

TONBRIDGE & MALLING BOROUGH COUNCIL

STRATEGIC HOUSING ADVISORY BOARD

23 February 2009

**Joint Report of the Director of Health and Housing and Cabinet Member for
Housing**

Part 1- Public

Matters for Recommendation to Cabinet - Non-Key Decision (Decision may be taken by the Cabinet Member)

1 UPDATE ON DISABLED FACILITIES GRANTS

Summary

This report updates Members on the current spend against the Disabled Facilities Grant (DFG) Budget and the successful outcome of a bid for further funding for the current year. It also highlights the proposal to introduce a cap on the DFG spend by Russet Homes in order to redress the imbalance of spend amongst tenures in the borough.

1.1 Background

- 1.1.1 The report presented to the January 2009 meeting of this Board highlighted the severe pressure the Disabled Facilities Grant (DFG) budget is facing in the current year. Members were informed that approval of DFGs was suspended in October 2008, other than in urgent cases, in order to control the overspend.
- 1.1.2 Members were updated on the disappointing response from Russet Homes, who utilise a high percentage of the DFG budget, to our request for a contribution towards the DFG expenditure.

1.2 Expenditure in 2008/09

- 1.2.1 As at 5 February 2009, £645,000 had been spent against the £598,000 budget.
- 1.2.2 On 5 January 2009 I received notification that the CLG will make additional funds available to support DFG expenditure during the remainder of this financial year. An amount of just over £650,000 was to be shared across the South East region and bids from local authorities were invited by 16 January 2009. It is a condition of any additional allocation that it should be spent in the current financial year.
- 1.2.3 Tonbridge & Malling submitted a bid for an additional £100,000 taking into account current overspend and outstanding commitments. It has been confirmed that we have been successful in our bid and received a further £50,000. This has enabled a trickle of DFG approvals to begin again which will incur expenditure in 2009/10.

1.3 Russet Homes and the DFG budget

- 1.3.1 Members are aware that I had written to Keith Andrews, Managing Director of Russet Homes, to encourage Russet Homes to contribute to the DFG budget either directly or indirectly. To give Members an idea of the increasing number of approvals for housing association tenants I have provided information in **TABLE 1**.

TABLE 1

Year	Total number of DFG approvals	Private Rented	Housing Association	Owner Occupied
2006/07	120	2%	77%	21%
2007/08	158	3%	75%	22%
2008/09 to date	92	1%	82%	17%

- 1.3.2 It is clear that the number of DFG approvals for housing association properties is increasing. Within Tonbridge & Malling these will mainly be for Russet Homes tenants.
- 1.3.3 From the Private Sector House Condition Survey undertaken in 2006, it was identified that 75.6 per cent of the stock is in owner occupation, 5.1 per cent is privately rented with 16 per cent being occupied by RSL tenants. It is therefore clear there is an imbalance in the way the DFG budget is being spent amongst the different tenures. I am therefore keen to address this issue urgently. I am mindful that there is a need for careful targeting of awareness raising about DFGs and adaptations in general amongst the private tenures. With the transfer of the Home Improvement Agency to *in touch* and the ongoing improvement of this service it is possible that demand from owner occupiers and tenants in the private sector may increase.
- 1.3.4 I have consulted with our neighbouring authorities, Sevenoaks DC and Tunbridge Wells BC who it appears both cap their principal RSLs at £300,000 of their total DFG budget.
- 1.3.5 A way forward is for the 3 West Kent district councils to adopt a similar approach to managing limited resources. Hence I propose to introduce a cap in 2009/10 for £300,000 for spend out of the DFG budget on Russet Homes properties. In terms of total spend on RSL properties this cap would be £22,000 less than spend in 2006/07, 88 per cent of the spend in 2007/08, and 67 per cent of the spend so far in the current year. It is important to recognise that this level of cap is a starting point. The cap will be reviewed each year in order that we assess ongoing demand from each tenure and to ensure we reach a more equitable split of the funding.
- 1.3.6 As part of our review of the DFG budget I have circulated a short questionnaire amongst the LSVT benchmarking group to gather information on whether other

local authorities are experiencing increased demand for DFGs from RSLs and if so, how this is being addressed. I will update Members further on this at the meeting.

- 1.3.7 As ever we will also press for increased funding from Government at every opportunity in order that the growing demand for DFGs for our residents can be met.
- 1.3.8 Russet Homes have a number of sheltered schemes where it could be argued that bathrooms should be designed for use by elderly/disabled residents at the construction stage. It appears at outline specification stage in a number of sheltered schemes the following is specified in relation to bathroom fittings "bathroom and wc fittings will be of a design suitable for use by persons of limited mobility ..." However over the years a number of these schemes had a large number of DFGs completed to change baths into level access showers for easier bathing so clearly they were not originally designed to meet the needs of potential disabled residents. My Officers are undertaking a full review of the sheltered schemes and what works under DFG funding have been completed in these schemes. I will update Members further on this work at the meeting. I also intend discussing this issue further with Keith Andrews at Russet Homes with a view to agreeing standards for future such developments/refurbishments to prevent the need for more retro fit and arguably avoidable DFG funded adaptations.

1.4 Legal Implications

- 1.4.1 DFG's are a mandatory grant. The Council is legally required to either approve or refuse a DFG application within six months of receiving a valid application. As it stands the Council is not failing in this legal duty.

1.5 Financial and Value for Money Considerations

- 1.5.1 The 2008/09 DFG budget will be overspent. The overspend will be funded from the additional allocation of £50,000 received from the CLG for DFG spend in 2008/09. The DFG budget for 2009/10 is confirmed as £561,000.

1.6 Risk Assessment

- 1.6.1 Where the Council has delayed approvals, applicants' adaptation works cannot go ahead which could be leaving residents at risk of injury or unable to live independently.

1.7 Conclusions

- 1.7.1 The DFG budget for 2008/09 will be overspent but will be addressed by the additional allocation of £50,000. A significant contributing factor of the increased pressure on this budget is the dedicated and fast track procedure in place to assist Russet Homes' tenants. The proposal to cap the spend by Russet Homes

to £300,000 of the 2009/10 DFG budget will assist in redressing the imbalance of DFG spend amongst tenures.

1.8 Recommendations

- 1.8.1 **It is RECOMMENDED that CABINET**
- 1.8.2 **NOTE** the additional DFG allocation of £50,000 received for 2008/09 to be included as a provision within the Capital Plan when the Plan is next updated;
- 1.8.3 **NOTE and ENDORSE** the proposed cap of £300,000 of the 2009/10 DFG budget on Russet Homes properties; and
- 1.8.4 **NOTE** the ongoing work in relation to assessing the suitability of design and installation standards in new developments and refurbishment schemes intended for occupation by elderly persons.

The Director of Health and Housing confirms that the proposals contained in the recommendation(s), if approved, will fall within the Council's Budget and Policy Framework.

Background papers: contact: Linda Hibbs

Nil

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Director of Health and Housing

Councillor Jill Anderson
Cabinet Member for Housing