



EAST STAFFORDSHIRE BOROUGH COUNCIL

REPORT COVER SHEET

Title of Report:	Disabled Facilities Grant Scheme Review	To be marked with an 'X' by Democratic Services after report has been presented
Meeting of:	Corporate Management Team- 12 November 2019	X
	Leader and Deputy Leaders- 18 November 2019	X
	Leader's / Leader of the Opposition's Advisory Group / Independent Alliance Advisory Group 27/28 November 2019	X
	Cabinet- 9 December 2019	
	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:	NO
If so, please state relevant paragraph from Schedule 12A LGA 1972:	[]		

Essential Signatories:

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

Monitoring Officer: **Angela Wakefield**

Date Signature

Chief Finance Officer: **Sal Khan**

Date Signature

EAST STAFFORDSHIRE BOROUGH COUNCIL

Report to Cabinet

Date: 9 December 2019

REPORT TITLE: Disabled Facilities Grants Service Review

PORTFOLIO: Regulatory Services

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 a review of the Disabled Facilities Grant Service and seek approval for amendments to the Disabled Facilities Grants and Assistance Policy.

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 reducing 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 estimates from contractors; arrangement and agreement of work commencement dates; supervision of the relevant works and payment of contractors. A Disabled Facilities Grants and Assistance Policy was also 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, ensuring that cases are actively progressed to reduce delays. This has already reduced DFG process timescales from 318 days for cases handled by the previous provider to 218 days for cases handled by the in-house DFG team.
- 2.4. However, since the initial setup of the in-house DFG service a number of significant challenges have arisen including a significant increase of workload due to changes in Social Care and Health; delays associated with cases inherited from the previous provider; difficulties gaining landlord permission for Trent and Dove properties; challenges associated with the contractor tender resulting in the original contractor being cancelled and a second tender being undertaken; 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. The performance of the DFG service has been continually monitored and corrective action taken for any challenges that have arisen. However, whilst the imposition of newly approved contractors and a Housing Technical Officer is already having a significant impact on the current work, it will be several months until a reduction in delays will be reflected within the DFG timescales. The main challenge that remains is in relation to the funding arrangements for DFGs that exceed £30,000.
- 2.6. This report provides a review of the Disabled Facilities Grant Service and seeks approval for amendments to the Disabled Facilities Grants and Assistance Policy to increase the amount of assistance available through discretionary Disabled Facilities Grants (DFGs) from £10k to £15k and provide clarification on the requirements for clients that wish to use their own contractors to undertake adaptation works.

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 housing association tenants to enable adaptations to be carried out in their own home to meet disability needs. 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 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. 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 to a suitable property.
- 3.6. The policy identified key performance indicators for the approval of valid applications within 3 working days for urgent applications and 20 working days for all other cases to reduce the timescales associated with the delivery of a DFG. Performance indicators were set for Occupational Therapists and the Contractor which were identified within the tender documentation and subsequent contracts to reduce the timescales associated with the delivery of a DFG. The current process aims to complete all urgent adaptations within 55 working days from the date of initial enquiry and 150 working days for non-urgent applications.

4. Contribution to Corporate Priorities

- 4.1. Value for Money Council Services- Protecting Your Money: 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

- 5.1. 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 Home Improvement Agency (HIA), Revival.
- 5.2. 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 estimates from contractors; arrangement and agreement of work commencement dates; supervision of the relevant works and payment of contractors.
- 5.3. The team consists of two Adaptations Officers which were in post from April 2018 and September 2018 and a Housing Technical Officer which joined the service in October 2019. 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.
- 5.4. Discretionary Assistance is provided under the current policy, providing top-up grants over the mandatory £30,000 grant; funding unforeseen works or issues of disrepair; and assistance for relocation to a suitable property. Since its adoption in 2018 it has provided assistance for 3 adaptations which would not have been able to be funded without it; resulting in reduced care costs to social care and health and increased independence for the client.
- 5.5. Each year the DFG service is subject to an internal audit to review the Disabilities Facilities Grant (DFG) funding for 2018/19. The audit used a process of substantive testing of a sample of relevant schemes delivered from the 2018/19 funding and provided assurance in relation to the following control objectives:
 - 5.5.1. Up to date procedures for the receipt and assessment of grant applications and the authorisation and payment of grants are in place.
 - 5.5.2. All grant applications are processed and grants awarded in accordance with relevant Policy and Procedures and governing Regulations, and this is evidenced by clearly documented files.
 - 5.5.3. All grant payments are made at the rates quoted by the appropriately selected contractor at the award of the contract, for work completed to the required standard, in a timely manner.
 - 5.5.4. There are procedures for the monitoring of and reporting on the grants claim system, including robust and effective financial/budget management.

- 5.6. The outcome of this audit is available in appendix 2. The recommendation for a DFG procedure is currently being actioned and will be completed by March 2020.
- 5.7. One of the key aims of the service is to reduce the timescales associated with the delivery of a DFG. Throughout the process of delivery the dates of the following key stages are used to measure performance as detailed in table 1:

Table 1- DFG Stages

Stage	Description
Initial Enquiry	Depending on the needs of the client we receive notification of an initial enquiry from Staffordshire Cares if the client has 1 care need, Midlands Partnership Occupational Therapist team if the client has two or more care needs, Children's OT Team if the client is a child or Trent and Dove OT for some Trent and Dove tenants. The information provides a brief description of disability and what adaptation they feel they need.
Referral	The referral is provided by the Council's approved OT if the client is an adult (or Trent and Dove OT for some Trent and Dove tenants) or the Children's OT if the client is a child. This details the full adaptation that is required to meet the client's needs.
Application	Once a referral has been received 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.
Approval	Once a full and valid application has been submitted and approved by the Head of Service commencement dates will be identified between the client and contractor.
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.

- 5.8. Legislation requires an application to be determined within 6 months and works to commence within 12 months of the date of approval. However additional performance indicators are recommended in the Housing Consortium's Good Practice Guide for Disabled Adaptations which have been incorporated into the DFG policy identifying performance indicators of 3 working days for the determination of urgent applications and 20 working days for all other cases. The current process aims to complete all urgent adaptations within 55 working days from the date of initial enquiry and 150 working days for non-urgent applications.

5.9. The graph in figure 1 shows the timescales associated with the different stages of the DFG process for the previous 3 years along with the current financial year to date. The graph shows that the timescales are significantly longer than the target for 150 working days from initial enquiry to completion; however the timescales for the current financial year have significantly reduced from previous years, with new enquiries being assessed for referral in under 30 days using the Councils own OT service and a reduction in the time for works to be approved and completed compared to previous years.

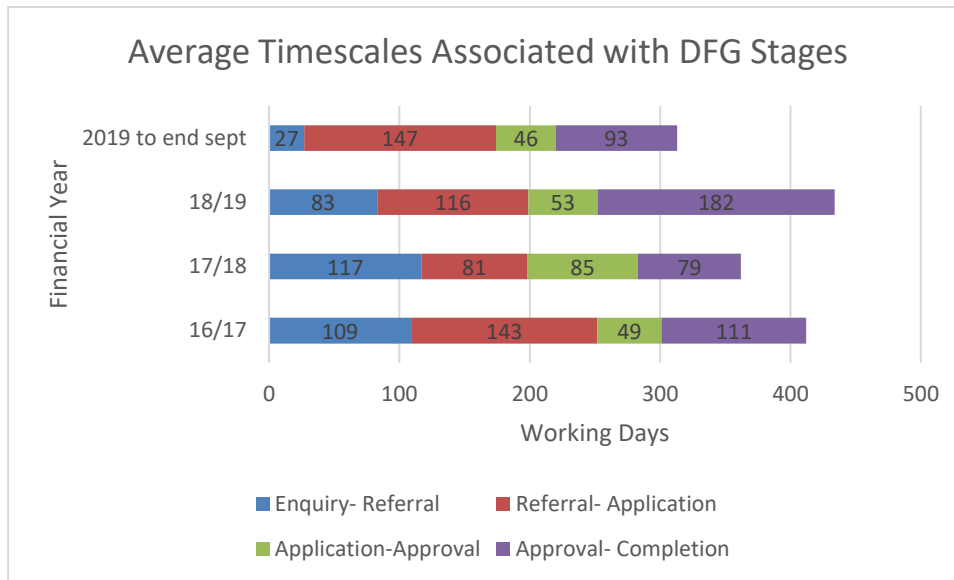
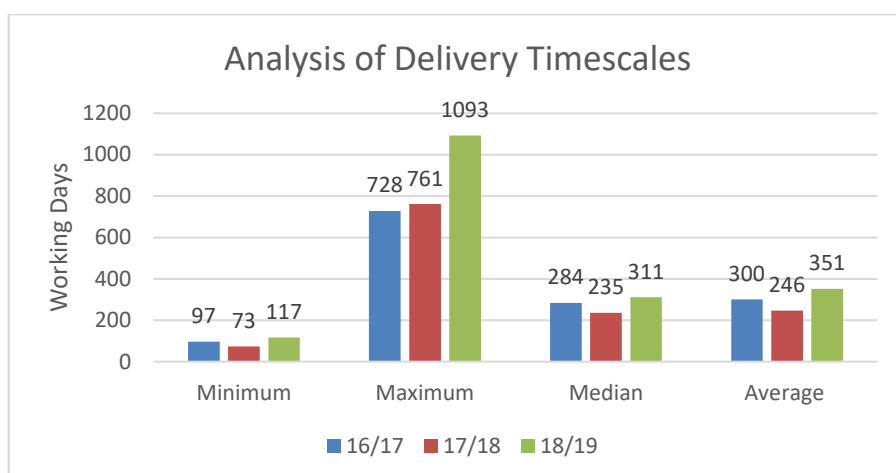


Figure 1- Average Timescales Associated with DFG Stages

5.10. Whilst the average timescales provide an overview of the number of working days associated with the DFG process, they do not recognise the effect of specific cases that have experienced unforeseen or unavoidable delays. The graph in figure 2 demonstrates the minimum, maximum, median and average timescales from Referral to Completion of the DFG. In relation to 18/19 figures a case referred to in 5.12.2 resulted in an extreme delay of 1093 working days from referral to completion; whilst these figures reflect the first year of in-house delivery, the delays were experienced as a result of the previous HIA.

Figure 2- Analysis of Delivery Timescales



5.11. The DFG process is bureaucratic and complex, requiring a wealth of required documentation in support of an application, however the current process has been designed to be as simple as possible where it is under the control of East Staffordshire Borough Council. However there are elements to the process that are outside our control. These are reflected in the referral- application stage of the grant process and include:

- 5.11.1. Delays associated with children’s referrals where insufficient information is provided for plans to be drawn resulting in multiple plans being required to ascertain the most appropriate adaptation.
- 5.11.2. Client delays when providing the required documentation for financial checks or requesting revisions to plans.
- 5.11.3. Delays in gaining landlord permission.
- 5.11.4. Complex works requiring additional consultation with OTs, building control and contractors.

These delays cannot be easily identified or excluded from the process timescales. However monthly monitoring of cases ensures that cases are being actively progressed and any causes of delay are noted in the relevant case file.

5.12. Since the initial setup of the in-house DFG service a number of significant challenges have arisen which are summarised below:

5.12.1. Social Care and Health Workload- From April 2018 the OT service provided by Staffordshire County Council was significantly changed. Previously a client would contact Staffordshire Cares, the front door for Staffordshire County Council’s Social Care and Health Service and would be triaged by an OT based on the needs of the client. An OT assessment would be undertaken on anyone meeting the eligibility criteria for a DFG and a detailed referral of needs along with a detailed description of the adaptation that was required to meet the client’s needs would be provided to the Council. However this service has since changed. Firstly the initial OT triage was removed which resulted in a significant increase in enquiries that were sent to the Council with no form of triage. This was later corrected in October 2018 with the reinstatement of an OT, however it resulted in over 100 enquiries that required triaging using our own resources. Secondly the OT service has

withdrawn any assessment of need for clients in relation to the DFG. Where a client has two care needs an OT will assess any needs for social care and health and refer the client to our own service for a DFG to be considered; where a client has one care need the client is forwarded to the Council with only a brief description of their needs and disability. All cases received lack the required assessment of needs and are forwarded to our own approved OT for a full assessment to be undertaken. Whilst our own OT service provides assessments in less than a month, the client's DFG process is elongated due to these changes. Finally, Staffordshire County Council have refused to provide any assistance for hoists and equipment such as shower chairs and now require them to be assessed and supplied as part of the DFG. These require additional assessments for moving and handling which are being provided by the Council's OT service and information passed over to Social Care and Health once completed. All these changes have been initiated with minimal notification and have taken time to rectify and embed in to our own process.

5.12.2. Revival Transition- Following the transfer of cases from Revival in April 2018, a number of cases were identified that required additional resources to rectify issues with the schedules of works and associated plans. This delayed the commencement of works for a number of cases reducing the amount of adaptations that were completed in the financial year, resulting in delays to cases where works were on site. A key example is a case that had a delay of 441 days between approval and completion. As the graph in figure 1 shows, the delays associated with the completion of works was significantly larger than previous years due to problems associated with the technical input from Revival. This required additional resources to correct any problems with individual cases reducing the ability to process other cases. The number of applications where Revival had an involvement have significantly reduced since April 2018, resulting in a reduction in DFG process timescales from 381 days for cases handled by Revival to 218 days for cases handled by the in-house DFG team.

5.12.3. Trent and Dove- Clients that are Trent and Dove tenants are eligible for a DFG, however their new policy for approval of works is resulting in the refusal on adaptations that involve installing a level access shower on the first floor. Similarly they are also requiring a higher spec of works than what is provided under the DFG which can be provided as long as any additional costs are paid by Trent and Dove. Approximately 50% of adaptations are undertaken in Trent and Dove properties, and as a result a number of properties have been had landlord permission refused, whilst others have been delayed until funding has been provided by Trent and Dove for the difference in costs. To reduce the impact of these changes we have been working with Trent and Dove to gain approval for works at the start of the DFG process to ensure clients are not waiting un-necessarily. Where permission for the adaptation is not granted clients are forwarded to Trent and Dove to provide alternative properties.

- 5.12.4. Contractor Tender- Following a comprehensive tender exercise Axis Europe Ltd were appointed in April 2018 as the Council's contractor for DFG adaptation works. However, the contract with Axis Europe Ltd was terminated in October 2018 as they failed to provide the service to the standard and quality required by the contract. This had an impact on DFG cases that required quotations for approval to be granted. As soon as the contract ended quotes were obtained from contractors that had previously provided adaptations under Revival to reduce any impact on cases. Following another tender exercise in June 2019, two contractors have been appointed for adaptation works with equipment being provided through approved contractors.
- 5.12.5. Officer Resources- the ongoing monitoring and review of the DFG process provided a reviewed need for additional specialist technical input for complex cases that require feasibility surveys and plans. The majority of complex cases are children's adaptations which require feasibility visits to consider multiple options for adaptations before a decision could be made for the most suitable adaptation. This involves the drawing of plans and requires a specialist knowledge of building requirements to enable the contractor to quote for works, which is not held by the Adaptations officers or OT's. To bridge this gap in knowledge, a new temporary role for a Housing Technical Officer was created. The position was recently filled in October 2019, however it has already had a significant impact on reducing the delays with complex works and has reduced the workload of the Adaptation Officers to concentrate on simple cases that do not require technical input.
- 5.12.6. Grant Limitations- The maximum grant that can be provided is £30,000 and has been at this level since 2008. However there is an increasing amount of adaptations that cost more than the upper limit, usually the more complex cases, and particularly cases for disabled children and young people. These often involve the building of extensions and/or major reorganisation of the internal layout of the home. Whilst the current policy enables use of top up grants, there is only a finite budget available which cannot stretch to cover the increasing amount of grants that exceed the maximum amount. This can result in delays where additional funding is required which affects people with some of the most severe impairments or most restricted levels of mobility who are most urgently in need of help.
- 5.13. Since the introduction of the in-house DFG service in March 2018 the performance has been continually monitored and corrective action taken for any challenges that have arisen, as detailed in para. 5.12. The timescales for the delivery of DFGs have already reduced as detailed in para. 5.9 and para. 5.12.2, however, whilst the imposition of newly approved contractors and a Housing Technical Officer is already having a significant impact on the current work, it will be several months until a sufficient reduction in delays will be reflected within the DFG timescales.

5.14. The main challenge that remains is in relation to 5.12.6 and the funding of adaptations that exceed £30,000. It is proposed to amend and increase the current financing of discretionary grants to increase the amount of funding available using the government DFG funding as detailed below under Financial Considerations.

5.15. The Disabled Facilities Grants and Adaptations Policy has been amended to include the proposed financial changes to discretionary funding along with clarification on the requirements for clients that wish to use their own contractors to undertake the required adaptation works.

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 2 shows the expenditure for DFGs for the previous 3 years and current year to quarter 2. The DFG grant provided to the Council has increased however the expenditure for 2018/19 was significantly lower than previous years. Any unused funding has been carried over to the following financial year to ensure that funding remains available to meet demand. Expenditure for the current financial year is greater than quarter 2 for 2018/19, and it is anticipated that the overall expenditure will be greater. However, there is a significant time lag between works that are in progress and expenditure and 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 2- DFG Expenditure

Financial Year	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 Qtr 2	888,683	1,022,684	0	1,911,367	151,674	

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

6.3. Whilst the challenges detailed in para. 5.12 have had an effect on the speed of delivery and grant expenditure for 2018/19 it is clear that the current process is

working to improve service delivery to the standard that is envisaged for the service. The current work programme in para. 6.4 details the current demand for DFGs

- 6.4. Table 3 shows the current demand for DFGs with the number of cases currently at each stage of the DFG process. On average 90 DFGs are completed per year as cases cross over into different financial years and cases fall out of the process for a variety of reasons such as high financial contributions. The total cost of these works is estimated as £1,656,393 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.

Table 3- Current DFG Demand

DFG Stage	Number of Cases	Cost
Enquiry	95	£665,000 (estimate)
Referral	33	£408,000 (estimate)
Application	15	£223,100 (estimate)
Approval	15	£223,149 (actual)
Completion	14	£137,144 (actual)
Total	172	£1,656,393

- 6.5. Grant funding for disabled facilities grants is provided to the Council through the Better Care Fund. Due to increasing demand as a result of an aging population, grant funding has increased from £220m in 2015/16 to £500m in 2019/20. However the demand for adaptations continues to exceed the funding available which increases the need to identify more efficient and effective ways of working.
- 6.6. One of the main causes of delay are associated with complex adaptations that exceed the maximum grant limit of £30,000. The current policy allows for discretionary assistance in the form of top-up grants using repaid grants received through land charges. To date this has been used to fund three adaptations which have exceeded the maximum £30,000; however, demand for top-up is continuing to increase, with four current applications costing £40,000, placing a significant financial pressure on the finite discretionary budget.
- 6.7. In previous years there have been few expensive grants, which are very different from the main work of adaptation teams which is to provide showers, stairlifts, ramps and other adaptations under £10,000. The nature of expensive cases is usually much more complex and often involve children with complex needs, people who have had strokes, those involved in major accidents or people with long-term conditions such as motor neurone disease, multiple sclerosis or Huntington's disease.
- 6.8. Options for funding works costing over £30,000 have been considered and are detailed below:

- 6.8.1. Discretionary Assistance- The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 (RRO) enables authorities to offer financial assistance tailored to the needs of their area. The RRO allows authorities to meet people's needs without going through the full DFG process. The financial help provided by an RRO policy must provide at least the same level of assistance as the mandatory DFG and not fetter discretion in decision-making. The Council is given a sum of money each year by the Government, which is specifically to be used for providing grants to help disabled people stay in their own homes. The current funding for discretionary assistance is finite and whilst it enables suitable alternative options for adaptations, the level of funding is not sufficient to meet demand where grants exceed £30,000. However due to changes in how the Government allocates funding for home adaptations there has been a significant increase in the funding given to local authorities which can be made available for discretionary assistance to adapt and improve living conditions for disabled persons.
- 6.8.2. Loans- The use of conditions within the provision of discretionary assistance enables financial assistance to be provided in the form of a loan which is repayable when the property is sold or transferred. The current policy requires discretionary assistance to be placed on the property as an indefinite land charge with interest charged over a 10 year period. It is proposed that this condition remains with interest charged at the Bank of England base rate which is applied to discretionary assistance up to 10 years.
- 6.8.3. Multi-grant- In some cases clients receive more than one grant, however this is where the client's needs change and the condition deteriorates requiring further adaptations to be undertaken. In these cases eligible applicants are able to get successive grants but only up to the statutory limit in these circumstances. This will not however provide any assistance where the cost of the works exceed the maximum grant limit.
- 6.8.4. Council Funding- The amount of discretionary assistance could be funded through Council reserves which would be a growth item. However, this would put significant pressure on Council reserves.
- 6.8.5. Rehousing- This is an alternative to providing adaptations where it would provide a better solution, where the household is willing to move and if costs are likely to very high. This is currently offered using discretionary funding, and has been offered for some cases but to date has not been used due to preferences to stay in the property.
- 6.8.6. Do Nothing- This will have a significant impact on social care and health and the NHS for ongoing care needs that far outweigh the cost of providing additional assistance. It will also have a significant impact on the client and prevents independent living.
- 6.9. It is recommended that discretionary funding be financed using the DFG funding provided by central government via the Better Care Fund (BCF). This use is in

accordance with the Passport Agreement setting out the financial arrangements and conditions in respect of the Disabled Facilities Grant Funding allocated to the Council on an annual basis by Staffordshire County Council. This defines a Disabled Facilities Grant as a grant paid to qualifying individuals with disability as prescribed under the Housing Grants, Construction and Regeneration Act 1996 (HGCR98) or the Regulatory Reform Order (Housing Assistance) 2002 (RRO) and requires the Grant Funding to be used by the Council in meeting its statutory duties in making Disabled Facilities Grants to disabled individuals or their Carers, or other expenditure incurred in meeting its statutory duties under the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002.

- 6.10. It is proposed to increase the discretionary DFG to a maximum amount of up to £15,000 to top-up mandatory DFGs where circumstances are such that the cost of the works exceeds £30,000 (either as a result of unforeseen works or the extent of the original work that is recommended to the Council). This type of assistance will only be offered for works that meet the eligibility criteria for Mandatory DFGs. This assistance would also be subject to the same means test as the mandatory grant.
- 6.11. Discretionary funding from the Council will only be made available as a last resort and must be approved by the Head of Service. Over the previous 3 years the Council has provided on average 9 complex grants and it is therefore anticipated that future demand for discretionary works will cost £135,000. This equates to 13% of the current DFG funding and will reduce the risk of insufficient funding for mandatory grants.

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. Ability to provide a service that is responsive to local needs of the borough residents.
 - 7.2.4. The provision and use of a Council approved contractor procured through a tender process providing consistent approach to adaptations.
 - 7.2.5. Cost recovery of services permissible under the Housing Grants (Services and Charges) Order 1996.
- 7.3. **Negative** (Threats):

- 7.3.1. Insufficient service charges to recover the cost of the service.
- 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.
- 7.4. 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:
Linda Durham*

- 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 statute 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. In accordance with The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 the Council will give public notice of the adoption of the amended policy. The policy will be 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 3 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.

10. Human Rights

- 10.1. There are no Human Rights issues arising from this Report.

11. Sustainability (including climate change and change adaptation measures)

- 11.1. Does the proposal result in an overall positive effect in terms of sustainability (including climate change and change adaptation measures) NA

12. Recommendation(s)

- 12.1. To approve the amendments to the Disabled Facilities Grants and Adaptations Policy. This includes:
- Increase in discretionary funding from £10k to £15k, and
 - Clarification on the requirements for clients that wish to use their own contractors to undertake adaptation works.
- 12.2. To note the report and the use of discretionary funding using the Disabled Facility Grant Fund.

13. Appendices

- 13.1. Appendix 1: Disabled Facilities Grants and Adaptations Policy
- 13.2. Appendix 2: Internal Audit Report