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**DISABLED FACILITIES GRANT**

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**Responsible Cabinet Member(s) –Councillor Eleanor Lister, Adult Services Portfolio;  
Councillor Bill Dixon, Community and Public Protection Portfolio**

**Responsible Director(s) - Margaret Asquith, Director of Social Services;  
Cliff Brown, Director of Community Services**

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**Purpose of Report**

1. To advise Members of the demand for Disabled Facilities Grants (DFG's) and the demand for adaptations to Council dwellings, and to request consideration be given to allocating additional resources in order to ease the budget situation and to continue to meet current demand.

**Information and Analysis**

2. DFG's for private sector residents are initiated following a recommendation from the Occupational Therapy (OT) team within the Social Services Department. Unfortunately, demand for DFG's has consistently outstripped the budget available over recent years. For 2003/04, the original budget was set at £270,000, which includes a Government Grant of £162,000 (60%). This compares to expenditure of £610,000 by the year end.
3. For 2004/05, the same budget of £270,000 was allocated. However, work already in progress, together with the estimated value of work already out to tender, already exceeded the budget available and as a result, Cabinet agreed that the DFG budget should be increased to £484,000 for 2004/05, with the additional contribution coming from other resources within the Housing Investment Programme that were previously identified for the private sector in respect of the unsuccessful SHIP bid. Unfortunately, this still falls well short of the resources required to meet demand and unlike the previous year when we were able to further increase resources to a total of £610,000 we only received 70% of our previous Housing Investment Programme (HIP) allocation this year and therefore do not have the same flexibility in the Housing budget. In total the allocation was reduced from £1.627m to £1.182m.

## Current Situation

4. A detailed review of the DFG policy is currently being undertaken as part of an overall review of the Council's grants policy and the working of the Occupational Therapy section in Social Services as required by the recent CSCI Disability Inspection report. This includes officers from the Occupational Therapy team, Housing, and 'Care & Repair', the Home Improvement Agency run by Three Rivers Housing Group, that administers DFG's and Renovation Grants on behalf of the Council. The PCT, who along with Housing and Social Services, fund the Care & Repair service, are also participating in the review. It is not expected that significant changes will be introduced in the short-term, however the review has already considered:-
5. The budget position and the current and projected demand for DFG's.
6. Improvements to service and procedures that alleviate some of the burden on the DFG budget and give applicants clear and consistent information throughout the process.

## Budget Position

7. The current DFG budget position is shown in Table 1 below:-

**Table 1: Budget Position as at 30 July 2004**

Status of Case or Recommendation	Number	Value of work £000's
Cases completed	7	46 <sup>(1)</sup>
Cases approved and works in progress or due to start shortly	21	190 <sup>(1)</sup>
Cases in preparation i.e. out to tender	15	178 <sup>(2)</sup>
Recommendations received from Social Services OT team	24	149 <sup>(2)</sup>
Cases waiting for OT assessment	55	330 <sup>(2)</sup>
Other cases projected to year end	48	288 <sup>(2)</sup>
<b>Total</b>	<b>170</b>	<b>1181<sup>(2)</sup></b>

(1) Actual cost; (2) Estimated cost.

8. The approximate unit cost for cases already approved or in preparation far exceeds the unit cost for future work planned during 2004/05. This is due to a number of larger jobs, mainly extensions, being approved during 2003/04 but where the applicant initially chose to progress the adaptations without the assistance of the Care and Repair Scheme. Some of these applicants have now asked Care and Repair to progress the work and this has increased the total grant expenditure. Measures to address this are included later under 'Improvements to Service and Procedures'.
9. Table 1 indicates that the recommendations already received and being progressed together with cases already known to the OT team already far exceed the budget for 2004/05 of £484,000. Projected to the year end, it is likely that demand will exceed the budget by approximately £697,000. This shortfall in resources is having implications across the

adaptations service. Given the present position, it will not be possible to progress many known cases during the current year, while new cases will also be added to the waiting list. This is a major cause of dissatisfaction among DFG applicants, and has led to complaints being received by the Social Services Department, Housing Division and Care and Repair.

10. The Social Services Department is being closely monitored by the Commission for Social Care Inspection in terms of performance in processing Occupational Therapy recommendations. The Action Plan that was put in place following the most recent inspection made a commitment that the waiting list for OT recommendations would be eliminated by the end of the year. This has now been achieved. Clearly, this should not be done in isolation which would in effect mean that the current OT waiting list simply becomes the DFG waiting list. In addition, the wait for adaptations could lead to disabled persons having to be placed in intermediate or respite care in order to meet their needs. This would currently cost the Council £345 per bed per week, although the number of clients that this could happen to as a result of needing to wait for adaptations cannot be estimated.

### **Future Years**

11. There is little prospect of a reduction in demand for DFG's in forthcoming years. On the basis that the resources shown in Table 1 would remove the complete backlog of work, a budget of £504,000 is estimated for future years based on an assumed 6 new cases per month and an average grant requirement of £7,000 per case.
12. Private Dwellings - As stated earlier, the Council receives a 60% ODPM grant towards DFG expenditure. The Council contribution must come from Borrowing Approvals and Capital Receipts since the majority of housing capital resources are made up of the Major Repairs Allowance earmarked exclusively for repairs to Council dwellings. Unfortunately, the limited resources available must also support the Council's commitment to improving housing conditions within the private sector, principally through renovation grants, as part of the Private Sector Renewal Strategy. The resources available to the Council for DFG's in the future appear even less certain. At present, the North East Housing Board distributes, through a bidding process, some 30% of housing capital resources previously available to Local Authorities as part of their capital settlement, in order to meet the priorities of the Regional Housing Strategy. It is being suggested that from 2006/07, 100% of resources previously available to Local Authorities may be allocated in this way. Such a competitive bidding process offers no guarantees of future funding and may have major implications for the way in which we are able to meet identified priorities in future.
13. Council Tenancies – In addition to the DFG budget overspend, the capital allocation for council tenancy adaptations is also currently projecting an overspend of £331k if all the current assessed works were to be carried out

## **Implications for 'Care and Repair'**

14. Care and Repair, who administer on behalf of the Council all Improvement and Disabled Facilities Grants in addition to providing appropriate support and assistance to applicants, have indicated that a budget increase of nearly £700,000 could not be accommodated within their existing staffing resources and they would need to recruit additional staff to process an increased number of DFG applications. They charge a 10% fee on all applications processed and the cost of extra staff would be met from additional income generated from the increased resources. They would commence this recruitment process as soon as notification of increased resources is received.

## **Comparison with Other Tees Valley LA's**

15. This situation is not peculiar to Darlington, in fact pressure on DFG budgets is a national concern. The information at **Appendix 1** compares available resources with required expenditure and the waiting list within the Tees Valley authorities. Clearly, such factors are influenced by the respective eligibility criteria, custom and practice within each of the areas, as well as the views and experience of local managers. However the information confirms that, within the Tees Valley, other LA's are reporting similar demands on their DFG budget.

## **Improvements to Service and Procedures**

16. A wide range of improvements have already been introduced, or are being undertaken, in order to reduce the pressure of the DFG budget:-
  - (a) An increase in the overall amount of accommodation that is suitable for disabled persons such as upgrading sheltered housing schemes to Extra Care Standards funded from the Housing capital programme, as well as new Extra Care and disabled persons accommodation through Housing Associations.
  - (b) Social Services have increased the level at which minor adaptations are paid from their own resources without referral to the DFG budget, from £170 to £400. A budget of £25,000 is available for 2004/05.
  - (c) Social Services have employed an OT technician to fit items such as grab rails and banister rails in order to accelerate the adaptation process for minor works.
  - (d) There is an on-going review of OT specifications to ensure that recommendations are sustainable and represent 'value for money.'
  - (e) Care and Repair are working to increase the number of contractors being used, in order to accelerate the process, deal with a larger volume of work and to increase competition among potential contractors to hopefully improve value for money.
  - (f) Consideration is being given to the introduction of an equity sharing scheme with the Council for those properties that receive substantial adaptations

17. While some of these improvements may have a positive effect in terms of the financial situation, this will not be significant, and not in the short term. It is, therefore, important that applicants are not subjected to undue waiting, and that clear and consistent information is given throughout the OT assessment and then into the waiting list process. Improvements to procedure, being introduced by the review group are:-

- (a) A sequence of actions agreed by all partners to ensure a consistent process for all DFG applicants. This is shown in **Appendix 2**.
- (b) All letters being sent to clients awaiting an OT assessment or who have been assessed and added to the DFG waiting list, to include a reference to the relatively lengthy waiting time and that they may wish to consider a move to appropriate Council or Housing Association accommodation, as a means of meeting their housing needs.
- (c) An earlier means test of resources is being undertaken by Care and Repair to ensure that clients that do not qualify for DFG assistance are not put onto the waiting list unnecessarily. It is not possible to further prioritise the waiting list since all OT recommendations are made on the basis that the disabled person has an essential need for the adaptation and a further prioritisation could not, therefore, be justified and would be illegal in terms of Social Services operation.
- (d) A tightening of procedures to ensure that applicants assessed as having an essential need for adaptations and choosing to progress the work themselves, must do so within 12 months. After this time, should the applicant request assistance from Care and Repair, they will be added to the bottom of the waiting list and their application processed in turn. This will stop the sorts of problems occurring as currently experienced and described in Paragraph 6.
- (e) As with any chronological list, it is inevitable that some people will become dissatisfied with waiting their turn and this may well lead to complaints being received. An improved complaints procedure is being introduced that will mean all complaints about progress will be received and responded to by Care and Repair once they have received the OT recommendation. Prior to this time, Social Services will deal with complaints from clients awaiting an OT assessment.

### **Legal Position**

18. An OT assessment of needs is a statutory requirement as a part of Fair Access to Care Services. Likewise, DFG's are mandatory grants and have to be awarded as long as certain criteria are met. Advice has been sought from the Housing Solicitor who suggests that the awarding of DFG's is no different from the allocation of any other Council resources, and a waiting list in lieu of resources becoming available is acceptable, provided the system of allocation is fair.

### **Summary**

19. Although we do not hold historic information to quantify DFG demand on a yearly basis, we do know that demand for adaptations has outstripped resources as follows:

2001/02 to 2004/05 DFG resources £1.787m

2001/02 to 2004/05 DFG demand £2.484m

There is a DFG backlog to the value of approx £697k, with an estimated ongoing demand of £504k annually against current resources of £270k annually.

There is an additional backlog of council adaptations to the amount of £331k and an ongoing demand of £275,000 against resources of £250,000 pa.

## **Conclusions**

20. It is apparent that despite the service improvements outlined above, there is likely to be a shortfall of approximately £697,000 during 2004/05 between the demand for disabled persons adaptations and the current DFG budget and a shortfall of £331k for council properties. Should additional resources not be made available there will be major implications for the Social Services Department in delivering the Occupational Therapy Action Plan established following the most recent inspection, and in particular the commitment to eliminate the current waiting list for OT recommendations in a whole systems approach (ie. not by creating a waiting list elsewhere). It is also very likely that dissatisfaction with the service will grow among DFG applicants and Council tenants and complaints will continue.
21. However, if additional resources are applied to deal with the excessive demand, this will clearly reduce the resources available for other Council priorities for which demand also currently outstrips resources.

## **Legal Implications**

22. This report has been considered by the Borough Solicitor for legal implications in accordance with the Council's approved procedures. There are no issues which the Borough Solicitor considers need to be brought to the specific attention of Members, other than those highlighted in the report.

## **Section 17 of the Crime and Disorder Act 1998**

23. The contents of this report have been considered in the context of the requirements placed on the Council by Section 17 of the Crime and Disorder Act 1998, namely, the duty on the Council to exercise its functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area. It is not considered that the contents of this report have any such effect.

## **Council Policy Framework**

24. The issues contained within this report do not represent change to Council policy or the Council's policy framework

## **Decision Deadline**

25. For the purpose of the 'call-in' procedure this does not represent an urgent matter. The report has already been considered by Social Affairs and Health Scrutiny Committee and their views are set out at **Appendix 3** to this report.

## **Recommendations**

26. Members are recommended to provide a capital allocation of £200,000 in 2004/05 to clear the backlog and consider future funding as part of the 2005/06 Capital Programme considerations.

## **Reasons**

27. The recommendations are supported by the following reasons :-
- (a) This is a growing area of demand for the Council which has effectively been "hidden" because of historic OT waiting lists. Now the waiting list is cleared the demand has been quantified.
  - (b) The demand will continue to grow as strategies for helping more people remain independent and at home are realised.

**Margaret Asquith**  
**Director of Social Services**

**Cliff Brown**  
**Director of Community Services**

## **Background Papers**

No Background papers were used in the preparation of this report.

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**APPENDIX 1a**

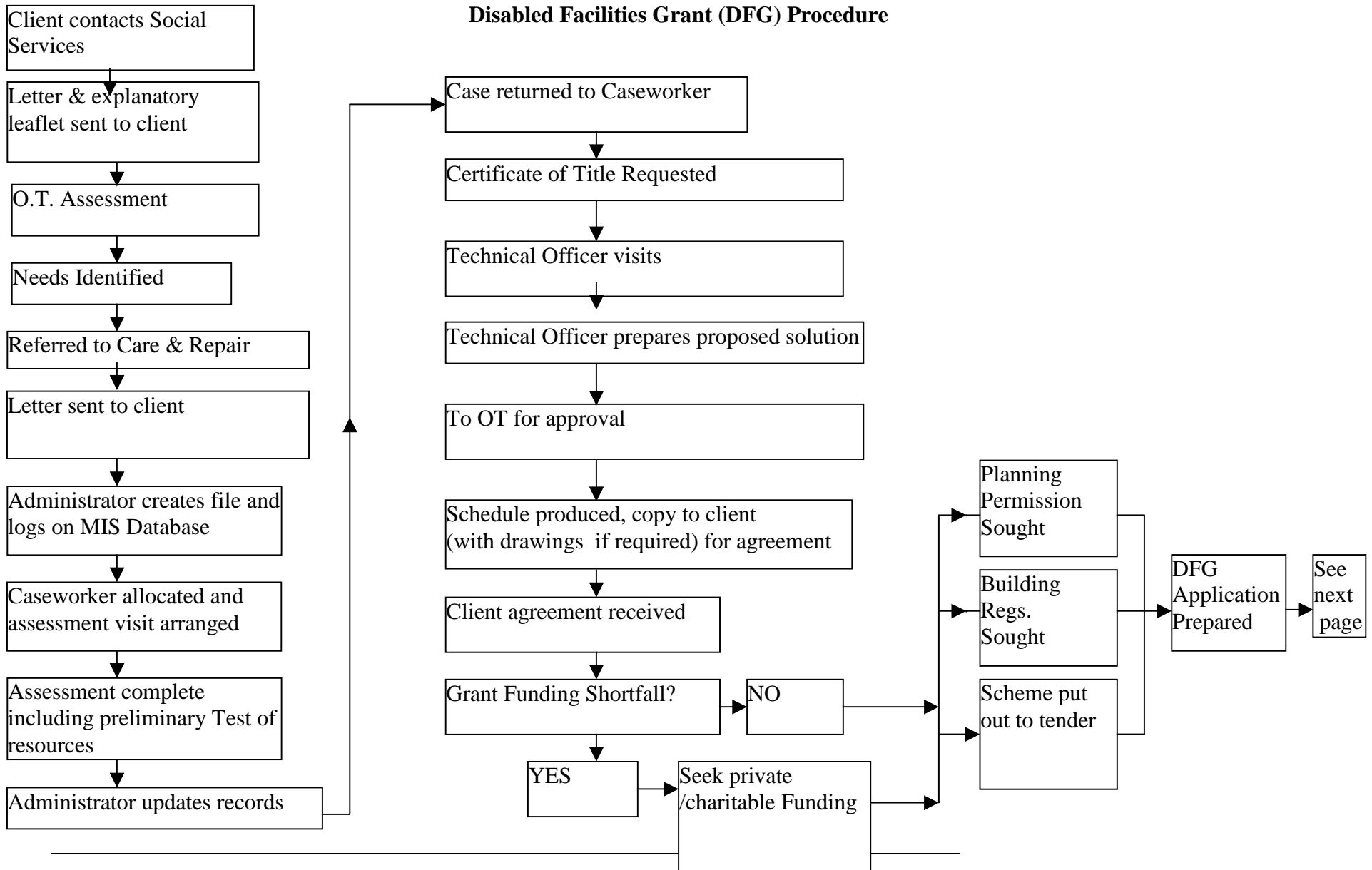
**DFG Situation in Tees Valley LA's**

	<b>ODPM 2004/5 Allocation</b>	<b>Total Budget 2004/5</b>	<b>% LA Contribution</b>	<b>Level of backlog/further information</b>
<b>Darlington (population 97,900)</b>	£162,000	£484,000	67%	<ul style="list-style-type: none"> <li>• 55 cases awaiting OT assessment.</li> <li>• Estimated at £304,000 worth of work.</li> <li>• Longest waiting time for OT assessment is 9 months.</li> <li>• Average waiting time from OT referral to Care &amp; Repair, to completion of work is 6 months.</li> </ul>
<b>Stockton (population 179,700)</b>	£290,000	£700,000	59%	<ul style="list-style-type: none"> <li>• 210 on waiting list.</li> <li>• Equates to approx £950,000 worth of work already on waiting list – so likely to be at least 55 cases currently on the books that will be outstanding at the end of the year – and of course more applications and OT recommendations coming all the time.</li> <li>• Average wait 7 months following OT assessment.</li> <li>• 16% of applicants have been waiting over 12months.</li> <li>• 2 applicants waiting 2 years.</li> <li>• Operate fast-tracks for low cost (under £300) and OT Priorities.</li> </ul>
<b>Hartlepool (population 88,200)</b>	£180,000	£300,000	40%	<ul style="list-style-type: none"> <li>• There are 100 applications outstanding and waiting to be processed, with more coming from OT all the time.</li> <li>• Of those, approx £100,000 worth of work is likely to hang over till next year based on current waiting list.</li> <li>• Average waiting time following OT assessment is at least 6 months, especially for larger scale works.</li> </ul>
<b>Redcar and Cleveland (population 139,400)</b>	£255,000	£425,000	40%	Backlog not given. Expect to offer 106 grants in 2004/05.

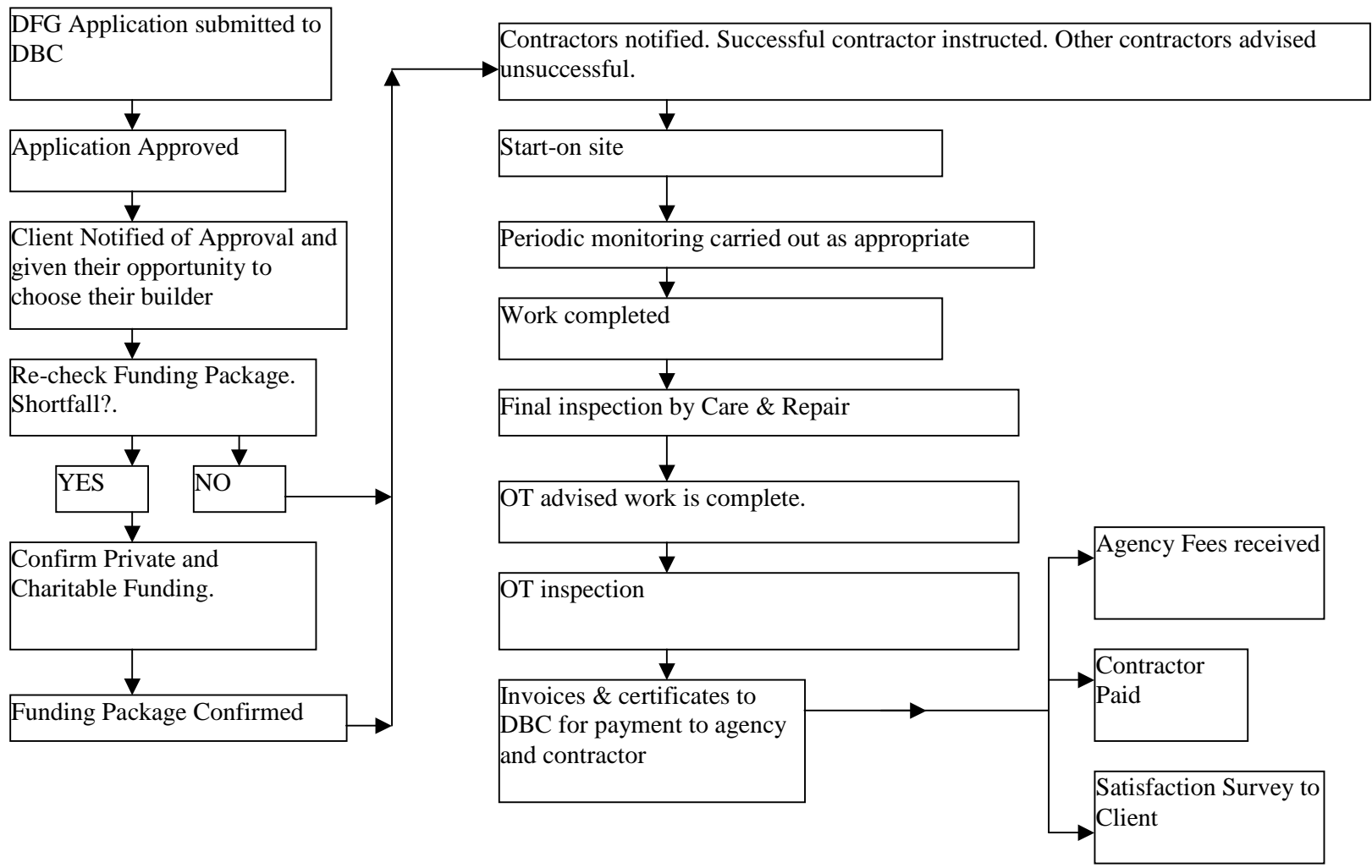


	<b>ODPM 2004/5 Allocation</b>	<b>Total Budget 2004/5</b>	<b>% LA Contribution</b>	<b>Level of backlog/further information</b>
<b>Middlesbrough (population 133,900)</b>	£281,000	£700,000	60%	<ul style="list-style-type: none"> <li>• 26 cases approved this year - £166,820.</li> <li>• 144 cases being processed – approximately £475,488.</li> <li>• Assuming average DFG of £3302, can only afford another 17 cases within the financial year.</li> <li>• Currently 17 referrals per month.</li> <li>• Therefore predict that 136 cases will be outstanding or approximately £450,000 worth of works by the end of this financial year.</li> </ul>

**Disabled Facilities Grant (DFG) Procedure**



### Disabled Facilities Grant (DFG) Procedure



**SOCIAL AFFAIRS AND HEALTH SCRUTINY COMMITTEE  
9TH NOVEMBER , 2004**

**MINUTE EXTRACT**

**SAH34. DISABLED FACILITIES GRANT** – The Directors of Community and Social Services submitted a report (previously circulated) asking Members to consider current budget pressures in respect of Disabled Facilities Grant (DFG) and adaptations to Council dwellings.

It was reported that there was a significant current backlog of DFG work to the value of £697,000 and an additional backlog of Council adaptations to the value of £331,000 that were waiting to be undertaken. This was due to this growing area of demand, which had been ‘hidden’ due to historic Occupational Therapy waiting lists which having been cleared, had quantified the demand for adaptations.

Discussion ensued on the options available to deal with the resource issues of DFG, which it was envisaged would continue to grow, as strategies for helping more people remain independent and at home were realised. It was noted that any additional resources allocated to this area would clearly reduce the resources available for other Council priorities and a suggestion was made that a more strategic approach be taken in addressing this issue in future.

**RESOLVED** – (a) That this Scrutiny Committee support option (b) in the submitted report, to make an additional capital allocation from capital funds immediately to clear the backlog (recommendation of £200,000 if this option is agreed), and then put within the capital plan process for future allocation.

(b) That the views of this Scrutiny Committee and the suggestion to take a more strategic approach in dealing with the future of DFG be forwarded to Cabinet in making its decision.

(c) That this issue be added to the work programme to be considered again in six months.