

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

REPORT TO: Leader and Cabinet

3 July 2008

AUTHOR/S: Corporate Manager Health & Environmental Services / Home Improvement Agency Team Leader

REVISIONS TO DISABLED FACILITIES GRANT POLICY

Purpose

1. To seek approval of policy to incorporate new grant legislation which extends the maximum level of mandatory Disabled Facilities grants (DFG); gives discretion to seek part-repayment of mandatory DFGs; adds facilitating access to a garden as a purpose for DFG, and alters the financial Test of Resources (TOR). This came into effect on 22 May 2008. In addition to update Members on the wider implications of the proposed changes on Private Sector Housing Policy, LAA and the Sustainable Community Strategy.
2. This is not a key decision.

Background

3. The Government has previously funded 60% of mandatory DFG spend. The Council's contribution usually exceeds its 40% share, (e.g. in 2007-8, the Government funded £204.9k of DFG's in South Cambridgeshire and the Council contributed £445k). The Government DFG funding for 2008-09 has increased and is set at £232k and the Council's planned contribution is £428k.
4. The previous limit set by Government of the mandatory DFG was £25k and currently it is not repayable if the applicant disposes of the property.
5. The scope of mandatory DFG is currently ring-fenced. A DFG can be used to fund access to the garden if the works are reasonable and practicable and an Occupational Therapist considers the works necessary and appropriate for the disabled client, e.g. for access to a washing line, mobility scooter store etc.
6. In 2007-08, the Council approved 43 DFGs over £5k.
7. Proposed changes to national DFG policy were announced as part of Lifetime Homes, Lifetime Neighbourhoods- a National Strategy for Housing in an Ageing Society. This was launched in February 2008 along with a separate stand alone document setting out the response to the DFG consultation to improve programme delivery; the Package of Changes to Modernise the Programme.

Considerations

8. The proposals for improvements to the DFG system are split into two groups: those for immediate introduction, and those for introduction at a later date.

Immediate Improvements

9. Extension of mandatory grant maximum limit from £25k to £30k.

In 2007-08, the Council approved a total 6 DFGs with costs over £25k. The costs between £25k and £30k on these cases totalled £21.6k. This was met by a combination of client, charitable and County Council contributions. It is anticipated that a similar number of DFGs will be approved in 2008-09 with the same financial impact. This change was expected and taken into account within the Health & Environmental Services service plan and it is estimated that this change can be accommodated within existing budgets.

10. Alterations to Test of Resources (TOR).

- (a) These include routine updating of the figures upon which the TOR is calculated and the provision for disregarding Working Tax Credit and Child Tax Credit payments as income and earnings, when calculating the TOR.
- (b) Further changes to the TOR extend the passporting provision, i.e. extends the group of means-tested benefits which allow applicants access to 100% DFG without a TOR. The first additions to this group are housing benefit and council tax benefit. Followed by working tax credit and child tax credit providing the applicant has an income of below £15,050.

11. Property charge on mandatory DFG.

The legislation allows the Council to impose a limited local charge on the property of a qualifying owner, to recover the costs upon disposal (whether by sale, assignment, transfer or otherwise), within 10 years of the certified date, where the DFG exceeds £5k, up to a maximum charge of £10k.

12. Access to gardens

It has been possible locally to approve DFG's for works to improve access to gardens, but nationally there is no agreed range on what works are available under the DFG. The legislation has been changed to widen the scope of the DFG by including access to gardens as a specific criterion for entitlement to the grant.

13. Removal of the 60:40 funding split

As mentioned (paragraph 3 above), 60% of DFG funding comes from specific Communities and Local Government (CLG) grants. There is a mandatory requirement for the Council to provide the remaining 40%. Currently the council exceeds the 40% at its discretion. The change to the legislation has removed the mandatory element to provide the 40%, thus allowing LA's to determine what percentage to provide based on local need. It is anticipated that the Council will need to continue to fund in excess of 40%.

Longer Term Improvements to be introduced at a later date

14. The CLG is proposing to make further changes to the DFG system, the main ones are outlined below. At this stage it is uncertain when these changes are due to come into force, and they are being piloted in several Authorities at the moment.

15. The changes proposed to the DFG ring fence are two fold; the first relates to the types of adaptations allowed and the second on the use of DFG money for non-DFG work.
16. Currently DFG's can be used for any adaptation that is deemed necessary and appropriate by an OT, excluding equipment. The proposed changes to the legislation widened the scope of the DFG to include equipment as long as it is deemed necessary and appropriate by an OT.
17. As there is a large crossover in services for disabled people between the health sector and local authorities the ring fence will eventually be removed allowing joint pooling of funds between different providers to create a larger funding source, such as social care, telecare and community equipment. This will allow the DFG funds to be used for other related purposes such as moving to a more suitable property.
18. The proposal is to pay this money as an unfenced payment under section 31 Local Government Act 2003 allowing the DFG money to be pooled with resources from a number of other programmes. The intention is that the pooled fund should be spent according to locally agreed priorities such as those contained in the South Cambridgeshire Private Sector Housing Renewal Strategy. The pooled fund should also be aligned if possible to the priorities of the LAA and the South Cambridgeshire Sustainable Community Strategy and vice versa.
19. The Council should also involve the Cambridgeshire Primary Care Trust (PCT) to align the priorities of the DFG with relevant PCT strategies and documents including:
 - Commissioning frameworks for older people
 - Long-term condition strategy
 - Joint Strategic Needs Assessments (JSNA) for:
 - (i) Older People
 - (ii) People with Physical disability
 - (iii) People with Learning disability
20. Solving the inequity of access to the DFG between housing tenures.

Currently the DFG scheme works differently between Owner Occupiers, Council Tenants, and RSL Tenants. It is proposed to remove the restriction on funding of DFG's for local authority (LA) Tenants. Currently the DFG budget cannot be spent on LA tenants. Money for LA adaptations has to come from the Housing Revenue Account. There have been issues nationally where RSLs have not lived up to their obligations to adapt properties for disabled tenants. There are no concrete proposals to tackle this yet.

21. Further changes to DFG Means test

It is proposed to align the DFG Means test with other means tests carried out by other Government departments.

22. Strategic planning

There is a shift in direction within the Communities and Local Government Department to encompass more development control issues. New growth within the district needs to be designed with disabled adaptations in mind. Officers are currently working with colleagues from the major growth team to ensure a proportion of properties are built to "Lifetime Homes Standards".

23. New rapid repairs

From 2009 the Communities and Local Government Department will be providing new funding for rapid repairs and minor adaptations. The current bid to the South Cambridgeshire Strategic Partnership for a handy person scheme may be the delivery vehicle (if successful) for this work.

24. Future of Home Improvement Agencies (HIA's)

The future of HIA's is being reviewed nationally, and the scope of HIA work is likely to be widened.

Options

25. There are 3 legislative changes (a, b & c below) where the Council has no discretion:

- (a) Extension of the mandatory DFG from a maximum limit of £25k to £30k.
- (b) Alterations to DFG Test of Resources.
- (c) Facilitating access to and from a garden by a disabled occupant and making access to a garden safe for a disabled occupant, as defined in legislation.

26. The remaining 2 legislative changes offer the council some discretion:

- (d) To agree or not agree to local property charge applicable on mandatory DFG in excess of £5k, up to a maximum charge of £10k. To be repayable if applicant disposes of the property within 10 years of certified date.
- (e) To agree or not agree with discretion delegated to the Environmental Services Portfolio Holder to waive repayment of the property charge upon disposal, as per legislation.

Implications

27. Financial	The increase in the maximum limit of the mandatory DFG from £25k to £30k has a cost implication of an estimated £20-£30k for 2008-09. The formalising of access to the client's garden within the DFG is also likely to have cost implications but take up of this would be purely speculative. The passporting and disregard changes to the TOR are likely to have little impact. There is potential financial benefit from repayment of DFG mandatory grant property charge, if this becomes council policy. It is estimated that this changes can be met within existing budget estimates.
Legal	The changes to the HGC&R Act 1996 and HRG Regulations 1996 require adoption into Council policy. The DFG falls within the Housing Grants, Construction and Regeneration Act 1996 (HGC&R Act 1996). This is amended by HGC&R Act 1996: Disabled Facilities Grant (Conditions relating to approval or payment of Grant) General Consent 2008 and Statutory Instrument 1189. The DFG Test of Resources falls within the Housing Renewal Grants (HRG) Regulations. This is amended by Statutory Instrument 1190.
Staffing	It is anticipated that the passporting through of additional cases without a TOR will have a small positive effect on the caseworker workload.

Consultations

28. None

Effect on Corporate Objectives and Service Priorities

29.	Work in partnership to manage growth to benefit everyone in South Cambridgeshire now and in the future
	The HIA works in partnership with the PCT and County Council, carrying out adaptation and repairs works, which support their prevention and care services respectively.
	Deliver high quality services that represent best value and are accessible to all our community
	Adaptation works improve the quality of life of clients and for child cases their family too. Ability to maintain good customer service for some of the most vulnerable customers in SCDC.
	Enhance quality of life and build a sustainable South Cambridgeshire where everyone is proud to live and work
	Appropriate funding levels for DFG is essential to the continuation of disabled persons remaining in the community.

Conclusions/Summary

30. The DFG has undergone a consultation and the changes within this report are part of a series giving the Government's response to the consultation's results.

Recommendations

31. It is recommended that Cabinet:
- (a) Notes the requirement to extend the mandatory DFG from a maximum limit of £25k to £30k.
 - (b) Notes all of the alterations to DFG Test of Resources.
 - (c) Notes the requirement to facilitate access to and from a garden by a disabled occupant and making access to a garden safe for a disabled occupant, as defined in legislation.
 - (d) Agrees to local property charge applicable on mandatory DFG in excess of £5k, up to a maximum charge of £10k. To be repayable if applicant disposes of the property within 10 years of certified date.
 - (e) Agree that discretion be delegated to the Environmental Services Portfolio Holder to waive repayment of the property charge upon disposal, as per legislation.

Background Papers: the following background papers were used in the preparation of this report: Disabled Facilities Grant – The Package of Changes to Modernise the Programme 2008; The Housing Grants, Construction and Regeneration Act 1996: Disabled Facilities Grant (Conditions relating to approval or payment of Grant) General Consent 2008; The Housing Grants, Construction and Regeneration Act 1996: Disabled Facilities Grants (Maximum Amounts and Additional Purposes) (England) Order 2008. Statutory Instrument No.1189; The Housing Renewals Grant (Amendment) (England) Regulations 2008 Statutory Instrument No.1190

Contact Officers: Maureen Nudds Telephone: (01954) 713330
Geoff Keerie Telephone: (01954) 713131
Dale Robinson Telephone: (01954) 713229