

Report of Head of Housing Support

Report to Housing Advisory Board

Date: 28 February 2017

Subject: Housing Adaptations

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

1.0 Summary of main issues

- 1.1 Housing adaptations enable disabled people to continue to live independently in their own homes and therefore make a significant contribution to improving disabled people's health and well-being. Disabled people can apply for a Disabled Facilities Grant (DFG) to cover the cost of housing adaptations. The Council receives a government allocation, supplemented by other council resources and personal contributions, to cover the cost of adaptations in the private sector and Housing Revenue Account resources are used to cover the cost of adaptations in council housing.
- 1.2 The delivery of the Adaptations Service previously was undertaken between Property and Contracts and Health and Housing service areas. Further to a review in September 2016 it was agreed to temporarily merge the two service areas and for the Adaptation Service to be managed by Health and Housing taking responsibility for service delivery. The purpose of this change was to generate significant improvements in performance on processing schemes within target timescales and budget management for council housing adaptations. The report will set out the improvements that have been made to date and proposed future actions.

2.0 Recommendations

- 2.1 The Housing Advisory Board is to comment of the improvements made to date and the proposed further actions.

1.0 Purpose of the Report

- 1.1 To set out the steps that have taken by the Health and Housing Service to improve performance on the delivery of housing adaptation schemes within target timescales and to improve budget management relating to council housing adaptations. The report will also set out proposals to further improve service performance and budget management.
- 1.2 The Housing Advisory Board is asked to comment on the improvements made to date and the proposed further actions including the appropriateness of the current performance management framework.

2.0 Background Information

2.1 Housing adaptations enable disabled people to continue to live independently in their own homes and therefore make an important contribution to promoting the health and wellbeing of disabled people. Disabled people can apply for a Disabled Facilities Grant (DFG) to cover the cost of housing adaptations and the legal framework relating to DFGs is set out in the 1996 Housing Constructions Grants and Regeneration Act. The legal framework covers housing adaptations across all tenures. The following bullet points cover the main elements of the DFG framework and also significant differences between council housing adaptations and adaptations in other tenures:

- A DFG covers the cost of 'major' housing adaptations costing more than £1,000.
- The mandatory ceiling on the cost of a DFG is £30,000; although the Council can use its discretion to cover cost above this value.
- A means-test is applied on non-council housing adaptations (except schemes for children), based upon an applicant's income and savings, whilst no means-test is applied to council housing.
- The Council receives an annual government allocation (£5,631,000 in 2016/17) to cover the cost of non-council housing adaptations and supplemented this allocation with a further £1,069,000 from other council capital resources.
- The grant allocation is intended to part cover the cost of adaptations within housing association stock although the government recommends that authorities reach agreement(s) with local housing associations to part cover the cost of adaptations in housing association managed properties. The average agreement in Leeds is 21% of total cost.
- The non-council housing adaptation budget is augmented by contributions made by applicants who are subject to the financial means-test (potential financial contribution) and/or have schemes costing more than £30,000.
- It is forecast that £300,000 in customer/housing association contributions will be secured in 2016/17 giving a total private sector budget of £7m.
- The cost of council housing adaptations is covered by HRA capital resources with the 2016/17 budget now set at £7m.
- Housing adaptations are categorised as urgent and non-urgent cases by social care (following an OT assessment – see paragraph 2.2) with a Housing Leeds target to complete urgent cases within 70 calendar days of

receipt from social care and non-urgent cases within 182 calendar days of receipt. The targets are set out in government endorsed best practice guidance on housing adaptations. The guidance also recommends that authorities aim to complete 95% of schemes within the target timescales.

- The two social care directorates have targets (56 calendar days for adults and 70 calendar days for children) to carry out their assessment prior to passing onto Housing Leeds.
- Non-standard adaptation cases, such as property extensions and other major property reconfigurations, are not included within the Housing Leeds performance targets of 70 or 182 calendar days. It would not be feasible to design an extension, secure (if required) planning permission and build the extension within 70 calendar days.

2.2 The two key legal tests relating to DFG are that housing adaptations are assessed to be 'necessary and appropriate' to meet an applicant's accessibility need and that it is assessed that it is 'reasonable and practicable' to adapt the applicant's home. The 'necessary and appropriate' assessment is carried out by an Occupational Therapist with Adult Social Care/Children's Services and the 'reasonable and practicable' assessment is carried out by a surveyor from the Health and Housing service in Housing Management.

2.3 Historically, the 'reasonable and practicable' assessment was carried out by Health and Housing for non-council housing and by the ALMOs/Property and Contracts for council housing. In 2015 it was decided to get the Health and Housing service to do cross-tenure scheme design work and Property and Contracts to lead on procuring external contractors to carry out the work and Leeds Building Services carrying out a proportion of council housing adaptation work.

2.4 The 2015 functional split did not prove to be successful, resulting in a dislocation in the processing of cases across the two services and ultimately in poor performance against the processing of schemes against the two target timescales of 70 calendar days for urgent cases and 182 calendar days for non-urgent cases. In June 2016, 34% of council housing adaptations and 67% of non-council housing adaptations were completed within the target timescales.

2.5 In September 2016, following a review it was decided to temporarily combine the two service areas responsible for delivering the adaptation service within Property and Contracts and within Health and Housing into one service area within the Health and Housing service. This would enable one Housing Leeds service to be responsible for processing cross-tenure adaptations including the scheme design and procurement of contractors. Property and Contracts are now focusing, through Leeds Building Services, on delivering council housing adaptation schemes.

3.0 Main Issues

3.1 **Performance:** There has been a significant improvement in service performance in processing adaptation schemes within target timescales (70 or 182 calendar days) since the merged adaptation service was established. Performance by month is as follows:

% of housing adaptations completed within target timescale by month		
	Private	Public
December 16	92%	92%
November 16	97%	90%
October 16	94%	92%
September 16	88%	64%

3.2 Performance in quarter 4 2016 for private adaptations was 94.33% and 91.33% for council housing. The service is therefore within reach, and standard tolerances, of the 95% performance target.

3.3 Since September by combining the two service areas, this has had a positive impact on scheme turnaround with the removal of the need to transfer cases from Health and Housing to Property and Contracts part way through case processing. The Health and Housing service has adopted a more systematic approach to service delivery with the introduction of specific performance targets against the different stages of the adaptations process:

- Registration including establishing legal interest in property for private schemes (Health and Housing)
- Means-test of resources for private schemes (Health and Housing)
- Scheme design and, where applicable, securing planning permission (Health and Housing)
- Procurement, if applicable, of external contractors (Health and Housing)
- Contractor/LBS scheme delivery.

3.4 Health and Housing now has up to 25 calendar days to carry out the registration/means-test/design/procurement work and the contractor/LBS has up to 45 days to deliver the scheme – up to 70 days in total. Likewise, for non-urgent cases, Health and Housing has 119 calendar days to carry out its work and the contractor/LBS has 63 days to deliver the works – up to 182 days in total.

	Urgent	Non-Urgent
Health and Housing	25 calendar days	119 calendar days
LBS/External Contractor	45 calendar days	63 calendar days
Total	70 calendar days	182 calendar days

The targets, based upon an urgent and non-urgent assessment of need, are based upon guidance (rather than being a statutory requirement) and therefore an opportunity exists to decide whether the urgent/non-urgent assessment and the current targets represent the right approach to ensure we are best meeting customer need. This will be considered and proposals put forward to a future HAB.

3.5 **Finance:** the private sector adaptations budget has on a long-standing basis been managed by the Health and Housing service and is in a relatively healthy position. The gross budget for 2016/17 of £7m (£5,631,000 government grant/£1,069,000

council contribution/£300,000 customer/HA contribution) is currently forecast to have an under-spend/brought in on line and is also being used to fund (in line with the Housing Assistance Regulatory Reform Order¹) wider capitalised private sector housing improvements such as the Sanctuary scheme and empty homes activity.

- 3.6 The position relating to the council housing adaptation budget is more challenging. Spend in 2015/16 was £5.2m and higher spend in 2016/17 meant that the budget was revised up from £3.55m to £7m. The year-end forecast on 5 September 2016 (date of service temporary merger) was estimated to be £7.93m and, whilst this has now been reduced to £7.13m, it is still significantly above the revised budget position. Therefore joint work continues with colleagues within Leeds Building Services. A greater challenge will be presented in 2017/18 when the council housing budget will be reduced to £5m – the private sector budget will remain at £7m (assuming government grant and council supplement of £6.7m and £300,000 customer/housing association contributions) and cannot be used for council housing.
- 3.7 It will be difficult to reduce council housing spend by £2m through reducing charges made by LBS. The focus will therefore be on promoting more re-housing outcomes to already adapted council housing rather than adapting people's current homes. This is not a position that is being taken lightly and fully recognises the emotional attachment that many people will have to their existing homes. The Health and Housing service, as part of a wider Housing Management service, need to engage with tenants to identify whether they would consider a move and how best this could be facilitated through assistance with removal/decoration/fixtures and fittings (will invariably be a fraction of the cost of adaptation) and a pro-active approach to re-housing. It will never be acceptable to leave a person without adaptations in their current home because they do not want to move or to leave a person without adaptations for a long period of time because re-housing cannot be achieved in a timely way. The Health and Housing service, as part of the wider Housing Management service, will be fully accountable for all proposals/decision making relating to the promotion of the re-housing option.

4.0 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 No specific consultation has been carried out as part of the development of this report.

5.2 Equality Diversity Cohesion and Integration

- 5.2.1 The delivery of adaptation services makes an important contribution to enabling disabled people to continue to live independently and promoting health and well-being.

5.3 Council Policies and City Priorities

¹ <http://www.legislation.gov.uk/ukxi/2002/1860/contents/made>

5.3.1 The delivery of adaptation services makes an important contribution to promoting the health and wellbeing of disabled people.

5.4 Resources and Value for Money

5.4.1 The report sets out how Housing Leeds is striving to improve service delivery on housing adaptations and make better use of available resources.

5.5 Legal Implications, Access to Information and Call In

5.5.1 The Council delivers adaptation services in accordance with the legal framework set out in the 1996 Housing Construction Grants and Regeneration Act.

5.5.2 The report does not contain any exempt information.

5.6 Risk Management

5.6.1 Spend on council housing adaptations is the significant risk highlighted in the report.

6.0 Conclusion

6.1 Significant progress has been made in relation to performance against the processing of adaptation schemes within target schemes. Thought will be given to the appropriateness of the current performance management framework. Spend on council housing adaptation, whilst moving in the right direction, remains a significant challenge – not least to meet the budget cap for 2017/18. A greater focus on facilitating re-housing to existing adapted housing is being promoted but this will be done in a customer focused context: there will be no compulsion to move and Housing Leeds will be fully accountable for decision making in this work area.

7.0 Recommendations

7.1 Housing Advisory Board is asked to comment on the improvements made to date and proposed further actions including the appropriateness of the current performance management framework.

8.0 Background

8.1 None

The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.