Social Care and Health Overview & Scrutiny Committee

24th September 2015

Delivery of statutory Disabled Facility Grants (DFGs) and related adaptations.

Ward(s): All: Borough Wide

Report

1. Social Care and Health Overview & Scrutiny Committee in January 2015 agreed to the formation of a working group to look at a range of issues relating to statutory disabled facility grants (DFGs) including the incidence of cases where landlords decline consent for major adaptations to their stock.

This report provides an update on the actions agreed by the working group (Appendix 1) designed to improve the way in which people are assessed and supported, as well as prepare for longer term prevention.

The report also updates members on:

- Recent DFG performance (Appendix 2)
- The anticipated demand for DFGs over the next 5 years (Appendix 3 and further technical details Appendix 4).

2. **Background**

- 2.1. The delivery of statutory disabled facility grants (DFGs) and related adaptations have a significant positive impact on the lives, health and wellbeing of disabled residents and their carers. This work is key to a range of corporate and partnership strategies and plans including the Housing Strategy and the Health and Well Being Strategy. There was analysis of how DFGs can have a significant positive impact, on those with social care needs in late 2014. It showed a significant reduction in the intensity and cost of homecare for those with long term mobility and similar needs.
- 2.2. More than £13.6m of funding has been spent on DFGs in the last 5 financial years. The majority of this is council (not government) funding. The table below also highlights that 70% more major adaptations were approved in 2014/15 than in 2010/11.

	Approvals	Value	Average
2010/11	317	£2,929,628	£9,242
2011/12	309	£2,420,716	£7,834
2012/13	392	£2,454,237	£6,261
2013/14	526	£3,014,562	£5,731
2014/15	539*	£2,799,373*	£5,194*
Total	2,083	£13,618,516	£6,538

^{*}It is noted that in 2014/15 an additional 99 adaptations were completed to Whg properties where the funding was split between the council and Whg with Whg funding the first £1,500 of the works.

The rate of approvals indicated above is considerably higher than the level of increased demand (6%) reported by Leonard Cheshire Disability in their report 'Long wait for a home'. 1

2.3. During 2015/16 a total of £2.722m is available for DFGs and related adaptations of which £1,632m of this funding is incorporated into the Better Care Fund with the balance met by the Council's own capital programme. Investment in adaptations helps to reduce a range of revenue costs for the council as demonstrated by the cost comparisons below;

				Hospital bed
		Residential care	Home care*	cost
		£370 per week	£12 an hour	£470 a day
Install of straight stair lift **	£1,400	4 weeks	4 weeks	3 days
Install of curved stair lift**	£4,990	13.5 weeks	15 weeks	11 days
				Hospital bed
Cost of lift maintenance warranty per	/ear	Residential care	Home care*	cost
Straight stair lift	£50	<1 day	1 day	3 hours
Curved stair lift	£100	<2 days	2 days	6 hours
Vertical lift	£95	<2 days	2 days	6 hours

^{*} Based on 4 hours a day ** Inclusive of 1 year maintenance

2.4. The working party and officers looked n detail at the cases where people were refused by their landlord the progress on adaptations on grounds of options to move to adapted properties. The improvements outlined in Appendix 1 are intended to seek better ways to assist and support people in such situations so that options are fully understood and explored rather than decisions being seen to be taken in an arbitrary way.

Recommendations:

That Member's note the working party recommendations for improvements in Appendix 1 and the contents of this report.

Background Papers / References:

1. Leonard Cheshire Disability: Long wait for Home 2015
https://www.leonardcheshire.org/sites/default/files/Leonard-Cheshire-Disability-The-Long-Wait-for-a-Home.pdf

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Appendix 1: Joint work of the DFG Scrutiny Working Group and partners including Walsall Housing Group (whg)

Social Care and Health Overview & Scrutiny Committee in January 2015 agreed to the formation of a working group to look at a range of issues relating to DFGs including the incidence of cases where landlords decline consent for major adaptations to their stock.

The outcomes / actions identified by the working group are as follows including progress notes:

Item	Action	Agency	Officer
1	An update report to scrutiny with the recommendations as set out below.	Council	David Lockwood
2	 Report on the DFG Performance (contained in Appendix 1) Pressures on statutory DFGs and related adaptations – including the level of investment by the council and their partners in helping residents stay safe in their homes. (contained in Appendix 3). 	Council	David Lockwood
3	Review of cases to date Why to review those cases where they have declined owners consent in the last 12 months for a major adaptation to one of their tenant's properties. Why to where necessary, if no up to date information from tenant exists, seeks any new information from their tenant to see if their circumstances have changed and or see if they have opted for offer of alternative accommodation. The findings of this review to be reported to future scrutiny meeting on DFGs.	Whg	Rob Gilham to lead
4	Improving effective partnerships Support for whg colleague to work alongside council Independent Living Centre staff to support a broader / more holistic view on what support can be offered to whg tenants rather than discussions being solely focussed on major adaptations / DFGs.	Whg Council	Rob Gilham Sue Lloyd
5	Inclusion of mental health well-being within DFG appraisal a) Confirmation has been received that as part of the overall Occupational Therapy assessment of an applicant that their mental heath well-being is considered and can be included, where relevant, to provide a broader appreciation of the 'needs' of the applicant. Occupational Therapists / assistants as part of their overall professional training cover both physical and mental well-being. It should be noted that whilst there may be rare exceptions, it is expected that adaptations will only be supported where there is a physical need for them i.e. not solely a mental well-being matter. An exception previously supported existed where medical evidence highlighted that the	Council	Sue Lloyd

	applicant had a mental health condition that		
	exacerbated the applicant's severe anxiety if they had to bathe in a bath. In this case an adaptation was provided for a shower (not level access as this was not required).		
	a) Undertake research into well-being (before and after) in the DFG and major adaptation process. Discussions with council Public Health have identified suitable questionnaire (QA) Warwick- Edinburgh Mental Wellbeing Scale. This is a simple self completion QA of 12 questions that will be repeated post adaptations. Findings to be reported to future scrutiny meeting. Research has commenced.	Council	David Lockwood and Sue Lloyd
6	Avoiding raised expectations / managing		
	 Provide residents who are seen by Occupational Therapists with detailed information about the DFG and all other related processes. Detailed leaflet (What happens next) produced in collaboration with the working group 	Council	David Lockwood and Sue Lloyd
	 A full review of documentation provided by Housing related to DFGs has been undertaken to ensure that it is as clear as possible and does not unintentionally raise expectations. The new leaflet titled 'What happens next' will also aid in this 	Council	David Lockwood
	 Whg (as the borough's major provider of social housing) to develop information for tenants (especially new ones) that highlights that a specific property may not be a home for life as a residents needs may change during their tenancy and that they could be asked to move at a later stage to more physically suitable accommodation. 	Whg	Rob Gilham
7	More pro-active action / support with existing tenants	_	nd other social
	Request that social landlords continue to develop proposals and publicity to support existing tenants to move to more suitable accommodation at the earliest opportunity and not for this to only occur when the tenant is at their most vulnerable. This to include providing tenants with information on planning, for their future needs, earlier in their lives and that this can include:	landlord	ds
	 raising awareness about landlords being able to refuse certain adaptations; highlighting the priority that tenants are afforded for moves to already adapted homes or to alternative more suitable smaller accommodation. Linked to this would be having clear information / literature within whg 'first stop shop' on the availability of their adapted homes. 		

Appendix 2 Recent Disabled Facility Grant (DFG) performance

A. <u>Streamlining and cost savings:</u>

Significant streamlining of all processes and major cost savings have already been undertaken in delivery of DFGs and there is not expected to be similar scope for further changes remediating the scale of budget pressures / demand for DFGs into the future.

A.1 Reduced Average cost of Major adaptations (reduction from 2008 to 2014 of 46%)

•	2008	2009	2010	2011	2012	2013	2014	2015*
Average cost**	£11,576	£12,470	£10,797	£9,229	£6,572	£5,365	£6,049	£6,224

^{*}Up to end of July 2015. ** Costs on completion

A.2 Reduced agency fees for delivery of DFGs

Reduction of council fees charged from 15% to 7% (53% reduction) due to streamlining of processes meaning more funds available for capital works.

A.3 Higher delivery per staff member

In 2008 15.5 FTE staff were delivering DFGs now 5 FTE (68% reduction) whilst major increase in major adaptations completed (107% increase). This results in productivity increase of 550%.

A.4 Major increase in adaptations completed (107% increase)

	2008	2009	2010	2011	2012	2013	2014	2015*
DFGs completed	219	244	235	317	297	372	453	214

^{*}Up to end of July 2015.

A.5 Use of land charges: Recycling funds

A total of £1,800,521 attached to statutory DFG grants since April 2010.

A.6 Review of the criteria adopted by the council in consideration of DFGs.

The District Councils' Network and the Society of District Council Treasurers commissioned a research report in 2013 on DFGs which highlighted that in the opinion of their consultants, Astral Advisory that some councils have started applying FACS (fairer access to care services) criteria at the point of all initial requests for service, including for DFGs. Astral Advisory's advice on this matter was that they considered the approach as unlawful. http://districtcouncils.info/files/2013/07/DFG-Report-Final-pdf.

A.7 Minimum necessary adaptations.

Work with Occupational therapy colleagues to highlight that only the minimum necessary adaptations can be funded has been undertaken.

A.8 Increase in the minor works financial limit.

This had traditionally been £500. This was increased to £1,500 so that more residents could be helped with the minimum of delay and bureaucracy.

A.9 Maximising investment from partners.

Partner housing associations for example, Walsall Housing Group seek to fund the first £1,500 at their own properties. This has helped reduce the number and cost of certain adaptations to the council.

A.10 Major savings from procurement – delivering more for less.

- a) Developed a regional lift framework (October 2012 onwards) Example straight stair lift £3,676 average in 2008/09 now £1,961 (47% cost reduction)
- b) New building work framework (April 2013 onwards) Example bathroom adaptations in existing space £9,651 average in 2008/09 now £4,800 (50% reduction).

B. Legislative Requirements

B1 Time to make a decision (in weeks)

Council's must consider valid DFG applications as soon as practicable and legislation requires that this is within 6 months (circa 24 weeks) of their 'valid' receipt.

The table below shows the time from initial referral to approval.

	2008	2009	2010	2011	2012	2013	2014	2015*
Time in weeks	92	79	34	27	9	8	11	11

^{*}Up to end of July 2015.

Please note that initial referral is not the same as valid receipt (as there are lots of other elements involved in a valid application than a referral for adaptations) but it clearly shows that since 2012 performance has been significantly better than the legal target.

B2 Time to make payment

Council's must not unduly delay payment towards approved DFGs and they must ensure that they are paid for within 6 months (circa 24 weeks) of completion. A report by Leonard Cheshire Disability (April 2015) highlighted that nationally 44% of councils had cases where residents waited over 2 years to be paid for adaptations.

Walsall Council has always achieved prompt payment of DFGs. For example, in 2014/15 the average length of time was 35 days (7 weeks) from date of invoice received.

<u>Appendix 3 : Projections on Demand and cost of Statutory Disabled Facility</u> <u>Grant</u>

1. Key / summary points:

- 1.1 There are significant and contributory factors that will result in high and increasing demand for statutory disabled facility grants (DFGs) and related adaptations in Walsall over the next 5 years.
- 1.2 It is expected that this demand will exceed the council and partners', annual investment in DFGs from 2015/16 onwards. In 2015/16 it is expected that 135 major DFGs may not be able to be approved in year without further resources being made available.
- 1.3 In addition to demand increases there are key factors (cost inflation and increasing complexity of cases) that are likely in the medium to long term to start having a more significant impact on costs. This in turn impacts on the volume can be undertaken for the same budget levels.
- 1.4 As an example of the issues affecting DFG budgets, only using two factors; expected change in construction costs / inflation and; population projections for key DFG age groups; the impact, if the budget in 2020/21 remains as per 2015/16 levels for new major DFGs (i.e. £1,971,623), will be that there is unmet demand / need from 55% of eligible DFG applicants. This is detailed in Figure 1 of Appendix 4.

2. Increased demand for major adaptations

2.1 Demand (as reflected by level of referrals) for DFGs has grown significantly (86% increase) since 2009/10 from an average of 28 referrals a month to 52 referrals a month in 2014/15.

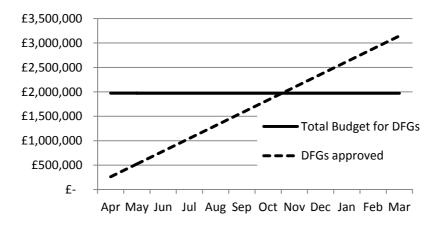
3. Current Budget allocation and current demand

3.1 The allocation for DFGs in 2015/16 is £2.722M (Figure 2 in Appendix 4 has further details) with a sum of £2.382M for new schemes. The overall DFG budget also funds other related adaptation activity:

	Estimated cost
Maintenance of stair-lifts and ceiling track hoists already in situ	£121,000
Minor works and Manor hospital discharge cases	£176,377
Staff fees for delivery of capital works via the agency service	£113,000
Total	£410,377

3.2 Based on this the budget available for new major DFG adaptations in 2015/16 is £1.972M. Assuming an average DFG value, based on the last 3 financial years, of £5,821 this will enable circa 339 to be approved. Based on demand for DFGs in 2015/16, being similar to that for 2014/15 (with the same rate of increase as in previous year), it is expected that the 2015/16 budget will be fully committed by mid

November 2015 at the latest as shown in the graph below.



3.3 This means there will be insufficient funds to approve statutory DFGs for over a quarter of the year. This equates to 135 major DFGs. The alternative will be to continue to approve schemes but ensure payments are in the following financial year (when new funds become available).

4. Key features of Walsall population and demand for DFGs

- 4.1 Key features in the likely increased demand are shown below.
 - Age and prevalence of DFGs by age groups
 - Population projections
 - Health of the borough
 - Helping people stay in their home and supporting increased independence
 - Societal changes
 - Housing stock

4.2 Age and prevalence of DFGs

DFGs are available for all age groups but it is noted that two key ages groups have significant needs for DFGs as shown below. Further details are shown in Figure 1 Appendix 4

Younger applicants (those 19 years of age and younger):

- Proportionately lower numbers (6% of all DFGs)
- Higher average costs (£9,578 compared to average for all of £6,561 i.e. 46% higher average cost)
- Spend in 2014/15: £287,330

Older applicants:

Very high numbers
 63% (49% of all expenditure) of all DFGs for those 65 or older
 28% (20% of all expenditure) of all are for those 80 years of age or older

4.3 **Population Projections**

Using Government population projections for Walsall the following annual

cost increases for DFGs are expected:

- By 2020 an annual cost increase of £101,640 on 2015 levels.
- By 2025 an annual cost increase of £218,756 on 2015 levels.

Further details are shown in Figure 4 of Appendix 2. Please note unless stated otherwise inflation / construction cost increases are not factored into calculations.

It is noted that more disabled children surviving their early years through to adulthood and that

4.4 Health of the borough

The Walsall Clinical Commissioning Group (CCG) five year strategic plan 2014-2019² highlights:

- A substantial proportion of the population have unhealthy life styles.
 - Around 55,000 adults (26%) are obese and around 130,000 (62%) are overweight or obese.
 - The estimated prevalence for smoking in Walsall is 22.9% (approx 45,000 adults).

Census data ³ highlights a higher proportion (24% compared to 19%) of the over 16 population nationally with a limiting long-standing illness or disability who smoke than don't smoke. Further details are in Table 5 in Appendix 4.

The 2011 Census results confirm that overall health is poorer in Walsall than in England and Wales. 7.3% experiencing bad or very bad health (5.6% nationally). One in twenty (5.2%) of Walsall adults are economically inactive because they are long-term sick or disabled (compared to 4.2% nationally).

16% (27) of the borough's lower super output areas are in the top 10% most deprived lower super output areas in England for health and disability based on 2010 data 4 with

These are very significant factors for DFGs with a range of adaptation needs resulting from un-healthy lifestyles.

4.5 Helping People stay in their homes and supporting increased independence

This is a key tenet of the councils Health and Social Care Operating Model (approved by Cabinet June 2013) and is in full accordance with the Care Act. This includes:

- Increasing support for carers (family and other) in the community through appropriate adaptations to help them safely and effectively care – projects such as seeking to reduce the number of residents where double handling is undertaken where ceiling track hoists can reduce this to a single carer.
- Reducing the number of hospital admissions through minor works

- and preventative small scale adaptations
- Enabling faster hospital discharge by provision of adaptations at residents homes

As a result of the above demand from those who are being supported to live at home who would have otherwise entered residential or nursing care will continue to increase.

The cost savings of adaptations over the alternatives however are significant as summarised;

- 16 weeks of residential care funds an average major DFG
- 12 days of hospital stay funds an average major DFG
- 1 day of home care funds a straight stair lift being maintained for a year.

4.6 Societal changes

A range of contributory societal changes have occurred that impact on DFGs including;

- Increase in number of households willing to 'make do' with their housing conditions;
- Continued growth in 'acceptance' of showers as a form of bathing in older households;
- Increase in sedentary lifestyles of all ages;
- Lower overall costs of food with 'richer' diets.

4.7 Housing stock

The type of dwelling a disabled person occupies also impacts on the need and potential cost of DFGs. Where there is a higher level of bungalow accommodation the level of works required and costs tends to be lower. In Walsall there is a very low level of available (for sale) bungalows within the borough compared to neighbouring council areas. As a 'snap-shot' 29 are for sale currently in Walsall at or around the West midlands average house price ⁵ of £165,873. This level is significantly below the level in Cannock, Coventry, Dudley, Wolverhampton and Sandwell. Further details are shown in Figure 7 in Appendix 2.

5. Factors impacting more specifically on cost of adaptations

5.1 Increased complexity of cases

Over a number of years the service has been delivering more:

- complex schemes where multiple adaptations are required to meet residents' needs (all ages);
- more expensive / heavy duty items due to the needs of individuals 9usually older residents.

Better care for pre-term babies and innovations in medical support for disabled children has led to an increasing number of children and young people with disabilities needing adaptations. 21% of districts reported that they have seen a significant increase in the number of applications for large

and complex adaptations for children ⁶.

5.2 Construction Cost Inflation

The current frameworks for the DFG works are due to expire in 2016/17. Prices secured in the past were significantly below the previous tendered levels. There is no guarantee that this will continue and it is noted that construction price indices ⁷ indicate the following cost increases and potential impact on costs:

	Construction cost increase	Straight stair lift*	Curved stair lift*	Full level access shower room
Current	NA	£1,400	£4,990	£4,800
2015	5.5% increase Prices contractually held	£1,400	£4,990	£4,800
2016	4% increase	£1,400	£4,990	£4,800
2017	4% increase	£1,456	£5,190	£4,992
	Total cost increase	8.16%	8.16%	8.16%

^{*} Inclusive of 1 year maintenance

The above highlights that by end of 2017 there is anticipated to be a total cost increase of 8.16% on current costs. This will reduce DFGs that can be undertaken for the same budget by the same percentage level.

It should also be noted that contractors may wish to seek to 'recoup' some of the cost pressures they faced during the framework period for example the 5.5% increase for 2015 and therefore the overall impact could be in the region of a combined 14% price increase as shown below.

	Construction cost	Straight stair	Curved stair lift*	Full level
	increase	lift*		access shower
				room
Current cost	NA	£1,400	£4,990	£4,800
2015	5.5% increase Prices contractually held	£1,400	£4,990	£4,800
2016	4% increase + the 5.5% from 2015	£1,533.00	£5,464.05	£5,256.00
2017	4% increase	£1,594.32	£5,682.61	£5,466.24
	Total cost increase	14%	14%	14%

^{*} Inclusive of 1 year maintenance

Sources:

- 1. http://www.ons.gov.uk/ons/taxonomy/index.html?nscl=Sub-national+Population+Projections#tab-data-tables
- 2. http://walsallccg.nhs.uk/publications/914-wccg-strategic-plan-2014-2019-1/file
- 3. http://www.ons.gov.uk/ons/publications/re-reference-tables.html?edition=tcm%3A77-392131
- 4. http://data.gov.uk/dataset/index-of-multiple-deprivation

- 5. http://www.nationwide.co.uk/~/media/MainSite/documents/about/house-price-index/Q2_2015.pdf
- 6. http://districtcouncils.info/files/2013/07/DFG-Report-Final-pdf.pdf
- 7. http://www.theconstructionindex.co.uk/news/view/mace-maintains-forecasts-for-tender-price-rises

Appendix 4 Further Technical Information about DFGs and related adaptations

Figure 1. <u>Impact of population projections and cost price inflation on DFG approvals.</u>

	2014/15	539 DFGs approved
Budget available for new major adaptations	2015/16	339* DFGs approved
, .		
Unmet demand/ need compared to	2014/15	200 DFGs
Impact of Construction Price Inflation (CPI) ** (23%	2020/21	260 DFGs approved
reduction)		
Unmet demand compared to 2014/15 as a res	ult of CPI	279 DFGs
Impact of population increase in key DFG age ranges	2020/21	18 DFGs
(additional cost not CPI adjusted of £101,640)		
Total DFGs that can be approved in 2020/21		260 -18 = 242 DFGs
Unmet demand compared to 2014/15 as a result of CPI	297 DFGs	
population increase		
Percentage of unmet demand in 2020/21 based on above	297 as a % of 539 =	
-		55%

^{*}Based on average of £5,821 ** Based on: 9.5% for 2015 and 2016 combined, 4% for 2017, 4% for 2018, 2% for 2019, 2% for 2020.

Figure 2. 2015/16 Budget for all adaptations related work.

	Budget
Better Care Fund	£1,632,000
Social Care Community Capital Grant	£750,000
Total new schemes	£2,382,000
Council 'carry-forward'	£340,000
Total	£2,722,000

Figure 3. <u>Details on DFGs completed</u>

	2009/10			2014/15		
	No.	Value	Average	No.	Value	Average
19 and under	15	£320,879	£21,392	30	£287,330	£9,578
Over 65 year olds	113	£1,376,588	£12,182	305	£1,559,914	£5,114
Over 80's	39	£484,659	£12,427	136	£651,576	£4,791
Total of all DFGs completed	202	£2,640,950	£13,139	487	£3,195,321	£6,561

Figure 4. Walsall Population Projections

	Increase on 2015 levels			
2020 data	Population change	Projected increase in annual		
		spend		
Those 19 years of age and younger:	2.8%	£8,045.		
Older applicants:				
65 and over	6.1%	£93,595.		
80 year olds and over	17.9%			
_	Total	£101,640		

	Increase on 2015 levels			
2025 data	Population change	Projected increase in annual		
		spend		
Those 19 years of age and younger:	6.1%	£17,527		
Older applicants:				
65 and over	12.9%	£201,229		
80 year olds and over	34.3%			
	Total	£218,756		

Figure 5. <u>Prevalence of Limiting Long-Standing Illness or Disability, by</u>
<u>Smoking Status 2013</u>

				Light	Moderate	Heavy	
	Never	Ex-	All Non-	Smokers	Smokers	Smokers	All
	Smoked	Smokers	Smokers	1	2	3	Smokers
% of over							
16's with							
limiting long							
standing							
illness or							
disability	16	25	19	19	25	31	24

- 1. Up to 10 cigarettes per day.
- 2. 10 up to 20 cigarettes per day.
- 3. 20 or more cigarettes per day.

Source: http://www.ons.gov.uk/ons/publications/re-reference-tables.html?edition=tcm%3A77-392131

Figure 6. Comparative levels of bungalows for sale in Walsall and other areas.

Location*]	
West Midlands area	Bungalows advertised for sale	As a % of the average West Midlands level
Sandwell	92	180%
Wolverhampton	87	171%
Dudley	56	110%
Coventry	45	88%
Cannock	43	84%
Walsall	29	57%
Solihull	7	14%
Other comparators	Bungalows advertised for sale	
Leicester	69	
Derby	55	
Nottingham	204	

^{*}Stated as 'in or within a mile' of the listed place on Rightmove