

Report of: Head of Oxford City Homes

To: Executive Board

Date: 4 February 2008 **Item No:**

Title of Report: Aids and Adaptations for Disabled Persons – Process Changes

Summary and Recommendations

Purpose of report: To seek approval for the proposed changes in internal processes when providing adaptations for disabled persons.

Key decision: Yes

Portfolio Holder: Councillor Patrick Murray.

Scrutiny Responsibility: Housing Scrutiny Committee – This report was presented to Housing Scrutiny Committee on 17 January 2008.

Ward(s) affected: All

Report Approved by:-

Portfolio holder: Patrick Murray

Legal: Jeremy King

Finance: David Higgins

Policy Framework: Raising the standards of our service.

Recommendation(s):

1. To continue funding all aids and adaptation works for Council tenants from the HRA and adopt option (d) in the report.
2. To refuse any requests from new tenants for re-instatement of a property to its original, pre-adaptation works state unless works are agreed at the voids stage as a tenants' choice.
3. To fund and employ 0.6 of an Occupational Therapist (O.T.) initially for one year (from 01.04.2008) before assessing the impact and submitting a further report to Members.

Background –

1. Expenditure on adaptation work for the disabled has escalated over the last few years. This work typically covers grab rails, over-bath showers, ramps and, in a few cases, extensions. The Capital Budget for 2006/07 was £500,000 but the year-end spend amounted to £747,033. For 2007/08 the Capital budget is £500,000 and the demand for funds is rising. This has been made more acute because the funding of more Occupational Therapists (OTs) by the County Council has meant a reduction in their backlogs and an increase (and speeding up) in their recommendations to Oxford City Homes (“OCH”) on specialist aids and adaptations work.
2. There are three ways in which Oxford City Council secure tenants can apply for assistance with disabled persons adaptations:-
 1. Aids and Adaptations scheme application direct to OCH (but with the input of an Occupational Therapist).
 2. Through the statutory Disabled Facilities Grant (DFG) process.
 3. By applying to Oxfordshire County Council for assistance with minor adaptation works under the Chronically Sick and Disabled Person Act (CSDPA) 1970.

Aids and Adaptations scheme

3. Currently, Oxford City Homes (OCH) processes all applications from Council tenants for disabled aids and adaptations. For each application (other than most minor adaptations) the input of OTs (provided by the County Council) is sought - as they can provide the specialist knowledge to tailor aids/adaptations to a tenant’s specific medical needs. The Aids and Adaptations scheme provided by OCC is a voluntary scheme that it is not prescribed by statute. This has allowed a less bureaucratic scheme to evolve that has removed the need for Council tenants to have to find their way through the complicated DFG route.
4. There are approximately 50 applications awaiting processing and/or completion by OCH. The County Council has recently employed more O.T’s, which has halved the previous 7 months waiting time to 3.5 months for recommendations. However, this has placed an additional strain on OCH’s resources and will inevitably result in delays in processing applications. For example, 76 recommendations were received in August alone. Currently, the increased capacity of the County Council’s OTs has resulted in a 7 months delay within OCH for large adaptation works to be completed, even though an extra person was employed in the Aids and Adaptations team. However, smaller works, such as grab rails, are completed in a much quicker timescale. It is clear that without

additional resources more applicants will experience longer delays in finalising their much needed aids/ adaptations.

5. The HRA receives no income / grants towards the expenditure on aids and adaptation work. (It should be noted that this would also be the case if DFG grants were made to Council tenants). In addition to the Capital expenditure detailed above, £160,000 is budgeted for planned maintenance in 2007/08 for smaller revenue type adaptations (handrails, ramps etc.) for Council tenants. In 2006/07, the total expended in this budget was £251,883, £155,768 of which was for 96 jobs costing more than £750.
6. At present, applications for aids/adaptations from Council tenants are not means tested and no upper limit is placed on the costs of any adaptation sought (if justified by need). For this reason, Council tenants have not needed to complete lengthy application forms for a Disabled Facilities Grant (DFG)- the statutory prescribed scheme. Additionally, since OCH obtains the quotes itself for works the applicant is spared this task.
7. Of the applications each year only around 4 or 5 are in excess of £25,000 (the notional DFG limit).
8. The terms of the current Aids and Adaptation scheme require a recommendation from an OT, this is to ensure that the works are needed and that they suit the tenant's disabilities. The only exceptions being grab rails and/or stair rails, which are installed following a visit from a supervisor/surveyor who has had training undertaken by an OT.
9. Owing to the prescribed way that mandatory DFGs are applied for and delays in the past, the Council decided a number of years ago, to make applications for DFGs by Council tenants unnecessary, funding all OT recommendations from HRA budgets. Tenants still have an option to apply for a grant, if they so wish, but none tend to go down this route. Under the Councils' Constitution, competitive quotations are still obtained for the larger works but if an application goes down the DFG route, the tenant is responsible for obtaining the quotations.
10. Before making a recommendation to the City Council for the larger adaptations, OTs will visit the property with an OCH surveyor to carryout a joint feasibility study on the project. This study includes investigating the possibility of re-housing the tenants to a more suitable property, ideally to one already adapted. As all disabilities are different and individuals' needs vary so much in relation to carers and support, this process is often protracted and very difficult to find a satisfactory solution, that is why so many have their existing home adapted.

11. If there were no voluntary Aids and Adaptation scheme, Council tenants would have to rely solely on the statutory DFG route. Whilst many might meet the financial criteria for the grant, others may not qualify or would be required to make a financial contribution. Many might be put off by the complex and lengthy DFG application form or may fall foul of a more restrictive and regulated needs assessment.

Disabled Facilities Grant

12. The processing of DFG applications is currently the role of the Environmental Health Business Manager to administer. Currently no Council tenants apply for a DFG as they find the Aids and Adaptation Scheme route far easier.
13. Although the Council can approve a DFG for Council tenants, it cannot claim any subsidy from the Government (it can for private home owners). It would still have to be funded by the HRA.
14. Private and RSL householders who must apply via the prescribed Disabled Facilities Grant route are means tested (as well as subject to a needs assessment). They also need the input of the OTs employed by the County Council.
15. Under the DFG process, if an Occupational Therapist (OT) recommends adaptations as being “necessary and appropriate” and the proposed works are “reasonable and practical” then a Mandatory Grant (which is means tested) must be awarded from Council funds. Council tenants (whether or not in receipt of Housing Benefit) have a right to apply for a DFG and may choose to ask OCH to act as their agent. In all cases, a landlord’s approval to go ahead with the work is required.
16. Currently there is an individual maximum of £25k available under the DFG and the applicant would usually be expected to fund any excess sum themselves (as well as any financial contribution calculated in the assessment). However, there is a discretion under the DFG (that must be exercised reasonably) to pay more in exceptional circumstances.
17. Under the terms of a DFG the Grant money is awarded to the successful applicant who would then be responsible for authorising payment direct to the approved contractor.
18. An increase in DFG applications by Council tenants would see a saving to the HRA Aids and Adaptations budget, but it would pose a corresponding increase and strain on the DFG budget (which is already facing substantial pressures). It should be noted that as both would be HRA funded there would not be a significant change overall. However, means testing and other conditions may result in

fewer DFG applications than would have been the case if all Council tenants only applied to the Aids and Adaptation scheme.

19. The complexity of the DFG process and the impact of means testing would result in fewer DFG application than Aids and Adaptation applications and with means testing more applicants would be required to make a contribution.

CSDPA

20. Section 2 of the Chronically Sick and Disabled Persons Act 1970 provides that a local resident can apply to the County Council for assistance with home adaptation works and the provision of “additional facilities designed to secure his greater safety, comfort or convenience”.
21. In theory, minor works for the disabled are mandatory under the CSDPA – if the resident can show the required disability need. However, even for minor works the OTs employed by the County Council are currently recommending OCH pays, even when Oxfordshire County Council may be under a statutory duty to pay (if the tenant applied). It should however be noted that Oxford City Council’s position is not unique because most Councils that are social housing landlords, currently fund the adaptation works to their own stock and only a small minority use the DFG process.
22. On the face of it the CSDPA provides a route for the County Council to be compelled to help provide aids and adaptation assistance. However, it is recognised that the process would not be without difficulties for the average applicant and may require them to mount a legal challenge to obtain the assistance/funding. It is not clear whether the County Council has a budget for such obligations or how they would deal with such requests (having received no applications from Council tenants in the past). The level of customer service that might be experienced by potential applicants to the County would be difficult to predict. There is also little incentive for a Council tenant to apply to the County Council when their landlord (the City Council) runs it own Aids and Adaptations scheme.
23. It might be that the County Council could be asked to make a contribution to the costs incurred by OCC in funding aids and adaptation work. This would reflect the resulting absence of CSDPA applications that are currently directed towards the County Council.

Previously Adapted Properties

24. Currently, officers are reviewing the results of the annual tenancy inspections so that an assessment of the availability/allocation and occupancy levels of properties that are already adapted can be

made. This will be the subject of a report at a later date, which will also highlight tenant's desires/needs.

25. Every year there are a number of cases where adapted properties become void and able-bodied tenants move in. The new tenants initially accept the property and later request for the adaptations to be removed and, in the case of level access showers, for a bath to be re-instated. In the past the Council has agreed to their requests at a cost to the Aids and Adaptation budget.

General

26. Should Members agree to the proposals in this report, a review of the allocation of adapted properties will be undertaken and it is proposed that a new procedure is written, in partnership with tenant's representatives, bringing together all aspects of adapting homes for disabled tenants.
27. It should be noted that during the Housing Inspection by the Audit Commission, the Inspector was critical of the length of time that tenants had to wait for aids and adaptation work and in a more recent HQN inspection, they verbally endorsed the proposal to fund an OT in order to improve the waiting times.

Financial implications -

28. The consultation budgets to cover adaptation work for Council tenants in 2008/09 are as follows:-

HRA Planned Maintenance	£165,000
HRA Capital	£528,000

These budgets are subject to approval and will be in a later budget report. Any increases to these budgets will increase the shortfall for decent homes funding and may need disposal of assets to fund it.

29. In addition, the Environmental Health Business Unit has a budget of £600,000 for private sector DFGs. This is a General fund Capital budget and currently does not finance any adaptation work for Council tenants.
30. The Council has been advised by its' legal team that any adaptation work for their tenants cannot be funded from the General Fund and therefore the HRA will have to continue to meet all of this expenditure (whether for a DFG or Aids and Adaptation requests).
31. The option to means test all applications will not be possible unless additional resources are made available for the Environmental Health Business Unit (or OCH if they become involved with DFG applications) and it has been calculated that two full time

employees (FTEs) will be required. These could be part funded through fees received for acting as agent for the DFG applicants.

32. Financial summary:-

BUDGET HEADING	ORIGINAL 06/07 BUDGET	ACTUAL 06/07 YEAR END SPEND	APPROVED 07/08 BUDGET	PROPOSED 08/09 BUDGET
HRA CAPITAL - Aids & Adaptations	£500k	£747k	£500k	£528k
HRA REVENUE - Plan. Maint. Aids & Adaptations.	£159k	£252k	£160k	£165k
TOTALS	£659k	£999k	£660k	£693k

33. For comparison purposes, similar size authorities are listed below with their 2006/07 budgets for adaptation works:-

Colchester	£705,000 (HRA funded) for 6,500 properties.
Cambridge	£800,000 (HRA Capital) for 7,400 properties.
Lincoln	£260,000 (HRA funded) + £100,000 (approx. for large works – extensions) for 8,400 properties.
Welwyn & Hatfield	£600,000 for 9,400 (they stop work when budget runs out).
York	£250,000 for 8058 properties – no extensions always re-locate.

34. It should be noted that this budget has been under-funded for a number of years and by over £300,000 in each of the last two years. It has relied upon topping up from other under-spent budgets. If this trend continues, it could have implications for reaching the decent homes target unless further assets are disposed of.

Options -

35. The options for future funding of aids and adaptation requests to be considered for the future fall into five main categories:-

- a. That all applications for disabled persons adaptations are processed through the DFG route and funded from the HRA – this would mean that all applicants (including Council tenants) would be means tested and may have to make a

financial contribution – in some cases the full cost. No adaptation award in excess of £25,000 would usually be considered. This could be unpopular and a slower and more bureaucratic option for our disabled tenants. However, it might produce cost reductions to the Council overall although it would place severe pressure on the DFG process in the short term.

Estimated Revenue and Capital cost to HRA £750,000.

- b. That all applications for adaptations above a certain value e.g. £750, are processed through the DFG route as above and all adaptations under £750 are funded through the HRA Planned Maintenance budget. Again, this could be unpopular and a more bureaucratic option for our disabled tenants. However, it might produce cost reductions to the Council overall although it would place severe pressure on the DFG process in the short term.

Estimated cost to HRA Capital £800,000; cost to HRA Planned Maintenance £100,000.

(Note: For options (a) or (b) above the Executive Board could consider exceptional requests for funding over the £25,000 maximum (for example to fund extensions) on receipt of a detailed report). The payment of so-called “top ups” (over £25,000) would add to the estimated cost to HRA.

- c. That the Council funds, through the HRA, all adaptations (approved by an in-house panel) for disabled tenants, regardless of their ability to pay. This is similar to the system currently used and is mainly Capital funded. The value of this option appears more open ended and difficult to predict. Total proposed budget for 2008/09 is £693,000. Predicted cost to HRA £900,000 in 2008/09.

- d. As (c) above but large extensions and the like (above £25k) are assessed by an in-house panel (including an OT) to find the best solution. If this solution is estimated to cost more than £25k then re-location of the tenant/family would be the preferred option, if the tenant refuses the case will be the subject of a report to the Executive Board. It is anticipated that this option would result in fewer expensive extensions (over £25,000) being undertaken but it is still difficult to predict.

Please note that the tenant would still have the right to apply for a DFG instead.

Predicted cost to the HRA £693,000 in 2008/09.

- e. CSDPA – Oxford City Homes could implement one of the above options whilst also encouraging tenants to approach

the County Council for assistance or seeking a contribution from Oxfordshire County Council.

Funding an Occupational Therapist (OT)

36. The employment of an Occupational Therapist, or part FTE, would enable a quicker assessment time and enable post inspections to be made which would give a much better all round service for our tenants.
37. The cost of one FTE O.T. is estimated to be £40,000 (all inclusive). It is proposed to directly employ an OT for three days a week, initially for one year at a total cost of £25,000. This would be funded from the Aids and Adaptations budget.
38. There would be a total salary cost of £23,800, plus a one off initial set-up cost of £1,200 for computers, etc. A total cost of £25,000 in the first year. It is proposed that this agreement is for one year initially and then, following an assessment of the service, a further report will be submitted to Members before requesting funding for further years.
39. It should be noted that Oxfordshire County Council are obliged to provide OTs. However, by employing our own OT, it is hoped that waiting times would remain low and not fluctuate as they do now. Tenants would receive a better service and the Council would have more control over the whole process, possibly making savings to cover, or part cover, the OT costs.
40. An option of not using OTs is, in theory, possible but the risks involved in using untrained staff to assess and specify the larger adaptations for tenants are great. However, it is proposed to retain the present system of installing grab rails etc without a referral from an OT.

Proposals

41. It is proposed that:
 - a. Option 35 (d) is adopted and
 - b. Once an adaptation has been carried out, it is retained in the property and the property will not be further adapted, or original elements reinstated, unless there is a real need which would be identified at the void stage. Small adaptation works would then be undertaken as part of the tenant's choice process.
 - c. That an Occupational therapist (0.6 FTE – three days a week) be employed with effect from 1st April 2008 in order to deal with assessments and post inspections of aids and adaptation works for City Council tenants.

42. The proposed new process is shown in the form of a flowchart in Appendix 1.

Legal Implications -

43. It should be noted that tenants have a right to apply for funding for adaptations through the DFG grants procedure should they so wish but this will be means tested.
44. Oxfordshire County Council has an obligation to provide the OT service at no cost to the City Council. It is only for the purposes of providing a better service to our tenants that it is proposed to fund 0.6 of a full time post.
45. The County Council has statutory obligations to fund disabled adaptation work pursuant to the Chronically Sick and Disabled Persons Act 1970.
46. The Aids and Adaptation scheme is not a statutory requirement.

Staffing implications –

47. The proposals will result in the employment an O.T. (0.6 FTE) by Oxford City Council who will be based at Oxford City Homes and liaise with the County Council Social Services OT Team.
48. Currently Oxford City Council employs a team of builders at OCH who undertake adaptation works. It is not proposed to change this policy.

Consultation –

49. Tenants, via the Housing Advisory Panel, will be consulted on the proposals at their meeting on 24th January 2008.
50. The Occupational Therapy team at the County Council have also been consulted and (maybe not surprisingly) they are in favour of the proposed changes.

Appendices -

51. Appendix 1 Process flowchart.

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Background papers: **Capital & Planned Maintenance
programmes.
Decent Homes Criteria.**