

Subject:	Housing Adaptations Update Report		
Date of Meeting:	10th September 2014		
Report of:	Executive Director Environment, Development & Housing		
Contact Officer:	Name:	Martin Reid / Sarah Potter	Tel: 29- 0789
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Ward(s) affected:	All		

FOR GENERAL RELEASE**1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 Housing Committee (18 June 2014) received an update on council and private sector housing adaptations delivered in 2013/14 and the level of commitments going forward. In particular, Housing Committee agreed that an options paper should come back to a future Housing Committee meeting to outline potential measures to mitigate the pressures identified.
- 1.2 In this report Housing Committee are asked to consider the capital funding pressures this year and going forward in light of the end of the Private Sector Housing capital programme and the options for managing the demand for and expenditure on major housing adaptations where this is forecast to exceed the capital funding available.
- 1.3 The Committee is asked to consider the options set out in the context of the rising demand for adaptations enabling disabled adults and children to live as independently as possible at home for as long as possible and the national evidence that timely housing adaptations can: significantly improve people's quality of life; deliver direct savings in relation to care costs, deferred entry into residential care and preventing unnecessary hospital admissions (Better Outcomes, lower costs – ODI/University of Bristol).

2. RECOMMENDATIONS:

- 2.1 That Housing Committee note housing adaptations capital expenditure commitments in 2014/15 and beyond.
- 2.2 That Housing Committee note the potential options outlined in paragraphs 3.18 to 3.29 in this report to mitigate pressures identified and agree the actions identified in recommendations below subject to report back to a future Housing Committee on progress & outcomes.
- 2.3 Housing Committee recommend that the Health & Wellbeing Board agree that the allocation for the Disabled Facilities Grant will be monitored as part of the governance arrangements for all schemes in the Better Care Fund.
- 2.4 Housing Committee approve consultation with housing associations to encourage tenant rather than landlord applications for Disabled Facilities Grant

and a greater contribution from housing associations toward the overall cost of adaptations to their homes.

- 2.5 Housing Committee approve use of the Adaptations Framework for adaptations in the private housing sector.
- 2.6 Housing Committee approve the consultation with council tenants and key stakeholders on the introduction of an Adaptations Policy for council tenants.

3. CONTEXT/ BACKGROUND INFORMATION

- 3.1 Housing Committee 18 June 2014 considered a Housing Adaptations Service update report on the outturn in 2013/14 and commitments in 2014/15 and beyond. Committee agreed that an options paper come back to outline potential options to mitigate the future capital funding pressures identified. Committee noted that without reviewing alternative funding and delivery options it is likely that the capital provision will be fully spent and committed and the service would have to operate a waiting list.
- 3.2 Brighton and Hove has a rising demand for housing adaptations, in particular an increase in over 85's and children with complex needs living at home. Duties arise under the Community Care Act, Chronically Sick and Disabled Persons Act and the Care Act to assess needs and make arrangements for needs to be met.
- 3.3 2013/2014, in the private housing sector (rented and owner occupied) where major housing adaptations are largely funded through the Disabled Facilities Grant (DFG), the Housing Adaptations Service delivered £962,826 in DFG investment, completing 107 grants, the average amount of grant awarded being just under £9,000. The DFG is a mandatory grant. The maximum amount available under DFG (excluding any additional Council assistance) is £30,000.
- 3.4 Last year in council homes, where the Housing Revenue Account (HRA) funds adaptations, Housing invested £1,194,849, completing 793 minor adaptations and 329 major adaptations (those costing over £1,000). The average cost of a major adaptation was £3,156.

Adaptations Panel

- 3.5 Over and above the average cost of a major adaptation, identified in paragraphs 3.3 & 3.4 above, a significant number of more complex major adaptations cost more than this average. All applications for housing adaptations over £15,000 are scrutinised by an internal multi disciplinary panel to ensure proposed works are necessary and appropriate, reasonable and practicable at an early stage and other housing options considered where appropriate.
- 3.6 The table below illustrates Adaptations Panel cases considered over last 6 months (those cases assessed to be over £15,000). This includes estimated costs of works.

The Panel offers guidance on clinical reasoning and whether proposed adaptations works are necessary and appropriate and / or reasonable and practicable, in anticipation of an application for financial assistance being

submitted. Not all of these cases have received in principle approval as some go above the £30,000 DFG limit. We are currently unable to fund these from Housing capital budgets. We will routinely consider alternative Housing Options and / or assistance to move (under our Private Sector Housing Renewal policy where funds are available) where cases are above the DFG limit or don't offer value for money for the Housing Revenue Account to fund (in case of Council homes).

Adaptations Panel cases.

Panel Date	Adult/Child	Tenure	Works	Estimated Cost
5 Mar	Child	Housing Association	Bathing & hoist	£25,000
5 Mar	Child	Owner Occupier	Access, kitchen, bathing & equipment	£29,000
5 Mar	Adult	Owner Occupier	Through floor lift, bathroom & internal access	£30,000
2 April	Child	Owner Occupier	Through floor lift & bathroom works	£35,000
2 April	Child	Owner Occupier	Ground floor bed/bath & extension	£45,000
2 April	Child	Housing Association	Access, internal works, bathing & equipment	£88,000
7 May	Adult	Local Authority	Bathing & thorough floor lift	£17,500
7 May	Adult	Owner Occupier	Access	£19,000
7 May	Adult	Housing Association	Various	£22,500
7 May	Adult	Housing Association	Access & bathroom	£35,000
7 May	Child	Housing Association	Extension, bathroom & equipment	£35,000
7 May	Child	Owner Occupier	Access & bathroom	£22,000
4 June	Adult	Owner Occupier	Access, stair-lift & bathroom	£20,000
4 June	Child	Owner Occupier	Access, bathing & equipment	£91,000
4 June	Adult	Local Authority	Access to garden & bathroom	£15,000
6 Aug	Adult	Housing Association	Kitchen, bathroom & stair-lift	£17,000
6 Aug	Adult	Local Authority	Bathroom & internal access	£21,000
6 Aug	Adult x 2	Owner Occupier	Extension & equipment	£37,000

Pro-active Housing Options approach

- 3.7 The Housing Adaptations Service works pro-actively to support households to make informed choices about their housing options as a potential alternative to expensive and disruptive adaptations to their existing home. The Service works with Home-move to support people through the housing application and lettings process and dedicates Occupational Therapy hours to accompany disabled applicants to view offers of council and housing association properties, advising on the suitability of the property.
- 3.8 The Housing Adaptations Service works to pro-actively manage the demand for major adaptations through its joint commissioning of the Home Improvement Agency housing advice and support service, work on new affordable lifetime and wheelchair accessible homes and the accessible housing register as well as making best use of capital programmes to improve and refurbish council homes.
- 3.9 The current demand on Home-move for fully wheelchair adapted homes (which is the Mobility 1 category) is as follows: 1 bed - 39 applicants; 2 beds – 19 applicants; 3 beds – 9 applicants; 4+ beds – 6 applicants.
- 3.10 The Housing Adaptations Service has strong links with the Housing Development Team in the commissioning of new affordable accessible housing and with Registered Providers and private developers at pre-planning design stages and on the letting of new wheelchair accessible housing both for rent and part buy part rent. The Service is also working with City Regeneration on the New Homes for Neighbourhoods initiative, providing guidance on inclusive design principles to help maximise the amount of accessible and fully wheelchair adapted homes planned under our estates regeneration programme.
- 3.11 Our Affordable Housing Brief states that ‘All residential units must be built to 100% Lifetime Homes Standard. At least 10% of the affordable homes must be built to the council’s wheelchair accessible standard as set out in Planning Advice Note – Lifetime Homes and Accessible Housing (PAN03)’. The table below demonstrates our current commissioning of new build wheelchair adapted housing under the present Affordable Housing Development Programme.

2011-15 Programme by tenure only

	Total affordable units	Rent	Shared Ownership	Wheel chair
2011-12 Total	58	46	12	13 (22%)
2012-13 Total	46	16	30	4 (9%)
2013-14 Total	164	104	60	16 (10%)
2014-15 Total	359	137	222	34 (9%)
ALL	627	303	324	67 (11%)

Investment in Housing Adaptations - capital Funding out-turn & issues

- 3.12 The ‘Better outcomes, lower costs’ (ODI/ University of Bristol 2007) report and Audit Commission (2009) ‘Building Better lives – getting the best from strategic

housing' provide the evidence that investment in housing adaptations bring significant savings to Health and Social Care budgets - reducing residential care, hospital admissions and delayed discharges. The Audit Commission (2009) 'Building Better Lives – getting the best from strategic housing' found that spending between £2,000 and £20,000 on adaptations that enable an elderly person to remain in their own home can save £6,000 per year in care costs.

- 3.13 In the private housing sector (rented and owner-occupier) major adaptations are largely funded through the Disabled Facilities Grant (DFG). Entitlement to a DFG is mandatory for eligible disabled people, the grant providing financial help for the provision of a wide range of adaptations ranging from stair lifts, level access showers and home extensions.
- 3.14 The allocation from government via the DFG has never been intended to meet 100% of local adaptations expenditure. The table below outlines, the allocation received from the Government via the DFG, the spend on funding adaptations over the last 5 years and the budget for 2014/15.

Allocation received from Government via the DFG	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Total	660,000	664,100	818,860	905,403	727,717	750,516

Spend on funding adaptations	2009/10	2010/11	2011/12	2012/13	2013/14	Budget 2014/15
Disabled Facilities Grants including PSH housing capital top up	1,219,053	1,059,178	1,098,185	1,059,059	962,826	1,000,000
Adult Social Care (HAOT - Major Adaptation)	0	84,554	33,959	115,522	49,464	68,000
Children's Adaptations	30,762	19,622	29,400	2,978	4,997	80,200
HRA Adaptations	800,764	773,545	876,427	1,336,169	1,194,849	1,150,000
Total spend	2,050,579	1,936,899	2,037,971	2,513,728	2,212,136	2,298,200

- 3.15 In 2014/15 the government DFG allocation is £0.751m. There is a residual sum of private sector housing renewal money carried forward this year of which £0.111m is allocated for DFG top up, and some grant (£0.138m) carried forward against existing commitments providing a total DFG budget of £1m.
- 3.16 At this point in the financial year (mid Q2) the DFG spend stands at £0.413m, and commitments i.e. grants approved at £1.073m, in total £1.486m. Not all grants approved complete in the same year. The spend to date, 41% of the budget for the year, reflects significant service improvements, quicker OT assessment times, improved grant administration, and the rising demand and eligibility for the mandatory grant.
- 3.17 In the past Private Sector Housing Renewal Assistance (PSHRA) has provided significant top up to the DFG budget. In addition to DFG, Disabled Facilities Assistance of up to £50,000 was available under our PSHRA policy to applicants who met the eligibility criteria for DFG and who required additional funding in

order to pay for the adaptations or move to another property more suited to adaptation (or already adapted) for the benefit of the disabled person (subject to test of resources and other criteria). There is no private sector housing capital programme going forward and as a result there are potential capital pressures on Adult Social Care and Children's Services related to the discharge of Community Care Act duties to meet the needs of disabled adults and children and their carers.

Options to mitigate the future capital funding pressures identified

- 3.18 Options to mitigate the future capital funding pressures identified and review of funding and delivery options are set out below.

Recycled Private Sector Housing Renewal funding.

- 3.19 Financial figures show that from 2009/10 to 2013/14, £0.666m in Renewal Assistance has been returned to the city council with 2013/14 showing the highest return with a total of £0.284m repaid. This is not currently recycled back into private sector housing capital programmes. This repayment activity is likely to increase in future given the high level of renewal assistance funding achieved under the successful BEST bids to Regional Housing Board. Critically this capital recycled into private sector housing could provide a capital programme to continue to top up the DFG allocation.

Better Care Fund

- 3.20 The Government has announced in a joint letter from the Dept. of Health and Dept. for Communities and Local Government the Better Care funding for DFG in 2015/16 is an indicative amount of £0.911m. The Health & Wellbeing Board (HWB) is established as a Committee of the Council pursuant to Section 194 of the Health and Social Care Act 2012 and the Local Authority (Public Health, Health and Wellbeing Board and Health Scrutiny) Regulations 2013. The Board is responsible for the administration of the Better Care Fund. Health and Clinical Commissioning Group (CCG) will determine the future funding allocation through the Better Care Fund linked to better Health outcomes and looking at the evidence of the cost benefit of timely adaptations in reducing costs and preventing hospital admissions. Housing Committee members may wish to seek assurances that the Health & Wellbeing Board continue to prioritise the allocation for Disabled Facilities Grant via the Better Care Fund arrangements in 2015/16 and beyond. Housing Committee could therefore recommend to the Board that it agrees that the allocation for the Disabled Facilities Grant will be monitored as part of the governance arrangements for all schemes in the Better Care Fund (recommendation 2.3 above).

Housing Association applications

- 3.21 Under the DFG process, we have previously accepted housing associations (HA) landlord applications on behalf of their tenants. These applications are not subject to a means test and we currently fund adaptations in HA homes up to the grant limit £30,000. The rationale for this approach was that it simplified the application process and increases the amount of adapted social housing available to those on the Council's housing register.
- 3.22 In 2013/14 we approved 53 HA landlord applications of which 90% of those HA tenants were in receipt of a pass-porting benefit and entitled to a full grant in their

own right. Accepting only HA tenants' applications rather than landlord applications would ensure the DFG was always issued subject to a means test and spent on those in greatest need of assistance.

- 3.23 In addition, approaching HAs to contribute either a percentage of the total cost of work or to fund certain types of adaptation would reduce the overall spend and align with potential HA duties under s36 of Equality Act.

Information on the approach of neighbouring authorities toward housing association tenant applications and contributions is in the table below

Authority	Allow Landlord app for HAs	HA Contribution?
Arun DC	No	LA always ask if no agreement in place.
Adur DC	No	If possible. By arrangement with individual HAs, case by case
Lewes DC		Some HAs pay fees, including contributions of up to 40-50%. Some large HAs will fund all works.
Worthing BC	No	If possible. By arrangement with individual HAs, case by case
Horsham DC	No	No current agreements in place but always ask.
Mid Sussex DC		From policy: "...normally expect larger Registered Social Landlords to adapt properties owned by them and will continue to encourage them to provide adequate resources."
Wealden DC	No	Varies. Some HAs pay up to 50%. LA always ask if not agreement in place. Some HAs pay HIA fees
Eastbourne BC	No	Individual arrangements with all HAs in area with majority contributing 50%. Some pay HIA fees
Rother DC	No	Very few contribute.
Hastings BC	Yes	Occasional contributions from HAs but not as a matter of course.: "Tenants of Registered Providers (RP's) are eligible to apply for mandatory DFGs, but in these situations, we will firstly investigate the RP's ability to carry out the necessary work, or other options, such as transfer to more appropriate accommodation for the disabled person."
Chichester DC	No	Individual arrangements with HAs with contributions up to 40% of total cost. Have SLA with all HAs

Review use of Council Housing Adaptations Framework Agreement

- 3.24 In terms of delivery options, using the Council's Adaptations Framework Agreement of specialist contractors for adaptations in the private housing sector could significantly reduce the average cost of works and speed up the process. Currently the local Home Improvement Agency (HIA) provide casework and technical support for grant applicants including the preparation of technical drawings and a schedule for tendering the works, the DFG application requires 2 competitive quotes for most adaptations. The tender process for each grant application adds 3 – 5 weeks to the application process. The council's Adaptations Framework agreement, let October 2013, included in its scope the work to the value of up to £850,000 per annum for major adaptations in council

homes and in addition DFG spend up to the value of up to £650,000 per annum over the three years. To date the HIA has not made use of the DFG element of this. Using the Adaptations Framework could reduce the average amount of grant awarded.

Council (HRA Adaptations)

- 3.25 Although the DFG framework and mandatory aspect applies across all tenures the main DFG budget cannot be used for the funding of adaptations to council properties, the HRA contributes to these adaptations.
- 3.26 The HRA adaptations budget for 2014/15 remains at £1,150,000. Capital pressures on this budget also need to be flagged given rising demand. In 2013/14 Housing invested £1,194,849 completing 1,122 adaptations including 329 major adaptations – an over-spend of £44,849 absorbed by under spends elsewhere within the HRA capital programme.
- 3.27 In 2013/14 the average cost of a major adaptation in the council sector £3,156 compared to just under £9,000 in the private sector. The reasons for the lower cost include the procurement of the Adaptations Framework (Oct 2013) with a competitive schedule of rates and economies of scale, no professional fees as the work is managed by the Home Improvement Officers in the Housing Adaptations team, and some of the most complex adaptations requiring property extensions addressed through the joint work with Housing's Extensions Programme.
- 3.28 Managing the demand for and spend on adaptations in council homes will in part be managed through supporting council tenants to move to more suitable accommodation through commissioning the development of more new build wheelchair adapted homes and best use of existing housing resources through Homemove and the Accessible Housing Register as an alternative to costly and disruptive adaptations.
- 3.29 An Adaptations Policy, particularly for council tenants would also help clarify the type of work that the Adaptations Service can provide and requirement to ensure that the works are necessary and appropriate, reasonable and practicable. In order to take this forward we would propose to bring forward proposals for an Adaptations Policy for Council homes on which we would propose to consult with tenant groups.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

- 4.1 In Brighton & Hove the provision of equipment such as stair-lifts, ceiling track hoists, is funded through the DFG route. When the DFG budget is under pressure to meet all types of work that the mandatory grant can cover looking at funding the provision of equipment through Health and Social Care would reduce the pressure on DFG. This would however shift the capital pressures to Health and Social Care budgets.
- 4.2 In Brighton & Hove the DFG is issued to include the cost of providing extended 5 year warranties on equipment i.e. any electrical equipment typically stair-lifts, hoists, automatic doors. All adaptations are covered by a 1 year warranty. The cost of extended warranties varies typically ranging from £400 for a stair lift up to

£1,800 for a specialist height adjustable bath. Where the equipment is provided for private use within the home and the disabled person's own equipment it is their responsibility to ensure it is properly maintained and safe to use. Not funding the provision of the extended warranty under the DFG could reduce the overall DFG spend. The risk is this would result in a worse service and costs for the disabled person and potentially a pressure on Health and Social Care budgets to fund in cases of hardship.

- 4.3 Currently the Home Improvement Agency (HIA) contract, let Feb 2014 to April 2015, is commissioned with the Agency's fees for casework only support, 10% of the total cost of works excluding warranties, and casework and technical support at 15%. Reasonable fees are payable under the DFG and included in the grant application. Reducing the fees paid in the future HIA tender (post April 2015) could reduce the overall DFG spend. This is an opportunity as and when the service is re-tendered and subject to the contract pricing being sufficiently attractive to potential service providers.

5. COMMUNITY ENGAGEMENT & CONSULTATION

- 5.1 No community engagement or consultation has been carried out at this stage. It is planned to engage with Housing Associations in the City on the issue of the contribution to the cost of adaptations in HA homes and the move to tenants applications should Committee approve these recommendations. A full consultation would take place on the introduction of an Adaptations Policy for council tenants if approved.

6. CONCLUSION

- 6.1 Committee is asked to approve the measures set out above to maximise the funding available for the investment in housing adaptations, to make best use of the Adaptations Framework for private sector adaptations and to produce and consult on an adaptations policy for council tenants.
- 6.2 Committee noted that without reviewing alternative funding and delivery options it is likely that the capital provision will be fully spent and committed and the service would have to operate a waiting list.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 7.1 HRA Adaptations - As mentioned in the body of the report, the HRA capital budget for adaptations is £1.150 million for 2014/15. Given the overspend of £44,849 last year, this is likely to come under pressure again for 2014/15, although so far indications are that this can be managed as part of the overall capital programme for the HRA. Any actions that can help prioritise where spend should be, such as the adaptations policy will assist in keeping costs down and achieving value for money. The costs of writing the policy will be met within current resources.

- 7.2 The Housing General Fund adaptations budget for 2014/15 is £1.068m and is funded by re-profiled budgets (£0.206m), grant funding (£0.751m) and a contribution from the renovation capital budget (£0.111m). Commitments against the Disabled Facilities Grant, as mention in 3.16 of the report, already exceeds the 2014/15 budget by £0.5m and a review of the profiling/funding is required to understand the financial impact on 2014/15 and future years.
- 7.3 Reimbursements of monies to the council through the Renewal Assistance Scheme have in previous financial years contributed to the corporate capital programme and are no longer available. Any changes in the use of these monies for future years will need to be taken into account through the corporate capital budget setting process.
- 7.4 The Disabled Facilities Grant (DFG) will form part of the Better Care Funding with effect from 01st April 2015, as detailed in the General Fund Budget Report, 13th February 2014. Indicative allocations for the Better Care Fund include £0.911m for the DFG. The DFG has been included in the Fund so that the provision of adaptations can be incorporated in the strategic consideration and planning of investment to improve outcomes for service users. However, the statutory duty on local housing authorities to provide DFG to those who qualify will remain and it is anticipated that this funding will be used to meet this statutory duty. Funding allocations will be confirmed as part of the 2015/16 budget setting process.

Finance Officer Consulted: Susie Allen/Neil Smith

Date: 29/08/14

Legal Implications:

- 7.5 The Housing Grants, Construction and Regeneration Act 1996 makes provision for Disabled Facilities Grants. Approval of such grants is mandatory where the proposed work is necessary and appropriate to meet the disabled person's needs, and the work is reasonable and practicable. The grant is means tested, although the means test does not apply where the disabled person is under 19.

Lawyer Consulted:

Name Liz Woodley

Date: 26/08/14

Equalities Implications:

- 7.6 An Equality Impact Assessment is planned to assess the impact of any changes to the current housing adaptations service, funding and delivery options, as a result of the recommendations in this report.

Sustainability Implications:

- 7.7 The delivery of major housing adaptations enabling people to live as independently as possible for as long as possible is an investment in the existing housing stock, in particular increasing the supply of accessible council housing for its life long use. Adapted and accessible council and housing association homes for rent are advertised and re-let through the council's Homemove scheme to those on the council's housing register with a matching need. The Accessible Housing Register ensures accessible properties are let to those with a matching need. In addition the housing options approach as an alternative to

costly and disruptive adaptations in public & private sector homes where it is appropriate ensures we adapt only where it is reasonable and practicable to do so.

- 7.8 Using the council's Adaptations Framework for DFG funded work up to £650,000 per annum over the remaining term of the Agreement would ensure private sector housing adaptations carried out by contractors who scored highly on sustainability including energy use, recycling, procurement of sustainable products and accreditations such as ISO 14001. In addition the Framework Agreement requires use of sustainable timber in line with FLEGT, the standard for all relevant BHCC contracts.

Any Other Significant Implications:

- 7.9 These are included in the body of the report where possible.

SUPPORTING DOCUMENTATION

Appendices:

1. None

Documents in Members' Rooms

1. None

Background Documents

1. 'Better outcomes, lower costs' (ODI/ University of Bristol 2007) report.
2. Audit Commission (2009) 'Building Better lives – getting the best from strategic housing' Better outcomes, lower costs.
3. Improving Access to Adaptations Housing Committee Report (14 January 2010).
4. Housing Adaptations Service update report – Housing Committee (18th June 2014).

Crime & Disorder Implications:

- 1.1 None.

Risk and Opportunity Management Implications:

- 1.2 A full risk and opportunity statement will accompany any changes to the current housing adaptations service, funding and delivery options. The full options report is the opportunity to explore options and risks. The risk of not approving the recommendation to come back to Housing Committee with this report is that options will not be fully explored and that current demand and spend will need to be closely monitored this year with the risk of having to manage waiting lists in both private and council sectors.

Public Health Implications:

- 1.3 The delivery of housing adaptations contributes to ensuring disabled people can live as independently at home for as long as possible, managing the risk of falls or injury through adaptation of the home facilitating safe access in to and out of the home, and the provision of essential facilities within it for safe bathing and the safe preparation of food.

Corporate / Citywide Implications:

- 1.4 The delivery of housing adaptations positively promotes disability equality enabling disabled people to live as independently as possible for as long as possible in their homes. In line with the Older Peoples Housing Strategy, we know we need to improve the supply of housing that can be adapted to meet changing needs, and in line with the roll out of more personalised support, and Adult Social Care commissioning continue to focus on people maintaining their independence for as long as possible, we know the importance of timely adapts in enabling this.