

Delivery of Disabled Facilities Grants (DFGs)

Report of Councillor Angela Lax, Cabinet Member for Regulatory, Housing and Health



Date: 15th September 2020
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Key Decision? **NO**
Local Ward Members All, as applies to the whole of Lichfield district.

Community, Housing and Health (Overview & Scrutiny) Committee

1. Executive Summary

- 1.1 This report provides Members with an update on the delivery of Disabled Facilities Grants (DFGs), performance and expenditure of the budget in 2019/2020 plus an overview of delivery during quarter one of 2020/2021 and the impact of the coronavirus pandemic. It also provides information on the work being done to drive performance and the improvements to date.

2. Recommendations

- 2.1 That Members consider and comment on the delivery of DFGs in 2019/20, the measures that the council and SILIS¹ Partnership are taking to drive performance, and the improvements that have happened to date.
- 2.2 That Members note the challenges that Millbrook have encountered post Covid 19, the high demand for the service and the volume of cases in the pipeline.

3. Background

- 3.1 The council has a statutory duty to provide DFGs to eligible households' subject to the eligibility criteria and means test as outlined in legislation². We have used the services of a Home Improvement Agency (HIA) to deliver DFGs for many years and since April 2018, have been part of the county-wide SILIS Partnership. This is a Staffordshire County Council (SCC) contracted service which the named authorities' access through a Participation Agreement. The current contract began April 2018 for five years until March 2023 with the potential to extend for two further years until March 2025. The contract was awarded to Millbrook Healthcare Ltd which currently operates six HIA services across the UK.
- 3.2 As was highlighted in the report to this committee on 26th June 2019, there have been issues with the performance of the contract since the start and in early 2019 the Partnership issued Millbrook with a Service Improvement Plan but did not take any formal contract remedial actions. In August 2019 Foundations, the national HIA support service, completed an audit of the service which resulted in multiple service improvement recommendations being made. As Millbrook did not action all of these, in January 2020 the Strategic Project Board (Chief Executives group) issued a formal improvement notice to Millbrook. The outcome of this was better engagement by the Millbrook senior leadership and the reviewing and re-issuing of the Service Improvement Plan that is being monitored by a director. Millbrooks Executive Board also now consider performance of the Staffordshire contract at every Board meeting and they have recently confirmed in writing that due to the size of the contract

¹ Supporting Independent Living in Staffordshire Partnership (Staffordshire County Council, Lichfield District Council, Newcastle Under Lyme Borough Council, South Staffordshire District Council, Stafford Borough Council, Staffs Moorlands Borough Council, Tamworth Borough Council)

² Housing Grants Construction and Regeneration Act 1996

and the reputational damage of not delivering it correctly, it has the full attention of the Group Chief Operating officer and Group Chief Executive, and they are committed to supporting the delivery of the service in accordance with the detailed contract.

- 3.3 To assist with performance management, in April 2020 the Partnership commissioned the Director of Cherrywhite Consultancy Services as Project Manager for the partnership to oversee the whole of the contract and support service improvement. Lichfield also retained Cherrywhite’s services to continue to manage the cases and DFG delivery on our behalf, which means that cases can be closely monitored and any issues across the partnership can be escalated swiftly.

Millbrook Performance 2019/2020

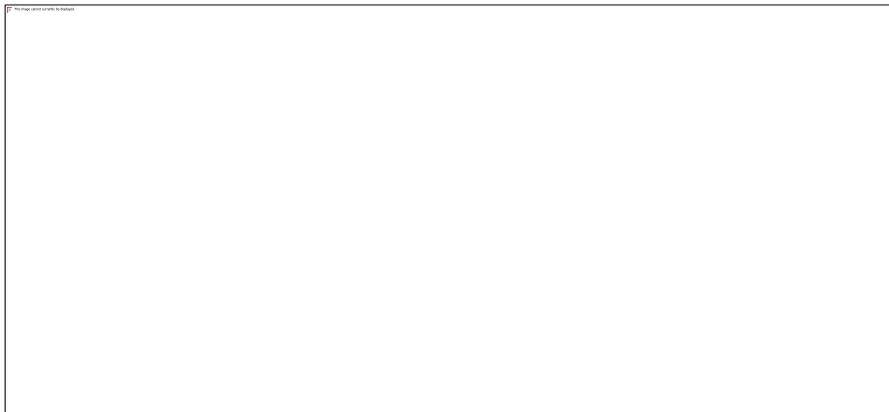
- 3.4 In 2019/20 60 grants were completed at a total spend of £659,427 and a further 12 grants were approved totaling £131,368. This meant that 55% of the total budget of £1.2m was spent, and we committed a further 11% making a total spend and commitment of 66% as shown in the table below:

Status	Number of Grants / Cases	Total (£)	Percentage (%) of Budget
Spent	60	£659,427	55%
Committed	12	£131,368	11%
TOTAL	72	£790,795	66%

(Table A – DFG spent, and committed breakdown)

Referrals and closed cases

- 3.5 Millbrook received 201 referrals between 1st April 2019 and 31st March 2020; compared with 271 for the full year of 2018-19. They closed 144 referrals during 2019-20; 60 of which were closed following the completion of works and 84 did not proceed to grant completion as detailed in the chart below.



(Chart A – Closure reasons)

The majority (23) were means tested (MT) out which meant that their income/ and or savings were too high to qualify for a grant. For the cases which ‘no longer require an adaptation’ and ‘client funding own works’ there are multiple reasons behind this. We are working with Millbrook to look at more effective closure reasons and outcomes for the new case management system as many of the cases which have been closed are as a result of a refusal to declare information relating to income and savings to enable a means test to be carried out and/or as a result of a high contribution. Therefore, the picture regarding these cases becomes confused and would suggest that the means test and declaration of financial information is a larger proportion than these figures would initially suggest. Lack of contact remains a further significant reason for cases not proceeding and this lack of contact refers to a lack of response from the client to contact attempts by Millbrook. A protocol regarding

contact attempts was agreed with Millbrook and is being followed, and includes attempts both by telephone and in writing over a period of weeks, which are documented on the system, before a case is closed.

Where a client has moved this is primarily because a property has not been suitable for adaptation and in one case a client decided to move rather than undertake the significant works that would be required. Whilst 6 clients did pass away during the year, this is not unusual given the majority of the client group for DFG and does not reflect excessive waits which resulted in a client passing away prior to works being completed.

As highlighted in the report of 26 June 2019, there have been challenges with the county council front door service which is the initial point of contact for anyone needing to be assessed by an occupational therapist. The Partnership have worked with the county on this and a single revised referral form has been developed to try and remove the anomalies in the referral process. We are working together to improve the process and the Project Manager has recently agreed the following with the County commissioning officer:

- From 1st September there is a single referral route via the agreed form and one email to replace the current multiple routes
- Final referral form agreed and an agreed protocol and route for incomplete and rejected referrals has been finalised
- The project manager will be working with SCC to improve the information on the SCC website which can then be mirrored at a local level
- The use of the SCC Care Identification number has been agreed and the Project Manager will be providing information regarding referral outcomes to SCC to enable more effective monitoring and identification of savings in the wider public purse, e.g. from reduced care package requirements.

Key Performance Indicators (KPIs)

3.6 From the start of the contract it was agreed that the KPIs would not be enacted for the first 6 months to allow the partnership to develop, and as was highlighted in the report on 26th June 2019 it was further agreed at the January 2019 SPB that the partnership would suspend any KPI sanctions until April 2019.

During 2019/20 measuring performance has continued to be a challenge and so to assist with this a revised, simplified, definition of 'simple' and 'complex' adaptations was adopted in September 2019. However, during 2019-20 it became apparent that despite agreeing revised definitions they were not being appropriately and consistently applied within Millbrook's ICT system and so it was not possible to monitor KPI's accurately. Following a recommendation of the audit, Millbrook are changing to a new ICT system later this month and all new, live and completed cases for 20-21 will be added to the new system to provide a single data source. We expect that all the data issues will be resolved through this change and we will then be able to confidently report on KPI's for this financial year.

Many of the challenges outlined in the report of 26 June 2019 continued to impact delivery in 2019/20, resulting in cases not progressing as quickly as they should. Some analysis of performance has been carried out by the project manager across the partnership based upon the cost of works as shown in tables below. Performance against the agreed KPIs remains below that expected, however delays beyond Millbrook's control such as applications being with a landlord for permission, or an occupational therapist for approval can add days or weeks of time to approval and completion of works so the figures below should be treated with some caution, particularly, as noted above more accurate KPI information will not be available until the new ICT system is operational later this month.

Enquiry to Grant approval 2019-20 – Table B

	All cases	Less than £5k	£5,001 - £10k	£10,001 - £20k	£20,001 - £30k
	Mean Average	Mean Average	Mean Average	Mean Average	Mean Average
Lichfield	29.6	29.5	27.5	33.9	27
ALL Areas	23.8	20.3	23.7	25.1	28.9

Grant approval to completion 2019-20 – Table C

	All cases	Less than £5k	£5,001 - £10k	£10,001 - £20k	£20,001 - £30k
	Mean Average	Mean Average	Mean Average	Mean Average	Mean Average
Lichfield	16.6	9.8	13	18.8	32.5
ALL Areas	16.3	13.6	12.9	17.8	35.2

Enquiry to completion 2019-20 – Table D

	All cases	Less than £5k	£5,001 - £10k	£10,001 - £20k	£20,001 - £30k
	Mean Average	Mean Average	Mean Average	Mean Average	Mean Average
Lichfield	46.2	39.4	40.5	52.6	59.5
ALL Areas	40.1	33.9	36.6	42.8	64.1

Performance monitoring and improvements

3.7 This section provides an overview of performance monitoring, changes and improvements that have taken place across the partnership since the last report.

- The commissioning of Cherrywhite Consultancy Services, as Project Manager for the partnership to oversee the whole of the contract and support service improvement from April 2020
- In Lichfield a weekly tracker regarding case progress is received and reviewed to ensure cases are being progressed. This means that issues are raised straight away with Millbrook to allow for faster resolution and also ensures that cases are progressed in the correct way
- A monthly partnership report is produced by Cherrywhite regarding case progression and numbers/value of grant approved by local authority area and enquiry information
- Millbrook have appointed their own experienced Occupational Therapist to review and complete assessments meaning a higher confidence in the level of assessment and works being recommended
- Following a recommendation of the audit, a new ICT system (Foundations Case Manager, a bespoke DFG case management system) has been procured by Millbrook to replace their in-house system, which has significant flaws within its reporting system. The new system is in user-acceptance testing currently following initial configuration and should enable more automation and document generation and more accurate reporting which will be fully operational by October 2020.

- There has been a staff restructure
- A revised complaints procedure has been approved
- A Covid risk assessment has been developed to ensure clients, staff and contractors remain safe whilst also allowing applications and works to progress where it is safe to do so.

Performance and demand for DFG's in 2020-21

3.8 The demand for and ability to deliver DFGs during Q1 of 2020-21 has been significantly impacted by the Covid 19 pandemic. However, the Partnership, in agreement with Millbrook, decided to focus efforts on progressing cases through to grant approval stage to enable budget commitment whilst acknowledging that works would not be able to be completed.

Therefore, the focus during Q1 of 2020-21 was on grant approvals and this saw the following achieved:

- 28 Cases were approved with a total value of £338,267
- Only 2 cases had works completed to a value of £6,678³

In total, Millbrook currently have (as at the end of July 2020) 122 open cases with a total estimated value of £2,483,817.

Since 1st April 2020 there has been a significant reduction in requests for service due to Covid 19 with only 29 referrals being received during April to June 2020. We are starting to see a return to pre-Covid 19 levels of enquiries with 19 referrals being received in July.

Covid 19 has presented a number of challenges for DFG delivery nationwide, but it also provided the opportunity for Millbrook to assess all ongoing cases and ensure staff worked to obtain grant approval, which means that works can now start as lockdown and working restrictions ease. However, the nature of DFG works and the client group mean that extra risk assessments and safeguards are needed to ensure the safety of both clients, staff, and contractors. Where adequate safety arrangements can be agreed works are being carried out. Progress is being closely monitored to ensure the safety of all involved.

Alternative Options	As the partnership has issued a formal improvement notice the only option available is formal action to end the contract and then decide on alternative provision. Alternative service delivery options would however need to be fully profiled and costed in detail. Our options could include setting up an in-house service by employing additional staff, partnering with other local authorities to develop a shared service model, work with Registered Providers to look at alternative delivery models for their tenants whilst retaining the private sector delivery 'in-house' or procuring an alternative external HIA provider either alone or in partnership with other local authorities.
Consultation	This committee have received previous reports on DFG delivery.
Financial Implications	1. The budget for DFGs comprises monies received from the Government's Better Care Fund (BCF) which is passported to us from the county council and the council's own capital programme. The government allocation for Lichfield District for 2020-21 is £977,562, the same as in 2019-20.

³ This comprised 3 adaptations:

- 1 – where works completed prior to lockdown but invoice was delayed until post April
- 1 – emergency stair lift for hospital discharge
- 1 – works completed after lockdown restrictions eased

	<p>2. The DFG capital budget for 2019/20 was £1.2m. This year's current available budget is £2.1 m; we anticipate that we will commit £1m to £1.5m so the budget will need to be re-profiled and carried forward to future years.</p> <p>3. Millbrook generate a fee of 16% (+VAT) for completed adaptations which is eligible for grant funding and so comes out of the capital budget.</p> <p>4. The cost of Cherrywhite to support DFG delivery in Lichfield and for our share of the wider SILIS partnership project management in 2020/21 will be up to a maximum of £36,750 +VAT.</p>
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Contribution to the Delivery of the Strategic Plan	The Strategic Plan 2020-2024 has four corporate priorities; the one that delivery of DFG's will mostly contribute to is 'enable people' as having an adaptation can lead to greater independence both in and outside someone's home and an improved quality of life.
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Equality, Diversity and Human Rights Implications	The main clients of this service are older people and people (including children) with a disability. The use of a means test directs grant funding to those home owners on a low income who would otherwise be unable to afford to adapt their home.
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Crime & Safety Issues	None identified.
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Environmental Impact	Environmental improvements to properties would be made in new build extensions that would have a high standard of insulation.
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GDPR/Privacy Impact Assessment	None identified
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RISK	Risk Description	How We Manage It	Severity of Risk (RAG)
A	Millbrook performance does not improve	The contract is being robustly managed at district and partnership level. We are being supported by an experienced DFG consultant (of Cherrywhite Consultancy Services) to assist in managing the contract on our behalf. Each case is monitored at least monthly and issues raised to enable faster resolution and effective case progression.	Amber
B	There is the risk of reputational damage if dissatisfied applicants complain to the council	Complaints will be thoroughly investigated and are actively monitored by the project manager and partnership.	Amber
C	The DFG budget is not fully spent	The budget will be re-profiled in year to reflect expected spend. Through active monitoring, we will try to ensure that more than the BCF allocation is committed.	Amber

None

C	Reduction in referrals from MPFT, especially since Covid 19.	We are currently working on data to quantify this and are in discussions with the county council and MPFT to ensure that accurate referrals are sent through to Millbrook.	Amber
Background documents:			
<p>Housing, Homelessness and Rough Sleeping Strategy 2019-2024 – https://www.lichfielddc.gov.uk/housing-strategy/download-housing-strategies?documentId=211&categoryId=20015</p> <p>CHH O&S committee meeting 26th June 2019 report on DFG delivery https://democracy.lichfielddc.gov.uk/ieListDocuments.aspx?CId=143&MId=1516&Ver=4</p> <p>Health and Wellbeing Strategy 2018-2020- https://www.lichfielddc.gov.uk/Council/Health-and-wellbeing-strategy.aspx</p>			

Glossary of Terms

Term	Definition
HIA	Home Improvement Agency
MT	Means Test
DFG	Disabled Facilities Grant
SCC	Staffordshire County Council
SG	Steering Group
SPB	Strategic Partnership Board
MPFT	Midlands Partnership Foundation Trust
BCF	Better Care Fund