



**RECORD OF DECISION TAKEN UNDER DELEGATED
AUTHORITY
(Not a Key Decision)**

Date of Decision: 25 August 2021

**Executive Decision or 'Other Decision' to be
published?: No**

**TITLE: TOP-SLICING OF GRANT AGENCY FEE FOR DISABLED FACILITIES
GRANTS**

DECISION: That the grant agency fee charged on disabled facilities (DFG) grant be top-sliced from the amount of DFG funding allocated by Government, at the start of the financial year, rather than being added to each grant application.

AUTHORITY:

Minute Number: 42: That the Assistant Director Community Services, in consultation with the relevant Portfolio Holder, be given delegated authority to review and make future changes to the policy in light of any legislative or economic changes.

Relevant Body (eg. Council, Cabinet etc): Cabinet

Date of meeting when the delegation was agreed: 11 November 2014

REASONS FOR DECISION

The reasons for the decision are as set out below.

1.0 BACKGROUND

1.1 The Grant Agency Service is offered to anyone applying for a Disabled Facilities Grant (DFG). The service involves a Private Sector Housing Technical Officer drawing up a schedule of works, obtaining quotes, appointing a builder, inspecting the work during construction, approving any additional works and releasing the grant amount to the contractor on satisfactory completion.

1.2 The service is voluntary, the grant applicant can choose to act as their own agent or employ a private agent.

1.3 Currently, where the service is used or the applicant uses a private agent, the fee charged is included in the grant. The fee for a private agent will be at the same rate as the fee charged by the Council. The applicant cannot claim a fee if they are acting as their own agent.

- 1.4 The fee currently charged for the service is 12% of the total cost of the works plus VAT. The income generated is used to offset the salary costs of the agency service (currently 2 FTE posts). In essence, the agency fee allows DFG capital funding to be converted into revenue income.
- 1.5 The current maximum grant amount allowed by law per grant application is £30,000. However, in July 2019, the Director of Housing & Inclusion, in consultation with the relevant Portfolio Holder, agreed to allow a further £20,000 discretionary grant, allowing a total grant amount of £50,000 per application. This decision was made due to a small number of adaptation cases each year (mostly child cases) requiring works in excess of £30,000. Without the additional discretionary amount, those adaptation schemes would not have gone ahead, leaving vulnerable residents living in unsuitable accommodation.
- 1.6 The addition of the grant agency fee to the grant can lead to the total cost of the adaptation works plus fees and VAT exceeding the £50,000 grant maximum amount, leaving some applicants not proceeding with the works as they cannot afford to pay the shortfall .

2.0 CURRENT POSITION

- 2.1 If the customer has elected to use the agency service, the fee is currently calculated by taking 12% of the total cost of the works plus VAT with the amount being added to the grant. This means that the income generated comes in on a monthly basis as works are completed and it is difficult to predict how much income will be generated each financial year.
- 2.2 In a small number of cases, where the total cost of the works exceeds £50,000, calculating the grant agency fee based on the total cost of the works is pushing the grant amount over the £50,000 limit. In those cases, the grant applicant is being asked to fund any amount over £50,000. Where they are not able to do so, the adaptation works are not going ahead, affecting capital spend as well as the health and wellbeing of the customer.
- 2.3 It is permissible to top slice the grant agency fee from the annual amount allocated for DFGs by Government. By doing this, the exact amount of agency income generated will be known at the start of the financial year. It will also mean that the Council can review the percentage fee charged for the service without any impact on the customer. As the fee would no longer be charged on each grant, it will also mean there is more capital available per grant, reducing the number of cases where the customer may have to pay towards the work.
- 2.4 Top-slicing will also help with the planning of resources and could fund an additional Private Sector Housing Technical Officer post. Additional resources are currently needed due to the large number of grant requests being received and to increase capital spend on the DFG budget.
- 2.5 To justify top-slicing the agency fee at the start of the financial year, the Council must show that a high percentage of customers use the service each year. Over the last 3 financial years, 423 grants have been approved with 405 applicants using the agency service, therefore top-slicing can be justified.

2018/19 116 grants approved 115 used the grant agency service
2019/20 133 grants approved 130 used the grant agency service
2020/21 174 grants approved 160 used the grant agency service

2.6 The use of the agency service will still be monitored each year to ensure the top slicing of the agency fee remains justifiable.

3.0 ALTERNATIVE OPTIONS CONSIDERED

3.1 No alternative options. If not approved, the process would remain as is with the agency fee being charged on a grant by grant basis.

4.0 FINANCIAL AND RESOURCE IMPLICATIONS

4.1 Top-slicing the grant agency fee at the start of each financial year will lead to an increase in agency income without any impact on the customer. This increase will allow a further resource to be recruited to meet the current demand for DFGs and increase capital spend.

4.2 The annual DFG allocation received by Government over the last three years has been in excess of the amount we can spend with current resources therefore there has been significant under-spend on this budget. Any under-spend must be rolled over into the next financial year.

5.0 SUSTAINABILITY IMPLICATIONS

5.1 Agreeing to the recommendation will have a positive impact on people's health by ensuring the most vulnerable in our communities can remain living independently in their own home.

6.0 EQUALITY IMPACT ASSESSMENT

6.1 There is a direct impact on members of the public, employees, elected members and / or stakeholders, therefore an Equality Impact Assessment is required. A formal equality impact assessment is attached as an Appendix to this Decision Notice, the results of which have been taken into account when making this decision.

7.0 BACKGROUND DOCUMENTS (For executive decisions and 'Other Decisions that require publishing)

7.1 There are no background documents (as defined in the 2012 or 2014 Regulations) in making this Decision.

8.0 HEALTH AND WELLBEING IMPLICATIONS

8.1 The proposal will have a positive impact on the health and wellbeing of our most vulnerable residents by ensuring they can live independently in their own home.

9.0 FOR FURTHER INFORMATION PLEASE CONTACT:

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DATE OF DECISION: 25 August 2021

Decision Taker: (Corporate Director/Head of Service/Relevant Portfolio Holder)

Signature: 

In Consultation with: (Corporate Director/Head of Service/Relevant Portfolio Holder)

Signature:

NOTES

(Executive Decisions)

- 1. ANY CONFLICT OF INTEREST DECLARED BY THE PORTFOLIO HOLDER (Only required where decisions taken in consultation with):**

(Executive Decisions)

- 2. IF CONFLICT OF INTEREST EXISTS, DETAILS OF DISPENSATION GRANTED BY THE HEAD OF THE PAID SERVICE:**

(‘Other Decisions’)

- 3. THE NAMES OF ANY COUNCILLOR WHO HAS DECLARED A CONFLICT OF INTEREST IN RELATION TO THE DECISION**

Appendices

1. Equality Impact Assessment