

WELWYN HATFIELD BOROUGH COUNCIL  
CABINET HOUSING PANEL 25 OCTOBER 2018  
REPORT OF THE CORPORATE DIRECTOR (HOUSING AND COMMUNITY)

DISABLED FACILITIES GRANT FUNDING AND USE OF BETTER CARE FUND

**1 Executive Summary**

- 1.1 The Better Care Fund is an integrated budget which provides a mechanism for joint health and social care, planning and commissioning, bringing together ring fenced budgets from Clinical Commissioning Groups allocations, the Disabled Facilities Grant and funding paid direct to local government for adult social care services
- 1.2 Disabled Facilities Grant (DFG) funding has been included in the Better Care Fund so that the provision of adaptations can be incorporated into the strategic consideration and planning of investment to improve outcomes for service users
- 1.3 The amount of money received from the fund has been higher than the capital funding previously provided by central government to support DFGs and a surplus of this fund has built up which at the end of 2017/18 was £672k.
- 1.4 The money is ring fenced for the purpose of providing adaptations or other enablement which improves independence in the home and it is a legitimate use of the fund to be directed to capital projects, such as the sheltered housing improvement project described below, where the object is to improve health outcomes and maintain independence.
- 1.5 This report seeks approval to use the surplus DFG budget to support the modernisation programme of the council's sheltered housing schemes at Guessens Grove/ Lanefield Walk and Chilton Green.

**2 Recommendation(s)**

- 2.1 Members recommend to Cabinet that the use of the set aside capital receipts of £672k are used towards funding the modernisation programme of council owned sheltered housing as set out in the report, which will be incorporated into the 2019/20 budget process.

**3 Explanation**

- 3.1 The Better Care Fund (BCF) is a programme spanning both the NHS and local government which seeks to join-up health and care services, so that people can manage their own health and wellbeing, and live independently in their communities for as long as possible
- 3.2 Disabled Facilities Grant (DFG) is for the provision of adaptations to disabled people's homes to help them to live independently in their own homes for longer. It is a statutory function of district/borough councils. DFG has been included in the Better Care Fund so that the provision of adaptations can be incorporated

into the strategic consideration and planning of investment to improve outcomes for service users

- 3.3 DFG is paid to upper tier authorities (in our case Hertfordshire County Council – HCC), as part of the BCF fund. However the statutory duty remains on local housing authorities to provide adaptations to those disabled people who qualify for it. Therefore HCC allocate this funding to the ten district housing authorities from the pooled budget to enable district councils to continue to meet their statutory duties. Local authorities are encouraged to invest some of this funding in broader strategic capital projects – although this is a decision to be reached locally
- 3.4 The council funds DFGs in the private sector from this budget, however any adaptations to the council's own housing stock, is currently paid for via the Housing Revenue Account (HRA)
- 3.5 Our strategic approach, set out in the council's Older Person's Strategy, is to ensure that sheltered housing and bungalow stock remain attractive options for tenants, particularly those tenants who may wish to down size from family sized homes, as well as meeting the needs of a wider group of people, including those on the waiting list, particularly people who have limited mobility and/or who are wheel chair users.
- 3.6 Prior to the introduction of the Better Care Fund, DFG funding was provided to the council direct from central government and the level of grant has historically been lower than the demand for grants. On this basis, the council has previously 'topped up' the capital budget from its own funds, in order to ensure that sufficient money is available to meet the statutory duty to fund DFGs.
- 3.7 However, since the introduction of the Better Care Fund, the money received for this purpose from government has increased. The total grant paid via the Better Care Fund is set out in the Financial Implications section of this report, alongside the amount that the council has paid toward facilitating DFGs. Each year the amount received from government has been in excess of the expenditure required to meet the statutory duties to provide DFGs.
- 3.8 DFGs are demand led and it can be difficult to predict the demand for this fund, however because the demand has been lower than the monies received, there is now a total sum of £672k (at end of 2017/18) which has accumulated since the introduction of the BCF, due to underspend locally. It is also a means tested grant therefore not all people who require adaptations would qualify.
- 3.9 The council owns and manages 25 sheltered housing schemes throughout the borough. A scheme by scheme assessment has been undertaken which considered a number of key issues such as repairs data, void property demand and turnover and customer satisfaction, in order to determine the best use and or investment required in each scheme in the longer term.
- 3.10 Following on from this, more detailed stock condition surveys were carried out in five schemes, which are considered popular and suitable for continued use as sheltered accommodation, but highlighted as having the greatest potential for improvement via a programme of modernisation both in the communal areas and in the flats themselves.

- 3.11 The modernisation will be in line with the Housing our Ageing Population Panel for Innovation (HAPPI) principles which seek to ensure residents can:
- be as independent as possible
  - feel part of a community and choose how and when they want to engage
  - have greater autonomy and feel that their lifestyles are met with wider health and wellbeing benefits from living in a 'care ready' environment.
  - Stay connected with their social or other support networks, including through the use of technology, preventing isolation and loneliness.
- 3.12 Associated with this are a set of key design elements which are considered essential in the improvement of older people's housing. These include generous internal space standards, plenty of natural light in the home and circulation spaces, balconies and outdoor space, adaptability and 'care aware' design.
- 3.13 An example of this approach is Tudor Road, Welwyn, where a total of £292k was invested to fully modernise 6 two bedroom bungalows, which are now all fully wheelchair accessible.
- 3.14 There is a capital budget in the HRA for carrying out the modernisation programme within the council's sheltered schemes. The current budget (18/19) is £1.27m. The estimated costs of modernising the first two schemes (Guessens Grove and Chilton Green) is £1.6m, leaving a gap of just over £300k to deliver the first two schemes.
- 3.15 On that basis, it is recommended that the council increase this programme using Better Care Fund grant balances. The fund will be used to proactively improve our sheltered housing stock, particularly in terms of improving accessibility and modernising the identified units/schemes, which will then be suitable for residents with disabilities now and in the longer term.
- 3.16 By using this grant, the total budget will be increased to £1.943m. This would enable us to fully fund the first two projects, and have approximately £300k available to progress the programme to the third scheme. Due to the scale of the modernisation programme, we are not anticipating completing the works on the first two schemes until 2019/20 and plan to progress the third scheme in 2020/21. Prior to that, the proposed works will be fully costed and the capital budget will form part of the Council's normal budget setting process.
- 3.17 The first two schemes which have been prioritised for this investment have a total of 76 one bedroom flats (Chilton Green) and 47 properties (a mixture of one and two bedroom flats) – in Guessens Grove and Lanefield Walk plus a guest rooms, laundries and communal halls.

### **Implications**

## **4 Legal Implication(s)**

- 4.1 Under the Housing Grants, Construction and Regeneration Act 1996, subject to certain criteria being met, the council has a statutory duty to provide Disabled Facilities Grants.
- 4.2 Since 18 July 2002 local authorities also have a general power to give discretionary assistance under The Regulatory Reform (Housing Assistance)(England and Wales) Order 2002 (“the Order”). The Order gives local housing authorities in England and Wales more flexibility to improve living conditions in their area and address housing issues (paragraph 3). The new power enables an authority to provide assistance to any person for—
- (a) the acquisition of living accommodation, where the authority wish to purchase a person’s home or as an alternative to adapting, improving or repairing it;
  - (b) the adaptation or improvement of living accommodation (including by alteration, conversion or enlargement, and by the installation of things or injection of substances);
  - (c) the repair of living accommodation;
  - (d) the demolition of buildings comprising or including living accommodation;
  - (e) the construction of replacement living accommodation to replace living accommodation that has been demolished
- In addition to the above, assistance may be provided in any form (paragraph 3 (3) of the Order).
- 4.2 The Integration and Better Care Fund planning requirements for 2017-2019 and the DFG determination letter from the DCLG 2017/18 DFG can be used for wider social care capital projects on the basis that the statutory requirement to provide DFG’s can be met.

## **5 Financial Implication(s)**

- 5.1 Between 2015/16 and 2017/18 the council has received £1.574m in grant via the Better Care Fund. In the same period, the council has spent £901k on DFGs.
- 5.2 This means that a sum of £672k (up to the end of 2017/18) is set aside to be made available to support DFGs or other projects that meet the aims of the Better Care Fund.
- 5.3 The BCF grant determination for the current year (2018/19) is £710k and the expenditure either spent or committed on DFGs up to the end of period six is £248k. We are anticipating that the total expenditure and commitments to DFGs by the end of the financial year will be in the region of £471k - therefore there is likely to be a surplus this financial year of £238k, which will be held to ensure that there is sufficient funds available should there be an upturn in demand.
- 5.4 The sheltered modernisation programme has approved budget (2018/19) within the Housing Revenue Account of £1.271m.
- 5.5 By using BCF funds to support this programme, this provides greater flexibility within the Housing Revenue Account, including the support of new housing development.

## **6 Risk Management Implications**

- 6.1 The risks related to this proposal are:
- 6.2 There must be sufficient funds to cover the demand for DFGs, prior to be utilised for more strategic projects. This report recommends that we use the underspent budget that has been accrued over the last three years. This leaves the current budget (18/19) which is considered to be sufficient to meet the demand for DFGs from individuals. This is based on the trend in demand over the last three years. Likelihood Very Low; Impact High. Risk Score Low
- 6.3 If we do not utilise the money this could lead to reputational risk that the council is perceived to not making best use of its resources; approval of the recommendations in this report will fully mitigate this risk. Likelihood V Low; Impact Medium. Risk Score Low

## **7 Security and Terrorism Implication(s)**

- 7.1 There are no security and terrorism implications arising from this report

## **8 Procurement Implication(s)**

- 8.1 There are no procurement implications arising from this report. The planned works to modernise the sheltered housing scheme is being procured in line with the council's Financial Standing Orders.

## **9 Climate Change Implication(s)**

- 9.1 As part of the modernisation programme, the council is improving insulation in both wall and loft spaces wherever possible. The internal works will include improvements to the efficiency of lighting and heating systems.

## **10 Human Resources Implication(s)**

- 10.1 There are no human resources implications arising from this report

## **11 Health and Wellbeing Implication(s)**

- 11.1 The recommendations in this report will have a significant impact on the health and wellbeing of both the existing tenants, who will benefit from the modernisation of the communal areas and flats within the block, but also for future tenants who will be offered this accommodation.
- 11.2 The modernisation is being carried out in line with the HAPPI principles, as set out in Paragraph 3.14, which are directly linked to improving health and well-being.

## **12 Communication and Engagement Implication(s)**

- 12.1 It is important to communicate and engage in a sensitive way with residents who will be affected by construction works. There will be a communication plan linked to the modernisation programme in the block. We will also communicate proactively about the completed projects and the positive impact that this work will have on to residents' lives.

### **13     Link to Corporate Priorities**

- 13.1    The subject of this report is linked to the Council's Corporate Priorities Our Community and Our Housing, and specifically to the achievement of improving public health and well-being and improving housing quality in the borough and/or is linked to a statutory requirement under Housing Grants, Construction and Regeneration Act 1996.

### **14     Equality and Diversity**

- 14.1    The Equality Impact Assessment has identified that there is the potential for positive impacts on older people and people with disabilities. This is because the project will lead to improving the accessibility and standard of flats and communal areas within a sheltered housing scheme.

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Background papers to be listed (if applicable)

Welwyn Hatfield Council Older Person's Housing Strategy

Appendices to be listed