



Briefing on Government Consultation on Future of Disabled Facilities Grant Programme Jan 07

1. Background

- 1.1. On 18th January 2007 the Department for Communities and Local Government (DCLG) issued a consultation paper on the future provision of Disabled Facilities Grant (DFG) (1).
- 1.2. The review of the DFG system began in Jan 2004 and a review of the programme was carried out by the University of Bristol, published in 2005 (2).
- 1.3. The Consultation paper includes statements about short term action, proposals for changes in the medium term (some for comment) and indications of likely longer term, more fundamental reform, the majority of which is linked to the outcome of the Individual Budgets Pilot schemes (3).
- 1.4. The paper is quite technical and detailed, and this briefing aims to highlight the main points. Reading the whole paper is recommended, particularly for anyone concerned with policy and DFG implementation.
- 1.5. The deadline for comments to DCLG is the 13th April 2007.

2. Short Term Changes

- 2.1. The Disabled Facilities Grant will technically remain a mandatory grant.
- 2.2. The £25,000 ceiling on grant will be increased to £30,000 immediately after the consultation period, with the possibility of further increases in the future.
- 2.3. The scope of the mandatory DFG is to be extended to specifically include accessing garden/ external space.
- 2.4. The funding allocation to local authorities will be called '*Accessible Homes Grant*' and local authorities are encouraged (but not obliged) to use this name in future for individual grants.
- 2.5. Social Housing Grant funding for adaptations in housing association (HA) property will be pooled with the central DFG fund.
- 2.6. It is reiterated that HAs should undertake minor adaptations for their tenants in line with the recommendations in '*Minor adaptations without delay*' (4) and that further guidance will be issued by the Housing Corporation with regard to disability equality for all residents.
- 2.7. Guidance with regard to continuation of provision of adaptations by the new landlord following Large Scale Voluntary Transfer has been strengthened.
- 2.8. Provision of accessible housing will be a feature of Audit Commission inspections.

2.9. A simplified DFG application form (to be available online) will be developed with the Local Government Association.

2.10. Further guidance will be issued to LAs to encourage Fast Track Adaptation Systems.

3. Proposed Changes in the Medium Term

Grants become repayable

3.1. Local authorities will be given the powers to reclaim DFG above £5,000 upon sale of a property by an owner occupier.

3.2. DFG payable for disabled children's adaptations will be exempt from repayment, and also in the case of sale because a person had to move home for personal reasons.

3.3. The charging options for comment are:

- *Repay grant above £5,000 with a maximum repayment of £10,000*
- *Repay 80% of any grant over £10,000*
- *Repay grant above £10,000 with maximum repayment of £10,000*

Means test changes

3.4. Changes to the DFG means test are being considered with Dept for Work and Pensions and Treasury.

3.5. Views are sought on a number of means test change options (Clauses 48/49) including possible wider passporting along the lines of Warmfront grant.

More flexible use of DFG allocation by local authorities

3.6. How local authorities can use DFG monies will become more flexible. The 60%/ 40% central government grant/ local government money condition will be abolished and the ringfence will be relaxed or abolished.

3.7. Funding will in future be paid to local authorities under Section 31 of the Local Government Act (rather than under the 1996 LGHAct).

3.8. Relaxation of the ringfence will be applied from April 07 in the Individual Budget Pilot Areas and the selected ringfence change probably applied to all areas the following year.

3.9. The DFG money ringfence options for comment are:

- *Widen the scope of the existing ringfence so that local authorities can use the money for adaptation help outside the legislative limits of DFG eg. to pay for fast track schemes, help to move home, disability housing registers.*
- *Abolish the ringfence, but with an obligation on Regional Assemblies to monitor appropriate use.*

Greater role for Regional Assemblies

- 3.10. Regional Assemblies (RA) will have greater discretion with regard to allocation of DFG funding to individual housing authorities.
- 3.11. Regional Assemblies will be obliged to produce a strategy for accessible housing and adaptations for the region as a whole as part of their Regional Housing Strategy. This would consider not only delivery of individual adaptations, but application of Lifetime Homes Standards (including incorporation of these in refurbishment programmes), role of Housing Associations, Disability Housing Registers and integrated adaptation delivery service (minor and major) possibly via home improvement agencies.
- 3.12. Guidance to RAs will be issued shortly by DCLG.

Greater role for Home Improvement Agencies

- 3.13. HIAs are seen as having an important role to play in the future provision of adaptations with two main suggestions put forward:
 - *At a county level, consider scope for HIAs to take over the full housing adaptations service from the local authorities*
 - *Consider the roll out of a rapid response adaptations programme (similar to the Welsh model) – but this is dependent upon extra funding being available.*

Other

- 3.14. Re-designation of stairlifts as equipment and their provision via Community Equipment Services is being discussed with Dept of Health.
- 3.15. Possibility of regional/ national procurement contracts flagged up.

4. Proposed Longer Term Changes

- 4.1. More significant changes to the whole system of adaptations delivery, financing and its legislative basis are anticipated, with the integration of adaptation provision into Individual Budgets seen as the likely outcome (subject to pilots).
- 4.2. The means testing for social care and adaptations will be aligned, but again, subject to Individual Budgets outcome and resource allocations

5. Comments

- 5.1. The Consultation paper clearly sets out the fundamental problem – with an ageing population and increasing numbers of disabled children there is a growing demand for help with adaptations.
- 5.2. The choice is clear. More resources for whatever systems are in place to help disabled people with adaptations or state help will have to be increasingly restricted.
- 5.3. This challenge is in line with many other discussions about how much society is prepared to spend on a growing older population and whether people will have to use their own resources (including home equity) with a more limited state safety net.

- 5.4. There are many welcome measures proposed in the consultation paper, and others that require careful analysis and consideration.
- 5.5. Whilst the words loan or equity release are not used in this document, there is clearly a change being proposed whereby older home owners will be expected to use the equity in their homes, albeit upon sale of the property and currently with limitations.
- 5.6. Even though local authorities will not be legally obliged to reclaim grant, it is implied that any authority who did not do so would probably be penalised through reduced grant allocation.
- 5.7. There is a significant difference in the treatment of older people and children. The ending of the means test for DFGs for children was implemented in 2006 and in these proposals home adaptations grants for children will be exempt from the repayment.
- 5.8. With regard to means test changes, increasing the range of passporting eg. to include council tax benefit could be helpful, particularly with regard to administration.
- 5.9. However, the proposed longer term alignment of the DFG means test with Social Care means testing would be particularly disadvantageous to moderate income older home owners without a mortgage and who are just above means tested benefit levels.
- 5.10. The relaxation or removal of the ringfence around the DFG allocation could bring benefits – but only if resources are adequate. Giving LAs greater flexibility, opening up DFG money for use in all tenures as well as for other accessible housing related expenditure could all bring significantly increased demands on what is already inadequate pot of money in many areas.
- 5.11. Anyone involved in the DFG system would be well advised to consider the implications of the proposals and send their comments to DCLG.

References

(1) Disabled Facilities Grant Programme: The Government's proposals to improve programme delivery. Consultation, DCLG, 2007 or <http://www.communities.gov.uk/index.asp?id=1505528>

(2) Reviewing the disabled facilities grant programme, ODPM, 2005, odpm.gov.uk/pub/816/ReviewingtheDisabledFacilitiesGrantProgrammePDF911Kb_id1152816.pdf

(3) Improving Life Chances for Disabled People, Prime Minister's Strategy Unit, 2006 www.cabinetoffice.gov.uk/strategy/work_areas/disability/

(4) Minor adaptations without delay, College of Occupational Therapists, 2006 www.cot.org.uk/newpublic/about/minor_works.php

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