

CABINET

Agenda Item: 9

Ward: ALL

Portfolio: Finance

REPORT AUTHOR(S): Corporate Meeting Date: 11th July 2016
Finance

SUBJECT: **2016/17 Better Care Fund Allocation (including the Disabled Facilities Grants)**

	Seen by:	Name	Date
Report Sign off	Legal	CMT	11 April 2016
	Finance	Duncan Moss	11 April 2016
	Procurement	N/A	
	Corporate Manager	CMT	11 April 2016
	Portfolio Holder	Clr Parham	17 April 2016
	Ward Member(s)	All	
Summary:	<p>The Better Care Fund (BCF), which includes the Disabled Facilities Grant (DFG), is now administered through the Clinical Commissioning Group (CCG) at county level. It is the only capital grant allocation that Mendip receives.</p> <p>In recent years, MDC has topped up the grant allocation of £410K and added £250K of its own resources through the Capital Investment Programme.</p> <p>In 2016/17, the grant allocation has increased to £701k and that sum is expected to be used for various health and well-being interventions in the private housing sector which includes funding mandatory Disabled Facility Grants.</p>		
Recommendations:	<p>Members are asked to note the increase in the grant allocation and agree to continue to 'top-up' the Operational Budget by £250k of its own resources as previously agreed in February, thereby increasing the overall capital expenditure from £660k to £951k.</p>		
Direct and/or indirect impact on service delivery to our customers and communities:	<p>Private Sector Housing interventions help towards the costs of making changes to privately owned domestic properties enabling residents to continue to live in their own homes and generally improves the private housing sector stock of the district to maximise the housing options for the community. This includes Disabled Facility Grants, Decent Home Grants, Warm Home Grants, Home Security Grants and Empty Homes Grants.</p>		
Legal Implications:	None as a direct result of this report.		

Financial Implications:	<p>The change in grant allocation opens a number of options for MDC to adjust the Operational Budget from that set in February before the BCF allocation was known. Any increase in capital expenditure requires formal approval.</p> <p>By confirming the continuation of the MDC ‘top-up’ of £250K capital funding to add to the £700K of BCF grant allocation, Cabinet continues its commitment to improving the private housing sector as identified as a priority by the CCG via the countywide Health & Wellbeing Board and Joint Strategic Needs Assessment for each District.</p>
Value for Money:	The Better Care Fund provides financial benefits across the public purse in that it is used to improve housing conditions and thereby reduce the need for consequent health interventions by the NHS.
Equalities Implications:	<p>None as a direct result of this report.</p> <p>The Better Care Fund allocation is based on an assessment of ‘Need’ in each District in Somerset.</p>
Risk Assessment and Adverse Impact on Corporate Actions:	Demand outstrips the resources available and therefore, private sector housing interventions are made on case-by-case basis of need and risk to households.
Scrutiny Recommendation	N/A

INTRODUCTION

1. This report updates Members on the Better Care Fund (BCF) allocation which includes mandatory Disabled Facilities Grants (DFG) and seeks agreement to increase the level the operational budget in light of the increased grant allocation.

BACKGROUND

2. For a number of years, the Private Sector Housing Renewal Fund including DFG was provided directly from central Government. In 2014/15 and 2015/16 Mendip’s grant allocation was £410k and topped-up by £250K from MDC giving a total capital expenditure of £660K.
3. From 2015/16, the DFG transferred into the BCF and was allocated to the Clinical Commissioning Group (CCG) at county level with individual district allocations maintained at 2014/15 levels. Although not strictly ring-fenced, there is an expectation that this funding will be spent on interventions in the private housing sector which meet the outcomes of the Health & Wellbeing Board and CCG in terms of improving private housing and includes disabled facilities.
4. Additionally, in 2016/17, a grant previously awarded to upper tier authorities for Personal Social Services ceased and the funding was transferred into the BCF increasing the overall ‘pot’ for matters that include disabled facilities.

5. At the time of setting the operational budget in February, the value of the 2016/17 BCF allocation had not been confirmed. Therefore, MDC assumed it would remain at previous levels (£410k). Since then, the BCF allocation has been announced and has increased to £701k.

OPTIONS CONSIDERED AND REASONS FOR REJECTING THEM

6. On the assumption that the increased level of BCF allocation will be accepted, there is an increase to the level of capital expenditure approved in February. Therefore Cabinet agreement is required to increase the capital spend envelope.
7. A number of options arise as a result of the increased grant allocation. These include:
- a. **Continue with the value approved in February (£660k)**
 - This saves MDC needing to find the £250k capital funding ‘top-up’.
 - The remaining £40k grant allocation could be carried forward into 2017/18. This action would not meet the expectations of the CCG and therefore could impact on future year allocations.
 - No formal approval would be required to alter the overall capital envelop from the position in February.
 - ‘Need’ may continue to outstrip the funding available – some residents may continue to be declined funding.
 - b. **Increase the operational budget to £701k, fully utilising the BFC allocation.**
 - Again, this saves MDC needing to find the £250k ‘top-up’ funding. However, the CCG has outlined its expectations that districts should maintain their top-up funding at “historical levels”.
 - Formal approval would be required to increase the overall capital envelop from that in February.
 - ‘Need’ may continue to outstrip the funding available – some residents may continue to be declined funding.
 - c. **Maintain MDC’s £250k contribution making the total budget £951k.**
 - Formal approval would be required to increase the overall capital envelop.
 - MDC’s ‘top-up’ may prevent other projects being funded but it demonstrates to the CCG MDC’s commitment to the future of decent and healthy private housing.
 - Higher levels of demand can be met reducing the number of residents declined funding.
 - d. **Any other variable that Cabinet would like to approve.**

CONSULTATIONS

8. As grant funding is made to individuals and householders on a case-by-case needs basis, wider consultation is not required.

RECOMMENDATIONS

9. **Members are asked to note the increase in the grant allocation and agree to continue to 'top-up' the Operational Budget by £250k of its own resources as previous agreed in February, thereby increasing the overall capital expenditure from £660k to £951k**

REASONS FOR RECOMMENDATIONS

10. Any variation to the approved level of capital expenditure requires formal approval.
11. By continuing to 'top-up' the grant allocation, MDC continues its commitment to improving the private housing sector in line with CCG expectations.
12. Higher levels of demand can be met reducing the number of residents declined funding.

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List of background Papers:

- February 2016 - MTRS Report