assistance mentioned above if they have adopted a policy for the provision of assistance of that type, hence this report seeking such

adoption. The Council must also, prior to offering assistance, give public notice of the policy adoption and make the policy available for inspection free of charge.

The changes recommended in the new policy represent a material variation of the Council's existing private housing policy and the disabled grant facilities arrangements. Changes of this nature require the approval of Cabinet.

Lawyer consulted: 19.5.17. Legal ref: 006258-LDC-OD

7 Risk Management Implications

I have completed a risk assessment (LDC73693). No new risks will arise if the recommendations are implemented. The Council should have a current Private Sector Housing Financial Assistance Policy that is transparent, accountable, proportionate and consistent.

8 Equality Screening

- 8.1 On 15th May 2017 an Equality Analysis was undertaken on the amendments to the private sector housing Financial Assistance Policy. Due regard was given to the public sector equality duty and to the likely impact of the policy on people with protected characteristics, as set out in the Equality Act 2010. The amendments to the policy were found to have positive outcomes, by removing barriers associated with the mandatory DFG.
- 8.2 The removal of the ring fence by the Better Care Fund ensures that there is greater opportunity to make the best use of surpluses, responding to the needs of our residents, supporting innovative projects in the town to improve the lives of our disabled residents. The policy particularly removes discrimination against families in financial hardship due to high housing costs. The previous policy did discriminate by age in that the mandatory means test allowed a higher 'living' premium for those over 65.
- 8.3 The assessment identified the policy was found to have positive outcomes for all residents and site owners in our district. However, minor adjustments are required. There are missed opportunities especially in the area of equalities monitoring and customer feedback. Actions have been identified to remove barriers and better promote equality. The Equalities Analysis action plan will be incorporated and monitored with implementation of the amended Policy recommended by this report.

9 Background Papers

- Planning for the Better Care Fund (National Audit Office 2014)

<https://www.nao.org.uk/wp-content/uploads/2014/11/Planning-for-the-better-care-fund.pdf>

- Innovation in Homes Adaptations: A Fresh Chance (Care and Repair England, 2016)

<https://homeadaptationsconsortium.files.wordpress.com/2013/10/integration-briefing-3-final.pdf>

- Integration and Better Care Fund Policy Framework 2017-2019

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/607754/Integration_and_BCF_policy_framework_2017-19.pdf

10. **Appendices**

Appendix A – Proposed Financial Assistance Policy 2017/18