

**DERBYSHIRE COUNTY COUNCIL**

**CABINET**

**3 AUGUST 2010**

**REPORT OF THE STRATEGIC DIRECTOR – ADULT CARE**

**PROPOSED CHANGES TO THE PROVISION OF FINANCIAL  
SUPPORT FOR PEOPLE APPLYING FOR DISABLED FACILITIES  
GRANTS (MAJOR HOUSING ADAPTATIONS)**

**ADULT CARE**

**1. Purpose of the Report**

To seek approval to undertake formal consultation regarding proposed changes to provision of financial support for people applying for Disabled Facilities Grants (Major Housing Adaptations). To appraise Cabinet of the options which will be consulted on and the nature of the consultation.

**2. Information and Analysis**

**Background**

**Current Arrangements**

If a disabled person needs a major adaptation to their accommodation they are able to apply for a Disabled Facilities Grant (DFG) administered by district councils. The DFG is mandatory if the applicant is unable to access essential facilities within their home. The decision as to whether to approve the grant ultimately lies with the relevant District Council, although the County Council as the council with social care responsibility which will initially identify an adaptation as being necessary, based on an assessment of individual needs.

The DFG process is prescribed by legislation and regulations and requires that applicants are subject to a Test of Resources (means test). The Test of Resources only looks at an applicant's income and does not take account of their outgoings or personal circumstances. There are three possible outcomes for applicants:

- a grant to cover the cost of all the work ( up to a maximum of £30,000)
- a grant to cover part of the work with the requirement that the applicant meets the remaining costs (subsequently referred to as their assessed contribution)
- the grant application is deemed ineligible as the applicant is assessed to be able to meet all the costs of the work.

The decision on DFG funding is the responsibility of the relevant District Council. However, the County Council, as part of its legal duties under the Chronically Sick and Disabled Peoples Act (1970) s2(1)(e), is required to consider providing financial assistance where 1) the applicant requests assistance towards his/her assessed contribution due to financial hardship and/or 2) that the costs of the work assessed as being necessary are above the current £30,000 DFG limit and the applicant appears to be unable to meet the additional costs.

#### Financial Assistance with works under the DFG limit (£30,000)

Some years ago the County Council decided to provide an automatic additional payment to all of those DFG applicants required to meet all or some of the costs of their adaptation. The so called 'top up' system currently meets the first £1,000 of an applicant's contribution and rises, on a sliding scale, to a maximum of £2,000 (reached when the applicant's contribution reaches £10,000).

Although the 'top up' system does offer some administrative advantages and is valued by DFG applicants benefiting, it fails to differentiate between those who are able to meet their assessed contribution and those who are not. The pressure of the DFG system is substantial, and continues to escalate, due to the increase in the number of older people and the rising number of young people with substantial disabilities.

Given the current and forecast budget constraint, it is no longer seen to be appropriate or sustainable to automatically provide financial support to all DFG applicants, regardless of their ability to meet the costs of the adaptation required. We therefore consider that it would be appropriate to consult on ceasing to provide automatic additional payments. It is proposed that we consult upon ceasing the current system of automatic 'top up' funding for DFG applicants and replacing this with a system that focuses financial assistance on those people where their circumstances would cause hardship, and where 'exceptional' circumstances are demonstrated.

### Financial Assistance with works over the DFG Limit (£30,000)

The maximum mandatory DFG is £30,000. Above this maximum grant, regardless of the applicant's ability to pay, no additional payment is likely to be available from the District Council. For example, if an adaptation were to cost £40,000, the applicant would face a minimum shortfall in funding of £10,000. The Council is often approached to provide financial assistance in such cases, particularly where the adaptation is for a disabled child when the adaptations required may be extensive. (Currently all mandatory DFGs for disabled children are provided in full and do not require a financial test of resources).

The discretionary decision to meet the shortfall is currently made on a case by case basis. If it is agreed to meet a shortfall of more than £10,000, then a legal charge is attached to the applicant's property. It is proposed that we consult on the continuation of this arrangements and the establishing of clear criteria and procedures for eligibility and administration of applications.

The Council's budget for assistance with the provision of Disabled Facilities Grants is currently £1.5m annually, and is apportioned approximately equally between the cost of providing additional funding for schemes and the cost of providing the Disability Design Team architectural service.

The table below shows the budget for each District Council set against their existing commitments (grants already approved) this year. The fifth column sets out the projected costs of all the works currently being processed by the County's Disability Design Team (a deduction of 20% has been made to allow for the number of people withdrawing before grant approval due to change of circumstance). The final column shows the overall potential shortfall.

As can be seen only Amber Valley currently has sufficient budget to meet anticipated demand. If we exclude Amber Valley then we are left with a projected County shortfall of £2.9m.

All the District and Borough Councils are having difficulty in raising from capital sources sufficient funding to meet the demand for DFG's.

District	Budget 2010/11	Existing Commitment	Remaining Budget	Value of works currently being processed by Disability Design team (allowing for 20% withdrawal)	Potential Budget shortfall
	£000's	£000's	£000's	£000's	£000's
Amber Valley <sup>1</sup>	2,008	750	1,258	740	Currently Nil
Bolsover	600	291	309	599	290
Chesterfield	921	523	398	580	182
Derbyshire Dales	404	327	77	493	416
High Peak	510	335	175	459	284
Erewash	1181	431	750	1512	762
North East	200	54	146	779	633
South Derbyshire <sup>2</sup>	240	190	50	424	374
Totals	£6,064	£2,901	3,163	£5,586	2,941

### Consultation Proposals:-

- It is intended to consult on the cessation of automatic additional payments, with a new system being introduced which focuses on circumstances of financial hardship or 'exceptional' circumstances.
- It is also intended to consult on how the present arrangements, whereby the Council can make a contribution when the cost of an adaptation is in excess of £30,000, can be brought under clear criteria.

The proposed areas of consultation reflect the wider programme of work to improve efficiency and effectiveness of the DFG system. The Council

<sup>1</sup> Amber Valley Borough Councils budget has been allocated for 2010/11 and is expected to meet 2012 commitments.

<sup>2</sup> South Derbyshire undertake their own design work. Their view is that their budget this year will meet about a third of demand.

has been working closely with all Derbyshire District Councils and Borough Councils to deliver a five year joint strategy. Fundamental changes have already been established through a variety of project work, including the establishment of an integrated management information system; a pilot project from April 2010 integrating the DFG system with Adult Care working with High Peak Borough Council, and a detailed joint improvement plan with Amber Valley Borough Council. The areas of consultation being proposed within this report reflect the wider aims of the five year strategy, which are to ensure that limited resources are targeted at those disabled people who need them the most, and reflects the priorities for the Coalition Government that has specifically recognised the importance of housing adaptations as a specific contribution to ensure that older people are assisted to secure their health and independence.

The consultation on the proposed changes to the provision of financial support for people applying for Disabled Facilities Grants will be integrated into the wider consultation on co-funding, FACS eligibility and stair lifts. The proposals for this consultation are set out in the report on 'Sustainability for the Provision of Personalised Adult Social Care and Personal Budgets'. This is an extensive programme of consultation involving service users, their families and the voluntary sector.

### **3. Financial Considerations**

Following on from the Consultation detailed proposals will be put forward which could result in additional monies being made available for the Major Adaptation Programme.

### **4. Legal and Human Rights Considerations**

The County Council has a legal duty, stemming from Section 2(1)(e) of the Chronically Sick and Disabled Persons Act (1970), to provide assistance for people in arranging to carry out any works of adaptation in their homes or the provision of any additional facilities designed to secure their greater safety, comfort or convenience. This duty extends to the consideration of providing financial assistance when requested to do so.

The Council has a duty to conduct appropriate consultation with people and agencies who maybe affected by changes in policy and procedure. The Consultation process should be tailored to consider the needs of the persons being consulted to enable them to participate fully in this process. Due regard should be had to the information obtained as a result of this consultation in formulating proposals for consideration.

The Director of Legal Services has advised that when considering this report Members should have due regard to protecting and providing the welfare and interests of persons who share a relevant protected characteristic (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation).

## **5. Equal Opportunities Considerations**

Major adaptations play a crucial role in supporting disabled people in the community, many being older people. The changes proposed in this report will ensure that the limited funding available to the Council is targeted most effectively at those disabled people with the greatest need

## **6. Other Considerations**

In preparing this report the relevance of the following factors has been considered: financial, legal, prevention of crime and disorder, equality of opportunity; and environmental, health, human resources, property and transport considerations.

## **7. Key Decision**

Yes

## **8. Call-in**

No

## **9. OFFICER'S RECOMMENDATION/S**

- That Cabinet approves a formal consultation on the proposals set out in this report.
- To seek the views of disabled people and other interested parties and that the findings of the consultation be brought back in a further report to Cabinet with detailed proposals.

**Bill Robertson**  
**Strategic Director – Adult Care**  
**County Hall**  
**MATLOCK**