

# **CHESHIRE EAST COUNCIL**

## **REPORT TO: Adult Social Care Overview and Scrutiny Committee**

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**Date of Meeting:** 20<sup>th</sup> July 2011  
**Report of:** Strategic Housing Service  
**Subject/Title:** Disabled Facilities Grants  
**Portfolio Holder:** Cllr R Domleo, Cllr J Macrae

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### **1.0 Report Summary**

- 1.1 The Overview and Scrutiny Committee requested a report on the Disabled Facilities Grant service and related expenditure.
- 1.2 Disabled Facilities Grants (DFGs) are mandatory grants administered by the Strategic Housing service to facilitate independent living for disabled people in their own home. DFGs are an essential tool available to Adult Services to put in place appropriate care packages and to support carers.
- 1.3 In 2010-11, £1,316,000 was spent by Cheshire East Council on Disabled Facilities Grants.

### **2.0 Recommendation**

- 2.1 To consider the contents of this report.

### **3.0 Reasons for Recommendation**

- 3.1 This report has been prepared following a request for information about Disabled Facilities Grant expenditure.

### **4.0 Wards Affected**

- 4.1 All wards are affected.

### **5.0 Local Ward Members**

- 5.1 All ward members.

### **6.0 Policy Implications including - Climate Change - Health**

- 6.1 Health – There is a considerable amount of evidence which demonstrates the savings to health and social care. For example:
- The cost of residential care can rise to £700-£800 a week for a wheelchair user with severe disabilities. Adaptations to enable the person to remain living at home can normally be recouped in the first year, and normally with significant

savings – for example, wet room shower facilities can be installed for around £4,500.

- An hour's home care per day costs around £5,000 per year. Adaptations that remove or reduce the need for daily visits pay for themselves in a time-span ranging from a few months to three years and then produce annual savings. A national study found that annual savings varied from £1,200 to £29,000 a year and reduced the burden on revenue expenditure. (*Better outcomes, lower costs – DWP, 2007*)
- The cost to health and social care of a fall which leads to a fractured hip is £28,665. This is more than 4 times the cost of the average Disabled Facilities Grant, and more than 400 times the cost of installing grab rails and hand rails.

## **7.0 Financial Implications**

- 7.1 The DFG grant is paid to the Council as an un ring fenced grant from the Department for Communities and Local Government, through a determination under s31 Local Government Act 2003. The grant can be pooled with other resources and the Council can determine, against local priorities, how the grant is used as part of the annual business planning process.
- 7.2 In 2011-12, the grant was £700,000. An additional £620,000 from the Council's own resources has also been committed to the DFG programme.

## **8.0 Legal implications (authorised by the Borough Solicitor)**

- 8.1 The Disabled Facilities Grant (DFG) is a nationally defined mandatory grant for the provision of adaptations for disabled people. The purposes for which a grant must or may be given are set out in Section 23 of the Housing Grants, Construction and Regeneration Act 1996. Local Housing Authorities must provide disabled facilities grants to eligible applicants and cannot refuse a valid application for a mandatory grant because the Local Authority lacks sufficient financial resources.
- 8.2 Delaying the approval and payment of mandatory disabled facilities grant applications beyond the timescales stipulated in the Housing Grants, Construction and Regeneration Act 1996 (as amended) could lead to a complaint to the Local Government Ombudsman for maladministration.

## **9.0 Risk Management**

- 9.1 The capital programme is monitored to ensure that costs are controlled and expenditure does not exceed available funding.
- 9.2 Failure to apply the relevant legislation to DFG applications could lead to judicial review or a complaint to the Local Government Ombudsman. Rigorous procedures are in place to ensure legal compliance.

## **10.0 Background**

- 10.1 Disabled Facilities Grants (DFGs) are mandatory grants of up to £30,000 provided for in the Housing Grants, Construction and Regeneration Act 1996, designed to help meet the cost of adaptations to disabled people's own homes. Grants are available to people living in owner-occupied, private rented or social rented housing.

10.2 To be eligible for a DFG, the adaptation must be necessary to:

- Make it easier to get into and out of the home
- Provide access to, and within, the main family room, bedroom, kitchen, bathroom (or washing facilities), or garden
- Improve or provide a heating system, or to adapt heating or lighting controls
- Improve access and movement around the home for a disabled carer
- Ensuring safety for the disabled person and other occupants, such as making a room a safe space to leave a disabled person unattended, or improving lighting for visibility

10.3 Typical adaptations funded by DFGs are stairlifts, level access showers (wet rooms), specialist baths and toilets, ramps, ground floor bedrooms and bathrooms.

10.4 Occupational therapists in Adult Services carry out an assessment for the disabled person and may recommend an adaptation and make a referral for a DFG. The Strategic Housing department oversees the application process and administers the capital programme.

10.5 Applicants are means tested in accordance with the Housing Grants Regulations 1996, to establish whether they can afford to contribute any money towards the cost of the work. Applicants in receipt of certain benefits automatically receive a full grant. In 2005, legislation was changed to remove means testing where the adaptation is for a disabled child, and consequently disabled children automatically receive a full grant. In 2008, further changes were made, to assist ex-service personnel, so that the most severely disabled ex-service personnel automatically receive a full grant.

## **11.0 Funding for DFGs**

11.1 DFGs form part of the Council's capital programme. Grant funding from CLG has increased in recent years, from £478,000 in 2009-10, to £627,100 in 2010-11, to £700,000 in 2011-12. Previously, local authorities made bids for the capital grant, and allocations were determined by regional Government offices. A new methodology for determining the allocation has been introduced by CLG, which has resulted in the increased allocation for Cheshire East in 2011-12.

11.1 A budget has been approved for £1,320,000 in 2011-12, increasing from £1,070,000 in 2009-10 and £1,123,000 in 2010-11. £348,000 was also carried forward from the district councils in 2009-10.

11.2 Annual expenditure on DFGs was £980,048 in 2009-10 and £1,289,000 in 2010-11.

11.3 Expenditure normally falls below the approved budget as a result of delayed spend. When a person is assessed as being in need of an adaptation, the stages within the process to carry out the adaptation often means that their DFG may be approved but the work not yet completed within that financial year. At 31<sup>st</sup> March 2011, 56 DFGs were approved, to a value of £410,000, but were yet to be completed.

## **12.0 Demand for DFGs**

12.1 Demand for DFGs is increasing:

Year	Number of	Number of	Number of	Total
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	<b>Grants for Adults</b>	<b>Grants for Older People</b>	<b>Grants for Children</b>	
2009-10	40	164	27	231
2010-11	72	170	30	272

12.2 In 2011-12, there are already 77 people waiting for DFGs, at an estimated value of £670,000.

12.3 This highlights the pressures on the DFG capital programme; with approved DFGs of £112,000, £670,000 of adaptations already identified, together with £1,000,000 estimated new referrals expected in 2011-12, demand is outstripping financial resources for 2011-12 by around £460,000. Spend is contained within budget, year by year, which is affecting waiting times for adaptations.

12.4 There are a number of factors influencing the high demand for DFGs:

- Over 70% of the DFG capital programme is spent on older people. We have an older age profile than the national average, and the fastest growing older population in the North West. Our population is ageing - over the next 15- 20 years we will experience a significant increase in the older population, with those aged 65-84 increasing from 56,000 in 2006 to 81,000 in 2026, and the 85 plus age group increasing doubling from 8,000 between 2006 and 2026.
- 90.6% of retired residents in Cheshire East are owner occupiers, along with 37% of residents who are permanently sick or have a disability. Fixed incomes, poor interest rates and dwindling savings means that for many older people, carrying out adaptations is beyond their own means.
- Demand for adaptations for children is increasing. The legislative change in 2005 to remove means-testing for children's adaptations has led to an increase in referrals. The average cost of adaptations for children is considerably higher than for adults and older people (£21,500 for children, compared to £6,450 for others).
- While the majority of adaptations carried out are wet-room style bathrooms, there is increasing demand for 'complex' and more expensive adaptations requiring conversion of existing space, and extending properties to provide ground floor bedroom and bathroom space. 58 complex adaptations have been completed since 1<sup>st</sup> April 2009, with a further 29 referrals waiting for high value complex adaptations.
- Around 10% of the population of Cheshire East claims a disability benefit. Evidence shows that disabled people are more likely to live in poverty, with the median net income of a disabled man being half of that of a non-disabled man. This increases the number of people eligible for a DFG following means-testing.
- Tenants in social housing are able to apply for DFGs, and whilst there is an expectation for Registered Providers to carry out adaptations in their properties, there is no mandatory requirement. Partnership funding arrangements are in place with Registered Providers in Cheshire East, however in 2010-11 we spent £262,000 (20%) of the DFG budget on adapting social housing.

### 13.0 Timescales for DFGs

- 13.1 The timescales for completion of adaptations, whilst improving, remain a concern for Cheshire East. In 2008-9, prior to Cheshire East, the average time to complete adaptations was 53 weeks. In 2010-11 there was a 38% reduction, with adaptations taking an average of 32.8 weeks.
- 13.2 Timescales can be affected by a number of factors, including customer led processes, difficulties proving ownership of the property; funding arrangements, particularly where disabled people wish to incorporate other improvements into the adaptation; and statutory waiting times for planning and consents.
- 13.3 Most DFGs are managed by one of the three Home Improvement Agencies (HIAs) in Cheshire East. In the context of DFGs, HIAs provide support to apply for funding, draw up plans, obtain legal consents to carry out the work, obtain quotes and oversee the work on site. Performance targets were introduced for HIAs in 2010-11:

Measure	Target	Performance 2010-11
From referral to submitting a DFG application for simpler adaptations such as stairlifts, wet room style bathrooms, etc	12 weeks	19.6 weeks
From referral to submitting a DFG application for more complex adaptations such as extensions, garage conversions, etc	30 weeks	41.7 weeks

- 13.4 Whilst the targets are not yet being achieved, performance has significantly improved since LGR, with a 34% reduction in timescales.
- 13.5 A review was carried out of the HIA services in Cheshire East in 2010. The timescales for the DFG process was a significant concern highlighted in the review. As a result of the review, we are currently carrying out a procurement exercise for a single HIA service, to replace the existing three services. This will increase efficiency and strengthen the HIA services, as they are currently small services with limited resources. We expect that the rationalisation of services should result on improved performance on DFGs, greater consistency across the Borough, and improved services.

### 12.0 Access to Information

The background papers relating to this report can be inspected by contacting the report writer:

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