

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO THE GOVERNANCE AND AUDIT COMMITTEE

13 OCTOBER 2022

REPORT OF THE CHIEF OFFICER – FINANCE, PERFORMANCE AND CHANGE

DISABLED FACILITIES GRANT – PROGRESS REPORT AND POSITION STATEMENT

1. Purpose of report

- 1.1 The purpose of this report is to update the Governance and Audit Committee on actions taken to progress improvements to the Disabled Facilities Grant (DFG) service and provide information on the position to date.

2. Connection to corporate well-being objectives / other corporate priorities

- 2.1 This report assists in the achievement of the following corporate well-being objectives under the **Well-being of Future Generations (Wales) Act 2015**:-

1. **Helping people and communities to be more healthy and resilient** - taking steps to reduce or prevent people from becoming vulnerable or dependent on the Council and its services. Supporting individuals and communities to build resilience, and enable them to develop solutions to have active, healthy and independent lives.
2. **Smarter use of resources** – ensure that all resources (financial, physical, ecological, human and technological) are used as effectively and efficiently as possible and support the creation of resources throughout the community that can help to deliver the Council's well-being objectives.

3. Background

- 3.1 Previous reports to the Governance and Audit Committee, Cabinet and Cabinet / Corporate Management Board (CCMB) have outlined the critical need to re-shape and improve the delivery of the DFG service within Bridgend. Members of the Governance and Audit Committee received a report on 22nd April 2021 outlining the new model of service and a further report on 11th November 2021 providing an update on progress made in relation to the implementation of the new model, together with the actions taken to meet the recommendations of the Audit Wales report in 2017/18 on the Service Users Perspective. Of particular note within that report was a key recommendation regarding Council controls: *'Council needs to be assured that it has appropriate controls in place to provide effective oversight of the adaptations process, given it is ultimately responsible for the delivery of the adaptation'*.
- 3.2 Members also received information on actions taken to respond to the Regional Internal Audit Service report in 2019/20 which had concluded that there was Limited Assurance in relation to the service.

- 3.3 On 1st April 2021, the Council ceased the provision of the agent delivery model and the functions for end to end delivery of DFGs and ceased providing contact details for local agents (external businesses that oversee works). However, the applicant still has the choice to go externally for DFG works to be delivered. As at this point, there were works already under the remit of various agents and a number of legacy jobs which were required to be fulfilled by agents as this work continued to be under their remit. Since then a number of cases have been returned to the Council as the agent was unable to fulfil the jobs due to the complexity. This meant that the service dealt with additional numbers of unexpected and complex cases.
- 3.4 The report to Cabinet on 19th January 2021 outlined the potential risks with regards to the internalisation of the service and move to a new operating model which could mean that the Council is unable to achieve the aspirational targets which have been outlined in numerous reports. Risks identified at that time included the inability to recruit staff that would affect the timeline; delays in the new Framework Agreement or the ability to enter into the Collaboration Agreement with Neath Port Talbot County Borough Council (NPTCBC); and in general the availability of contractors and material costs.
- 3.5 A number of key actions were identified to develop the new operational model and this report provides an update on the progress made on these key components of change below and responds to the risks identified above.

4. Current situation/proposal

- 4.1 Although a number of actions have been progressed, some of the risks identified in paragraph 3.4 above have affected the speed of change and have required a number of mitigating actions to manage. Below is an update on progress and risks.
- 4.2 Collaboration Agreement. As planned, the collaboration arrangement with Neath Port Talbot County Borough Council is being tapered off as this was an interim arrangement only. Discussions are currently taking place to finalise all actions required of NPTCBC to bring the arrangement to a close with the final cessation date being discussed with NPTCBC. At this point, all works undertaken by them will be completed and no new cases taken on.
- 4.3 Staff Recruitment. Staff movement and an inability to recruit had been identified as a risk factor and this remains a high level risk to delivery. Staff movement and the lack of interest in posts when advertised has meant that the staff team has not been enlarged as planned. The service currently has 1 long term permanent member of staff and 1 newly appointed assistant who are being supplemented by agency workers. Although the recruitment processes will continue, it remains a concern that Bridgend is unable to attract staff. To mitigate this as far as possible the following has been actioned:
- A re-evaluation of salary levels of the surveyors has been undertaken to make Bridgend competitive in this field and there has been upgrading of a number of posts;
 - Agency workers have been engaged;
 - Proposals for a joint working arrangement with Corporate Landlord to set up a traineeship for a surveyor post has been undertaken and will be taken forward when appropriate management systems are in place;

- External surveyors have been commissioned to support the service and operational delivery. This arrangement is through the South East Wales Technical and Professional Procurement Framework (SEWTAPs) and has started on 1st October 2022. The focus will be on the more complex large scale adaptations. Project management support will also be secured shortly via the same framework.

4.4 Development and Implementation of a Contractors Framework. Market engagement with local contractors has been undertaken including 1:1 meetings and workshops and the information gathered from these meetings has been used to inform the Framework. External legal support for this work has been secured to review the Specifications and the Terms and Conditions documentation prior to tendering. Delegated Authority is in place for the Chief Officer, Finance, Performance and Change to undertake the procurement process on completion of legal advice. The target date for the implementation of the Framework is April 2023 but efforts will be made to complete this prior to the new financial year if possible.

4.5 Policy and Procedures. The removal of means testing for small and medium schemes has been adopted since April 2022. Additional funding had been made available from Welsh Government to cover additional costs of this via the Enable Grant. An uplift of £89,973 on the core grant of £180,000 has been provided for the additional purpose of compensating local authorities for loss of income by not requiring a contribution from service users for the provision of small and medium sized adaptations. The financial and operational impact of this change will be reviewed to understand more fully the implications of this policy. Other changes include -

- Sell to Wales is being used to tender jobs for the allocation of works to contractors
- New Schedule of Rates has been developed, which will be regularly reviewed to respond to increasing costs
- New procedure guidelines have been drafted and will be finalised on the implementation of the Framework
- Liaison is taking place with Welsh Government officers in relation to the Welsh Government Housing With Care grant funding which allows for the top up of funding for large schemes over and above the maximum grant level of £36,000.
- Since April 2022 Valleys to Coast (V2C) has had access to the Property Adaptation Grant from Welsh Government. This will allow V2C to undertake adaptations on their own properties. Unlike other local Registered Social Landlords (RSL's), adaptations for V2C properties were previously processed via DFGs.

4.6 Monitoring and Recording. Until the Framework Agreement is established, works have been procured through the Sell to Wales system with contractors tendering for jobs. All contractors are required to be registered and verified with Construction Line (accreditation for the construction industry throughout the UK) to meet Contract Procedure Rules (CPRs). The volume of cases dealt with under this process is dictated by the process and the capacity of the team to oversee each case. This process will continue until such time that the Framework is operational and to date 35 jobs have been commissioned through this route, taking approximately 6 – 7

weeks between the issuing of tender documentation and the awarding of the contract. This has an impact on the number of average days taken to deliver a DFG and this will be significantly shortened once the Framework Agreement is in place.

- 4.7 Software System. A new software system has been commissioned which will support case and performance management alongside the key performance indicators required for Welsh Government and will inform the new performance indicators proposed below in paragraph 4.10. It is expected that the new software will be in place by April 2023.
- 4.8 Performance Indicators. The report on 22nd April 2021 to the Governance and Audit Committee reported the current measurement for the DFG service is PAM/015 – the average number of calendar days taken to deliver a new Disabled Facilities Grant. The report further outlined the aspirational targets set at that time of 240 days for 2021/22 and 210 for 2022/23 to reflect the foundational nature of the new service model. These were set on a number of presumptions that the pilot year of 2021/2022 would achieve the actions that had been outlined previously ie that the framework would be in place; that the staffing structure would be expanded; and that the challenges and impact of Covid would be significantly reduced.
- 4.9 These presumptions have not been met and the continued risk to service delivery is outlined in paragraph 4.13 below as performance has been affected by the issues raised in this report, not least staffing difficulties. In addition the challenges presented during Covid such as the lack of available contractors and the rise in material costs has had an operational impact as the service, already under capacity, was required to catch up on delays and many jobs had to be re-priced and re-evaluated due to rising costs.
- 4.10 The average number of days reported for 2021/2022 is 320 days. This has not met the improvement expected when the target performance indicators referenced in paragraph 4.8 above were identified. Efforts will continue to make significant improvements to the average number of days, however, it is considered that the PAM/015 is not an indicator of effort or milestones reached for each application. Further, larger complex cases and legacy cases being dealt with is having a disproportionate effect on the average days reported. In order to have further clarity and understanding of performance, additional informal performance indicators will be recorded. The new software when operational will support the collation and reporting of the following:
- Categorisation of jobs into small, medium, large, and average times for each category
 - Number of cases processed within a 6 month period of being received by the DFG team
 - Number of cases cancelled and for what reason
- 4.11 Communication and integration. In order to involve applicants and provide greater information to applicants the service has adopted a joint approach on many levels. The housing dedicated Occupational Health Therapist (OT) continues to liaise and communicate with hospital OT's on childrens cases; the OT advises and assesses adaptation needs on homelessness and rehousing cases for the housing service;

joint meetings are held with the applicant, DFG surveyor and contractor before work starts on the property to ensure that everyone is informed and kept up to date.

4.12 Further changes to the way the Council communicate and inform applicants will go hand in hand with the development of the software with the intention of simplifying processes, providing on-line information, and automating where possible letters and forms for ease of access.

4.13 In conclusion, the service has faced a number of challenges and has been prevented from making the changes as planned. There is progress being made on a number of levels which will have a positive effect in the near future. However, risks remain for the service:

- recruitment continues to be a pressure point which may cause an over reliance on agency or external support;
- material costs may increase to a level that will require constant review and re-pricing of works;
- The Framework Agreement may not attract contractors due to the economic benefits of working in the private sector; or the current economic climate and uncertainty may impact on the number of contractors available to do this work. If this proves to be the case further consideration will need to be given in relation to the best service model to ensure delivery.

5. Effect upon policy framework and procedure rules

5.1 There is no effect on policy framework and procedure rules.

6. Equality Act 2010 implications

6.1 The protected characteristics identified within the Equality Act, Socio-economic Duty and the impact on the use of the Welsh language have been considered in the preparation of this report. As a public body in Wales, the Council must consider the impact of strategic decisions, such as the development or the review of policies, strategies, services and functions. It is considered that there will be no significant or unacceptable equality impacts as a result of this report.

7. Well-being of Future Generations (Wales) Act 2015 implications

7.1 The report contributes to the following goals within the Well-being of Future Generations (Wales) Act 2015:

- A prosperous Wales
- A resilient Wales
- A Wales of cohesive communities
- A globally responsive Wales

Long term	Ensuring best use of available accommodation allowing individuals to live safely in their own homes
Preventative	Through a person centred approach preventing an individual escalating into hospital services
Involvement	Providing individuals the choice to remain in their home ensuring they are part of the process from start to finish managed through a single point of engagement
Integration	Ensure individuals can remain within their communities providing an array of benefits including stability through the maintaining of local support networks
Collaboration	Developing a Framework Agreement to support the DFG service. Working in partnership with Social Services to deliver the required adaptations necessary and appropriate to meet the needs of the individual.

8. Financial implications

8.1 There are no financial implications arising from this report.

9. Recommendation

9.1 It is recommended that the Committee:-

- Note progress to date to improve the DFG service and the current position.

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Background documents: None