

Committee: **Executive Committee**  
 Date of meeting: **16<sup>th</sup> March 2022**  
 Report Subject: **Disabled Adaptations – Policy Amendment Proposal to remove means-test**  
 Portfolio Holder: **Cllr. J. Wilkins, Executive Member for Environment**  
 Report Submitted by: **Mark Congreve & David Thompson – Public Protection**

Reporting Pathway								
Directorate Management Team	Corporate Leadership Team	Portfolio Holder / Chair	Audit Committee	Democratic Services Committee	Scrutiny Committee	Executive Committee	Council	Other (please state)
8/2/22	10/2/22	01.03.22			28/2/22	16/3/22		

## 1. Purpose of the Report

1.1 To seek members' views relating to a proposed policy amendment that will remove the current means test for grants for disabled adaptations in Blaenau Gwent.

## 2. Scope and Background

2.1 The Minister for Housing & Local Government has written to local government advising the removal of the means-test for small and medium disabled adaptations (see Appendix 1). This decision by Welsh Government was made following a report by the Wales Audit Office and research by the Wales Centre for Public Policy. To mitigate against the likely additional costs of this change, Welsh Government has provided some additional annual capital funding.

2.2 In general, Welsh Government classifies adaptations as follows:

- i. Small – e.g. Grab rails, hand rails, key safes etc
- ii. Medium – e.g. Stair-lifts, Bathroom adaptations.
- iii. Large – Through-floor lift, significant changes to internal arrangements, building an extension.

For full definitions, see Appendix 2.

2.3 **Current Position in Blaenau Gwent.** The Authority has an excellent delivery record in relation to adaptations for the disabled.

2.3.1 **Small Adaptations.** There is no policy change needed here as small works have never been subject to a means-test and are delivered in partnership with Care & Repair under long-standing arrangements utilising funding from Social Services, the Council's ENABLE fund and direct funding from Welsh Government. Current Volume – circa 700-1,000 cases per annum.

2.3.2 **Medium Adaptations.** These are delivered directly by way of mandatory means tested Disabled Facilities Grants (DFGs) (funded via Council Capital programme), and in partnership with Care & Repair (for Over 60s on qualifying benefits – via the Council's ENABLE fund. Current volumes – 54-60 cases per annum.

2.3.3 **Large Adaptations.** These are delivered directly by way of mandatory means tested DFGs (funded via Council Capital programme). Currently 1-2 cases per annum.

2.4 DFGs are mandatory in that they are delivered in accordance with the Housing Grants, Construction & Regeneration Act 1996 and, under this legislation, the means test is a legal requirement along with a statutory maximum DFG of £36,000. However, Welsh Government is now advising local government to utilise discretionally powers under the Regulatory Reform (Housing Assistance) (England & Wales) Order 2002 to remove the means-test element and additional capital funding has been provided to mitigate the likely pressures.

2.9 **Means-test for Large Adaptations.** Whilst the Ministers guidance is to discontinue the means test for small and medium adaptations, further analysis has shown that over the last 3 years, the number for large-scale adaptations has been low (2 cases), both of which have been subject to means-test with a nil contribution. A further look back – to (2017/18) also shows only 2 cases where there were means-tested contributions (total £3K) towards large-scale works. As such, for consistency, Officers are also suggesting the removal of the means-test for large scale adaptations in Blaenau Gwent. However, the statutory maximum DFG would still apply (£36k). The means-test for DFGs for children (which are mostly medium or large scale) was discontinued under Welsh legislation several years ago (circa 2007-8).

### 3. **Options for Recommendation**

3.1 **Option 1** – That Executive Committee approve the proposed policy amendment that will remove the current means test for grants for disabled adaptations in Blaenau Gwent from April 1<sup>st</sup> 2022.

3.2 **Option 2** – That Executive Committee does not approve the policy amendment and leave the current policy unchanged.

3.3 Community Services Scrutiny Committee considered this report on 28<sup>th</sup> February 2022 and agreed by majority vote to support Option 1, above. Corporate Leadership Team has considered this report.

### 4. **Evidence of how does this topic supports the achievement of the Corporate Plan / Statutory Responsibilities / Blaenau Gwent Well-being Plan**

4.1 The report assists in the achievement of the following corporate well-being objective / objectives under the Well-being of Future Generations (Wales) Act 2015:

Helping people and communities to be healthier 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.

- 4.2 Local Authorities have statutory duties under the Housing Grants, Construction and Regeneration Act 1996 to deliver mandatory grants and can also offer discretionary assistance through the use of the Regulatory Reform (Housing Assistance) (England & Wales) Order 2002.

## 5. Implications Against Each Option

### 5.1 *Impact on Budget (short and long term impact)*

**What are the likely additional costs?** Officers have reviewed relevant service statistics and concluded as follows:

	Table 1 – Estimated average additional costs	Annual £ (est)	Annual £ (est)	Annual £ (est)
1	Additional annual capital costs required due to the removal of the means test (Loss of current contributions)	5,500	5,500	5,500
2	Annual reduction in grants being cancelled (those who apply for financial assistance but drop out once they find that they need to make a contribution).	42,000	42,000	42,000
3	Potential Annual increase in applications from people who would not necessarily have applied for financial assistance due to the means test process being in place. (estimates at 10%, 20%, & 30%)	(10%) 40,300	(20%) 80,600	(30%) 121,000
	<b>Total</b>	<b>87,800</b>	<b>128,100</b>	<b>168,500</b>

- 5.1.1 The table above shows that with a loss of income and new commitments due to grant applications continuing that would have otherwise been cancelled, the Council will need, on average, to fund an additional £47,500 worth of works. What is not clear is the level of unseen demand from those that would not have otherwise applied. Officers have inserted indicative figures for a demand increase of between 10 and 30% (an additional £40k-121k). This will need to be monitored.

- 5.1.2 **Capital Budget Availability.** Under the current approved capital programme up to end March 2024, the DFG allocation is set to reduce from £468k in 21/22 to £200k per annum for 2022/23 and 2025/26.

- 5.1.3 Officers have undertaken an analysis of the current and future budget as a result of the proposals in this report. (For full details, see Appendix 3). The analysis shows that a projected increase in demand of between 10% and 30% is manageable with current budget levels in 2022/23 – (at the end of which favourable variances could be carried forward). However, the budget may come under pressure in 2023/24 leading to a potential adverse variance of between £82k and £243k or higher if demand increases above 30%.

5.1.4 WG has provided additional funding (£46,387 per annum until end 2023/24) as part of the ENABLE scheme to help the Authority mitigate budgetary pressures resulting from the policy change.

5.1.5 To mitigate any ensuing budget pressures in the future, the Authority could consider increasing its capital allocations accordingly and/or make representations to Welsh Government for additional funding (e.g. additional ENABLE funding).

## 5.2 ***Risk including Mitigating Actions***

5.2.1 The key risk is an increase in demand leading to delivery challenges and other potential budgetary pressures. This is covered elsewhere in the report.

## 5.3 ***Legal***

5.3.1 DFGs are mandatory in that they are delivered in accordance with the Housing Grants, Construction & Regeneration Act 1996 and, under this legislation, the means test is a legal requirement along with a statutory maximum DFG of £36,000. However, Welsh Government is now advising local government to utilise discretionally powers under the Regulatory Reform (Housing Assistance) (England & Wales) Order 2002 to remove the means-test element and additional capital funding has been provided to mitigate the likely pressures.

## 5.4 ***Human Resources***

5.4.1 Whilst the removal of the means test will reduce workload pressures in Resources especially, an increase in demand for service will impact Public Protection, Social Services & Business Support. This will need to be monitored with pressures reported accordingly. The majority of Public Protection costs relating to the delivery of this service are recharged to the relevant capital budget.

## 6. ***Supporting Evidence***

### 6.1 ***Performance Information and Data***

See Appendices

### 6.2 ***Expected outcome for the public***

6.2.1 In 2019 in Wales 22% of the population were disabled (StatsWales, 2019), with the disabled population projected to increase significantly by 2035 (Equality and Human Rights Commission, 2018). This policy change will help to improve health outcomes and subsequently save money in health and social care by enabling more independent living for longer. Service delivery times could also increase given the reduction in administration processes. Conversely, there is also a risk that waiting lists could significantly increase as demand increases and staffing levels and/or budget availability restricts timely delivery.

6.2.2 Transitional Arrangements. Subject to approval, all on-going applications will be re-assessed accordingly against the new policy. A review of any recent applications aborted due to the means-test will also take place with a view to re-establishing need.

- 6.3 ***Involvement (consultation, engagement, participation)***  
Relevant internal colleagues (Public Protection, Legal and Accountancy, Social Services, Revenues and Benefits) have been consulted on the content of this report. Care & Repair has also been consulted.
- 6.4 ***Thinking for the Long term (forward planning)***  
6.4.1 Removal of the means test is a necessary first step in responding to the request from the Minister to adapt policy to ensure that the needs of services users to live independently are met in the short, medium and long term.
- 6.5 ***Preventative focus***  
6.5.1 Investment in aids and adaptations maximises the opportunity for people to remain safely in their home for longer and to prevent or minimise care costs, hospital admissions, and a deterioration in independence and quality of life.
- 6.6 ***Collaboration / partnership working***  
6.6.1 There is currently a Service Level Agreement in place with Care and Repair to deliver grants for people 60+ by utilising the Enable funding to their core client group.  
6.6.2 The DFG process involves close partnership working with Public Protection, Social Services, Revenues and Benefits and Business Support on a weekly basis. This will continue if the means test is removed.
- 6.7 ***Integration (across service areas)***  
6.7.1 The removal of the means test will have an impact on working practices within social services and revenues and benefits. It will also contribute to the well-being and regeneration agendas.
- 6.8 ***Decarbonisation and Reducing Carbon Emissions***  
6.8.1 All approved contractors will be encouraged to evaluate & to utilise local suppliers, and therefore avoid lengthy distances to source materials which can decrease emissions by reducing fuel usage.  
6.8.2 Contractors will also be requested to reuse materials in the first instance as this extends lifetime value of the product. However, when reusing or recycling is not an option, the negative impact on the environment can be lessened by responsible waste management, therefore this will be a requirement for all contractors when carrying out grant aided works.
- 6.9a ***Socio Economic Duty Impact Assessment***  
It could be argued that the DFG means test could be seen as the primary source of inequality in the system and the merits of universal provision as opposed to assessing ability to pay, therefore by removing the means test would make a significant contribution towards achieving equality of outcome.
- 6.9b. ***Equality Impact Assessment***  
An initial Equalities Impact Assessment Screening has been carried out and from this no negative impacts were identified. This is not surprising as the

intention of the amended policy is to offer additional assistance and support to older and disabled people by removing the means test for all adaptations.

## 7. **Monitoring Arrangements**

7.1 The impact of the removal of the means test will be monitored by the Managers and by way of relevant reports to the Corporate Director Regeneration & Community Services, CLT and Scrutiny & Executive Committees, as necessary.

### **Background Documents /Electronic Links**

- Appendix 1 – Minister for Housing and Local Government Letter
- Appendix 2 – Housing Adaptations Service Standards – Definitions of different types of Housing Adaptations
- Appendix 3 – Capital Budget Forecast – 2022/23 & 2023/24
  
- Web link – Statement by the Minister for Housing and Local Government - <https://gov.wales/written-statement-removing-means-test-small-and-medium-disabled-facilities-grants>
- Web-link – [Regulatory Reform \(Housing Assistance\)\(England & Wales\) Order 2002](#)
- Web link - [Housing Grants, Construction and Regeneration Act 1996 \(legislation.gov.uk\)](#)