



**Overview & Scrutiny
Committee**

Tuesday, 28 March 2023

Subject: Disabled Facilities Grant update report

Report by:	Assistant Director Homes and Communities
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Purpose / Summary:	Update on DFG current position and future challenges following O&S report in September 2021

RECOMMENDATION(S):

- 1. Members to acknowledge the service improvements and current challenges faced within the DFG service.**
- 2. Members to assist with lobbying, where possible, to improve West Lindsey DFG budget position.**

IMPLICATIONS

Legal:

DFG's are a statutory requirement of West Lindsey as determined under the Housing, Construction and Regeneration Act 1996.

(N.B.) Where there are legal implications the report MUST be seen by the MO

Financial :

There are no financial implications arising directly from this report, but, depending on the number, complexity and direction of costs of future referrals the 2023/24 budget may be insufficient.

FIN/166/23/SJB

(N.B.) All committee reports MUST have a Fin Ref

Staffing : None

(N.B.) Where there are staffing implications the report MUST have a HR Ref

Equality and Diversity including Human Rights :

Equality impact assessment undertaken for the DFG policy adopted at the end of January 2023. It can be found at appendix 1.

NB: Please explain how you have considered the policy's impact on different groups (for example: young people, elderly, ethnic minorities, LGBT community, rural residents, disabled, others).

Data Protection Implications : None

Climate Related Risks and Opportunities: None

Section 17 Crime and Disorder Considerations: None

Health Implications:

DFG's have an impact on the residents of West Lindsey in regards to health. DFG's can assist people to remain living within their home environment which is determined as the best place people can be to ensure they are happy, healthy and can thrive in their environment.

Title and Location of any Background Papers used in the preparation of this report :

O&S report 21st September 2021

<https://democracy.west-lindsey.gov.uk/ieListDocuments.aspx?CId=386&MId=2867&Ver=4>

Risk Assessment :

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

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No

x

Key Decision:

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

Yes

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No

x

1 Introduction

- 1.1 In September 2021, a report was brought to Overview and Scrutiny committee outlining the DFG service in West Lindsey and detailed some of the challenges being faced and steps being taken to overcome those challenges.
- 1.2 The committee agreed to a Together 24 (T24) 'light' review being undertaken and then an update being brought back to this committee to report on progress.
- 1.3 The report also gave an overview of what a DFG is and the process involved, making it clear where the responsibilities of West Lindsey lay.
- 1.4 18 months on, this report highlights the improvements that have been made since the T24 review has taken place, however, it also provides the details of some of the new challenges being faced and the work that is underway to overcome those challenges.

2. Current Position

- 2.1 The table below shows the number of referrals being received from LCC alongside the number of days taken to fully complete the adaptations and how many grants have been completed in total.

	Referrals	Referral to completion	Completions	Spend
2019/2020	158	162 days	104	£708,268
2020/2021	176	189 days	55	£516,330
2021/2022	142	198 days	111	£889,726
2022/2023 to date (end Feb 2023)	219	153 days	102	£954,293

- 2.2 The table shows the sharp increase in referrals being received for adaptations but also the time taken to complete those adaptations being reduced.
- 2.3 At the beginning of 2022/23, a new performance indicator was introduced through P&D to monitor how many adaptations were completed within the target of 120 days. Year to date, 41 out of the 93 completions have been undertaken in under 120 days equating to 44% of all adaptations delivered so far this year. For clarity, that is total days and not just working days so those days include weekends and bank holidays.

3. Together 24 review

- 3.1 A light touch Together 24 (T24) Service Review was undertaken on the DFG process in November 2021 which focussed on how the council deliver DFGs.

- 3.2 There are multiple steps in the DFG process and the review gave close attention to those that are currently in the control of the council and in particular the element from when the customer was referred to WLDC from LCC, to when all the relevant information was obtained and the application deemed complete.
- 3.3 The outcome of the review was a recommendation to change and simplify a number of working practises with the aim to introduce improved customer focussed service delivery.

Initial process

- 3.4 The customer is referred from LCC following an initial triage from an Occupational Therapist. On receipt, an application form was sent to the customer to obtain further information for the DFG. The application was checked upon return and re-issued to the customer if it was incomplete, incorrect or was missing supporting evidence.
- 3.5 It was assumed that half of all received applications from the customer required further information upon submission resulting in lengthy leading times and customer confusion. Once the application was complete, financial eligibility was undertaken on the customer before proceeding to the relevant work flow depending on the required works.
- 3.6 This is the section of the service delivery that is in the full control of WLDC and the Service Review identified that this took on average 75 days. Statistical analysis also showed that customers could be waiting up to 258 days for their application to be complete.

New process

- 3.7 The revised ways of working places a focus on the customer and front-loads the application process. On receipt of the referral from LCC, the customer is contacted and the application completed with them over the telephone allowing for all relevant information to be captured in the first instance and for the financial eligibility to be undertaken. The application is then issued to the customer for them to check, sign and return with required information.
- 3.8 This new way of working has resulted in a decrease in processing times with the application process now taking on average 40 days; an improvement of 47% (35 days). Similar statistical analysis has shown that the maximum time has dropped from 258 days to 140 days; an improvement of 45% (118 days).

Next steps

- 3.9 Although the light Service Review has seen improvements there is a desire to undertake a full T24 Service Review of the DFG process which would see an assessment on not just how we work but what systems are used as well as analysing customer and staff feedback. The aim of the full Service Review would be to build on the success of the light review and realise greater benefits for both the council and its residents. This review is planned for 2023/24.

4. Current challenges

4.1 The discretionary element of the Housing Assistance Policy 2018-2022 had to be put on hold at the beginning of the 2022 financial year due to funding constraints. The funding has not increased year on year to keep up with high demand for adaptations and ever-increasing costs. The removal of the offer for discretionary grants however has still not provided relief from the budget pressures.

4.2 A new DFG policy was adopted in January 2023 which did not include any element of discretionary grant. This will be reviewed should any of the budget challenges be addressed.

4.2 In November 2022, Corporate Policy and Resources Committee approved £300,000 of West Lindsey reserves to be allocated to delivering mandatory DFG's to mitigate the pressure on the budget. The budget at 28th February is as follows:

Total Spend	£954,293
Total committed (approved not spent)	£188,546
Total	£1,142,839
Budget available (including additional allocated funding)	£1,266,080
Remaining budget to the 31 st March	£123,241
Further projected spend* (Pending applications)	£701,061

*This is a total of the average spend on the type of grant included within the referral.

4.3 There are a number of contributing factors to this budget pressure and the need for additional funds to be allocated which include the following:

- Increase in labour costs for contractors
- Increased demand and therefore shortage in supply of contractors which has impacted price
- Shortage and significant increase in material costs
- Improved ways of working after T24 review, speeding up adaptations and creating a bottleneck of approvals meaning more are approved quicker (this has been built into the above projection of spend for the rest of the year.)
- Increase in the complexities of people's requirements, both adults and children
- Backlog in Occupational Therapist (OT) referrals meaning client health conditions are deteriorating while waiting for assessments and therefore preventing further issues
- Increase in number of referrals from OTs
- Lack of availability for suitable alternative accommodation and leading to the necessity for people to stay in their properties and requiring adaptations

- 4.4 Many of the above factors are legacy issues that have come from the Covid-19 pandemic which we expected to see reduce by this point but with no clear sign of change on the horizon, if anything, costs of the adaptations in particular are still rising rapidly.
- 4.5 The main contributing factor to the increase in spend is the cost to deliver the adaptations themselves. The below table shows the increase in grant average per adaptation over the past 4 years.

	2018/19	2019/20	2020/21	2021/22	2022/23	Increase	% Increase
Level Access Shower	£5,050	£5,100	£5,250	£5,755	£5,700	£650	13%
Ramp	£4,800	£4,600	£5,350	£5,850	£6,460	£1,660	24%
Level Threshold door		£1,335	£1,550	£1,735	£1,600	£465	35%
Straight Stairlift	£1,995	£2,080	£2,000	£2,580	£2,325	£330	17%
Curved Stairlift	£4,400	£4,950	£5,300	£5,280	£5,566	£1,166	27%
Through Floor Lift	£11,985	No installs	£11,685	£13,513	£13,395	£1,410	12%
Wash/ Dry toilet	£4,600	£4,180	£4,500	£6,380	£5,325	£725	16%

- 4.6 The national DFG budget was set in 2021/2022 at £573m and is planned to remain at that level until 2025. There is no indication this budget is going to increase based on the current financial climate and so it is a sensible assumption that West Lindsey DFG budget will remain at the same level until 2025.

5. Lobbying

- 5.1 On 1st December 2021, the Government published their Adult Social Care Reform White Paper which set to be an ambitious 10 year vision for adult social care and included major proposals relevant to home adaptations and the DFG sector. It can be accessed via this link https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1061870/people-at-the-heart-of-care-asc-reform-accessible-with-correction-slip.pdf with the DFG section being found at section 4.18-4.21.
- 5.2 This white paper promised a public consultation to include recommendations that came out of the 2018 review of DFG's which is set to look at:
- The allocation of DFG funding to local authorities
 - The maximum amount a DFG can pay for a single adaptation
 - How best to align the means test with the social care charging announced in the Health and Social Care Levy in Set 2021
- 5.3 In 2022-2023 to date, over £515,000 has been spent on adaptations in Registered Providers properties in West Lindsey. That is over 42% of

the whole budget being spent on social housing properties and 33% of that (£396,000) is specifically on adaptations in Acis properties.

5.4 The formula for allocation of DFG funding undertaken by Central Government does not take into account whether a Local Authority owns their own housing stock and in turn, is not distributed in a way which reflects demand on the service, leaving the applicants in some areas a victim of a “postcode lottery” in terms of the adaptation options they can receive.

5.5 The table below shows the allocations for each district, whether they have their own Council Housing Stock and where they have not used funding in the previous year. West Lindsey’s full year funding this year was allocated by the 30th June 2022 and further draw down on General fund has been required to offer the most basic of service.

	Boston	East Lindsey	Lincoln	North Kesteven	South Kesteven	South Holland	West Lindsey	TOTALS
Stock holding	No	No	Yes	Yes	Yes	Yes	No	
Populations	69,366	140,741	103,813	115,985	141,853	93,980	95,200	
Total DFG budget allocation 2022/2023	£632,715	£2,039,523	£851,990	£910,537	£975,928	£772,382	£794,041	£6,977,116
Carried forward from 2021/2022	£111,675	£1,214,690	£1,229,382	£50,757	£1,797,000	£261,884	£0	£4,665,388
Repaid Grants		£37,282						
Total	£744,390	£3,291,495	£2,081,372	£961,294	£2,772,928	£1,034,266	£794,041	£11,642,504

5.6 In order to both highlight the budget pressures being unfairly felt and lobby for change, a number of actions have been taken, these are:

- A letter to Sir Edwards Lee which is for submission to Prime Ministers Questions asking when the much needed review will be undertaken of DFG’s as promised in the Adult Social Care white Paper and whether that review is going to address the disparity between budgets for stock and non-stock holding Local Authorities.
- A letter to Lee Rowley, Minister for Local Government setting out the current challenges being faced and suggesting two ways in which the budget pressures could be instantly alleviated through allowing reallocation of unspent Better Care Fund funding to other Local Authorities, and requiring all Registered Providers to undertake adaptations in their own properties as Local Authorities who hold their own stock are required to do.
- A letter to all West Lindsey County Councillors which highlights the budget disparity across Lincolnshire and details that a different service is being provided in West Lindsey due to the budget disparity.

5.7 The above letters also follow conversations being had with finance leads and the Better Care Fund budget holder at LCC. To date, no action has

been taken by LCC to address the budget disparity and no formal response has been received from either Sir Edward Lee or Lee Rowley.

- 5.8 Lobbying will continue to ensure that the messages around the inequality in services being delivered across Lincolnshire and across the country are highlighted and in turn can be addressed by Central Government and LCC.

6. Next steps

- 6.1 The team are continuing to deliver adaptations in the same way to the end of the 2022/2023 financial year. However, a new priority system for adaptations is being devised which will come into effect on the 1st April 2023. This is going to categorise all referrals that are received into 4 categories:

- Urgent and non-complex
- Urgent and complex
- Non-urgent and non-complex
- Non-urgent and complex

These categories are recommended within the new DFG guidance where a priority system is required. It will be the Occupational Therapists determining the urgent and non-urgent applications as that will be based on urgent need for the adaptation. DFG Guidance can be found at this link

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1065574/DFG_Guidance.pdf

- 6.2 These categories will then allow officers to prioritise applications and deliver the urgent adaptations as quickly as possible. However, due to budget constraints, there is no choice but to delay non-urgent adaptations.
- 6.3 The level of this delay is not yet known but initial understanding is that all non-urgent adaptations will be progressed as normal through the application stage until it is ready to approve. At which point, they will be delayed for a period to allow for the budget to be spent in a way which keeps West Lindsey within the statutory parameters of DFG delivery.
- 6.4 This new way of working will be under constant review and should it be the delay can be reduced, it will be. However, it could also be that it requires extending to ensure the budget is not over allocated within the financial year. There will be a number of contributing factors that will impact on how long the adaptations will need to be delayed and these include:
- Numbers of referrals received
 - Numbers of urgent referrals received
 - Levels of adaptations required within the referrals
 - Cost increases

- 6.5 The end to end time of DFG's will ultimately be impacted by this new way of working and even though it will show as an increase in time via P&D, internally we will be monitoring to ensure that the end to end times of the areas we can control remain consistent and are still improving so should the budget constraints be alleviated, the service will be able to deliver adaptations in a timely manner without need for further review of processes.
- 6.5 Officers have already begun to scrutinise all referrals received to ensure that all works are necessary and appropriate and reasonable and practicable and the budget constraints have been shared and stressed with LCC Occupational Therapists so they are fully aware that all referrals will be looked at in detail.
- 6.6 Registered Providers are being approached to understand if they have any capacity or budget to undertake the adaptations in their own properties themselves or whether they would be willing to make financial contributions when their properties are improved as a result of the adaptation. For example, should an additional bedroom or bathroom be added to a property as part of an adaptation, this would increase the value of their asset and in turn a contribution is being requested to go towards the adaptation.
- 6.7 Work has also been undertaken with Acis to introduce another step in the adaptation process which includes sharing the addresses of the properties where proposed adaptations are to take place to understand if the property is due an upgrade to the area where an adaptation is required, for example the bathroom. Acis would then undertake the adaptation and a DFG could pay for the difference in delivering the upgrade as a wet room to ensure efficiencies can be made where possible.

7. Recommendations

- 7.1 Members to acknowledge the service improvements and current challenges faced within the DFG service.**
- 7.2 Members to assist with lobbying, where possible, to improve West Lindsey DFG budget position.**