

**DISABLED FACILITIES GRANT BUDGET
(Report by the Head of Housing Services)**

1. PURPOSE OF REPORT

- 1.1 This report informs Cabinet that the demand for disabled facilities grants (DFGs) will exceed the 2011/12 budget provision. It explores the reasons for this and provides options for dealing with the situation.

2. BACKGROUND INFORMATION

- 2.1 The Council must award a DFG for work to achieve one or more of a set of purposes defined by statute. DFGs are awarded on the recommendation of an occupational therapist (OT) and funds aids and adaptations like ramps, stair lifts and level access showers. Occasionally the works required are more involved and may result in an extension to a property, if this is the best solution. DFGs enable elderly and disabled people to live independently and therefore contribute towards their quality of life. The Council must be satisfied that a DFG is necessary and appropriate and that to carry it out is reasonable and practicable. The Council is expected and required to set a budget that can cope with the likely level of demand placed upon it.
- 2.2 A local authority must inform the applicant in writing of the outcome of an application as soon as reasonably practicable and not later than six months after the date of the application.
- 2.3 When demand exceeds available budget authorities are able to defer payment of approved cases for up to 12 months but this cannot be used to limit demand or reduce expenditure. When money becomes available these approved cases are first in line to be paid followed by all the other cases for that financial year. This approach does not solve the problem it merely defers the problem.

3. REASONS FOR INCREASED DEMAND/COST

- 3.1 The waiting time for OT assessment for HDC residents compared to other districts has been longer. Over the last 3 years the OT service has put extra resources into Huntingdonshire. This has resulted in higher referral rates. The waiting time has been broadly equitable with other districts since May 2011. It was anticipated that the volume of referrals would reduce once equity had been achieved but this has not been the case so far. The OT service has reported a general increase in demand.

Year	Number of OT referrals	Average per month
2009-10	347	28.92
2010-11	404 (+57)	33.67
2011-12	134 (April to July)	33.5

3.2 There were 135 enquiries outstanding from last year at the end of December 2010. These jobs, because of the lead time to prepare, have carried over for funding in the current year. In addition, the referrals in the current year from the OT service have, so far, continued at the higher rate of the previous year.

3.3 Grants Approved.

Year	Grant Approvals	Average number per month
2009-10	188	15.66
2010-11	320 (+132)	26.66 (+11)
2011-12	98 (April to 30 August)	19.6

APPROVED GRANTS			
	2009/10	2010/11	2011/12 (to 30 August)
Number			
Adult	167	300	93
Child	21	20	13
Total	188	320	106
Total cost	£	£	£
Adult	790,293	1,507,862	502,321
Child	231,424	298,982	223,238
Total	1,021,717	1,806,844	725,559
Average cost	£	£	£
Adult	4,732	5,026	5,401
Child	11,020	14,949	17,172
All	5,435	5,646	6,845

*Grants approved in the year will not equal spend in year due to works/payments overlapping financial years.

3.4 There has been a general increase in the number of referrals including higher value works such as conversions and extensions to homes (see tables at 3.3 and 3.10). Some of the approvals last year are a cost to this year's budget.

3.5 The Child OT service has reported that their considerable backlog of complex cases has now been addressed due to increased staffing resources. They are now visiting children's cases within their 18 week target.

3.6 They have commented that the nature of children's disability has changed over the years, and continues to change. The advances in medical care mean that children are surviving now who would have previously died, a portion of these children are surviving with very profound and complex disability.

3.7 The OT service has said that it is difficult to predict workflows because whilst there is no longer a long waiting list of children who have waited up to two years there is an increasing number of severely disabled children surviving in to childhood and with a more complex pattern of disability.

- 3.8 An additional influence on increased costs has been the introduction of new building regulation since last October which has increased the thermal insulation requirements of extensions and conversions. Builders have stated that over the last year there has been a significant increase in material costs and plumbing materials eg copper pipes and fittings etc have doubled in price.
- 3.9 The following two tables are a breakdown of the table of 'Approved Grants' at paragraph 3.3.

APPROVED WORKS (Grants) EXTENSIONS/CONVERSIONS			
	2009/10	2010/11	2011/12 (to 30 August)
Number			
Adult	3	9	5
Child	5	10	7
Total	8	19	12
Total cost			
Adult	71,924	196,654	129,866
Child	105,565	235,715	168,338
All	177,489	432,369	298,204
Average cost			
Adult	23,975	21,850	25,973
Child	21,113	23,571	24,048
All	22,186	22,756	24,850

- 3.10 It is difficult to predict the average cost of child cases because they are tailored to the individual's sometimes complex needs in comparison to adult adaptations that in general relate more to standard jobs such as access to bathing facilities.

APPROVED OTHER WORKS (Grants)			
	2009/10	2010/11	2011/12 (to 30 August)
Number			
Adult	164	291	88
Child	16	10	6
Total	180	301	94
Total cost			
Adult	718,369	1,311,208	372,455
Child	125,859	63,267	54,900
All	844,228	1,374,475	427,355
Average cost			
Adult	4,380	4,506	4,232
Child	7,866	6,327	9,150
All	4,690	4,566	4,546

- 3.11 There is insufficient budget 2011/12 to progress the following cases. Not all of these works are capable of completion during 2011/12.

APPLICATIONS ALREADY RECEIVED (AWAITING APPROVAL)			
	Extensions/conversions	Other	Total
Number			
Adult	12	75	87
Child	7	13	20
Total	19	88	107
	£	£	£
Total cost			
Adult	300,000	537,950	837,950
Child	170,000	87,500	257,500
All	470,000	625,450	1,095,450
Average cost			
Adult	25,000	7,173	9,632
Child	24,286	6,731	12,875
All	24,737	7,107	10,237

4. FUNDING REQUIREMENT 2011/12

- 4.1 The funding requirement of demand capable of being completed/commenced and requiring payment during 2011/12 is as follows:

	Number of cases 2011/12	Funding Requirement £000	
Budget			1,217
Spend at 24 August		528	
Approved and committed		619	
Sub total		1,147	1,147
Remaining budget			70
Applications capable of completion (already in the system but not approved*)		626	
New applications expected Sept - December** (at 20 approvals per month)	80	560	
Sub total		1,186	1,186
Budget shortfall			1,116

*Approximate cost - builders quotes not received.

**applications take approximately 3 months to process so those received between January and March will be funded from the following year's budget. The mix between large and small jobs is unknown. It is assumed that there will be considerably less extensions/conversions for child cases. The average number of grant approvals has been assumed to be 20 per month. An average grant of £7k has been used for estimation purposes.

5. OPTIONS

- 5.1 The table below shows the increase in capital investment and revenue impact for different service levels that could be provided (delays in applicants receiving adaptations to their homes).

Delay in Completion of Adaptation Months	Extra Cost	
	Capital £000	2012/13 Revenue Impact £000
0	1,116	104
3		78
6		52

- 5.2 If the additional budget required is to be delayed by six months this could be included as part of an MTP process for additional resources for 2012/13.

6. CONCLUSIONS

- 6.1 The combination of increased demand/referrals for DFGs and the increased cost of DFGs means that 2011/12 budget is insufficient if the Council wishes to continue its current approach of dealing with DFGs without delay, recognising that any delay in providing DFGs would have a detrimental impact on the quality of life of those requiring adaptations to their home.
- 6.2 To maintain the current level of service, an increase of £1.116m would be required to the 2011/12 budget. These Grants are funded over 10 years and so the additional revenue cost will be £104k in 2012/13 but rising to around £134k for the remaining nine years. This would enable the Council to fund the backlog of DFG applications in addition to those that will be received during the year until December.
- 6.3 Investigations are ongoing to establish the likely demand going forward. It is likely that an increased budget provision will be required in future years and this will form part of the MTP review in the autumn.
- 6.4 Any delay in approvals is likely to result in complaints and adverse media.
- 6.5 The approval of a supplementary estimate will be a key decision.

7. RECOMMENDATION

- 7.1 It is recommended that Cabinet determine the service standard to be provided, by reference to the table at paragraph 5.1, and approve the applicable supplementary capital estimate.

BACKGROUND INFORMATION

Nil

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