



PRCC.36 12/13

Prosperous Communities

12<sup>th</sup> February 2013

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**Subject: Future delivery of Disabled Facilities Grants in West Lindsey**

Report by:

Director of Regeneration and Planning

Contact Officer:

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Purpose / Summary:

The purpose of this report is to update members on the options that have been considered and the work that is currently underway to improve the future delivery of Disabled Facilities Grant (DFG) applications submitted to the Council. Officers request that members support the proposed way forward outlined within this report.

**RECOMMENDATION(S):** That members note the contents of this report and support the proposal for officers to directly manage the DFG service, with technical and administrative support being provided from LHIA, for the 2013/14 financial year.

## IMPLICATIONS

**Legal:** None

**Financial :** None – the fee for delivering this service is expected to remain the same for the new financial year.

**Staffing :** Management of this service will continue to be provided by WLDC staff as per the existing interim arrangements.

**Equality and Diversity including Human Rights :**  
N/a

**Risk Assessment :**  
The corporate risk register will be updated once a firm service level agreement is in place and the full scope of the service to be provided in 2013/14 is known.

**Climate Related Risks and Opportunities :**  
N/A

**Title and Location of any Background Papers used in the preparation of this report:**  
None

### Call in and Urgency:

**Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?**

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman)

Yes

No

### Key Decision:

A matter which affects two or more wards, or has significant financial implications

Yes

No

## 1.0 Background

The purpose of this report is to update members on the options that have been considered and the work that is currently underway to improve the future delivery of Disabled Facilities Grant (DFG) applications submitted to the Council. Officers request that members support the proposed way forward outlined within this report.

The DFG service was intended to be wholly managed on behalf of the Council by the Lincolnshire Home Improvement Agency (LHIA). This single-team approach, led by the LHIA, was set up to process DFG applications for a number of Councils in Lincolnshire.

The team at the LHIA were initially formed to pilot this way of working for one year but the process remained in place for over 18 months without a review. Due to consistently poor performance in delivering the grants, and as a result of the high level of intervention necessary by officers at the Council to more appropriately manage the service, all partners involved agreed to stop the pilot in December 2012. An officer from North Kesteven District Council that was seconded to the LHIA to manage the pilot team left the authority when the pilot ceased.

## 1.1 Current Resources

The additional officer time that had been required to support the service whilst the pilot was in place is detailed below. The estimated cost to the council of this staff time has been assessed as a minimum of £43,000.

### **Additional time spent by officers to support the pilot:**

80% Senior Housing and Communities Project Officer

25% Housing and Communities Project Officer

20% Team Manager – Housing and Communities

10% Team manager – Home Choices

10% Home Choices Officer

The existing agreement with the LHIA runs to the end of the current financial year and in the interim period officers are continuing to support to the agency. The fee charged by the LHIA for providing the grant administration service has been around £35k (equal to 10% of the grant budget) per annum.

## 2.0 Issues identified with the pilot and shared service

Whilst there was no formal review of the pilot, a number of key issues were identified by officers but were not satisfactorily resolved. These included:-

- Cases not regularly being reviewed, many for over 12 months.
- DFG applicants - both adults and children - living in high-risk home environments known to the pilot team manager, but not communicated to the Council.
- Concerns over the appropriate use of funds, particularly an absence of commercial awareness in seeking competitive quotes for work.
- Schemes designed to the applicant's specifications with limited, or in some cases zero regard to the most cost effective solution.
- Instructions from the Council to provide improved levels of customer care unheeded.
- The absence of accurate performance data and a consistently out of date data system at LHIA; resulting in confusion over the status of live cases.
- Invoices submitted to the Council, for completed adaptations, that were for greater amounts than had been authorised by the Council.

- Lack of accountability in the pilot team for decisions made, no clear lines of control in place for managing or reviewing the team's performance.
- A blame culture within the pilot team where difficult decisions were communicated to the applicant as "the Council have refused your application" - resulting in high levels of direct involvement by a number of WLDC officers to resolve conflict situations and respond to complaints.
- A lack of guidance for the pilot team in helping them recognise appropriate alternative solutions to DFG, including occasions when an application had not met the criteria for a DFG at all, or been the most suitable option for the applicant.

The above service delivery failures broadly mirror the same issues that the pilot was initially set up to resolve, and that were detailed in the pilot team's original Business Plan. The necessary service changes were not effectively implemented when the pilot was initiated and this has resulted in the planned improvements not being realised. As a consequence, and given the level of risk in the service remaining unchanged, there was a clear and urgent need to seek an alternative approach.

Through closer direct working with the LHIA, WLDC officers have been able to stabilise the service, provide strategic leadership and regain total control of the budget expenditure and case management. This interim arrangement has established a much more effective way of working and makes far greater use of the skills and knowledge held by both officers of the council and LHIA staff. The draft service level agreement at appendix 1 provides the framework for a more effective management of the service.

### **3.0 Preferred option and way forward**

In November 2012 the strategic group that was established to oversee the pilot recommended that each authority consider three options as potential ways forward in the longer term. These were to: extend and strengthen the shared service at the LHIA; move to a new shared service led by a single Local Authority, or bring the service back in-house.

The way that the pilot team trialled the shared service approach did not result in a successful service being offered. A new shared service could potentially work, if planned and managed differently, although this will take time to establish and is likely to disrupt the service further, at least in the short term. At present there is no appetite amongst partners to actively investigate this option and no common agreement for how it could be implemented or managed.

Forecast costs for this option show that it would be more expensive than the existing service provided by LHIA. Additionally, at this time, the main priority for this Council is to ensure the appropriate control of the budget and workflow, and improve the level of customer care experienced by residents in West Lindsey that rely on this vital line of support.

For this reason the preferred option that has been presented by Officers, and supported by the Core Management Team, is to bring the management of the service back in-house, under the direct guidance of officers within the Housing and Communities team. This is explained further in section 4 of this report.

### **3.1 Service Level Agreement**

A new service level agreement has been developed by WLDC officers and the Director of the LHIA. It is proposed that this arrangement would initially be for the next financial year 2013-14. During this twelve month period a formal review of service provision will be

undertaken and a business plan will be developed to determine the most appropriate and value for money method of service delivery in the longer term.

### **3.2 Options Appraisal**

A full options appraisal has been undertaken and this interim approach has been explored in detail with staff at the LHIA. There are a number of specific details that officers were required to focus on to take the DFG service forward, with the primary factors being to substantially improve the service that applicants are receiving and make more efficient use of the available funds. These priorities will underpin any new partnership formed.

### **3.3 Partnership Working**

A further important issue that was overlooked during the pilot was the development of improved working relationships and collaborative partnerships with other key stakeholders in the DFG process. This is primarily because of the conflict in the different priorities that existed between the councils involved in the pilot and an inability to adapt the work process to better suit the needs of each individual authority.

### **3.4 Relationship with Acis**

One long standing issue is West Lindsey's unique position, relative to the other partner authorities, in not holding its own housing stock. This means that in this district DFG funding is used for adaptations to all properties in the district.

In contrast the Councils with their own housing stock have advised officers that they hold separate maintenance budgets, and use their own workforces or contractors, for adapting Council owned housing stock. In these cases DFG funding is generally not required. In monetary terms this means that WLDC's DFG budget has to spread further, and the number of cases completed using DFG funding is far higher.

In 2012/13 Acis properties alone have accounted for nearly 40% of all properties adapted and nearly half of the total DFG expenditure.

As a consequence there have always been longer waiting lists in West Lindsey, with most applicants frequently waiting longer than 12 months from the point of application for adaptations to be carried out; some have waited in excess of 18 months. A more effective relationship with Acis therefore presents a further opportunity to do things differently and improve the service.

### **3.5 Initial Successes**

Our initial work with Acis has involved the cross referencing of Acis residents on the DFG waiting list against Acis's own maintenance programme. This showed that there were a number of DFG applicants who were in need of modified bathrooms that were also scheduled to have a full bathroom refit in their property. Two of the higher priority cases were selected and the cases were then managed and completed by Acis, with no involvement by the LHIA.

The average cost for bathroom adaptations completed under a DFG is £3,750. In the trial, because Acis had planned to replace the bathrooms as part of their routine maintenance, DFG funding was only used to pay the difference in cost for upgrading facilities from standard specification to the specialist equipment needed by the customer. As a result each bathroom cost the DFG budget £1,700, a significant saving of over £2,000 per bathroom. They adaptations were started almost immediately and did not require any detailed design work because Acis already knew the properties thoroughly.

Whilst this kind of saving cannot be realised in all cases where an Acis property is adapted, it does highlight a further opportunity to make the DFG budget go further. In addition to this Acis are proactively investigating how they can better future-proof their homes so that large scale adaptations are less likely to be required in future. This includes installing, as standard, shower trays that are suitable for accommodating shower chairs, and baths that can be adapted to have hoists or bath seats fitted.

These are the kinds of changes that would mean baths and showers do not need to be removed and replaced in future but can be simply adapted with additional, often inexpensive equipment. Not only will this ensure housing stock becomes more flexible and better suits a broader range of residents, but over time it will ease the pressure on the DFG budget.

Acis are very supportive of this concept, so too are the Occupational Therapists with whom relations had broken down substantially under the pilot. If this partnership can be formed it has the potential to be embedded in the service as a longer term option.

## **4.0 Next Steps**

### **4.1 Proposals for 13/14**

It is proposed that for the next financial year all technical and case work will continue to be undertaken by the LHIA, as per the existing interim arrangements. It has been agreed that the fee for providing this service will not increase and it is suggested that this remains at 10% of the grant budget.

Officers will continue to directly manage the work that is undertaken by the LHIA and will determine which cases staff at the LHIA will work on, an approach which is currently working very well. This will ensure that effective customer service is provided and importantly will enable the early identification of any high risk cases where additional, or alternative, support may be required.

### **4.2 Beyond April 2014**

Beyond 1<sup>st</sup> April 2014 it may be possible to bring the service entirely back in-house provided the necessary technical skills could be fulfilled by either employing a qualified officer or preferably by developing the skill set of existing staff. An assessment of the benefits of outsourcing this work to an entirely new external organisation against the work remaining with the LHIA will also be carried out and reported back to members.

In parallel to this, officers will work in close conjunction with Acis, and look to form a partnership for delivering adaptations to Acis properties. This has already been very successfully trialled and has shown to alleviate the waiting times and make highly efficient use of DFG funds.

### **4.3 Risks**

The risks in both the current service and the proposed new service are being addressed and the corporate risk register is being updated accordingly. Officers will provide further details on how the service will be delivered beyond 2014 as the scoping work progresses and will report back to members in due course.

## **5.0 Recommendation**

That members note the contents of this report and support the proposal for officers to directly manage the DFG service, with technical and administrative support being provided from LHIA, for the 2013/14 financial year.

# **Appendix 1 – Draft Service Level Agreement for Disabled Facilities Grant Delivery in 2013/14. (To be finalised between West Lindsey District Council and the Lincolnshire Home Improvement Agency before March 2013)**

## **SERVICE LEVEL AGREEMENT 2013/14**

This Service Level Agreement (SLA) is between West Lindsey District Council (WLDC) and Lincolnshire Home Improvement Agency (LHIA) for the provision of Home Improvement Agency Services.

### **1.0 West Lindsey District Council's commitment**

WLDC will undertake to pay an annual sum of £xx,xxx for the 12 month period 1 April 2013 to 31 March 2014 to LHIA for the delivery of Home Improvement Agency Services in West Lindsey; specifically the delivery of £yy,yyy of Disabled Facilities Grant (DFG) funded adaptations and associated support. The payments shall be quarterly in advance. The volume of service can be increased via additional payments from WLDC.

WLDC will promote the availability of the LHIA service and make potential clients aware of its services whenever it is appropriate to do so and according to local policy.

### **2.0 Lincolnshire Home Improvement Agency**

The LHIA will be the primary contact for applicants and Occupational Therapists throughout the grant process and contact details of the named Case Worker and/or Technical Officer will be provided to the applicant at the start of the process.

LHIA's mission statement is:

'To help those in need of support to live independently in their own home.'

Both LHIA and WLDC can determine not to assist a person or persons who do not meet the criteria of the mission statement above, or where it is clear that the applicant is capable of arranging assistance with their grant application without the aid of LHIA.

LHIA support may not be necessary for some applications where the Council has determined that alternative case management would be more appropriate, for example where adaptations would be more cost effectively carried out and managed by a third party such as a social housing provider.

There may arise the need to prioritise the services of the LHIA for those most in need of the support should the number of applications exceed LHIA capacity. Where this is the case decisions over the prioritisation of the cases will be made by WLDC, with guidance from LHIA case workers and technical officers. Where LHIA has decided not to make its services available to a potential client it will keep a record of the event and advise the council of its decision.

LHIA will provide, as a minimum, the following core services under this SLA:

- a) Receive referrals and recommendations from OT's. The appointed case worker will provide the relevant OT with confirmation of receipt of their referral within 5 working days.
- b) Assess eligibility for DFG aid at the very start of the process and prior to any further work being carried out.
- c) Provide advice and assistance to the applicant for obtaining alternative sources of funding which could be accessed to either compliment DFG funding, or as a substitute for a DFG where an applicant does not meet the grant eligibility criteria.
- d) Raise with the council at the earliest opportunity any situations where there may be cause for safeguarding concerns, or where risk to an applicant may escalate without immediate intervention. In such cases LHIA staff may be required to provide assistance to the council's Home Options team, including attending site visits.
- e) Provide a design service only in cases where it is necessary for detailed drawings to be created. The design service will not be used where suppliers or contractors are able to install equipment or carry out works without the need for technical drawings.

The design service shall only be used to create schemes that satisfy the essential needs of the applicant as defined within the OT referral. Any additional drawings or scheme design/rework shall only be carried out with either the prior approval of the council or by private agreement between LHIA and the applicant. This is to ensure that schemes and grants are offered that will meet the essential needs of the applicant only and to ensure the design service resources, paid for under this agreement, are used appropriately.

WLDC will not authorise DFG funding for any part of a scheme that exceeds the essential needs identified by the OT, or any scheme that has been designed where it is clearly not reasonable or practical to carry out the work to an applicant's home. LHIA staff will alert the council as early as possible where concerns exist over the suitability of a home for the adaptations proposed by the OT. In this event the LHIA will take the lead role in facilitating a case conference to highlight and discuss the concerns with the OT and agree an alternative way forward.

The design service includes assisting the applicant where appropriate with obtaining any consent necessary, such as for planning or building control approval.

- f) Where appropriate the LHIA will liaise directly with suppliers (e.g. for ramps, stair lifts) who may undertake site visits in place of Technical Officers to obtain the necessary measurements/home layout required to accurately quote for the work.
- g) Submit DFG applications to the council for approval as soon as a scheme in line with the requirements detailed above has been devised.
- h) Advise applicants of the outcome of their application in writing within 5 working days of the Council issuing its decision, and then obtain written consent to proceed with the works.
- i) Manage DFG-funded installations and/or adaptations through regular contact with the appointed contractor and applicant. Technical Officers will advise the council in writing immediately where additional works are identified once work has commenced, and where costs will increase above the amount approved by the council by more than three hundred pounds. Permission to proceed with additional works to the value of more than three hundred pounds must be obtained and recorded by the technical officers. Additional works up to the value of three hundred pounds can be authorised at the



discretion of Technical Officers and the Council will be notified immediately to ensure an accurate financial record is maintained.

- j) Ensure satisfactory completion of schemes including collation and assessment of all relevant certificates and other documentation to enable payment.
- k) In all cases ensure that the applicant is provided with good customer service and kept up to date with the status of their application at regular intervals. Records of customer contact will be recorded within the relevant application case file.
- l) Maintain accurate and up to date case files for each application. Case files will be made available for use by the Council as required, including for Home Options or audit purposes. LHIA are responsible for ensuring that printed information is securely retained and stored, in line with data protection regulations, and that the appropriate protection is in place to control access to, and assure the security of, any private and sensitive information held.
- m) Maintain an accurate and up to date database of all live cases which can be reviewed or audited as required by the council. LHIA are responsible for ensuring the security of this electronic data and the appropriate protection of private and sensitive information held, in line with data protection regulations.
- n) Provision (electronically by e-mail) of an up to date list of all live cases, taken directly from the DFG database, on a monthly basis. This is to ensure that the appropriate prioritisation of applications can be routinely reviewed and agreed between LHIA and the Council (within the monthly meetings detailed in Section 4 of this agreement).
- o) Organise and deliver case conferences for applications which are; complex in nature, where a proposed scheme is not agreeable to the applicant or property owner, or where further input from other agencies is necessary, to bring the application to a successful resolution. These case conferences should include officers from the Council.

This may be in addition to other services provided outside of this SLA.

### **3.0 Monitoring and Performance**

A monitoring and performance meeting between LHIA and WLDC will be held at least quarterly. The purpose of the meeting is to:

- Monitor LHIA performance under this SLA and consider trends and variations;
- Monitor service standards and quality of customer care;
- Review policies and practices, updating these where applicable, and work collaboratively to implement them;
- Review existing long-term goals and objectives and agree new target as appropriate;
- Highlight and resolve any concerns about the service;
- Ensure that the service is providing demonstrable value for money in all parts of the process, including in the use of contractors and equipment suppliers.

In addition, performance measures will be reported to Lincolnshire County Council (LCC)'s Public Health Directorate as defined in a separate agreement.

LHIA will provide to WLDC, from time to time, information about any case or class of case where a reasonable request is made.

### **4.0 Measurement**

All measurements will be reported against cases that have reached practical completion within the reporting period. To avoid duplication of reporting, timescales

reached for ongoing cases will not be reported. Measurements will be reported quarterly and annually. The following three measurements will be reported on:

1. End-to-end times from first client contact with LCC to practical completion;
2. End-to-end times from referral to LHIA to practical completion;
3. Customer satisfaction surveys.

LHIA will also hold monthly meetings with WLDC officers to oversee the WLDC caseload.

## **5.0 Other monitoring**

LHIA's financial accounts are independently audited and will be submitted to the Charity Commission and Companies House in accordance with legislative requirements. These accounts will be made available to WLDC on request.

LHIA will comply with legislation and ensure compliance with legal requirements such as registration with the Data Protection Commissioner.

## **6.0 Termination of this Agreement**

This agreement may be cancelled by either party provided at least three months clear notice is given in writing. Where services are terminated LHIA and WLDC will work together to ensure that vulnerable people already being supported continue to be helped.

## **7.0 Signatories**

The following are duly authorised to sign this SLA on behalf of their respective organisations.

Signed by.....(Grant Lockett, Head of Strategic Growth)  
on behalf of West Lindsey District Council

Date: .....

Signed by.....(Mick King, Agency Director)  
on behalf of Lincolnshire Home Improvement  
Agency

Date: .....