
REPORT TO:	HOUSING AND COMMUNITY SERVICES COMMITTEE	AGENDA ITEM: 15
DATE OF MEETING:	5th JUNE 2008	CATEGORY: DELEGATED
REPORT FROM:	HEAD OF HOUSING	OPEN
MEMBERS' CONTACT POINT:	Bob Ledger	DOC: s:\cent_serv\committee reports\housing & community services\5 june 2008\disabled person's property adaptations.doc
SUBJECT:	DISABLED PERSONS' PROPERTY ADAPTATIONS	REF: BL
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE: HCS01, FM08

1. Recommendations

- 1.1 To utilise £200,000 from the Housing Revenue Account (HRA) 'supplementary fund' to allow disabled persons' adaptations work to continue in both public and private sectors. As this decision relates to finance it will need to be approved by the Finance and Management Committee.
- 1.2 That Officers continue to work with Social Services colleagues at the County Council to agree an effective prioritisation system to ensure that those in most urgent need of adaptations are not disadvantaged.

2. Purpose of Report

- 2.1 The demand for disabled persons' property adaptations both in the private and public sectors continue to outstrip the budget available. This report identifies an additional £200,000 worth of resources to be committed immediately to ensure that qualifying residents in need receive the necessary works to improve their quality of life.

3. Budgets

- 3.1 A Disabled Facilities Grant is a mandatory grant for private sector adaptations required to a person's home to better ensure that a qualifying person is still able to enjoy a reasonable quality of life at home. The Government's grant to SDDC this year to fund private sector DFGs is £225,000, supplemented by £66,000 from the Council's own resources. Individual grants to residents are means tested.
- 3.2 In the public sector (i.e. Council owned, tenanted property) there is no government grant and the local authority is meant to fund the works through the HRA and/or Major Repairs Allowance (MRA) i.e. monies received from other rentpayers. In 2008/9 the budget for adaptations in the public sector is £286,000. Works in the public sector are also means tested.

- 3.3 In 2003 the Council took a policy decision to unify the administration and process for adaptations in both sectors and thereby treat them equally. This is when means testing was introduced into the public sector and all grants were delivered through the Private Sector Housing team. Previously there had in effect been a two tier system in operation with different funding levels and different timescales for works completion.
- 3.4 In the current year the PCT has announced that it will make over £1m available across Derbyshire to supplement private sector adaptation work. However, although this announcement is very much welcomed, the resources have not yet been allocated to the District and City Councils and may be inadequate to meet the need. Adaptation work in the private sector here in South Derbyshire has currently come to a halt as current available resources have been exhausted.

4. **Demand**

- 4.1 In the public sector work is still ongoing but cases currently being referred by Occupational Therapists (OTs) are not being progressed as work 'in the pipeline' will exhaust the existing budget. As at 27th May the position was:

Spend to date (08/09)	£33k
Approved awaiting completion	£131k
Currently out to tender (12 cases)	£60k (estimated)
Ready to tender (5 cases)	£25k (estimated)

Imminent need	£249k
Leaving a further 29 cases pending	£139k (estimated)
Total overall demand as at 27/5/08:	£388k

- 4.2 In the private sector the position is even more acute and, although further funding is likely to be forthcoming from the PCT, as yet no allocation has been made and grant approval has halted until additional resources are identified. As at 27th May the position was:

Spend to date (08/09)	£37k
Approved awaiting completion	£313k
Imminent - about to be approved (6 cases)	£66k
Imminent – awaiting formal application (5 cases)	£41k
Ready to tender (10 cases)	£55k (estimated)

Imminent need	£512k
Leaving a further 74 cases pending	£355k (estimated)
Total overall demand as at 27/5/08	£867k

- 4.3 As can be seen across both sectors, demand continues to outstrip the budgets available. If the recommendations of this report are approved this will represent the third consecutive year where the council has found substantial additional resources, above those originally allocated, to fund work. Clearly this is not a satisfactory way to manage budgets and demand over the longer term. There are inevitably other competing demands for resources. Therefore as well as looking closely at the adequacy of budgets, it is also appropriate to take a closer look at the demand being raised.
- 4.4 The current adaptations process is that demand is assessed without reference to resource availability i.e. the officer assessing the need has no link to whether the work being recommended can actually be afforded. The process is that a County Council Occupational Therapist makes a recommendation without reference to the budget, for the District Council then to deliver. There is a case for saying that this is the correct way of operating (in that if a demand is identified it is automatically met) but in what other Council budget does such a process exist? Indeed effective budgetary management is about accountability for decision-making.
- 4.5 Equally there is no prioritisation of need in the current system. In a position where the budget is adequate to meet demand this is not an issue. But in a situation where grant work comes to halt due to the exhaustion of budgets it may be that cases with a marginal need have been progressed simply because they applied at the start of a financial year and that more serious and acute cases have to wait because they have applied throughout the year when all available resources have been committed. Where cash is limited and demand is high should not the Council prioritise the most urgent and pressing need?
- 4.6 It is recommended that officers continue to work with Social Services colleagues at the County Council to agree an effective prioritisation system to ensure that those in most urgent need are not disadvantaged.

5. Financial proposal

- 5.1 At present, the Council has set-aside £500,000 in the HRA as a contingency to supplement future planned maintenance expenditure should the account fall into deficit. These resources were generated as capital receipts and under accounting rules they have to be spent on capital investment for housing, either public or private sector.
- 5.2 The proposal is to utilise £200,000 of this contingency to fund the adaptations highlighted in this report, split equally between public and private sectors. In doing so, this should be considered against the need to balance the overall HRA over the 10-year business planning period. Current projections show the HRA to be in overall deficit by approximately £1.1m in 2018.
- 5.3 However, it is anticipated (subject to confirmation at the Special Finance and Management Committee on 26th June) that the final budget out-turn for the HRA for 2007/08 will be at least £200,000 better than estimated. This will then subsequently increase the HRA reserve balance by that amount. If that is confirmed, then it is recommended that this is used to increase the contingency balance back to £500,000.

Given this, a decision can only be taken in principle at this stage, and the exact financing can then be finalised at the Finance and Management Committee on 26th June 2008 to follow the reporting of the out-turn figures for 2007/08.

6. Corporate Implications

- 6.1 Disabled Facilities grants are mandatory grants and for the Council not to fulfil them not only potentially means hardship but also puts the Council at risk of challenge.

7. Community Implications

- 7.1 The Council has shown considerable commitment to funding adaptations work over recent years i.e. it has found additional monies in each of the last two years to fund the substantially increasing demand. By finding further additional resources for 2008/9, as recommended in this report, the Council demonstrates its continuing commitment to meeting the needs of the District's disabled community and their carers.